

Obama Climate-Change Plan Could Hurt Co-op Members



MESSAGE FROM GENERAL MANAGER ALAN LESLEY

In late June, President Obama announced a series of actions to combat climate change. For members of electric cooperatives in Texas, and all other electricity users across the nation, those actions would drive up the price of electricity.

The president wants to reduce the volume of greenhouse gases—primarily carbon dioxide—emitted from fossil fuel-burning power plants, both new and existing.

He has instructed the Environmental Protection Agency to regulate carbon emissions under the federal Clean Air Act, a law last updated in 1990 that does not contain a single line mentioning carbon dioxide. Under this sweeping mandate, the White House risks shuttering the nation’s entire coal fleet—roughly 37 percent of U.S. generation capacity. That would drive up electric bills for everyone.

CECA and our national organization, the National Rural Electric Cooperative Association, oppose using the Clean Air Act to regulate greenhouse gases. Through the NRECA, co-ops will engage the administration at every turn to inject common sense back into policy discussions.

Whether you agree with the president’s underlying concerns about global warming or not, the fact is that short of closing all coal-fired power plants, there are no economically viable tools available to accomplish his goals.

For several years, electric co-ops have warned the Obama administration that employing the Clean Air Act to curb power plant carbon-dioxide emissions is misguided. Without significant modifications, co-op leaders think the president’s proposal will increase electric bills for those who can least afford it—our consumer-members.



Proposed climate change actions could shut down the 37 percent of the U.S. generation capacity that comes from coal-fired plants.

Rural residents already spend a greater chunk of their income on energy than those in urban communities. One of our most important missions as not-for-profit electric co-ops remains keeping rates affordable.

Forcing electric co-ops to shut down coal plants and switch to other fuels amounts to levying a punitive, regressive tax on rural America. Coal accounts for about 74 percent of the power produced by electric cooperatives nationally and 55 percent of all electric cooperative electricity requirements. In Texas in 2012, about a third of the total generation used in the Electric Reliability Council of Texas grid, which serves about 85 percent of the state’s electricity consumers, came from coal.

Keeping the lights on 24 hours a day, seven days a week requires traditional base-load generation with a combination of all available fuels: coal, natural gas, nuclear and renewables.

The NRECA, on behalf of America’s electric cooperatives, will continue to urge the administration to work with co-ops on a real, “all-of-the-above” energy strategy to keep electric bills affordable for rural Americans.

CECA

P.O. Box 729
Comanche, TX 76442

Operating in Brown, Callahan, Comanche, Eastland, Mills, Shackelford and Stephens counties

HEADQUARTERS

201 W. Wrights Ave.
Comanche, TX 76442

EASTLAND OFFICE

1311 W. Main St.
Eastland, TX 76448

EARLY OFFICE

1801 CR 338
Early, TX 76801

OFFICE HOURS

Monday through Friday
7:30 a.m. to 4:30 p.m.
Eastland closed from noon to 1:15 p.m.
Early closed from 1 to 2 p.m.

YOUR LOCAL PAGES

This section of Texas Co-op Power is produced by CECA each month to provide you with information about current events, special programs and other activities of the cooperative. If you have any comments or suggestions, please contact Shirley at the Comanche office or at sdukes@ceca.coop.



CONTACT US

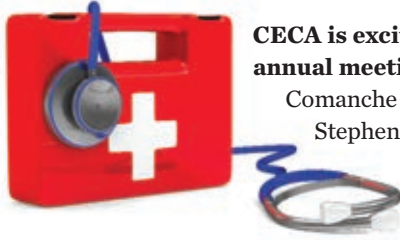
CALL US

(325) 356-2533 local or
1-800-915-2533 toll-free

FIND US ON THE WEB

ceca.coop

Health Fair October 12



CECA is excited to once again offer a health fair before our annual meeting October 12.

Comanche Community Healthcare Hospice/Home Health and Stephens Home Health from Stephenville will both be on hand to provide pulse oximeter readings. Comanche Community Medical Clinic will offer flu shots. Medway Home Health Care from De Leon will provide finger glucose checks. Cross Timbers Health Clinic in De Leon will perform blood pressure and glucose checks. In addition, CARE Inc. from Early will be serving hot cookies.

