

Who Profits From Co-op Service? You Do!



MESSAGE FROM GENERAL MANAGER BRAD BIERSTEDT

LATELY WE'VE BEEN HEARING A QUESTION from members that deserves a thoughtful answer: "If you're a nonprofit, why don't you charge just enough to pay your bills?"

The answer is that Karnes Electric Cooperative must charge enough to purchase power, provide service and maintain a positive cash flow. This gives us a cushion to handle unexpected situations and allows us to secure favorable terms from lenders for money we might need to expand and maintain our delivery system.

When fuel costs for 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. Therefore, when generation and fuel costs rise, you can expect to see a bump in your electric bill. When they go down, you'll 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-owners. We use our resources to make sound investments that benefit you.

As a distribution cooperative, we have to get the 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 damages 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 your calls for help when you need it. Don't forget, that's money that goes right back into the community where your co-op employees live and work.

You see, at Karnes EC, there are no outside investors making money on stock dividends or profit sharing. That's because you, the members, are the owners of the cooperative, 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: Empower the communities we serve by providing a steady, reliable supply of electricity at the lowest cost possible.

The business structure of electric cooperatives can be traced to our roots decades ago. During that era, the 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 residents who wanted electricity banded together, borrowed money from the federal government and formed nonprofit electric companies.

As those rural areas have grown and changed, the cooperatives that powered their growth have also changed. Cooperatives are among the nation's leaders in innovative and efficient approaches to electricity delivery. Many electric co-ops also now deliver services such as high-speed Internet to areas that previously didn't have them.

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.



Before raising a ladder, make sure the area is free of power lines.

Outdoor Work Has Its Own Safety Rules

APRIL IS NATIONAL LAWN and Garden Month as well as National Safe Digging Month, making it a good time to raise your outdoor safety awareness. Use these tips to play it safe around electricity.

Keep power cords, tools and equipment away from water and wet areas while using and when storing them.

Before you climb a ladder or extend the handle of a tool, look up so you can avoid overhead power lines.

Call 811 and notify your electric cooperative before you dig in your yard—just in case electrical equipment or other lines are buried on your property.

When you plant a tree or install a satellite dish, locate it at least 10 feet away from overhead power lines.

Inspect power tools for frayed cords, broken plugs, and weathered or damaged housings—before the first use this spring. Don't use damaged equipment. Unplug tools before storing them.

Scope out the area before you trim tree limbs and shrubs, as power lines are sometimes hidden by foliage. Trimming branches that are growing into or around overhead power lines is not a job for a homeowner. Contact Karnes Electric Cooperative to do that dangerous work.

If you need extension cords for your outdoor tools, be sure you have models designed for outside use. Also be sure the extension cords are rated correctly for your equipment.

Karnes EC To Move Forward With AMI Deployment

IN 2013, KARNES ELECTRIC COOPERATIVE announced plans to implement Advanced Metering Infrastructure (AMI). Since then, we have taken time to address our members' concerns and test various meters to ensure we are installing meters that provide our members with the quality and reliability that all of you deserve. In April, we officially will begin deploying AMI meters in the Kenedy area. We expect to complete the entire meter deployment project within 15 months.

Advanced metering will provide many benefits to our members:

▶ Members will no longer have to read meters.

▶ Billing accuracy will improve by eliminating mis-reads or entry errors in our billing system.

▶ AMI will pinpoint the exact location of outages, meaning faster response and restoration time.

▶ Electric service reliability and power quality will improve.

▶ Member privacy will increase as AMI reduces the number of visits KEC makes to meter locations.

Members will not be charged for the new AMI meters. No rate increase is anticipated in association with this project because of greater billing accuracy and increased operational efficiency due to fewer visits to members' property, and KEC's enhanced ability to pinpoint outages and decrease restoration times.

KEC has contracted with Texas Meter & Device to install our AMI meters. TMD has worked with 10 Texas cooperatives, installing more than 1 million meters in the past five years.

Before upgrading meters in your area, KEC will send a 30-day notice to inform you of the upcoming meter change. Once a TMD contractor arrives at your location, the service technician will provide information on the meter upgrade and explain that you will experience a brief service interruption, lasting only a few minutes.

