

Who Profits from Co-op Service? You Do



**MESSAGE
FROM
MANAGER
LEROY T.
SKLOSS**

Lately we've been hearing a question from members that deserves a thoughtful answer: "If you're a non-profit, why don't you charge just enough to pay your bills?"

The answer is that we not only must charge enough to pay for the power we purchase for you and for the service we provide, but we must also maintain a positive cash flow. This gives us a cushion to handle situations that may arise unexpectedly, and it allows us to get favorable terms from lenders on money we may need to expand and maintain our power delivery system.

When fuel costs for electricity generation go up, your co-op pays more for electricity. If we didn't pass along that charge to you, we'd soon find ourselves in financial straits.

So, when generation costs rise, you can expect to see a bump in your electric bill. When they go down, you will notice a proportionate decrease in your bill. In a nutshell, that's part of how a nonprofit operates. All the money we collect pays for keeping your co-op whole. We're not accountable to outside investors. We're accountable only to you, our member-customers. We use our resources to make sound investments that benefit you.

As a distribution cooperative, we have to get power to you reliably. That means training and compensating our employees and purchasing high-quality poles, transformers, wires, bucket trucks and safety equipment. That also means getting your power back on as quickly as possible if severe weather takes down the system. We do that by investing in technology that

helps us work more accurately and quickly. We also pay decent wages to the people who repair the lines, send out bills and answer calls for help when you need it.

And don't forget, that's money that goes right back into the community where 61 co-op employees live and work.

You see, at Karnes Electric Cooperative, there are no outside investors making money on stock dividends or profit sharing. That's because the owners of Karnes Electric are you, the members, and every dime the co-op brings in over expenses is invested back in this business and eventually is returned to you in the form of capital credits.

Our mission is simple: provide a steady, reliable supply of electricity at the lowest cost possible. The modern business structure of electric cooperatives can be traced to our roots 75 years ago. During that era, big electric companies that served cities were not convinced that the expense of building lines to serve rural areas would pay off for their investors. So rural folks who wanted electricity banded together, borrowed money from the federal government and formed nonprofit electric companies.

The cooperatives did the hard work of putting up poles and stringing line to bring the power of electricity to farms and small businesses. As those rural areas have grown and changed, the cooperatives that powered that growth have also changed. Cooperatives are among the nation's leaders in innovative and efficient approaches to delivering electricity. Some electric co-ops now also provide services, such as high-speed Internet, to areas that previously had to live without them.

But there's one thing that hasn't changed: We exist to serve our local communities, not to turn a profit for distant investors.

Main Street, not Wall Street: That's the cooperative way.



SCHOLARSHIP APPLICATION DEADLINE

5 p.m. March 30, 2012

For more information, contact
Janet Scheffler or Karen Brysch
at (830) 780-3952 or visit
www.karnesec.org.



Don't get your electric bill caught in a spin cycle!

When doing laundry, use cold water. If your dryer has a moisture sensor, use it to prevent overdrying clothes—50 minutes often works best for a full load. And remember to check your lint filter each time before you run a load to help your dryer run more efficiently (and save energy).

Safety First, This Spring and Always

It's spring! The weather has finally warmed up, and Texans are out and about tending to their yards and enjoying many other outdoor activities. No matter what's on your agenda this spring, electrical safety should be an important part of your plans.

AT THE POOL OR LAKE? Keep power cords and electrical equipment away from water and other wet areas.

SPRING CLEANING? Look up and look out for overhead power lines. Be sure you're aware of any nearby lines before you climb a ladder to clean the gutters or before you extend the handle of a pool-cleaning tool. Try to stay at least 15 feet away from power lines.

PLANTING A SPRING GARDEN? Call 811 before you dig to make sure the area is free of underground utilities.

WORKING IN THE SHOP? Before plugging them in, inspect your power tools and electric lawn mower for frayed power cords, broken plugs and weathered or damaged housings. Don't use damaged equipment until it has been repaired properly. Keep tools

unplugged and stored in dry areas when they are not in use.

