

Our 'Little' Co-op Magazine

Over the Years, Co-op Magazine Has Reflected the Times

How much do you know about this magazine your electric cooperative sends you each month? Here are some facts and a brief history of *Texas Co-op Power*, the "little" magazine with the largest circulation in the Lone Star State!

It costs your electric cooperative a whopping 34 cents to send you this issue of *Texas Co-op Power*. You can find your co-op's local news in the center pages of each edition, so always check those pages for important information!

Your magazine was originally a newspaper tabloid called *Texas Cooperative Electric Power* that began in July 1943. In 1945, the name was shortened to *Texas Co-op Power*.

Charles Curfman, who was manager of Farmers Electric Cooperative in 1944, had this to say about the fledgling publication in an article called "The Baby Is Born":

"The first issue of *Texas Cooperative Electric Power* marks a distinct milestone in the progress to completely electrify rural Texas.

"With the advent of this healthy and husky baby among Texas newspapers there will no longer exist that vacant, uncultivated space within the garden of printed and published facts.

"There are no facts which the REA cooperatives want hidden. There are no bugs under the cooperative chip. The co-ops want the full white spotlight of public knowledge turned upon them. They want the public fully informed of what they have done, what they are doing, and what they plan to do.

"There is a butcher, a baker, a banker and a groceryman in your town who has been wondering why, during the past few years, the farm has so suddenly become such a desirable place to live. Of course, rural electric power is the answer.

"You should see that a copy of your

publication gets into their hands that they may learn of this electric farm economy. With all city conveniences now available, plus the soul-cleansing atmosphere of the country, with elbow room, with a cow and chickens and a garden of their own, they may decide to move to a small farm while continuing their businesses."

From 1944 through 1949, *Texas Co-op Power* experienced considerable growth, expanding circulation from 30,000 to 125,000.

Many stories were written in those early issues detailing the shenanigans of a group called the National Tax Equality Association (NTEA), which spent millions of dollars in a public relations campaign to bash electric cooperatives. NTEA turned out to be financed by for-profit power companies who were a lot more interested in the threat of competition than they were in ideals.

Each early issue of *Texas Co-op Power* detailed the rapid expansion of cooperative lines, various struggles with power companies, and the variety of "new" uses for electricity on the farm and in the household. Refrigerated locker plants were a popular news item, too, as co-ops built the plants, many at co-op headquarters, for people to use for keeping food frozen, curing pork, and aging meat and game.

Throughout the 1950s, electric cooperatives continued to expand their service territories and won numerous political battles despite poor relations with then-President Eisenhower. In Texas, the biggest political battles were over territory, with investor-owned power companies seeking the exclusive right to serve the most attractive service areas. After losing a court battle in 1957, several hundred co-op members showed up at the Texas Capitol and helped co-ops pass a bill that restored

co-op rights to serve their areas.

In August 1956, President Eisenhower vetoed the Kerr bill, considered the most extreme anti-rural electrification action taken by the president, resulting in 40 percent rate hikes for some co-ops in the Southwest.

In the early '60s, *Texas Co-op Power's* circulation topped 200,000. During that same time, West Texas Utilities, Texas Power & Light Company, and Houston Lighting & Power Company launched public campaigns against electric cooperatives. *The Abilene Reporter-News* reported in 1963 that Cal Young, the president of West Texas Utilities, said the threat of electric cooperatives invading urban areas was so great that there would "be no investor-owned power companies within 10, 15 or 20 years."

By the late '70s, high electric rates and power supply were the publication's main issues. The rising cost of electricity—due mainly to higher fuel prices—drew a lot of attention. Inflation. Recession. Unemployment. High interest rates. Dependence on foreign oil. In the face of these ills in the nation's economy in the 1970s, rural electric leaders from throughout the U.S. equipped themselves to cope with these threats to the flow and cost of electricity to rural Americans.

In the 1980s, energy problems continued to be serious, the fuel supply was critical and affecting almost all prices, the crude oil supply was short, and synthetic fuels were being studied by the Carter administration. The REA was constantly in peril with the Republican administrations, and Congress was called on repeatedly to come to the aid of rural electric co-ops.