Others participating in the health fair are: CARR Inc., Coleman; Comanche EMS; Comanche Community Medical Center; Texas Department of Family and Protective Services; Chatfield Assisted Living, Brownwood; Bush & Hyde Law Office, Medicare Estate Planning, Granbury; Oak Ridge Manor, Brownwood; American Cancer Society, Comanche; Heart of Texas EMS, Comanche; Heart Lovers, Comanche; Rising Star Nursing Home; Standards Home Health; Guardian Home Health, Brownwood; CMS Health Care, Early; and Goldthwaite Health and Rehab. Unfortunately, cholesterol checks will be unavailable this year.

Air Evac Lifeteam will also be available with an information booth, along with a visit from the Air Ambulance. Members, guests and children are invited and welcome to get an up-close view and tour the helicopter.

The health fair will be available from 9- 10 a.m. during registration. It will close PROMPTLY at 10 a.m. so that all guests may attend this important meeting of the membership.

Help Drive Out Hunger

CECA is teaming with AgTexas Farm Credit Services and area FFA chapters to underwrite a historic event for the communities in which we serve.

“Driving Hunger Out of Rural Texas” is the theme for this event, which features a John Deere 5045 tractor traveling from community to community to raise awareness of hunger in Texas. FFA chapters within the CECA territory that are participating in the program are Blanket, Breckenridge, Cisco, Comanche and Eastland. These chapters have signed up to conduct individual fundraisers, with all proceeds being donated to the Texas Food Bank Network to be earmarked for the counties in which the money was raised.

CECA will team up with local FFA chapters by hosting hamburger/hot dog luncheons. All proceeds will go to the Texas Food Bank Network.

Please join us and help us “Drive Hunger Out of Rural Texas” while showing support for the FFA chapters in our communities.



Schedule

- ▶ **MONDAY, OCTOBER 28**, 11 a.m.-2 p.m., CECA will join forces with the Breckenridge, Cisco and Eastland FFA chapters on the CECA office grounds at 1311 W. Main St. in Eastland.
- ▶ **TUESDAY, OCTOBER 29**, 11 a.m.-2 p.m., CECA will be teaming with the Comanche FFA chapter on the grounds of the CECA office at 201 W. Wrights Ave., in Comanche.
- ▶ **WEDNESDAY, OCTOBER 30**, 11 a.m.-2 p.m., the Blanket FFA chapter will join CECA at the Heartland Mall parking lot.

At CECA, ‘We Promise’



A promise, as defined by Webster’s Dictionary, is “a declaration or assurance that one will or will not do something specified.” This is the definition that your cooperative has adopted as our personal

guarantee to our members to provide the services requested, expected and promised.

As a business, CECA has for the past 75 years had a history of fulfilling the commitment of providing the highest levels of service to our members. This commitment can only be continuously fulfilled by the dedication of employees who have personally “promised” to do their assigned duties in the most efficient manner possible and who have given more than required by their job descriptions.

During this past year, the CECA “I Promise” campaign has highlighted numerous employees who have done their job “and then some.” Our employees are working every day to earn your respect and trust.

As your cooperative’s manager, I am grateful to work in an organization that has such fine employees, and together we will continue to think of new and innovative ways to gain your trust and respect. I proudly join in the “promise” to not only maintain but also to actively encourage and support employees’ efforts to provide excellent member services.

As a member, you have an advantage because Comanche Electric Cooperative does more than just keep the lights on. Through the efforts and dedication of our employees, we make a real difference in the lives of those we serve while keeping the electricity we provide safe, reliable and affordable.

What does it mean to be served by CECA? It means being served by people you can trust, by an organization that’s working to build a better quality of life in your community. It means being a member.

We hope you will join us at the annual meeting October 12 for food, fellowship and prizes at the Comanche City Park as we celebrate 75 years of serving our membership. This also is your opportunity to exercise your rights as a member by participating in the democratic process and electing the individuals who will serve you on the board of directors.