PLAYING WITH THE KIDS? Heed power lines and antennas when flying kites or model airplanes. If your kite does get tangled in overhead lines, do not attempt to get it down. Call Karnes Electric Cooperative.

TRIMMING TREES? Watch out for power lines that could be hidden by foliage. Contact Karnes EC if you have concerns about tree limbs growing into or around overhead power lines on your property.

MOWING THE YARD? Do not use electric-powered mowers on wet grass or around water. Always use an insulated extension cord designed for outdoor use with the correct power rating for that equipment.

WEED-EATING? Don't forget to trim around the large, green, ground-level box that houses components of an underground electrical system—co-op employees may need to access that equipment during unplanned outages and routine maintenance.

Before doing any tree trimming, be sure the tree and surrounding area are clear of power lines.



KARNES ELECTRIC COOPERATIVE

Your Touchstone Energy® Cooperative 

P.O. Box 7
Karnes City, TX 78118

LEROY T. SKLOSS
General Manager

OFFICE PHONE NUMBERS
(830) 780-3952
Karnes City Headquarters Office

(830) 569-5538
Pleasanton District Office

1-888-807-3952
Toll-Free (Karnes City)

**TO REPORT A POWER
OUTAGE AFTER 5 P.M.
AND ON WEEKENDS
AND HOLIDAYS:**

Coy City, Ecleto, Floresville,
Gillette, Goliad, Karnes City,
Kenedy, Runge, Three Rivers,
Tilden and surrounding areas
(830) 780-3952

Charlotte, Christine,
Pleasanton, Poteet, Verdi
and surrounding areas
(830) 569-5538

Nominating Committee To Be Appointed

The Board of Directors of Karnes Electric Cooperative will meet on April 24, 2012, and appoint a committee of members that will nominate candidates for the directors' election that will be held at the annual meeting on Monday, June 4, 2012. The Nominating Committee meeting will be held on Monday, April 30, 2012.

The following is an excerpt from the bylaws pertaining to the nomination of such candidates.

QUALIFICATIONS: No members shall be eligible to become, or remain a director, or to hold any position of trust in the Cooperative, who is not domiciled in the area certified by the Public Utility Commission as being within boundaries served by the Cooperative under its certificate of convenience and necessity, and whose domicile is not receiving electrical service from the Cooperative, or who is in any way employed by or financially interested in a competing enterprise, or a business selling electric energy or supplies to the Cooperative, or a business primarily engaged in selling electrical or plumbing appliances, fixtures or supplies, to the members of the Cooperative.

And no person shall take or hold office as a director, who is the incumbent of, or candidate for, an elective public office in connection with which a salary is paid.

When a membership is held jointly by a husband and wife, either one, but not both may be elected a director; provided, however, that neither one shall be eligible to become, or remain a director, or to hold a position of trust in the Cooperative, unless both shall meet the qualifications hereinabove set forth.

Nothing in this section contained, shall, or shall be construed to, affect in any manner whatsoever, the validity of any action taken at any meeting of the Board of Directors.

Districts are defined on key maps filed in the Cooperative office.

All directors shall be above the legal voting age under the laws of the State of Texas, and have been a member of the Cooperative for a period of more than twelve (12) con-

secutive months prior to holding such position.

NOMINATIONS: It shall be the duty of the Board of Directors to appoint, not less than thirty (30) days nor more than sixty (60) days, before the date of a meeting of the members at which directors are to be elected, a committee on nominations consisting of one (1) committeeman from each district, for which a director is to be elected, and one (1) committeeman at large, who shall be selected, so as to give equitable representation on the committee to the geographical areas served, or to be served by the Cooperative. No officer, or member of the Board of Directors, shall be appointed a member of such committee.

The committee shall prepare and post, at the principal office of the Cooperative, at least twenty (20) days before the meeting, a list of nominations for directors; but, any one hundred (100) or more members may make other nominations in writing, over their signatures, not less than forty five (45) days prior to the meeting; and the Secretary shall post the same, at the same place, where the list of nominations made by the committee is posted.