Electric cooperatives in Texas began moving to the lead in the search for alternative energy that might take the "bite" out of America's energy crunch. Two of the most discussed exotic energy forms—solar and geothermal—



This is the staff of the Texas Electric Cooperatives Communications Department that produces *Texas Co-op Power* magazine.

were the subjects of a two-year study sponsored by Texas co-ops to determine power generation potential.

“By 1990, electric cars will dominate America’s roads,” predicted Sen. James McClure of Idaho, who believed there would be 10,000 such vehicles in use by 1985. “That figure will be in the millions by the year 2000.”

In the 1990s, the supporters of the REA were saying, “Here we go again.” The first Bush administration renewed its attack on the REA and federal power program, trying to phase out the REA loan program. In 1993, President Clinton and Congress slashed the government’s cost to fund REA by 43 percent with an understanding that no

further significant cuts would be attempted for five years.

Beginning in February 1992, *Texas Co-op Power* changed to a magazine format, printed on better-grade paper. Walter Richter, who had been writing “Poor Richter’s Almanac” since April 1973, retired his column after 211 installments.

A nationwide survey by the Roper Organization showed rural Americans worry about the nation’s future but associate favorable characteristics with the countryside—a strong sense of family, friendliness, honesty and strong work ethic. The drawbacks included poorer health care, police protection, public transportation,

entertainment, and arts and cultural opportunities. Bill Lewis, retired editor of *Texas Co-op Power*, accepted the George W. Haggard Award for the best rural electrification publication in the nation in April 1993.

In 1996, Peg Champion took the reins of Texas Electric Cooperatives’ communications department and *Texas Co-op Power*. Under her leadership, the magazine’s circulation has grown to more than 1.2 million subscribers and has won more national awards than space here permits listing.

We hope you find the magazine one of the best “perks” you have as being a member of your electric cooperative. We think it is!



McLennan County Electric Cooperative

1111 S. Johnson Dr. • McGregor, Texas 76657
(254) 840-2871 or 1-800-840-2957
www.mclennanelectric.coop

Your Touchstone Energy® Cooperative 

Scholarship and Youth Tour Program

MCCEC is proud to announce that we participate in the Government-in-Action Youth Tour, sponsored in conjunction with the National Rural Electric Cooperative Association and Texas Electric Cooperatives. The Youth Tour contest is held for high school students who have completed their sophomore years, and the winner will receive an expense-paid trip to Washington, D.C., in June.

The winner will join almost 100 others from Texas on this exciting trip. On Rural Youth Day, the Texas group will meet participants from other states at the U.S. Capitol, where they will meet their congressional representatives. Nearly 1,500 students will gather to learn about each other and what life is like in other parts of the U.S.



Co-op Members Approve Consolidation

The familiar name of McLennan County Electric Cooperative (MCEC) and Belfalls Electric Cooperative (BEC) will soon be replaced with Heart of Texas Electric Cooperative Inc. (HOTEC). With a majority vote from both cooperative's memberships, the consolidation of the two neighboring utilities was approved on November 16.

With an approval vote of almost 90 percent at MCEC and 80 percent at BEC, both cooperatives voted in favor of the consolidation. MCEC had 1,514 votes for and 178 votes against. BEC had 712 votes for and 194 votes against. The effective date of the consolidation is July 1, 2007.

Rick Haile, current CEO/general manager of MCEC, will maintain his position as CEO/general manager of HOTEC.

"This consolidation effort has been long and tedious, but we would like to assure our members we have always had complete regard for their inter-

ests. Thank you to all those who voted; we greatly appreciate your support," said Haile. "This isn't a big corporate merger like so many others. We are simply two neighboring utilities who want to work together to obtain better buying-power, greater efficiencies and market share in order to better serve our members. With this consolidation, we will experience the positive effects of a stronger and more viable organization."

The primary HOTEC office will be in McGregor, but the Rosebud-area office will also remain open as promised.

Both BEC and MCEC have taken great pride in the quality and efficiency of service they have provided over the past 70 years. However, after months of deliberation and preparations, the governing boards determined it to be in the best interest of both memberships to establish a united Heart of Texas Electric Cooperative. This consolidation will allow a

reduction in overhead and help maintain a competitive rate position for members. The strategic positioning will also allow the united cooperative an opportunity to enhance the technical and professional staffs to provide better service.

