Voluntary and Open Membership

Your co-op values customer service, day in and day out



MESSAGE FROM
GENERAL MANAGER AND CEO DEBRA COLE

WHEN ELECTRIC CO-OP MEMBERS look at the Seven Cooperative Principles, some might question whether co-ops really live up to

the first principle, Voluntary and Open Membership.

It is a fair question. There is a two-part answer.

First, it's important to remember that when HILCO Electric Cooperative was first being formed back in 1937, every potential member had the option to refuse service. It might be hard to believe today, but there are numerous stories from electric co-ops throughout the country when the farmer said, "No, thanks. We are doing fine with kerosene." Over time, of course, they changed their minds and became members of the co-op.

Because offering electric service comes with a sizable cost, most people and businesses in co-op territory have only one choice if they want to connect to the grid and receive electricity. That situation might evolve in the future, but for most people, the best option now for safe, reliable and affordable power is your electric cooperative.

Today, electric co-ops focus on the second part of the principle, Open Membership. All residences and businesses in the service territory of HILCO EC are welcome to receive power. By providing electric service and being an active part of our community, co-ops continually strive to ensure that your membership offers value to you.

Your co-op welcomes your participation in the governance of the organization through the election of a democratically elected board of directors. As a locally owned and controlled utility, a co-op is in an ideal position to understand the needs of its members and can quickly respond to help ensure that the membership receives the best service possible.

Members are encouraged to suggest improvements to the co-op's operations and, unlike large investor-owned utilities, many of which serve millions of customers, you can be assured that a real person in real time will receive your ideas.

All cooperatives, whether your credit union, farm co-op, telephone co-op or any other of the thousands of co-ops that exist in the U.S. today, operate by these Seven Cooperative Principles:

- 1. Voluntary and Open Membership
- 2. Democratic Member Control
- 3. Members' Economic Participation
- 4. Autonomy and Independence
- 5. Education, Training and Information
- 6. Cooperation Among Cooperatives
- 7. Concern for Community

By abiding by all of these principles integrated together, HILCO EC is able to serve your needs every day.



BOARD OF DIRECTORS

George Thiess, President, District 6
Joseph (Joe) Tedesco, Vice President, District 4
Janet (Jan) Smith, Secretary-Treasurer,
District 7

Leroy Huff, District 1 Margaret Hill, District 2 Bill Allen, District 5 Ron Roberts, District 3

Operating in Dallas, Ellis, Hill, Johnson and McLennan counties

GENERAL MANAGER AND CEO

Debra A. Cole

COOPERATIVE OFFICES

Itasca Headquarters

115 E. Main St. • P.O. Box 127 Itasca, Texas 76055 (254) 687-2331 1-800-338-6425

Midlothian

300A Silken Crossing Midlothian, Texas 76065 (972) 723-2900

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4581 FM 933 Whitney, Texas 76692 (254) 694-5237 1-888-850-6551



For information during office hours and outages after hours:

CALL US

(254) 687-2331 local or 1-800-338-6425 toll-free

EMAIL

hilco@hilco.coop

FIND US ON THE WEB hilco.coop



Bulletin

April 3

Good Friday. HILCO offices closed.



April 17-19

Antique Alley-Grandview, Cleburne, Sand Flat, Alvarado and Maypearl.

30-plus miles of shopping. Antique AlleyTexas.com, (817) 240-4948 for more information.



BILLING SCHEDULE

Payments are due by close of business at 5 p.m. on the due date.

CYCLE 1

Billing Date April 7
Due Date April 23
CYCLE 2
Billing Date April 14
Due Date April 30
CYCLE 3
Billing Date April 21
Due Date May 7
CYCLE 13
Billing Date April 22
Due Date May 7
CYCLE 4
Billing Date April 28
Due Date May 14

A MESSAGE FROM THE HILCO BOARD OF DIRECTORS

The year 2014 year proved to be another good one for HILCO Electric Cooperative. As your board of directors, we are pleased to report some recent accomplishments of our dedicated staff and employees under the direction of the board and General Manager/CEO Debra Cole. As always, our objectives are to provide the most reliable electric service at the lowest possible cost for our members.

CAPITAL CREDITS

In 2014, we were able to distribute more than **\$1 million** to members who had service with HILCO Electric, by way of check or applied bill credit.

This was our 13th year to retire patronage capital to our members since 2001.

We are pleased to report that HILCO has retired all patronage capital allocated through 1983; 100 percent of the year 2000; and portions of the years between 2001-2013.

MEMBER BENEFITS AND SERVICES

Our Co-op Connections card has been one of the most accepted and appreciated programs at HILCO, especially the prescription drugs feature.