The Secretary shall mail, with the notice of the meeting, or separately, but a least ten (10) days prior to the meeting, a statement of the number of directors to be elected; and, showing separately the nominations made by the committee on nominations; and, the nominations made by petition, if any.

Nothing contained herein shall, however, prevent additional nominations to be made from the floor at the meeting of the members.

The members may, at any meeting at which a director or directors shall be removed, as herein provided, elect a successor or successors thereto without compliance with the foregoing provisions with respect to nominations.

Notwithstanding anything in this section contained, failure to comply with any of the provisions of this section shall not affect in any manner whatsoever the validity of any election of directors.



The offices of Karnes Electric Cooperative will be closed Friday, April 6, in observance of Good Friday.

We wish you a blessed Easter season.

OPERATING AND MAINTAINING YOUR HEAT PUMP

Like all heating and cooling systems, proper maintenance is the key to efficient heat pump operation. The difference in electric use between a well-maintained heat pump and a severely neglected one ranges from 10 to 25 percent!

Remember not to set back the thermostat of a heat pump if it causes any backup heating system to kick on. Backup heaters are usually more expensive to operate. Continuous indoor fan operation can also hurt heat pump performance unless you use a high-efficiency, variable-speed fan motor. Operate your heat pump with the “auto” fan setting on your thermostat.

Clean or change filters once a month or as needed, and maintain the system according to manufacturer’s instructions. Dirty filters, coils and fans reduce airflow, which will decrease system performance and possibly damage the compressor. Clean outdoor coils whenever they appear dirty; occasionally, turn off power to the fan and clean it; and remove vegetation and clutter from around the outdoor unit. Clean the indoor supply and return registers, and straighten any bent fins.

You should also have a professional technician service your heat pump at least once a year. The technician should do the following:

- Inspect ducts, filters, blower and indoor coils for dirt and other obstructions.
- Diagnose and seal leaky ducts.
- Verify adequate airflow by measurement.
- Verify correct refrigerant charge by measurement.
- Check for refrigerant leaks.
- Inspect electric terminals, and, if necessary, clean and tighten connections, and apply nonconductive coating.
- Lubricate motors and inspect belts for tightness and wear.
- Verify correct electric control, making sure that heating is locked out when the thermostat calls for cooling and vice versa.
- Verify correct thermostat operation.

To learn more about heat pumps, visit www.energysavers.gov.

Source: U.S. Department of Energy



ZOOMAR | THINKSTOCK

RIGHT SIZE, RIGHT SYSTEM

If it’s time to replace your heating and cooling system, choosing the right one for your home is a matter of asking the right questions, getting the right contractor and installing the right size. Here are some tips:

RIGHT QUESTIONS

- What’s the weather like in my region?
- How many people live in my house?
- What type of energy-efficiency upgrades have I made to tightly seal my house?

RIGHT SIZE

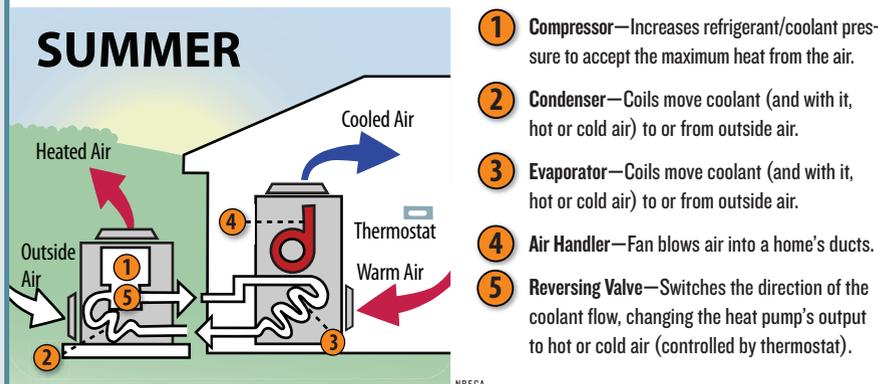
- Systems that are too large:
 - are more expensive to install.
 - break down more often.
 - operate inefficiently.
- Central air conditioners and heat pumps that are too large don’t run long enough to dehumidify the air, spurring mold growth and leaving inhabitants feeling clammy.