—Alan Lesley

BOARD OF DIRECTORS



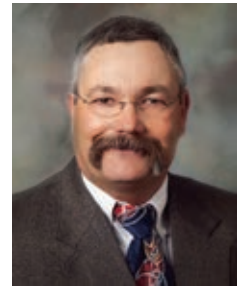
RANDY DENNING
DISTRICT 1



PETE MCDUGAL
DISTRICT 2



RUBY SOLOMON
DISTRICT 3



MONTY CARLISLE
DISTRICT 4



TROY STEWART
DISTRICT 5



LOREN STROEBEL
DISTRICT 6



PHIL TAYLOR
DISTRICT 7



ALAN LESLEY
GENERAL MANAGER

EMPLOYEES

Over the years, the cooperative has attracted and kept employees who are loyal and dedicated to the work of bringing dependable electric service to the members. We have some employees with many years of experience and expertise, some who have fewer years of experience and are training for additional responsibilities, and some who are just beginning. The employees listed represent more than 630 years of combined experience.

NAME	POSITION	YEARS OF SERVICE
Robert Atchley	Apprentice Lineman	10 months
Greg Beaty	1st Class Lineman	11
George Campbell	1st Class Lineman	26
Aaron Carroll	2nd Class Lineman	5
Brenda Carroll	Payroll/Work Order Specialist	16
David Cisneroz	PC Specialist	3
Guy Clawson Jr.	Staking Technician	6
Brandon Cook	1st Class Lineman	8
Jimmy Cuellar	Customer Service Representative	9
Monty Cunningham	Mechanic	1
Kellie Deters	Director of Inside Operations	23
Ricky Diaz	Apprentice Lineman	7 months
Shirley Dukes	Communications/Public Information	23
Doug Erwin	Director of Member Services	27
Rachel Ford	Human Resource Specialist/Benefit Admin	6
Chad Foreman	Director of IT	7
Jennifer Hanson	Dispatch, System Operator	14
Larry Hatley	Safety Coordinator	26
Billy Henry	Meter Coordinator/AMR Supervisor	36
Tommy Hesbrook	3rd Class Lineman	3
Nancy Isham	Executive Secretary	29
Mary Johnson	Purchasing/Warehouse	15
Kendall Keith	1st Class Lineman	17
Alan Lesley	General Manager	15

NAME	POSITION	YEARS OF SERVICE
Jim Lester	Engineering/Mapping Technician	17
Oracio Lopez	Service Lineman	11
Pam McClain	Customer Service Representative	13
Linda McNew	Construction Clerk	1
Larry Morgan	System Distribution Coordinator	30
Chad Newman	Grounds Maintenance	12
Dale Ogle	Equipment Operator	8
Timothy Pallette	1st Class Lineman	15
Tommy Patterson	Meter Technician	11
Bobby Reed	1st Class Lineman	30
Justin Riley	Working Crew Foreman	6
Scott Rutledge	2nd Class Lineman	6
Jill Sadberry	Director of Accounting and Finance	15
Jake Schwartz	Apprentice Lineman	9 months
Thomas Stevens	3rd Class Lineman	1
Keith Steward	Lineman/Power Quality	10
Eddie Strube	Director of Outside Operations	31
Jerry Strube	Mechanic	24
Adam Tally	2nd Class Lineman	6
Shelley Thedford	Billing Clerk/Customer Service Representative	14
Michael Tiemann	Apprentice Lineman	9 months
Curtis Tippie	2nd Class Lineman	7
Elizabeth Weathermon	Assistant Accountant	1
William Works	Working Crew Foreman	32