Since the program's inception in 2007, HILCO members have saved a staggering \$972,935 on prescription drugs. At the end of 2014, more than 120 local vendors were honoring the program. If

Co-op Connections Card: By the Numbers Saved on prescriptions by HILCO members since 2007

you have not already started using yours, we encourage you to start today and get in on the savings.

Visit our website at hilco.coop and click on the Co-op Connections card for a listing of local and national participating merchants and pharmacies.

Nineteen high school seniors were awarded scholarships totaling \$15,000 to attend the colleges or universities of their choice.

HILCO sent three lucky students on "a trip of a lifetime" to Washington, D.C., for the 2014 Government-in-Action Youth Tour. The students met with our representatives and had a firsthand look at our government in action.

HILCO's website, hilco.coop, offers several features that our members may find helpful. You can find payment options, payment locations, member account information, home energy audit information and much more.

ENERGY-EFFICIENCY AND REBATE PROGRAMS

We are pleased to report that our rebate programs and energy conservation suggestions have been well received by our members.

In partnership with our generation and transmission provider, Brazos Electric Power Cooperative, HILCO members received roughly \$67,000 in rebates! We had a remarkable response to our spring and fall HVAC maintenance tuneups rebate, Energy Star new home, high-efficiency heat pump and many others.

We appreciate our members' willingness to try these energysaving methods to help conserve power. Please continue to watch your monthly Texas Co-op Power for important energyand cost-saving ideas.

MEMBER SURVEY

We thank you for your participation in the 2014 Member

In satisfaction ratings, the perceived quality of service for HILCO Electric Cooperative was overwhelmingly positive. A large percentage of members have had some form of direct contact with HILCO employees, and of those, 87 percent rated the customer service representative as Good/ Excellent; 79 percent have rated the field representatives as Good/Excellent; 86 percent rated the response time to a power outage as Good/Excellent; 97 percent of members understand the electric bill they receive each month and, if they had a question about it, 43 percent thought the question was

HILCO Electric Cooperative Board of Directors













GEORGE THIESS

VICE PRESIDENT

SECRETARY-TREASURER

DIRECTOR

BILL ALLEN DIRECTOR

MARGARET HILL DIRECTOR

answered completely; and 51 percent have not called in at all. Regarding payment options, 87 percent said their choices are Good/Excellent.

Commenting on the overall service that members said they received from HILCO Electric Cooperative, 97 percent would recommend HILCO to a friend or family member.

COMMITMENT TO THE COMMUNITY

Community involvement is important to HILCO Electric Cooperative; in fact, it is one of the Seven Cooperative Principles that shapes the way co-ops do business.

Since its inception in 2001, HILCO members have contributed a total of **\$631,103** to the Operation Round Up program. Thank you, members!

Our Operation Round Up program continues to provide much-needed assistance to organizations in our area. Each month, participating members' residential electric bills are rounded up to the next dollar. Those pennies, nickels and dimes help fund organizations that have applied to Operation Round Up for assistance. Online enrollment is available for members who want to sign up for the voluntary residential program.

In an effort to conserve our environment, HILCO hosted two electronic recycling events in 2014. HILCO collected more than 80,000 pounds of old TVs and other "junk" electronics at no direct cost to our members. We appreciate your participation in helping keep our environment safe and clean.

HILCO also offers safety programs to schools, organizations and clubs.

Our employees take pride in remaining active in their communities.



Operation Round Up



Recycling Event

THE YEAR AHEAD

The year 2014 was a great one for HILCO Electric Cooperative. Our members' average cost per kilowatt-hour was \$0.112, compared with \$0.1030 in 2013. The number of meters on our system grew from 24,249 to a yearend total of 24,868. HILCO Electric Cooperative continues to grow and serve our members with reliable service and the lowest possible rate.

HILCO subsidiaries are growing and supporting our members with the services requested, providing propane and water for reasonable rates and consumer-friendly service.

We will continue our energy-efficiency programs, including CFL and LED distribution, HVAC tuneups and energy audits. Educational material for our Beat-the-Peak program (reducing power usage during the hours of 4-8 p.m. from June through September) will also be provided. Lower total power demand during this period helps set a lower base cost for the following year.

We expect nothing but the best for 2015 and look forward to serving you, the HILCO members. As your board of directors, we promise dedication in looking out for the best interests of HILCO members, continuing our education and research on providing the lowest possible energy charge, and always looking for ways to improve your electric service.

The year 2015 will bring more challenges for electricity generation across Texas, but we are dedicated to fighting the battle to bring HILCO members the most reliable and affordable service possible.

