CENTRAL TEXAS ELECTRIC COOPERATIVE

2018 DISTRICT MEETING NOTICE

See inside this cover for the official notice and locations of district meetings.

DETACH THIS REGISTRATION CARD AND BRING IT WITH YOU TO YOUR DISTRICT MEETING.
OFFICIAL NOTICE
of Central Texas Electric Cooperative District Meetings

In accordance with Article III, Section 3 of the cooperative’s bylaws, district meetings will be held in each board district to take action upon the following matters:

1. To determine the district nominee for election to the board of directors (districts 1, 3, 4 and 5 only). Information about the candidates is included on Page 20 of this issue.

2. Any business that may come before the meeting that is relevant to the district.

MEETING LOCATIONS

<table>
<thead>
<tr>
<th>DATE</th>
<th>DISTRICT</th>
<th>TIME</th>
<th>PLACE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monday, June 4</td>
<td>6</td>
<td>6:30 p.m.</td>
<td>Cherokee High School Cafeteria, Cherokee</td>
</tr>
<tr>
<td>Tuesday, June 5</td>
<td>3</td>
<td>6:30 p.m.</td>
<td>Richard P. Eckert Civic Center, Mason (new location)</td>
</tr>
<tr>
<td>Thursday, June 7</td>
<td>2</td>
<td>6:30 p.m.</td>
<td>Ingram Elementary School Cafetorium, Ingram</td>
</tr>
<tr>
<td>Monday, June 11</td>
<td>4</td>
<td>6:30 p.m.</td>
<td>Llano High School Auditorium, Llano</td>
</tr>
<tr>
<td>Tuesday, June 12</td>
<td>1</td>
<td>6:30 p.m.</td>
<td>Comfort High School Auditorium, Comfort</td>
</tr>
<tr>
<td>Thursday, June 14</td>
<td>5</td>
<td>6:30 p.m.</td>
<td>Gillespie County Fair Grounds, Fredericksburg (new location)</td>
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</tbody>
</table>

VOTING

To be eligible to vote, your membership must have been approved and accepted by the board of directors on or before May 3, 2018. Only one vote is allowed per membership. If married individuals attend, only one may vote. You must be present at your district meeting to vote. Proof of identification will be required.

DOOR PRIZES & BILL CREDITS

A $10 bill credit will be allowed for each voting member in attendance. Drawings for door prizes will be held at the close of the meeting.

DETACH THIS REGISTRATION CARD AND BRING IT WITH YOU TO YOUR DISTRICT MEETING.

IMPORTANT

Check the mailing label on the front cover of this magazine to identify your district.

DISTRICT NUMBER

#BXBCFXP ***************CA**RT WSS**C000
Your Name
Your Address
Your Town, TX 00000-0000

BRING THIS NOTICE WITH YOU TO SAVE TIME IN THE REGISTRATION LINE.
In accordance with the bylaws of Central Texas Electric Cooperative, a Credentials and Election Committee was formed to review applications and petitions submitted by cooperative members seeking election to the cooperative board of directors. Each sitting director chose one committee member, and an equal number were chosen at random by computer.

This Credentials and Election Committee met at the cooperative’s headquarters office in Fredericksburg on March 19. The members serving on the committee are:

<table>
<thead>
<tr>
<th>DISTRICT 1</th>
<th>DISTRICT 3</th>
<th>DISTRICT 5</th>
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</thead>
<tbody>
<tr>
<td>Kendall County Area</td>
<td>Mason/McCulloch/Menard/Northern Kimble Counties Area</td>
<td>Gillespie/Blanco Counties Area</td>
</tr>
<tr>
<td>Schatzie Norris</td>
<td>Curtis E. Voges</td>
<td>Larry E. and Bonnie L. Rockey</td>
</tr>
<tr>
<td>Garner Rice</td>
<td>Kerry Kordzik</td>
<td>James and Kathleen Mechler</td>
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<tr>
<td></td>
<td>Roger Jordan</td>
<td>Joe A. Sagebiel</td>
</tr>
<tr>
<td></td>
<td>Lyle Johansen</td>
<td>Fred Hild</td>
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<tr>
<td></td>
<td></td>
<td>J.B. Reiger</td>
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<tr>
<td></td>
<td></td>
<td>Charlie Wilson</td>
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<tr>
<td>DISTRICT 2</td>
<td></td>
<td></td>
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<tr>
<td>Kerr/Real/Southern Kimble Counties Area</td>
<td></td>
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<tr>
<td>Richard M. Zimmerly III</td>
<td></td>
<td></td>
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<tr>
<td>Donald E. Anderson</td>
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<table>
<thead>
<tr>
<th>DISTRICT 4</th>
<th>DISTRICT 5</th>
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</thead>
<tbody>
<tr>
<td>Llano County Area</td>
<td>Gillespie/Blanco Counties Area</td>
</tr>
<tr>
<td>Dexter Sagebiel</td>
<td>Larry E. and Bonnie L. Rockey</td>
</tr>
<tr>
<td>Marvin Gray</td>
<td>James and Kathleen Mechler</td>
</tr>
<tr>
<td>Frank Serpas Jr.</td>
<td>Joe A. Sagebiel</td>
</tr>
<tr>
<td>Julia Adams</td>
<td>Fred Hild</td>
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<tr>
<td>Lance and Trisha Pickle</td>
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<td></td>
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<td>DISTRICT 6</td>
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<tr>
<td>San Saba County Area</td>
<td></td>
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<tr>
<td>Michael Randolph</td>
<td></td>
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<tr>
<td>Sherrie J. Smith</td>
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</table>

In 2018, elections will be held in districts 1, 3, 4 and 5 to choose one member from each district as the district meeting nominee for director. Biographies of interested members who submitted their applications for director seats by the March 15, 2018, deadline and were approved by the Credentials and Election Committee are included on Page 20 of this issue.
IMPORTANT DISTRICT MEETING DETAILS

ALL MEETINGS START AT 6:30 P.M. • ALL REGISTRATIONS START AT 5:30 P.M.

Members should bring the registration card located on the front cover of this magazine and proof of identification.

Director candidates will be chosen in districts 1, 3, 4 and 5.

Check the mailing label located on the front cover of this magazine to identify your district.

DISTRICT NUMBER

EXAMPLE

DISTRICT 1
JUNE 12, TUESDAY • 6:30 P.M.
Kendall County Area
Comfort High School Auditorium

DISTRICT 2
JUNE 7, THURSDAY • 6:30 P.M.
Kerr/Real/Southern Kimble Counties Area
Ingram Elementary School Cafetorium

DISTRICT 3
JUNE 5, TUESDAY • 6:30 P.M.
Mason/McCulloch/Menard/Northern Kimble Counties Area
Richard P. Eckert Civic Center

DISTRICT 4
JUNE 11, MONDAY • 6:30 P.M.
Llano County Area
Llano High School Auditorium

DISTRICT 5
JUNE 14, THURSDAY • 6:30 P.M.
Gillespie/Blanco Counties Area
Gillespie County Fair Grounds

DISTRICT 6
JUNE 4, MONDAY • 6:30 P.M.
San Saba County Area
Cherokee High School Cafeteria
Co-ops: We Come in All Shapes and Sizes

WHAT IS A CO-OP, EXACTLY?

When you hear the word “co-op,” we hope you think of your friends here at Central Texas Electric Cooperative. But maybe you picture a local farmers’ co-op or a credit union instead. You might be surprised to learn that co-ops, or cooperatives, can be found in many industries—and they offer a variety of services, each designed to serve its members in the best way possible.

A cooperative is a not-for-profit organization owned by its members. Across the globe, cooperatives remain steadfast, annually generating more than $500 billion in revenue and providing more than 2 million jobs.

As a member of Central Texas EC, you have a voice—in other words, you're not just a customer. Every year, in conjunction with your annual meeting, you have the right to vote for the board of directors.

Central Texas EC strengthens our community by supporting economic development locally. Our employees also participate in and support many local organizations and activities such as 4-H and volunteer fire departments.

A Variety of Services

So, what other kinds of co-ops are out there? Co-ops fall under a variety of categories and services, including agriculture and forestry; consumer and retail; banking and credit unions; health and wellness; and utilities, to name a few.

Here are several other national co-ops you might recognize:

**Welch’s:** More than 900 farm families own the Welch’s grape juice product line.

**Best Western:** Owned by independent operators of more than 4,000 hotels in more than 100 countries, Best Western is one of the world’s largest hotel chains.