If no one is home, the service technician will leave a green door hanger to inform you that the meter has been upgraded. A red door hanger will be left if a meter was not able to be upgraded, and it will provide instructions on how to resolve the issue before TMD returns to your service location. Once the meter upgrade is complete, KEC will still require occasional access to the meter location for routine inspections and to restore outages.

Karnes Electric Cooperative is committed to delivering safe, reliable electric service to our members. We want to thank you in advance for your cooperation.

For more information on AMI meter installation and to view our progress map during the AMI project, please visit karnesec.org, or call us at (830) 780-3952.



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Karnes Electric Cooperative

P.O. Box 7, Karnes City, TX 78118

GENERAL MANAGER

Brad Bierstedt

BOARD OF DIRECTORS

Arlon Retzloff, President, *Whitsett*
Paul T. Brysch Jr., Vice President, *Karnes City*
Larry R. Schendel, Secretary-Treasurer, *Runge*
Frank A. Geyer Jr., Assistant Secretary-Treasurer, *Charlotte*
Martin R. Harris Jr., *Tilden*
Shirley Hofmann, *Runge*
Clif Royal, *Pleasanton*

COOPERATIVE OFFICES

Main Office

1007 N. Highway 123, Karnes City

District Office

1824 W. Goodwin, Pleasanton

Pay your bill, submit meter readings and view your account summary at karnesec.org.



Contact Us

For information and outages during office hours

(830) 780-3952 Karnes City
(830) 569-5538 Pleasanton
1-888-807-3952 Toll-free

To report a power outage after 5 p.m. and on weekends and holidays

(830) 780-3952

Coy City, Ecleto, Floresville, Gillette, Goliad, Karnes City, Kenedy, Runge, Three Rivers, Tilden and surrounding areas

(830) 569-5538

Charlotte, Christine, Pleasanton, Poteet, Verdi and surrounding areas

FIND US ON THE WEB

karnesec.org

Enjoy Springtime With Energy Savings

SPRING HAS SPRUNG! Put mild springtime temperatures to work for your energy bill with these easy suggestions:

Hire a heating and air-conditioning professional to check out your air-conditioning system and window AC units. Annual spring maintenance can keep your AC running smoothly. Ask the pro to change or clean the filters while there.

Open the windows. As soon as it's warm enough to feel comfortable indoors without heat, turn it off and invite inside the warm outdoor air. Natural breezes will freshen a stuffy house that's been closed up all winter. Keeping the heat and AC turned off for as long as possible can save you a bundle on energy.

Let in the sunshine. Throw open the drapes or blinds to let bright, warm sun rays into your rooms on mild days. When summer heat arrives, close those drapes during the day to keep the sun from overheating your house.

If you have a programmable thermostat, use it. Set it to automatically adjust the temperature so you're not cooling an empty house.

Switch the direction of ceiling fans. During spring and summer, fan blades should rotate counterclockwise, pushing cooler air down into the room. Using ceiling fans will allow you to increase your thermostat's temperature setting by up to 4 degrees without sacrificing comfort.

Have a cookout. Prepare dinner on your outdoor grill on nice evenings rather than using the stove or oven. Appliances that create heat tend to heat up the whole house.

Run the dishwasher and clothes dryer after dark. No need to add heat to your home's air during the day when it's warm outdoors.

Caulk and weatherstrip windows and doors. You read about this every spring because you should do it every spring. Caulking doesn't last forever.

Dress for the weather. Shed the sweaters and socks when it's warm outside so you can delay the start of air-conditioning season inside.

Turn down the water heater. If you snuck it up a couple of degrees during the winter to make your showers extra steamy, it's time to lower it to 120 degrees. Not only is that hot enough, it's also a safer temperature than anything higher, especially if kids or older family members are showering in your home.



As part of your spring cleaning, hire a professional to conduct annual maintenance on your AC unit.



MARK YOUR CALENDAR!

