



MESSAGE FROM GENERAL MANAGER BRANDON YOUNG

## Supply Chain Issues Affect Your Co-op

I'M SURE BY NOW many of you have experienced shortages when shopping for items in local grocery and hardware stores. If you own a business that maintains an inventory, it's almost certain you've experienced the same. These supply chain issues are also impacting Heart of Texas Electric Cooperative.

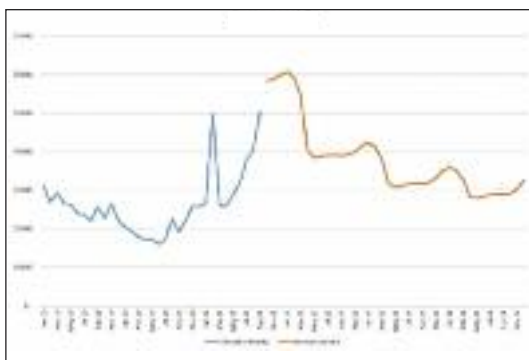
Over the past year and a half, we have battled increasing lead times and, in turn, increasing costs to the tune of 20%–300% for many of the items necessary to construct and maintain our distribution system. You can see in the inventory procurement chart below how volatile lead times have been, and I'm afraid the reports I've received from the many vendors who supply our materials do not bode well for the foreseeable future. Many forecasts for supplies indicate we may be in this position for an extended period.

Your co-op will continue to plan accordingly and do our best to procure materials to satisfy new construction needs, and we will work hard to complete any construction in the timeline we have been able to provide now for years. However, if supply chain

### Inventory Procurement

Category	Lead time 2020	Aug-21	Today
PVC	2 weeks	8 weeks	20 weeks
Single Phase Pads	12 weeks	26 weeks	53 weeks
Poles Transformers	4 weeks	10 weeks	28 weeks
Three Phase Pads	4 weeks	10 weeks	32 weeks
Meters	12 weeks	30 weeks	38 weeks
Rubber Goods	5 weeks	11 weeks	16 weeks
Wire Medium voltage	6 weeks	18 weeks	26 weeks
Wire ACSR	6 weeks	12 weeks	16 weeks
Meter Bases	3 weeks	16 weeks	26 weeks

### Historical and Forecast NYMEX "Henry Hub"



health continues to deteriorate, this may not be possible.

### Natural Gas Costs on the Rise

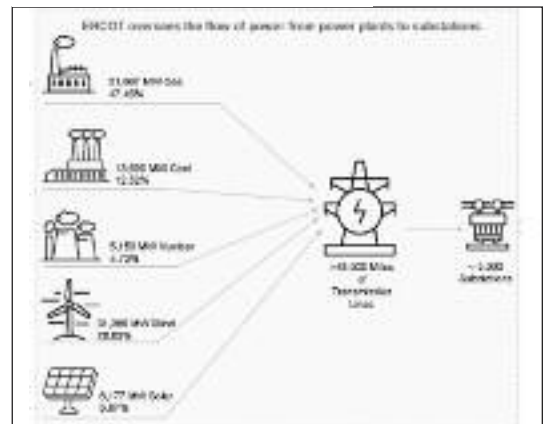
The Henry Hub graph on this page includes the historical and forecasted prices of natural gas. If you have been monitoring the price of natural gas over the past few months, you already know it has risen substantially. As you can see in the forecast, the price is predicted to increase and stay at this level for an extended period before settling back to levels typical for the past decade.

You have probably also read reports of a global energy shortage that has affected China, many European nations and other parts of the world. These nations continue to import from suppliers worldwide, and it is creating upward pressure on the price of the commodity due to scarcity concerns as we approach winter. As a result, there have been some discussions about the need for the U.S. to restrict liquefied natural gas exports to protect our domestic supply from possible shortages.

You'll see on the Electric Reliability Council of Texas resource chart, below, that nearly half of ERCOT's generating capacity stems from natural gas. This makes the ERCOT market extremely sensitive to the price of gas, and if that price continues to increase, so will the cost of electricity.