Sincerely,

RECYCLE

Your Old Electronics! April 29–30

Drop off your unwanted electronic items April 29–30, 8 a.m. to 4 p.m Itasca location ONLY, 115 E. Main St.

Two Days Only!

NOT ACCEPTABLE

- Yard Equipment
- Gas-Powered Equipment
- Water Coolers
- Paper Shredders
- Propane Tanks
- Space Heaters
- Household Appliances
- · Smoke Detectors
- CRT Tubes Without Cases
- Lightbulbs—CFL or Fluorescent
- Freon (Refrigerator & Air Conditioner)
- Loose Batteries
- Wooden Speakers
- Ceramic and Glass Lamps
- Christmas Trees and Lights
- Crock-Pots
- Electric Blankets
- Fire Extinguishers
- Exercise Equipment
- Garbage Disposals

ACCEPTABLE ITEMS

- Computers—CPU—Laptops
- Computer Accessories
- Computer Monitors
- Televisions/Cable Boxes/DVRs
- Printers
- DVD/CD Players
- Copiers/Fax Machines
- Typewriters
- Telephones/Answering Machines
- · Cellphones/Chargers
- GPS Units/Scanners
- Pagers
- PDAs
- Tablets
- MP3 Players
- External Hard Drives
- Radios and Boomboxes
- Video and Camera Equipment
- Video Game Systems
- Cables, Wires, Power Cords, Power Strips
- Microwaves and more





Leslee Payne and Brianna Ducklow

2015 Youth Tour Winners Are Bound for Washington, DC

LESLEE PAYNE, from Itasca High School, and **BRIANNA DUCKLOW,** from Waxahachie High School, were selected to represent HILCO Electric Cooperative on a weeklong, all-expense-paid trip to Washington, D.C.

Rachel Freeman, a senior at Itasca High School, was chosen as an alternate in the event that either winner is unable to attend the event.

Students from schools in HILCO's service area submitted essays titled "What It Means To Be An American," and the top three students were selected from a group of four finalists, all of whom were interviewed in person by independent judges at HILCO Electric January 27.

In June, Payne and Ducklow will join more than 100 other students representing Texas co-ops and about 1,500 from across the country in the nation's capital, where they will get a firsthand look at democracy in action. They will also meet with their congressmen, tour the Capitol and visit historical sites.

The Youth Tour program dates back to the National Rural Electric Cooperative's annual meeting in 1957, when a speech by then-Sen. Lyndon B. Johnson encouraged electric co-ops to send young people to intern in his office for the summer. In 1958, an Iowa electric co-op sponsored the first weeklong study tour of the nation's capital.

In 1964, the NRECA began to coordinate activities among the state delegations. That year, more than 400 teens from 12 states attended, and the tradition of the Government-in-Action Youth Tour began.

"If one thing comes out of this meeting, it will be sending youngsters to the national capital, where they can actually see what the flag stands for and represents."

-Lyndon B. Johnson



Power Tip

New and improved lightbulbs can reduce your lighting energy use between 35 and 80 percent. Choose from an increasing number of energy-efficient halogen incandescents, CFLs and LEDs.

Win a \$50 Bill Credit!

As you're reading your Texas
Co-op Power, look for the "hid-

den" account number in the local
HILCO pages in
the center of the
magazine. If it's
YOUR electric
account number,
call us before the
end of April—you



have won a \$50 credit on your HILCO electric bill!

(254) 687-2331

or

1-800-338-6425

GEOTHERMAL VS. AIR-TO-AIR

Choose the Right Heat Pump

HEAT PUMPS ARE CONSIDERED one of the most energy-efficient products for heating and cooling today, but homeowners and building operators have a choice: an air-to-air heat pump or a geothermal heat pump.

Unfortunately, there is no easy answer. Economic values vary for each building, and preferences vary for each individual making the decision. With numerous choices about energy efficiency and potential tax credits, even a knowledgeable consumer can find the decision difficult. An overview of the two types of heat pumps can help:

Geothermal

Geothermal heat pumps obtain their heat from the ground. Because the earth absorbs solar energy, keeping a constant 55 degrees even hundreds of feet underground, using that energy is efficient for heating or cooling your home. 4400443701

To access that constant temperature, pipes and conduit are buried underground or submerged in a lake, pond or well. An antifreeze/water solution circulates inside these pipes, and a heat exchanger concentrates the gathered heat to release warm air inside the home. In summer, the process is reversed, and heat inside a structure is transferred underground, where it is released. Geothermal systems not only provide comfortable temperatures, but they are also efficient water heaters.