PLEASE PLAN TO
JOIN US FOR THE

KARNES ELECTRIC COOPERATIVE

ANNUAL MEETING

MONDAY, JUNE 6

CALENDAR: TAPHOUSE_STUDIOS | © ISTOCK.COM

Nominating Committee To Be Appointed

THE BOARD OF DIRECTORS of the Karnes Electric Cooperative will meet April 26 to appoint a committee of members that will nominate candidates for the directors election to be held at the annual meeting Monday, June 6. The Nominating Committee meeting will be held Monday, May 2.

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

Qualifications and Tenure:

To become and remain a Director, a Person must comply with the following general qualifications:

(a) be an individual who is a member in good standing and who is 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 receiving electrical service from the Cooperative. A Member in “good standing” means a member who has timely paid all bills received from the Cooperative for the most recent twelve (12) consecutive billing periods without having been issued a termination notice or a disconnect notice;

(b) be above the legal voting age;

(c) have not been previously removed or disqualified as a Director;

(d) while a Director, and during the five years immediately before becoming a Director, not be convicted of, or plead guilty to, a felony or a misdemeanor involving moral turpitude;

(e) before becoming a Director, graduate from high school or earn an equivalent degree or certification;

(f) except as otherwise provided by the Board for good cause, attend at least three-fourths of all Board Meetings during each twelve (12) month period;

(g) while a Director and during the three years immediately before becoming a Director, is not engaged in business with, employed by or materially affiliated with, and does not have a material financial interest with another director, a competing enterprise, or a business selling electric energy, supplies or services to the Cooperative or its members;

(h) is not the incumbent or a candidate for an elective public office in connection with which a salary is paid;

(i) when a membership is jointly held by 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 of the Cooperative unless both shall meet the qualifications hereinabove set forth;

(j) is not the spouse, parent or child (including step and adopted) of an incumbent director or Cooperative employee;

(k) an individual who was, at one time, or is currently, employed by the Cooperative is not eligible to serve as a director until at least sixty (60) months after leaving the employment of the Cooperative. Once becoming a director, an

individual will not be eligible to be employed by the Cooperative until at least sixty (60) months after leaving the position of director;

(l) be bondable; and

(m) comply with any other reasonable qualifications determined by the Board.

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) committee man from each district, for which a director is to be elected, and one (1) committee man 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.

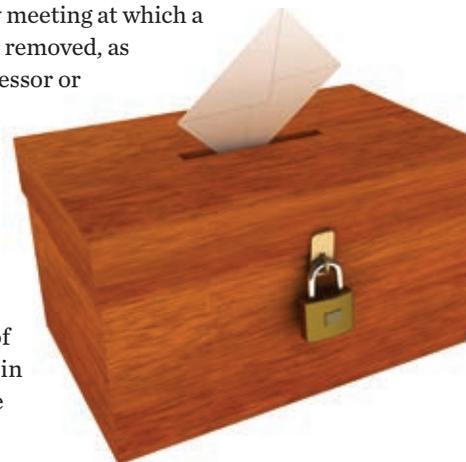
The committee shall prepare and post, at the principle office of the Cooperative, at least twenty (20) days before the meeting, a list of nominations for directors; but, any one hundred (100) or more members may make other nominations in writing, over their signatures, not less than forty five (45) days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



Thank a Lineman April 11

AMERICA'S ELECTRIC COOPERATIVES DESIGNATED the second Monday of April as National Lineman Appreciation Day.

The resolution, adopted unanimously by the National Rural Electric Cooperative Association Board of Directors, says this about linemen and the proper recognition of their contributions:

“Whereas linemen leave their families and put their lives on the line every day to keep the power on; Whereas linemen work 365 days a year under dangerous conditions to build, maintain and repair the electric infrastructure; Whereas linemen are the first responders of the electric cooperative family, getting power back on and

making things safe for all after storms and accidents; and Whereas there would be no electric cooperatives without the brave men and women who comprise our corps of linemen;

Therefore be it resolved that NRECA recognize the second Monday of April of each year as National Lineman Appreciation Day and make available to electric cooperatives, materials and support to recognize the contributions of these valuable men and women to America's Electric Cooperatives.”