Despite these concerns for the future, there are many things to be thankful for right now as we enter the holiday season. We at HOTEK wish everyone a very merry Christmas and happy New Year. ■

### ERCOT Power Resource Chart





## Youth Tour and Scholarship Applications Sought for 2022

**YOUTH TOUR IS A** leadership program sponsored by Heart of Texas Electric Cooperative and organized by Texas Electric Cooperatives and the National Rural Electric Cooperative Association.

Highlights of the trip, which begins in Austin, include a visits to the state Capitol, Texas State Cemetery and the Bullock Texas State History Museum. The fun continues as students arrive in Washington, D.C., where they visit congressional offices and tour historic monuments, memorials and Smithsonian Institution museums. Youth Tour delegates will visit Arlington National Cemetery, Washington National Cathedral, the Supreme Court and the Library of Congress.

During the trip, participants also will convene for Rural Electric Youth Day and an evening of dinner and dancing.

Eligible applicants must have completed their freshman year of high school and be a dependent of a Heart of Texas EC member with permanent resident status in the co-op's service area. Tour dates are June 12–21, 2022.

To apply, students must submit an application and essay to be judged independently through HOTECH. Applications are due February 15.

Heart of Texas EC also awards 10 \$1,000 scholarships to graduating high school seniors who want to pursue higher education. Applicants must live with a parent or guardian who is an active HOTECH member.

Applications and details can be found at [hotec.coop](http://hotec.coop) by clicking on Youth Tour & Scholarships under the Programs tab. Scholarship applications are due March 1.

For more information, call Ron Poston, member services manager, at 1-800-840-2957. ■

## Heart of Texas Electric Cooperative

A Touchstone Energy® Cooperative 

### CONTACT US

P.O. Box 357  
McGregor, TX 76657  
**Local** (254) 840-2871  
**Toll-Free** 1-800-840-2957  
**Web** [hotec.coop](http://hotec.coop)

### General Manager

Brandon Young

### Board of Directors

Damon Boniface, District 6  
Garland Cook, District 1  
Kermit Dreyer, District 7  
Paul Edge, District 2  
Dan Foster, District 9  
Kenneth Hollas, District 3  
Bobby Nawara, District 4  
Allen Shows, District 5  
Larry Stock, District 8

**24/7**

## Outage Hotline Numbers

For information and to report outages, please call us.

**LOCAL**  
(254) 840-2871

**TOLL-FREE**  
1-800-840-2957

Call or text "OUT" to report an outage.

### ABOUT HEART OF TEXAS EC

HOTECH owns and maintains more than 3,800 miles of line to provide electric service to more than 16,500 members in Bell, Bosque, Coryell, Falls, Hamilton, McLennan and Milam counties.

### MCGREGOR OFFICE

**(254) 840-2871**  
1111 S. Johnson Drive | P.O. Box 357  
McGregor, TX 76657  
**Office Hours:**  
Monday–Friday, 8 a.m.–5 p.m.  
**Drive-Thru Hours:**  
8 a.m.–5 p.m.

### ROSEBUD OFFICE

**(254) 231-0444**  
159 Loop 265 | P.O. Box 598  
Rosebud, TX 76570  
**Office Hours:**  
Monday–Friday, 8 a.m.–5 p.m.

### BILL PAYMENT OPTIONS

- Credit/debit card payments
- Online at [hotec.coop](http://hotec.coop)
- By phone at 1-855-399-2688

### VISIT US ONLINE

[hotec.coop](http://hotec.coop)





## Happy Faces Highlight Membership Meeting

**SMILES AND FRIENDLY GREETINGS** were abundant as Heart of Texas Electric Cooperative members and friends gathered for the combined 2020–2021 annual meeting Tuesday, October 19, at the Frank W. Mayborn Convention Center in Temple.

Board members up for reelection for 2020 were Bobby Nawara, District 4; Allen Shows, District 5; and Larry Stock, District 8. Heart of Texas EC's bylaws allowed those directors to continue in their posts despite the delayed election forced by the pandemic. All were reelected to continue their three-year terms.