BALANCE SHEET

AS OF DECEMBER 31, 2011 AND 2012

ASSETS

WHAT WE OWN

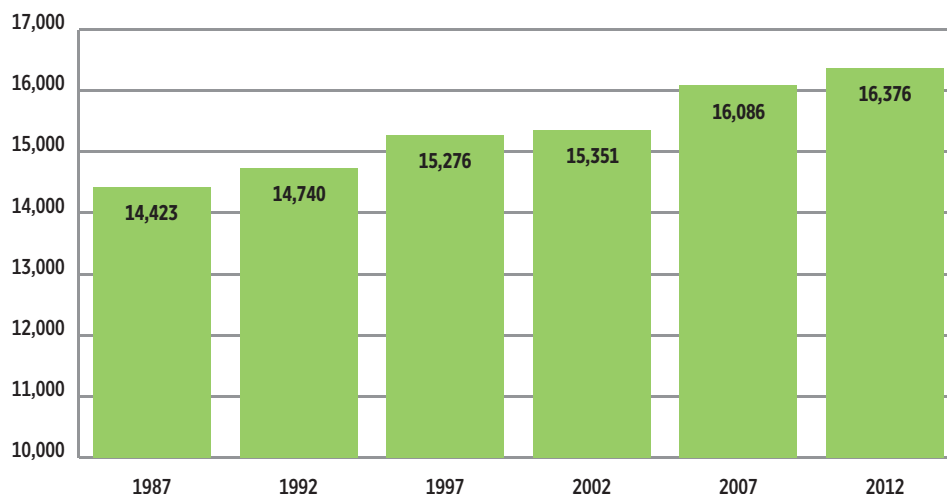
	2011	2012
Electric Lines, Equipment, Property and Buildings.....	\$64,688,807	\$67,049,903
Less: Accumulated Provision for Depreciation.....	<u>(16,274,216)</u>	<u>(17,517,320)</u>
Net Utility Plant	48,414,591	49,532,583
Non-Utility Plant	54,571	54,571
Cash.....	27,829	361,799
Investments in Associated Organizations	9,743,038	10,942,006
Other Investments	2,783,425	181,217
Accounts Receivable.....	715,290	328,284
Construction Materials and Supplies on Hand	532,501	881,555
Miscellaneous Prepayments and Other Debits	<u>286,249</u>	<u>2,899,413</u>
TOTAL ASSETS	\$62,557,494	\$65,181,428

LIABILITIES AND NET WORTH

WHAT WE OWE

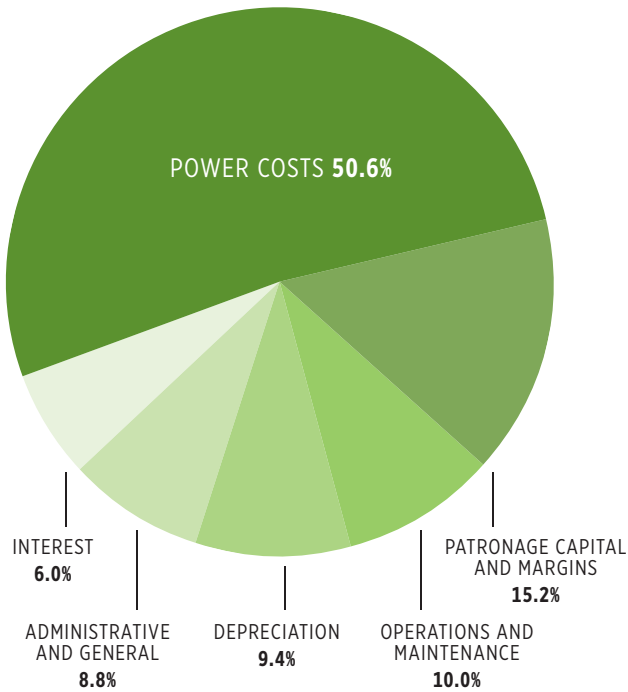
	2011	2012
Long-Term Obligations to RUS and CFC	\$67,996,201	\$73,253,455
Less: Payments When Due	<u>(34,992,646)</u>	<u>(39,746,732)</u>
Balance Due RUS and CFC Principal	33,003,555	33,506,723
Accounts Payable for Power, Materials, Supplies, Etc.	3,592,443	1,788,308
Deferred Credits	<u>551,638</u>	<u>921,861</u>
TOTAL LIABILITIES	\$37,147,636	\$36,216,892
Membership Fees	165,015	165,385
Patronage Capital and Other Equities	<u>25,244,843</u>	<u>28,799,151</u>
TOTAL NET WORTH	\$25,409,858	28,964,536
TOTAL LIABILITIES AND NET WORTH	\$62,557,494	\$65,181,428