However, the initial price of



Homeowners can take advantage of tax incentives when installing a heat pump.

installing a geothermal pump is substantially more expensive than an air-to-air heat pump. To offset installation expenses, the IRS offers a tax credit for 30 percent of the cost.

Air-to-Air

An air-to-air heat pump absorbs heat from the atmosphere. Warmth is collected from outside air, concentrated and circulated inside in the winter, and the process is reversed in the summer to provide cool air to a building's interior. An air-to-air heat pump has an optimal temperature range of about 35–65 degrees.

If the outside air temperature varies far beyond optimal operating conditions, a backup furnace may be necessary to create enough heat to maintain a comfortable winter temperature inside the home. An air-to-air heat pump can be extremely efficient when the outside temperature does not vary much from optimal operating conditions and can save about 30–50 percent on heating and cooling bills.

As with geothermal heat pumps, there are incentives for homeowners to install air-to-air heat pumps.

The higher the SEER rating a heat pump has, the more efficient the heat pump will be. And always remember that with any type of HVAC system, air leaks must be sealed and the home must be properly insulated for the unit to achieve energy efficiency.

RECIPE OF THE MONTH



Key Lime Pie

3 egg yolks

½ cup sugar

⅓ cup cornstarch

Pinch salt

1 can cream of coconut (14 ounces), well shaken

2 tablespoons butter, melted

1/3 cup key lime juice

1 tablespoon grated lime zest

1 prepared graham cracker crust or 9-inch pie shell

1. Preheat oven to 350 degrees.

- 2. In a small bowl, beat egg yolks and set aside. Combine sugar, cornstarch and salt in a heavy saucepan. Add cream of coconut gradually, constantly stirring with a whisk to avoid lumps. Bring to a boil, stirring constantly, and cook about 2 minutes or until thickened. Remove from heat.

 3. Temper egg yolks with about ½2
- **3.** Temper egg yolks with about ½ cup of the hot mixture, quickly combining to prevent yolks from scrambling. Add yolk mixture to cream of coconut mixture. Add melted butter and lime juice and combine well.
- **4.** Return pan to heat and boil about 2 minutes longer. Remove from heat and stir in lime zest.
- **5.** Pour mixture into pie shell and bake 12 minutes. Allow pie to cool completely before serving.

Find this and more delicious recipes online at **TEXASCOOPPOWER.COM**

FACES OF HILCO

Meet the People Who Work for You



Thomas Cheek has been with HILCO since 1997. Thomas' commitment to providing members with excellent service at HILCO began 18 years ago when he started out as a staking technician. Today, Thomas oversees all of engineering and operations as the assistant general manager—operations. Thomas still prides himself with helping members in the field and says that he enjoys working with such a great group of

Thomas is a devoted family man who enjoys spending time outdoors with his wife, Amie, and their three

Vivian Bartlett has committed to providing the best service possible to members and fellow employees during her 18 years at HILCO. Vivian was hired as the first female meter reader to work at HILCO. Vivian still reads meters, but with technology advancements, she no longer has to go out in the field. As an AMR meter maintenance technician, Vivian can now read and monitor meters from her office with our TWACS System. Vivian says her duties challenge her in different ways on a daily basis, and she likes the opportunity to make a difference when she can.



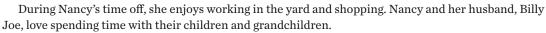
In her spare time, Vivian loves to sew, work in her yard and spend time with her husband, Bobby, and their two daughters and their families.



Lee Roy Gonzales joined HILCO EC more than 18 years ago, working collections and reading meters. Today, Lee Roy works as a line locator. He is responsible for pinpointing the paths of cables, pipes and other conduits that carry utilities underground. Lee Roy is a great asset to HILCO and our members. He always has a positive attitude and welcomes you with a warm smile.

During his free time, Lee Roy enjoys spending time with his three sons, Miguel, Lee and Jacob.

Nancy Mangum has assisted HILCO members for more than 18 years. She began her career working alongside Vivian as a meter reader. Today, she works to ensure that linemen, collectors and metering personnel have all the information needed to complete daily work orders, as a collection and credit team member. Nancy has provided dedication and loyalty to the members of HILCO and says that she enjoys assisting with issues that may need extra attention.







Donald Butler began his career with HILCO Electric in 1998 as a meter reader. Donald was recently asked to assist Lee Roy in the Locate Department, where he is responsible for locating underground utilities, clearing rights-of-way and assisting the linemen when needed. Donald takes pride in his job and says that in his opinion, he works with the best linemen in the country.

Donald enjoys playing golf and fishing in his spare time. He and his wife, Sylvia, and their son, Nicholas, enjoy being active in their church.