On April 11 this year, Karnes Electric Cooperative will honor the dedicated people who work in challenging conditions to keep the lights on. We proudly recognize all electric linemen for the services they perform around the clock in dangerous circumstances to keep power flowing and protect the public's safety.

Your co-op's linemen maintain 4,374 miles of line in our service territory.

“Our lineworkers are the first responders of our electric distribution system, and they



The next time you see a lineman, take a moment to thank him for all he does to keep the lights on.

work around the clock on high-voltage lines,” General Manager Brad Bierstedt says. “Conditions can be dangerous, but they power through to ensure reliable service for our members.”

We invite all our members to take a moment and thank linemen for the work they do. If you see a lineman at the grocery store or a local ballgame, shake his hand and let him know you appreciate his work. If you post on social media, use #thankalineman to show your support for the heroes who light our lives.



Make the Connection

Shop online, pay bills, download music, watch movies— faster!

HIGH-SPEED INTERNET FOR THE KARNES COMMUNITY

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

karnesec.net

Tornado Season Approaches

Are you and your family ready for severe weather?

TORNADOES ARE AMONG NATURE'S most violent and unpredictable storms, and Texas regularly sees plenty of them. Survival is a matter of planning and preparation.

In Texas, tornadoes are more prevalent from April through July, with April and May being the peak months. But remember: Like thunderstorms, tornadoes can form any time of the year and occur in every state in the country.

One of the most alarming aspects of a tornado is its randomness; there's no telling whose home it will miss, and whose it will hit. Your best defense is to be alert and prepared.

Be Prepared

Pay attention to local weather reports. You can get reliable information from broadcasts on a National Oceanic and Atmospheric Administration weather radio and via free alerts by apps on your mobile phone or other devices. If you use a mobile app, plan to use it sparingly to save power on your device if the electricity goes out.

Develop a family emergency plan. Make sure everyone in your family knows where to go in case a tornado warning is issued while they're at home, school or work, or on the road.

Assemble a family emergency supply kit. Make certain everything you need is in one specific, easy-to-access location. Perishable items should be changed or replaced every six months. More information on assembling a kit can be found on the Federal Emergency Management Agency's website, ready.gov.

During any emergency, always pay attention to the instructions issued by local emergency management officials. Take time before bad weather season to learn about emergency plans established in your area by state and local governments.

Stay Alert Afterward

In the aftermath of a tornado, potential hazards must be considered during response and recovery efforts. Keep yourself and your family members alert with these general precautions:

Continue to monitor local radio or TV stations for emergency information and the potential for additional storms.

Be aware of possible structural, electrical or gas leak hazards in and around recovery sites. If you see these hazards, report them to the proper local authorities and/or utilities.

Do not touch downed power lines or objects that are in contact with them. Call Karnes EC.

Wear proper clothing, including boots and gloves, when



Spring is tornado season, so make sure that you and your family are prepared beforehand.

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walking on or near debris.

Use the proper safety precautions when operating generators, chain saws or other power tools.

Take steps to prevent heat illnesses and dehydration in yourself and others.

Take Advantage of Resources

The following websites and apps can help you stay informed, connected and prepared before, during and after a tornado.

EMERGENCY WEBSITES

► **National Weather Service:**

nssl.noaa.gov/education/svrwx101/tornadoes

► **Red Cross:** redcross.org/prepare/disaster/tornado

► **Federal Emergency Management Agency:** ready.gov/tornadoes

► **Centers for Disease Control and Prevention:** emergency.cdc.gov/disasters/tornadoes/index.asp

WEATHER APPS

► **Nixle:** Collects and distributes weather advisories from more than 9,000 public safety agencies, including local fire departments and emergency management agencies.

► **American Red Cross Tornado:** Find step-by-step instructions on how to prepare for and recover from a tornado. Provides live tornado warnings and a map, plus an "I'm Safe" button that allows those affected by recent tornadoes to notify family and friends.

► **American Red Cross First Aid:** Offers safety tips specifically for bad weather and natural disasters, including tornadoes. All info is downloaded with the app so an Internet connection is not required, and a 911 integration feature allows emergency phone calls to be made directly from the app.