METERS CONNECTED



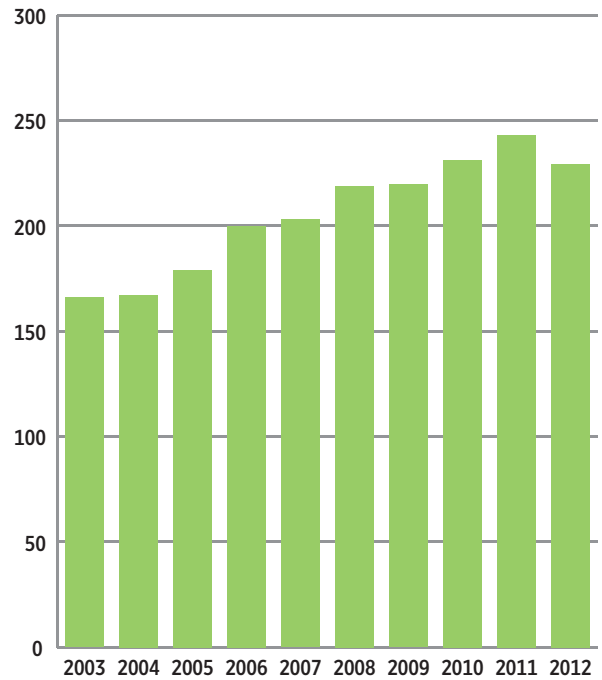
USES OF REVENUE

FISCAL YEAR 2012



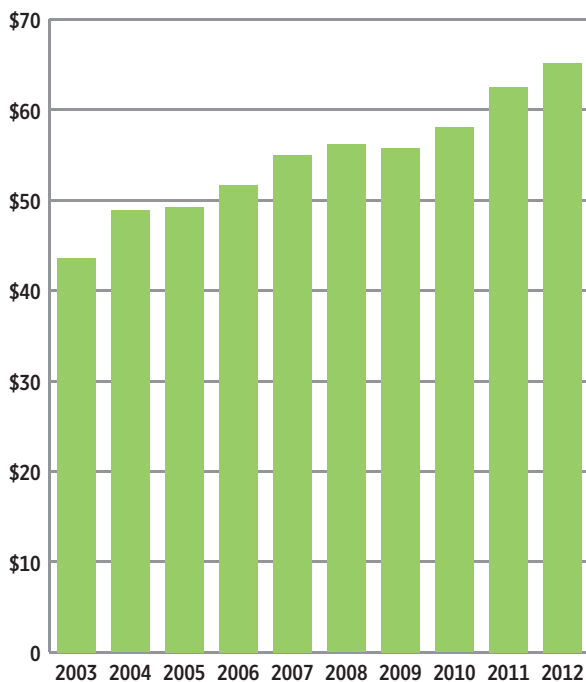
KWH SALES

IN MILLIONS OF KILOWATT-HOURS—PAST 10 YEARS



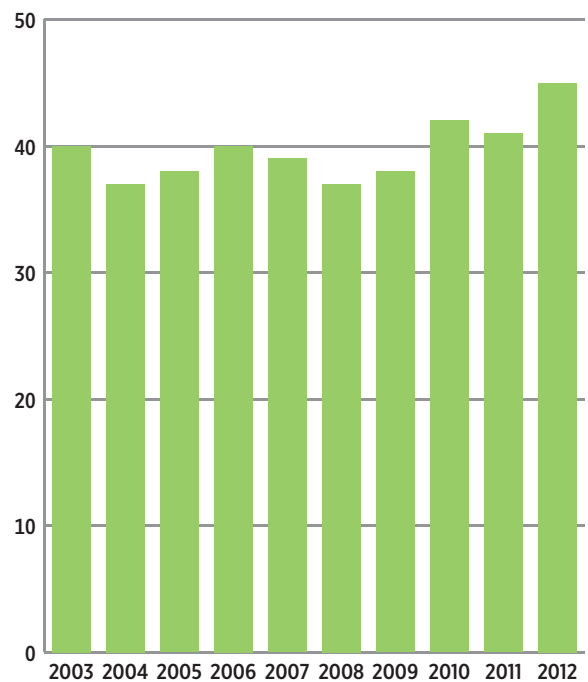
ASSETS

IN MILLIONS OF DOLLARS—PAST 10 YEARS



EQUITY

PERCENTAGE—PAST 10 YEARS





WHERE YOUR DOLLAR WENT

YEAR	PURCHASED POWER	SYSTEM OPERATIONS AND MAINTENANCE	DEPRECIATION	INTEREST	MEMBERS' CAPITAL CREDITS AND MARGINS
1987	63.1	17.8	6.6	6.3	6.2
1988	63.1	17.9	6.9	6.7	5.3
1989	59.4	19.8	7.3	7.0	6.5
1990	57.6	22.2	7.5	7.3	5.4
1991	56.7	22.8	7.9	8.1	4.5
1992	56.8	24.0	8.3	8.3	2.7
1993	56.9	20.9	7.4	7.1	7.8
1994	55.4	22.4	7.4	6.7	8.1
1995	54.9	24.3	7.5	7.1	6.2
1996	54.4	25.8	7.9	6.7	5.2
1997	56.6	26.5	8.2	6.3	2.3
1998	57.0	25.1	7.5	6.0	4.4
1999	56.1	25.0	8.3	6.9	3.6
2000	59.8	22.0	8.0	7.0	3.1
2001	60.4	21.3	8.1	6.9	3.3
2002	54.0	22.0	8.6	7.4	8.0
2003	58.1	20.5	8.0	7.0	6.4
2004	61.7	19.9	7.6	7.0	3.8
2005	66.2	17.4	6.4	6.3	3.7
2006	65.1	15.8	5.5	5.7	7.9
2007	68.1	16.7	5.7	5.9	3.6
2008	71.3	15.7	5.6	5.8	1.7
2009	66.5	17.5	6.3	6.3	3.4