RIGHT CONTRACTOR

- Only a NATE (North American Technician Excellence) certified contractor should install your heating and cooling system.
- Your contractor should use computer software to calculate the size of system your home needs.

How Do Air-Source Heat Pumps Work?

By transferring heat between a house and the outside air, these devices trim electricity use by as much as 30 to 40 percent in moderate climates.





SEVERE WEATHER ARE YOU READY?

Lightning strikes kill more Americans than tornadoes or hurricanes. Don't take chances with this deadly force of nature.

Lightning Safety Rules:

- Move to low ground.
- Avoid open fields.
- Do not seek shelter under a tree. Trees are easy targets for lightning.
- Whether at the beach or in a swimming pool, get out of the water immediately.
- Go inside a building and stay away from windows and doors.
- Stay away from metal objects.
- Avoid electric appliances and metal plumbing.
- Get off the phone.
- Do not touch metal objects, such as golf clubs or bicycles.
- Inside a car is relatively safe, but do not touch interior metal.
- If your hair stands on end, you may be a target. Crouch low on the balls of your feet and try not to touch the ground with your knees or hands.

Stay aware and play it safe during thunderstorms. Don't be a lightning rod.



DIGITAL VISION



Time To Clean Up On Spring Energy Savings

The first days of spring often bring with them thoughts of spring cleaning. When you're busy cleaning out the closets and sweeping under the rugs, don't forget about cleaning your home's appliances and energy-consuming equipment. Not only will you be making your home more comfortable and enjoyable, you'll also be getting more value from your energy dollar. Below, find 10 tips to get you started and estimates on the savings you can expect:

1. Dust the lightbulbs and shades, install compact fluorescent lightbulbs and save about 66 percent on lighting costs per fixture.
2. Clean or replace your air conditioning system's filter and save up to 5 percent on cooling costs. Now that it's warm outside, set the thermostat to 78 degrees when you're home, and 85 degrees when you're away, and you'll save 2 percent on cooling costs for each degree you raise the thermostat setting.
3. Dust the curtains, and on hot sunny days, keep curtains on windows facing south and west closed and save 2 to 4 percent on cooling costs.
4. Trim back any plants or vines growing around the outdoor air conditioner unit, and have a professional tune up the system. You'll save up to 5 percent on cooling costs.
5. Vacuum your refrigerator's coils, and if the unit is more than 15 years old, consider replacing it with an Energy Star-qualified model, and enjoy an energy savings of 40 percent.
6. Flush the sediment from the bottom of your water heater tank and set its temperature to 120 degrees. You'll save 7 to 11 percent on water-heating costs.
7. Clean out the swimming pool and switch the pool filter and sweeper operations to early morning or late-evening hours. Also, consider replacing pool pumps and motors with energy-efficient equipment. (Energy savings depend on your use.)
8. Thoroughly dust computers, CD/DVD players, TVs and VCRs, and then unplug them when not in use. You'll save up to 30 percent on their overall electricity use.
9. Wash and dry full loads of laundry during the evening, and use cold water as often as possible. You'll save up to 4 percent on water-heating costs.
10. Scrub the tub. Then, install energy-saving showerheads, faucets or flow restrictors. You'll cut water-heating costs 10 to 16 percent.

For more tips on how you can save energy year-round, please contact Karnes Electric Cooperative.

Internet for Your Corner of the World

**HIGH-SPEED INTERNET
FOR THE KARNES
COMMUNITY**

- + Local Service and Support
- + High-Speed Wireless Internet
- + Email Spam & Virus Filtering
- + Web Hosting
- + Affordable Residential and Commercial Rate Plans

Call **800.699.4832** or visit **www.karnesec.net** to get connected today.

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