**Ace Hardware:** Nearly 5,000 Ace Hardware stores are part of a co-op network.

**Sunkist:** This not-for-profit company’s membership comprises 6,000 growers.

**Blue Diamond Growers:** This 108-year-old co-op is owned by half of California’s almond growers, who produce more than 80 percent of the world almond supply.

The list of cooperatives goes on and on, and, as you can see, we come in all shapes and sizes. At Central Texas EC, our mission is to provide you with safe, reliable and affordable electricity, and we’re proud to be part of the extended cooperative family.
GILLESPIE AND MASON COUNTY RESIDENTS:

Meetings for Districts 5 and 3 at New Locations

BECAUSE OF RENOVATIONS AT THE FREDERICKSBURG HIGH SCHOOL AUDITORIUM, Central Texas Electric Cooperative has moved the District 5 meeting scheduled for Thursday, June 14, to the Gillespie County Fair Grounds. See the map on the back of this month’s issue.

CTEC also has moved the District 3 meeting scheduled for Tuesday, June 5, to the Richard P. Eckert Civic Center at 1024 McKinley Ave. in Mason. See the map on the back of this month’s issue.

Registration for both meetings begins at 5:30 p.m. with the meeting beginning at 6:30 p.m. Gillespie and Mason County members attending will receive a $10 electric bill credit as well as be eligible for door prizes. The meeting will address important updates and issues regarding CTEC and will conclude with a question-and-answer session with CEO Bob A. Loth III.

Attend Your District Meeting and Get $10 Off Your Electric Bill

DEMOCRATIC MEMBER CONTROL IS ONE OF THE SEVEN COOPERATIVE PRINCIPLES: ONE membership, one vote. By exercising your right to vote this June at the district meeting, you will help select a candidate to represent your area on the Central Texas Electric Cooperative Board of Directors.

Board candidates will be selected in districts 1, 3, 4 and 5 this year. Those meetings will be held in Comfort, Mason, Llano and Fredericksburg. The other two meetings, in Ingram (District 2) and Cherokee (District 6), will not hold elections, however all meetings will share information relating to your co-op. CEO Robert A. Loth III will present an update to members on the current state of the electric industry and discuss current and future issues concerning the co-op. The meetings will conclude with a question-and-answer session in which members can address concerns directly with Loth.

The example mailing label, located above the maps on the dust cover of this magazine, will show you where to find your district number. Once you determine your district number, you can find the location of that meeting by referring to the maps. Remember to keep the registration card on the front cover and bring it with you to the meeting, along with identification, for faster registration.

According to the CTEC bylaws, members must be present at their designated district meeting to vote and participate. Attendees will receive a $10 bill credit, one per membership, on their electric bill. Those in attendance also will be eligible for several door prizes at each meeting.

Mark your calendar today!
MEMBERS WHO DO NOT RECEIVE THE DISTRICT MEETING NOMINATION for director can still be placed on the annual meeting ballot by submitting an application and petition signed by at least 1 percent of co-op members eligible to vote (this would require about 250 signatures). The deadline for submitting the application and petition is June 25. The names of all nominees will be published in the annual meeting notice and included on proxy ballots mailed to all members. Nominations from the floor are not allowed.

**Allen W. Goodwin, District 1**  
**COLLEGES ATTENDED:** Louisiana Tech University, bachelor’s degree in math; Loyola University, MBA in finance  
**OCCUPATION:** Retired  
**PREVIOUS EMPLOYMENT:** Beverage Management Associates, mergers and acquisitions consultant; Anheuser-Busch Companies LLC, managing director, wholesale operations division; Chrysler Corporation Space Division, engineer, Saturn (SIB) space vehicles; U.S. Navy, officer, USS Yorktown  
**OWNERSHIP POSITIONS IN OTHER FIRMS:** Partner, 50 percent owner, 2x2 Comfort Properties LLC, Highpoint Place Condominiums  
**PAST MEMBERSHIP AND OFFICES HELD IN ORGANIZATIONS:** Navy League, President, Mexico City Council; Fleet Admiral Nimitz Council; Comfort VFW, Comfort; Lions Club, Comfor; Daily Bread Ministries, San Antonio, Co-founder and prior member of the board of directors; Kendall County Sheriffs Office, chaplain; LCRA Pedernales Regional Council; Comfort Area Foundation Board of Directors; Kendall County Economic Development Corporation, founding member and member of the board of directors; Comfort Boys and Girls Club, financial coordinator, new building project coordinator  
**CURRENT MEMBERSHIPS AND OFFICES HELD:** Comfort Chamber of Commerce, past president and vice president of the board of directors; Comfort Baptist Church, Sunday school director, church council chairman; CTEC Board of Directors, vice president, member of the executive committee; NRECA, Credentialed Cooperative Director, Board Leadership Certification, Board Leadership Gold Certification