"The process will be slow," Haile said. "We want to ensure we do things right. While some changes will be visible early on, combining the computer and billing systems as well as the operation practices will take a longer amount of time. For those members who have memberships at both BEC and MCEC, it will take several months before we have the ability to send one bill."

With the consolidation, Heart of Texas Electric Cooperative will serve about 14,000 members and more than 18,000 meters and will have 3,500 miles of energized line. Counties served include parts of Bell, Bosque, Coryell, Falls, Hamilton, McLennan and Milam.

YOUR RIGHTS AS A CUSTOMER OF MCLENNAN COUNTY EC

I. RATE AND SERVICE INFORMATION:

You may request copies of any portion of the cooperative's rate and service tariffs as filed with the cooperative. A nominal reproduction may be added if the copies are mailed.

II. METER TESTING:

As provided by the rules of the cooperative, you may request a test of your electric meter if you believe that the meter is not accurately reflecting your actual electric consumption. This test will be made at no charge to you provided that the meter has not been tested during the previous four (4) years. In the event that you request a test more often than every four (4) years and the meter is not defective, you will be required to pay a charge of not more than \$15 for the test.

III. OUTSTANDING BILLS:

Under the tariffs of this cooperative, you will have sixteen (16) days from the date of issuance of the power bill to pay. If not paid in sixteen (16) days, the account will become delinquent and a termination notice will be mailed. If not paid in ten (10) days (a total of twenty-six (26) days from the date of issuance), the account will be disconnected.

IV. TERMINATION OF SERVICE:

Your electric service may be disconnected after proper notice for the following reasons:

- A. Failure to pay an outstanding bill.
- B. Failure to pay a delinquent account or meet the terms of a deferred payment plan.
- C. Violation of the cooperative's rules for the use of service in such a manner that interferes with the service of others or the operation of non-standard equipment; provided that the cooperative will make every reasonable attempt to notify you of the problem and allow you to remedy the situation.
- D. Failure to comply with the cooperative's deposit and guarantee requirements.

The cooperative may also disconnect at once and without notice where a dangerous condition exists and such disconnection shall remain in effect so long as the condition exists. Disconnection without notice may also be made when service is connected without authority by a person who has not made application for service or who has reconnected service without authority following termination of service for nonpayment. In instances of tampering with the cooperative's meter or equipment, bypassing meter, or other instances of diversion, service may be terminated immediately.

Where notice is required, the cooperative will either mail or personally deliver a written notice of termination at least ten (10) days prior to the date of disconnection. Disconnection will occur only on those days when cooperative personnel are available to receive payment to prevent disconnection, or are available the following day to receive payment to restore service. If you are seriously ill or will become more seriously ill as a result of termination of service, you may have your physician call or contact the cooperative within sixteen (16) days of the issuance of the bill concerning your condition. The physician must provide a confirmation letter to the cooperative within twenty-six (26) days of the issuance of the bill unless a lesser period is agreed upon. If you make a request to avoid termination under this provision, you must enter into a deferred payment arrangement.

V. SERVICE AND BILLING DISPUTES:

In the event you dispute your billing or any aspect of service, we invite you to request a supervisory review or investigation of the disputed matter. The cooperative will

promptly make such investigation as is required by the particular case and report the findings to you.

If the matter is not resolved to your satisfaction, you may appeal to: Complaint Resolution Committee of the board of directors of this cooperative.

Should the dispute involve billing, you will not be required to pay the disputed portion of your bill that exceeds your average monthly consumption for the previous 12 months. This provision is applicable pending determination of the dispute, but shall not be for more than sixty (60) days.

VI. ALTERNATE PAYMENT PLANS:

As a member of this cooperative, you have a right to request alternate payment plans:

a) **PAYMENT ARRANGEMENTS.** An arrangement may be made between you and the co-op in which you agree to pay your electric bill in full after the due date of the outstanding bill, but before the due date of the next bill. If you do not fulfill the terms of your payment arrangement, your electric service may be disconnected under standard termination procedures.

b) **LEVEL PAYMENT PLAN.** If you are on a fixed income or have a unique financial need you may qualify for a level payment plan. This plan allows you to pay a monthly amount equal to an average of the current month's bill plus the previous eleven (11) months electric bill, or an estimated amount if you are a new customer. Your level payment amount will be adjusted semiannually. If you do not fulfill the terms of your level payment plan your electric service may be disconnected under standard termination procedures.