The directors up for election for 2021 were Paul Edge, District 2, and Dan Foster, District 9. Both were reelected. Damon Boniface was selected to fill the District 6 position, which was vacated by Dewayne Draeger's death in July.

Following a welcome by board President Garland Cook, David Carpenter, master of ceremonies, introduced the board of

directors and special guests.

General Manager Brandon Young reported that the co-op's financial footing is solid again this year, with a clean audit and growing membership. Young also thanked the board and the staff for their service.

It was a special night for employees as several were honored for their years of service to the co-op. Cook recognized each employee by name and service milestone as Young presented honorees with a certificate and gift.

Five linemen were recognized for reaching the five-year mark in 2020. They are Jonathon Wilde, Hobie Ward, Tyrell Gregor, Shawn Ashcraft and Joshua Allen.

Other employees who reached significant work milestones in 2021 are Barry Ballard, 25 years; William Packer, 20 years; Miki Thompson and Will Alexander, 10 years; and Dalton Levy, Evan Fuchs and Jessica Borom, five years.

## Annual Meeting Prizewinners

- Etta S. Watson**, \$500 HOTEK bill credit
- Leonard Prnka**, \$500 HOTEK bill credit
- Tully Fedelem**, Kindle Fire
- Colton Kostiha**, Kindle Fire
- Benjamin Shrewsbury**, Hyper Tough toolbox
- Jim Willie Thompson**, work light and 51-piece toolkit
- Pauline Grover**, Hyper Tough drill and screwdriver set
- Diane J. Daly**, \$50 bill credit
- Carroll Penny**, \$50 bill credit
- Stefan R. Greene**, Six-piece Ozark Trail camping combo set
- Herman Wuebker Jr.**, digital thermostat
- Sam Skrahak**, George Foreman grill
- Janell Skala**, \$50 Walmart gift card
- Shirley Dach**, \$50 Walmart gift card
- Ernest Forbes**, Yukon pistol case
- Lula and Roosevelt Whitfield**, 50-inch Philips TV
- Andy Machicek**, Yukon cooler
- Chad Harper**, Hyper Tough space heater
- Larry Reisner**, metered lamp
- Stacey Dawson**, \$50 Walmart gift card
- Calvin Rachui**, \$50 Walmart gift card
- Larry J. Hoelscher Sr.**, 50-inch Roku TV
- Rose Supak**, Electric griddle
- Linda Pittman**, Yukon cooler
- Dorothy Springer**, cast-iron cooking set
- Micah Reeves**, slow cooker
- Rachael Leija**, Shop-Vac
- Vicki Dawson**, \$50 gift card
- Otis Meier**, \$100 Walmart gift card
- Frank Nunez**, 50-inch Philips TV
- Peggy Finkenbinder**, coffee pot
- Mark Maddux**, backpack cooler
- Jimmie Snelson**, \$50 bill credit
- Edwin Malcik**, Yukon tote bag
- Paul Karnowski**, office fan
- Melvin Ranly**, \$50 bill credit
- Vernon Wilfert**, waffle maker
- Deborah Gauna**, food processor
- Charles McClure**, \$50 bill credit
- Donald Kasner**, meter lamp
- Steve Wooley**, hand blender
- Linda Hill**, \$50 bill credit
- Silvia Weber**, RTIC duffel bag
- Doug Sonntag**, assorted tools
- Todd Marek**, \$100 Lowe's gift card
- Melvin Lange**, \$75 Walmart gift card
- Roberta Gibson**, \$75 Walmart gift card
- Jason Fedelem**, \$75 Walmart gift card
- Ted Babb**, \$75 Walmart gift card
- Linda S. Pittman**, \$50 bill credit



Young concluded the meeting with a report on inventory procurement, rising fuel costs and the February freeze.

The full impact of the winter storm remains unknown pending the outcome of Brazos Electric Power Cooperative's bankruptcy proceedings, action by the Texas Legislature and the Electric Reliability Council of Texas market.