2010	61.1	16.2	7.2	5.5	10.1
2011	61.0	17.5	8.6	5.7	7.2
2012	50.5	18.7	9.4	6.1	15.3

WHERE YOUR REVENUE CAME FROM

	2008	2009	2010	2011	2012
Farm and Ranch	42%	42%	44%	42%	40%
Irrigation	0%	0%	0%	0%	0%
Small Commercial	51%	48%	48%	47%	46%
Large Commercial	6%	9%	6%	9%	6%
Other Revenue	<u>1%</u>	<u>1%</u>	<u>2%</u>	<u>2%</u>	<u>8%</u>
Total	100.0%	100.0%	100.0%	100.0%	100.0%

COMPARATIVE STATEMENT

INCOME AND EXPENSES

INCOME—WHERE IT CAME FROM

	2011	%	2012	%
Electricity Sales	\$25,757,250	95.2	\$24,199,901	91.9
Service Charges and Other Revenues	480,852	1.8	576,091	2.2
Nonoperating and Interest	822,043	3.0	1,556,636	5.9
TOTAL INCOME	\$27,060,145	100.0	\$26,332,628	100.0

EXPENSES—WHERE IT WENT

Purchased Power	\$16,503,988	61.0	\$13,314,741	50.6
Operating and Maintaining	4,731,339	17.5	4,938,289	18.8
Depreciation Expense	2,337,092	8.6	2,467,499	9.4
Interest on Long-Term Debt	1,545,110	5.7	1,594,709	6.1
TOTAL EXPENSES	\$25,117,529		\$22,315,238	
MEMBERS' CAPITAL CREDITS (Margins)	\$1,942,617	7.2	4,017,391	15.3
TOTAL EXPENSES AND CAPITAL CREDITS	\$27,060,145	100.0	\$26,332,628	100.0