**Mark Hahn, District 3**  
**COLLEGES ATTENDED:** New Mexico State University, University of Texas at Arlington  
**OCCUPATION:** Rancher, consultant  
**PREVIOUS EMPLOYMENT:** Mechanical engineer, city administrator, consultant  
**OWNERSHIP POSITIONS IN OTHER FIRMS:** Owner and sole proprietor, BMRS  
**PAST MEMBERSHIP AND OFFICES HELD IN ORGANIZATIONS:** Concho Valley Council of Governments, Solid Waste Committee, vice president; Mason Chamber of Commerce, treasurer; Mason Education Foundation Board  
**CURRENT MEMBERSHIP AND OFFICES HELD:** Mason Habitat for Humanity Advisory Committee, LCRA Regional Council

**Tommy Duncan, District 4**  
**COLLEGE ATTENDED:** Southwest Texas State University  
**OCCUPATION:** Ranching  
**PREVIOUS EMPLOYMENT:** Banker  
**OWNERSHIP IN OTHER FIRMS:** Hill Country Livestock Raisers Association  
**PAST MEMBERSHIP AND OFFICES HELD IN ORGANIZATIONS:** Llano County Commissioner, Precinct 3; Llano ISD, board member; 33rd Judicial District Grievance Committee, draft board member; Llano Chamber of Commerce, board member; Kingsland Lions Club

**Patricia “Doylene” Bode, District 5**  
**OCCUPATION:** Retired from banking  
**PREVIOUS EMPLOYMENT:** Security State Bank & Trust, Harper Branch  
**PAST MEMBERSHIP AND OFFICES HELD IN ORGANIZATIONS:** St. James Lutheran
Church, committee member, fellowship committee, grounds committee, Sunday school teacher; Harper Chamber of Commerce, member; Harper PTO, active in supporting football, basketball, volleyball, and cheerleading at Harper High School; supported all FFA activities at Gillespie Livestock Show, Harper Livestock Show and FFA Rodeo

CURRENT MEMBERSHIP AND OFFICES HELD: Texas Hill Country Dorper Association, past secretary; Harper Wildlife Management Association, past secretary; Hill Country Youth Ranch; Harper Community Park; Harper Chamber of Commerce; Gillespie County Ag Commodity Association; volunteer at PCAA in Gillespie County for scholarships for graduates; supporter of volunteer fire departments; NRECA, Credentialed Cooperative Director, Board Leadership Certification

MAY IS NATIONAL ELECTRICAL SAFETY MONTH, AND CENTRAL TEXAS ELECTRIC COOPERATIVE is working to raise awareness about potential home electrical hazards and the importance of electrical safety.

Our modern lives depend on electricity, and if you don’t properly maintain your electrical products, they can create hazards. The good news is that eliminating electrical hazards from your home doesn’t have to be difficult or expensive.

Many homes and their electrical systems were built before most modern-day home electronics and appliances were even invented. Today’s increased demand for energy can overburden an older home’s electrical system. If you notice flickering or dimming lights, it may indicate your home’s wiring is inadequate for your needs. Have it checked by an electrician.

Central Texas EC offers the following tips to help identify and eliminate electrical hazards to protect yourself, your family and your home:

- Make sure televisions, game systems and computer equipment have plenty of space around them for ventilation.
- Use extension cords as temporary solutions only.
- Do not place extension cords in high-traffic areas or under carpets.
- Use a surge protector to help protect your computer, televisions and other electronic equipment from damage caused by voltage changes.
- Heavy reliance on power strips is an indication that you have too few outlets for your needs. Have additional outlets installed by a licensed electrician.
- Keep liquids away from electrical items such as televisions and computers.
- Make sure a lightbulb’s wattage is right for the fixture. Lightbulbs with wattages that are too high for the fixture can overheat and cause a fire.
- Create a guide for your breaker box so that you know which breaker to turn off when needed.
- Recurring tripped circuit breakers or multiple blown fuses can signify a serious and dangerous electrical problem. Contact a licensed electrician immediately.

