



Rio Grande Electric Cooperative, Inc.

Update



June 2014



A Message From The General Manager/CEO

By Dan Laws

Line Extensions And The Point Of Demarcation

Recent issues made me realize that it might be helpful if I discussed a couple of topics that crop up from time to time --line extensions, and the point of demarcation between the electrical facilities owned by the Cooperative and the electrical facilities owned by the member. Both of these items are technical in nature, and are often misunderstood by our members.

“Line extension” is the term we use to describe getting a member power where none exists. The extension might be ten feet or ten miles, but long or short, they all come under the heading of line extension. RGEC’s tariff can be found on our web page and line extensions are covered in Article 305. The article covers the types of extensions and the monetary allowance, if any, for each type.

When a line extension is requested, it begins a process that the member has to follow through on, because failure to complete any part of the process will delay your line extension. For example, even if you already have a meter, you must complete an Application for Electric Service/Cooperative Membership Agreement. If this document is not completed and turned in, the line extension cannot be built. If you grant the Cooperative an easement on which to construct your line extension, you must also show proof you are the land owner and have the authority to grant the easement.

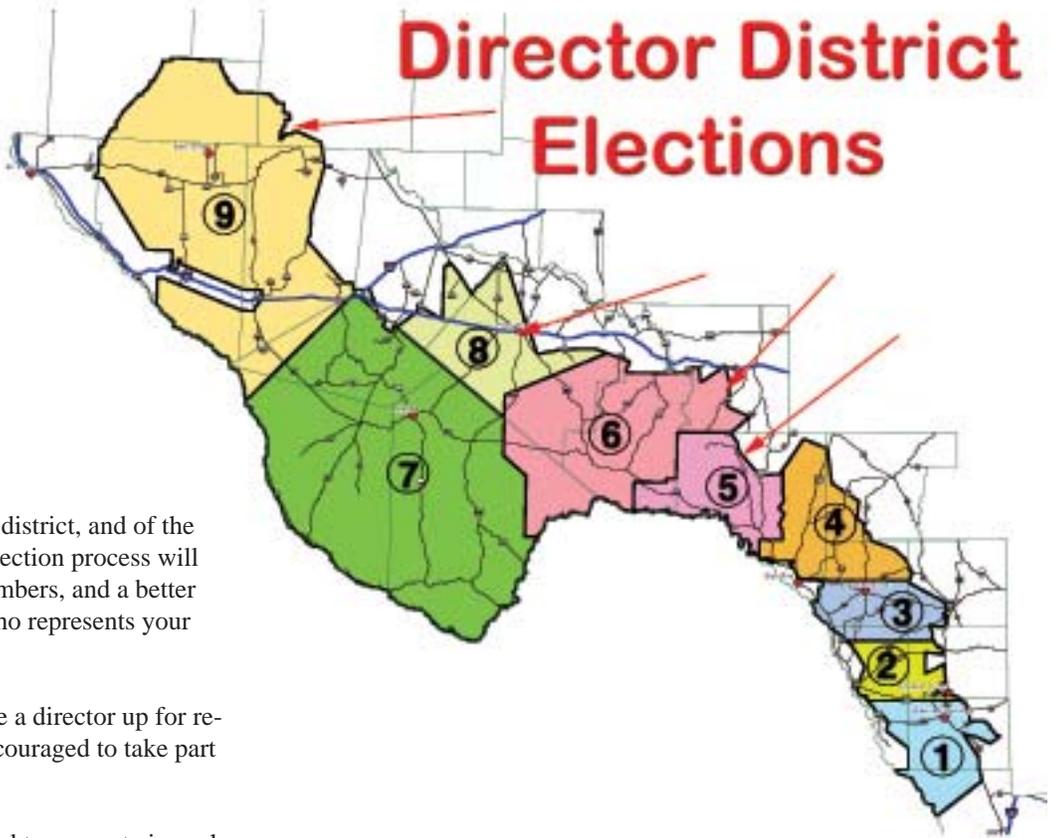
It is fairly common for me to receive a complaint stating that a member has been waiting an extraordinary length of time for their line extension, only to find the prospective member, or member, has not completed the paperwork needed. The packets come with instructions. Please read them and get everything back to us as quickly as possible. Doing so will ensure that your line extension will be done in the least amount of time possible. Requests for line extensions are greater during some parts of the year than in others. The fall hunting season is a very busy time for line extensions. If you approach us at that time of year, you can expect some delays.

The “point of demarcation” between the Cooperative’s facilities and yours, in most cases, is the meter. Wires connected at the load side (bottom lugs of the meter) and extending beyond, belong to the member. Should they fail, they are the member’s responsibility to repair. Some thirty years ago, it was in vogue on some ranches to install their own overhead wires and poles to serve various loads on the ranch. Even though the wires are overhead, in this case, they are the responsibility of the member should there be a problem or failure.