COMPARATIVE STATISTICS

	2011	2012
KWh Purchased	268,731,214	252,058,475
Cost of Power Purchased	\$16,503,988	\$13,314,741
KWh Sold	243,158,414	229,191,021
KWh Billing	\$25,757,251	\$22,918,823
Average Bill	\$131.29	\$116.63
Miles Energized	4,825	4,826
Meters Connected	16,349	16,376
Average KWh Used	1,239	1,166
New Services Connected	270	251
Miles of New Construction	54.26	32.29
Man-Hours Worked	109,119	109,385
Employees	48	49
Miles Driven by Cooperative Vehicles	565,524	463,979
Hours Lost Due to Accidents	24.5	0
Number Lost-Time Accidents	2	0
Hours Worked Since Last Lost-Time Accident	26,795	136,181

CECA Sends Students to Washington, D.C.

Cheyenne Gordon and Luke Broussard toured Washington, D.C., June 14-21 as a part of the Government-in-Action Youth Tour sponsored by CECA. Gordon and Broussard joined about 1,500 students sponsored by other electric cooperatives from across the nation on the all-expenses-paid educational trip.

To win the trip, the students competed by writing an essay on the topic: "What Makes a Business Excel for 75 Years?" They then presented their essays in the form of a speech in front of a panel of judges. Gordon, a home-schooled junior, is the daughter of Jerry and Kay Lynn Gordon of Zephyr. Broussard, an Early High School junior, is the son of Lance and Joey Broussard.

Gordon and Broussard began their trip in Irving, where they joined about 100 other students from across Texas. They flew to



Cheyenne Gordon and Luke Broussard

Washington, D.C., the next morning. In the nation's capital, students learned about electric cooperatives, American history and U.S. government. They participated in National Youth Day, visited with their elected officials in the House and Senate and explored the sights in Washington. A few of the many places students saw included the Washington National Cathedral, Arlington National Cemetery, the Lincoln and Vietnam Veteran memorials, Mount Vernon, Union Station and several of the Smithsonian Institution's museums. They also had time to shop, dance and go on a boat cruise.

If you are a sophomore, junior or senior at one of the high schools within CECA's service territory, then you, too, could win this trip of a lifetime. Watch for details in an upcoming issue of Texas Co-op Power, or contact the CECA Member Service Department at 1-800-915-2533.



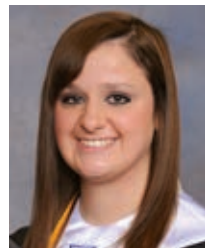
EMILY CULLERS



LUCCHESE GORDON



CALLY KARL



ALIISON KNIGHT



AUBREY LAWRENCE



LIBBY LOWRANCE

Six Area Students Awarded \$1,000 Scholarships

CECA is pleased to announce the winners of six \$1,000 scholarships awarded to area students. Congratulations to Emily Cullers, Lucchese Gordon, Cally Karl and Allison Knight for winning CECA's Scholarship for Excellence, and to Aubrey Lawrence and Libby Lowrance for receiving Operation Round Up Scholarships. CECA wishes these students the best as they pursue their educational goals.

Emily Cullers is a 2013 graduate of Comanche High School. She is planning to attend Hardin Simmons University to receive a degree in physical therapy. She is the daughter of Carlton and Jana Cullers.

Lucchese Gordon is the daughter of Jerry and Kay Lynn Gordon of Zephyr. She plans to attend Texas A&M University to pursue a history degree.

Cally Karl is an Albany High School graduate who plans to attend Texas Tech University and obtain a nursing degree. Cally is the daughter of Cody and Lisa Karl.

Allison Knight is a graduate of Goldthwaite High School. She is the daughter of Lynn and Betty Knight. She plans to attend Texas Tech University to pursue a psychology degree.

Aubrey Lawrence is a 2013 graduate of Rising Star High School. He is the son of Howard and Caryl Lawrence. Aubrey plans to attend Tarleton State University to pursue a degree in agricultural economics.

Libby Lowrance is a student at Baylor University, where she is majoring in accounting. Libby is from Ranger and is the daughter of Kim Lowrance Howell and the late Randy Lowrance.