As always, Central Texas EC encourages you and your family to stay safe.
Powering Up After an Outage

When the power goes out, we expect it to be restored within a few hours. But when a major storm or natural disaster causes widespread damage, extended outages may result. Our line crews work long, hard hours to restore service safely to the greatest number of members in the shortest time possible. Here’s what’s going on if you find yourself in the dark:

1. **High-Voltage Transmission Lines:**
   Transmission towers and cables that supply power to transmission substations (and thousands of members) rarely fail. But when damaged, these facilities must be repaired before other parts of the system can operate.

2. **Distribution Substation:**
   A substation can serve hundreds or thousands of consumers. When a major outage occurs, line crews inspect substations to determine if problems stem from transmission lines feeding into the substation itself, or if problems exist further down the line.

3. **Main Distribution Lines:**
   If the problem cannot be isolated at a distribution substation, distribution lines are checked. These lines carry power to large groups of members in communities or housing developments.

4. **Tap Lines:**
   If local outages persist, supply lines (also known as tap lines) are inspected. These lines deliver power to transformers, either mounted on poles or placed on pads for underground service, outside businesses, schools and homes.

5. **Individual Homes:**
   If your home remains without power, the service line between a transformer and your residence may need to be repaired. Always call to report an outage to help line crews isolate the issue.
Editor’s note: This essay earned Alanna Alejandro, a junior at Westlake High School, a trip to Washington, D.C., in Central Texas Electric Cooperative’s Government-in-Action Youth Tour contest. Her essay is the second in a series of winning compositions that will be printed in Texas Co-op Power. The views expressed in this essay are not necessarily those of Central Texas Electric Cooperative.

The Future of Electricity

Electricity is something we commonly take for granted. When our power is out, we unknowingly attempt to turn on a light, watch TV or plug in a device or computer. Since electricity is a part of our daily lives, it is important not to waste it. The only way to support and manage the electric demands of our world is to move to a smart grid solution for the future.

What is a smart grid? A grid is what delivers electricity from a power plant to your home. It is one-way communication. The smart grid is two-way communication, allowing electricity and information to be exchanged between the utility company and the customer or member. This communication makes the grid more reliable, secure and environmentally greener.

The benefits of a smart grid are numerous. Smart grids lower energy cost by allowing customers to monitor and adjust their energy usage. Research shows when a customer or member knows how much energy they are using, they will reduce their use by 8 percent.

In addition, smart grids maintain U.S. global competitiveness and energy independence. Smart grids safeguard the U.S. as a leader in the world’s transition to clean energy. The Electric Power Research Institute estimates national smart grid technologies could reduce greenhouse gas emission by 60–211 million metric tons of carbon dioxide. Furthermore, smart grids improve power quality by managing voltage. With actual voltage information, utilities use smart grid technology to optimize the voltage for every customer or member based on actual usage instead of estimates resulting in more efficient and accurate supply of power.

Smart grid technology would be an invaluable consideration for areas devastated by hurricanes such as Puerto Rico. This technology includes digital electric meters equipped with network connectivity which has advantages including identifying any outages and directing repair crews to instantly determine where the service is down. According to Mark McGranaghan, vice president at the Electric Power Research Institute, the sensors allow immediate feedback where a repair is needed so a job is done quickly. This saves time and is more cost effective than traditional electrical systems.

One concern with smart grid technology is its vulnerabilities to cyberattacks. In his book, Janaka Ekanayake highlights as older grids are modernized to incorporate smart grid technology, more internet protocol-enabled access points are introduced. These access points can be vulnerable to cybersecurity risks and can expose sensitive operations and network assets to be attacked. To protect against these attacks, utility companies must consider network firewalls, antivirus software, and smart grid technology upgrades.

Smart grids are an investment to replace older infrastructures with efficient technology. The smart grids offer many opportunities to manage energy consumption with two-way and real-time communication. This technology is evolving and smart grids will transform the energy industry to improve reliability, security and efficiency of our electrical grids.