The estimated damage to the HOTEK distribution system is \$2.5 million. The co-op has submitted applications for relief to the Federal Emergency Management Agency.

Of course, one highlight of the evening was the prize drawing, which was conducted by Ron Poston, member services manager. TVs, gift cards, bill credits, tools and small appliances were among the prizes handed out to lucky members.

Grand prizewinners were Etta S. Watson and Leonard Prnka, who each won a \$500 HOTEK bill credit. Two mini-members, Tully Fedelem and Colton Kostiha, each won a Kindle Fire tablet. All members in attendance received a gift at the meeting's registration desk.

Heart of Texas EC is committed to providing superior service to more than 16,500 members across portions of Bell, Bosque, Coryell, Falls, Hamilton, McLennan and Milam counties. ■



Jonathan Wilde



Hobie Ward



Tyrell Gregor



Shawn Ashcraft



Joshua Allen



Barry Ballard



William Packer



Dalton Levy



Jessica Borom

# HOTEC Employees Reach Work Milestones

**HEART OF TEXAS** Electric Cooperative recognized employees for their service milestones during the annual meeting October 19 at the Frank W. Mayborn Convention Center in Temple. General Manager Brandon Young presented each employee with a plaque and gift certificate.

Jonathan Wilde, Hobie Ward, Tyrell Gregor, Shawn Ashcraft and Joshua Allen were each recognized for working at the co-op for five years. All five began their careers in 2015 and are first-class linemen.

Employees with service anniversaries recognized in 2021 are

Barry Ballard, serviceman, 25 years; William Packer, meter technician, 20 years; Miki Thompson, district supervisor, 10 years; Will Alexander, first-class linemen, 10 years; Dalton Levy and Evan Fuchs, first-class linemen, and Jessica Borom, member services representative, with five years of service each.

Congratulations to all for achieving career milestones. ■



MARYVIOLET | ISTOCK.COM

## Your Home's 5 Biggest Energy Hogs

A HOME'S HUNGRIEST energy consumers are the appliances left running all day or for days at a time. Here's a look at the top five electricity eaters and some tips on how to stave off their appetites:

The No. 1 home energy hog is the **heating system**. Ways to control your heater's energy consumption include using a programmable thermostat, upgrading to a more efficient unit, sealing ducts and replacing filters.

Next up is the **cooling system**. You can improve the efficiency of your air conditioner by having a technician service it every year, using a programmable thermostat and ensuring adequate attic insulation.

Third is the **water heater**, which can account for up to 12% of a home's energy bill. Actual energy demand for water heating depends on the model of water heater you have. Yet no matter the type of unit, these habits can help you conserve: taking quick showers, washing clothes in cold water, setting the water temperature to 120 degrees, insulating the storage tank and regularly draining sediment.

Next on the list are **dehumidifiers**, which typically run constantly to discourage mold growth and preserve stored items. To make sure your dehumidifier isn't wasting energy, close off the room where the machine is operating, set it at a reasonable level and consider upgrading to an Energy Star-certified model.

Fifth on the list—but still major power users—are **refrigerators** and **freezers**. Fridges generally are the top-consuming kitchen appliance, especially those that are a few decades old. Regardless of model, you can save energy by setting the temperature to 36–38 degrees for the refrigerator and zero to 5 degrees for the freezer, discarding freezer ice thicker than a quarter inch, checking seals, and cooling hot food before putting it inside. ■

## 2021 Capital Credits Allocated

**HEART OF TEXAS ELECTRIC** Cooperative allocated capital credits to members' accounts for 2021. The allocations amounted to \$4,582,416, including \$907,413 in operating margins.

Each account's equity can be calculated by multiplying the member's total bill, including security light expenses but excluding any taxes, service fees, memberships, deposits or miscellaneous charges, by a factor of 0.02169888.

If you have any questions concerning these calculations, please call the co-op office at 1-800-840-2957. ■

## Merry Christmas

From Heart of Texas EC

Our offices will be closed  
Thursday–Friday, December 23–24,  
in observance of the holiday.



MANAEMEDIA | ISTOCK.COM