Recently, one of our members endured a three-day outage because they did not understand that the overhead line and pole which had fallen during a storm belonged to them. The RGEC crew that responded to the outage call advised the member’s representative that the downed line belonged to the member. Because they were used to simply calling “REA” when the line was overhead, they thought what they had been told was in error. If you have a meter pole and meter with overhead lines extending beyond that pole, in all likelihood, the poles and wire are the member’s. Feel free to call in if you are unsure. We will be happy to come out and check your individual situation, and advise you.

The bottom line for our employees is to keep your lights burning, and it’s our only focus. Visit us on Facebook, or our web page, when you are looking for information. These sites are maintained daily and contain a wealth of information to assist you.

Director District Elections



The director election process began last month with the selection of nominating committees.

It's the first step in a process to insure members have the best candidate pool from which to elect members of the board of directors.

Being familiar with your director district, and of the basics about the Co-op director election process will help make for more informed members, and a better election. Do you already know who represents your district?

Even if your district does not have a director up for reelection this year, you are still encouraged to take part in the election process.

Each Co-op membership is entitled to one vote in each district election. So, even if your home is near Alpine, you still have a voice in electing the director from Dell City.

Below are the director districts for which elections will be held this year, and the incumbent director in each:

District 5	Henry Mills
District 6	Rowdy Holmsley
District 8	Lowell Woodward
District 9	James Evrage

Only 15.57% of eligible voters participated in the 2013 election.

This means over 84% of members are letting the rest determine the direction of RGEN. Exercise your vote whether by casting a paper ballot, or by voting online. Make plans to participate in the election this year!

Nominating Committees

Democratic control is one of the things that makes cooperatives special. Choosing director nominees is an important part of the process. Board members whose seats are up for reelection select nominating committee members to recommend qualified candidates for consideration. They often refer to the results of the Member Involvement Survey, or they can choose other members to serve on the committee. Once recommendations are made, the entire board of directors must approve the committee members.

The committees are comprised of a minimum of three residents (non-directors) of the district to be represented. Committee members nominate candidates for the director election, who must sign affidavits of eligibility. Each candidate's affidavit of eligibility is reviewed for compliance with the bylaws.

Nominating committee members were approved at the May 21 board meeting and will appear in the July edition of this publication.

Running By Petition: Do You Want To Be A Director?



Would you like to serve on the RGEC Board of Directors and were not selected by a nominating committee? There's another way you can still run for a seat on the board. It's called "running by petition".

To run by petition, you must collect the signatures of at least fifteen (15) fellow members from the director district for which you are seeking a place on the ballot. The petition must be filed at the Co-op's headquarters in Brackettville, TX, by the end of August. Petitioning candidates must meet all the same eligibility criteria as those selected by the nominating committees, and must also submit Affidavits of Eligibility to determine if they meet the qualifications outlined in the bylaws. Those who submit all the required documents before the end of August will also be included in the Candidates Profile, which is distributed to all eligible voters.

Through the years, there have been many who petitioned for a place on the ballot, who have been elected to a seat on the board.

The complete RGEC Bylaws are available on riogrande.coop, or by request from RGEC. Article IV, Section 3 of the RGEC Bylaws pertains to eligibility criteria for potential board candidates

Is Your Account In Your Name?

If you are the spouse of a Co-op member and are not listed as a joint account holder, there's still time to become eligible to run by petition. Simply have the person in whose name the membership is listed complete a Single to Joint Account Conversion Form.

This form conveys membership privileges from the account holder to you. You, in turn, must also complete a portion of the form, in which you accept the rights and responsibilities of membership. The completed form must be submitted before the deadline for filing completed petitions.

The Single to Joint Account Conversion Form, makes either spouse eligible to vote (still only one (1) vote per membership), makes both eligible to hold a seat on the advisory or nominating committees, or to run for a seat on the board of directors.

And, while we never like to think of life's eventualities, it also conveys the right of survivorship. There is no charge associated with account conversion of this type.

Limited Time Offer: Save \$150 On Internet

For a limited time, RGEC is offering a fantastic deal on new Exede internet service exclusively for Rio Grande Electric Co-op members.

Get new internet service installed by July 31, and save \$150 off the price of equipment. The balance of equipment can be paid in 5 monthly installments of just \$40 on your electric bill. Monthly service plans start at only \$54.99 per month, making Exede an even better value.

It's also a great time to upgrade from an existing WildBlue account to the faster Exede service.

With the addition of new satellite coverage beams, this service is now available in virtually all areas served by Rio Grande Electric Cooperative. *We will confirm by zip code, upon request of service.*

Call 800-749-1509 to take advantage of this limited time offer!

Member Involvement Survey Drawing



Winner of the 2014 Member Involvement Survey Drawing and a \$200 RGEC Credit On Account was Kathy Mueller of Ft. Davis. Little Miss Isabel Gonzalez, daughter of RGEC member Gracie Gonzalez drew the winning ticket. She was assisted by big sister Mayra and brother Isaac, who had fun spinning the hopper.