c) **DEFERRED PAYMENT PLAN.** If you have not been delinquent in paying your bill more than two (2) times in the last twelve (12) months and are unable to pay all of your bill, you are qualified for a deferred payment plan. Such plan requires that you keep all subsequent bills current and pay monthly an amount not to exceed one-third (1/3) of the outstanding amount. You may, but are not required to, sign this agreement and if you do not fulfill the terms of the agreement your service may be terminated under standard termination procedures. Such breach of the agreement voids your right to a deferred payment plan or renegotiation to avoid termination. The cooperative is not required to offer this arrangement if you have had service for less than three (3) months.

VII. SERVICE RECONNECTION:

If your service is interrupted for any of the reasons listed under Section IV of the Bill of Rights, you may re-establish service when all outstanding and delinquent bills are paid and when a deposit or other evidence of payment guarantee is provided to the cooperative.

VIII. COOPERATIVE OFFICE AND BUSINESS HOURS:

Address: P.O. Box 357, McGregor, Texas 76657. Office business hours: 8 a.m.-5 p.m., Monday-Friday. Phone: (254) 840-2871 or if long distance, 1-800-840-2957. After business hours: Call (254) 840-2871 to reach a service representative. Web site: www.mclennanelectric.coop

IX. METER READING:

If you would like information regarding the proper method for reading your electric meter, the cooperative will provide, on request, full instructions.

X. DEPOSIT POLICY:

You may be required to establish credit satisfactorily by making a deposit but you will not be required to pay a deposit for residential service if you score a 650 or greater on a consumer credit check by a major credit reporting agency. The

deposit is limited to one-sixth of your estimated annual electric bill. Deposits accrue interest at a rate set annually by the Board of Directors and will either be paid to you when the deposit is returned or credited to your account. In lieu of a cash deposit, you may provide a copy of your military I.D. After 12 consecutive residential billings, provided your account is current and if you have not been delinquent more than two times or disconnected for nonpayment, your cash deposit plus interest will be applied or refunded.

XI. FINANCIAL ASSISTANCE:

Governmental or social service agencies may be able to assist you if you are having trouble making your payment for electric service to the cooperative. The following governmental social service or state agencies may be able to assist you if you are having trouble making your payment for electric service to MCEC. Please look for the government or social service agency which serves the county in which you receive service.

McLennan County: EOAC, 756-0954; EOAC, 840-3383; Caritas, 753-4593; Salvation Army, 756-7271.

Falls County: EOAC, 803-3751 (Leroy Thomas).

Bell County: HelpCenter, 770-6842.

Coryell County: Senior Citizen Center, 865-8234; or Over 60, 1-800-252-9240.

Bosque County: EOAC, 694-2261

Additional information may be obtained by contacting the Texas Department of Human Resources and Texas Community Affairs.

XII. NONDISCRIMINATION:

Your cooperative provides electric service without discrimination as to a member's race, nationality, color, religion, sex, disability, or marital status. Credit history shall be applied equally for a reasonable period of time to a spouse who shared the service.

STATEMENT OF NONDISCRIMINATION

McLennan County Electric Cooperative, Inc. is the recipient of federal financial assistance from the RURAL UTILITIES SERVICE, an agency of the U.S. Department of Agriculture, and is subject to provisions of Title VI of the Civil Rights Act of 1964, as amended, Section 504 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, as amended, and the rules and regulations of the U.S. Department of Agriculture which provide that no person in the United States on the basis of race, color, national origin, sex, religion, age, or disability shall be excluded from participation in, admission or access to, denied the benefits of, or otherwise be subjected to discrimination under any of this organization's programs or activities.

The person responsible for coordinating this organization's nondiscrimination compliance efforts is Deidre Lauterbach, Administrative Services Manager. Any individual, or specific class of individuals, who feels that this organization has subjected them to discrimination may obtain further information about the statutes and regulations listed above from and/or file a written complaint with this organization; or the Administrator, Rural Utilities Service, Stop 1510, 1400 Independence Avenue, SW Washington, DC 20250-1510; or the Director, Office of Civil Rights, Room 326-W Whitten Building, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer. Complaints must be filed within 180 days after the alleged discrimination. Confidentiality will be maintained to the extent possible.