Conditions Right For Wildfires

Persistent drought throughout the vast majority of Co-op country, coupled with strong winds made for perfect wildfire conditions last month.

Fires near Candelaria, in the Big Bend, damaged one of RGECE's interconnections to the Mexican grid, but did not affect American members.

A fire near Pandale did damage to RGECE's lines and poles, and caused an outage for some members in the region. Repair crews were not allowed in the area to conduct repairs, until cleared to do so by emergency responders.



Above: Photo by an unidentified lineman while waiting for local law enforcement and emergency responders to allow access in to repair damage near Pandale.

Left: Photo of a portion of the Pandale fire by Journeyman Lineman Severo Martinez.

Below: Another section of the Pandale fire. Photo by Journeyman Lineman Severo Martinez.



Please support your local volunteer fire departments and emergency responders.

These volunteers are the only means of controlling wildfires in most of Co-op Country.

Capital Credits May Be Your Inheritance

Those hearty pioneers who settled in Rio Grande territory “back in the day” may not be around to cash in on the capital credits they earned. But, their heirs may have money coming in the way of capital credits retirement payments.

There remains over \$339,000 in unclaimed capital credits retirements for the period of 1951-1976. RGEC began attempting to pay these capital credits in 2011. In 2012, checks amounting to over \$355,000 went unclaimed for capital credits allocated during the years 1977-1997. The 2013 retirement was for capital credits allocated in 1980. To date, approximately \$ 320,633 of that amount remains unclaimed.



Photomorgue photo subjects unknown.

How do I get capital credits? Capital credits are allocated from any funds left over after all expenses are paid. These “margins” are used by the Co-op for things like the repair and maintenance of lines and poles. Unlike investor-owned, private utility companies, RGEC allocates capital credits back to members, based on the amount of electricity purchased in the given year for which allocations are being made. When the set year rolls around on the capital credits repayment schedule, those allocations you received will take the form of cash, and you will be sent a check by Rio Grande. (*See chart next page.*)

But, because it can take a while for those allocations to become cash, you must keep your address updated -- even if the time comes when you are no longer a Co-op member. Your capital credits can become a part of your estate, as well, and can be included in your will along with your other valuable assets. To claim them, your heirs must make sure that RGEC maintains the proper mailing address, so the check can find the executor of your estate.

The composite list of those with unclaimed funds is available on the Co-op website, www.riogrande.coop. Take a few minutes to search for your name, and those of your family and friends. You may just find there is a check waiting!

Here's a sampling of some accounts with unclaimed capital credits.

9 POINT MESA L & C CO
96 RANCH COMPANY
A A A MOTOR COMPANY
A E K CORPORATION
A F G MANAGEMENT 400
A L POSS & SONS
ABLE IRRIGATION
NICK ABRAHAM JR
JULIO ABRIGO
CRUZ G ACOSTA
LEANOR ACOSTA
MANUEL ACOSTA
ERNEST L ADAIR
C W ADAMS
CLAY ADAMS
COLEY ADAMS
DAISY F ADAMS
DICKY ADAMS
GEORGE T ADAMS
JEAN ADAMS
L R ADAMS
PRESTON ADAMS
RICH ADAMS
ROY L ADAMS

AUSTIN, TX
MONAHANS, TX
ODESSA, TX
CONROE, TX
HOUSTON, TX
EL PASO, TX
EAGLE PASS, TX
EL PASO, TX
TERLINGUA, TX
COYANOSA, TX
MARFA, TX
TERLINGUA, TX
TOYAH, TX
PRESIDIO, TX
PUMPVILLE, TX
DELL CITY, TX
TERLINGUA, TX
MONAHANS, TX
DRYDEN, TX
DELL CITY, TX
DALLAS, TX
MARATHON, TX
BRACKETTVILLE, TX
EL PASO, TX

ROY L ADAMS II
ULICE J ADAMS
W L ADAMS
WILLIAM D ADAMS
WOODROW ADAMS
B E ADKIN
C N ADKISSON
CHARLES A ADKISSON
ADOBE RANCH CO
GEORGE AGNEW
AGRI LIVESTOCK CORP
AGRIBUSINESS INTL CO
HERBERT AGRICOLA
ROSENDO AGUERO
RICHARD Q AGUILAR
ULESTER AGUILAR
FAUSTINO H AGUILERA
FERMIN AGUIRRE
JUAN S AGUIRRE
J H AHR
TEX AINSWORTH

DELL CITY, TX
LAMPASAS, TX
UVALDE, TX
HOUSTON, TX
DELL CITY, TX
FORT STOCKTON, TX
MIDLAND, TX
MIDLAND, TX
DEL RIO, TX
LEANDER, TX
HOUSTON, TX
VAN HORN, TX
FLATONIA, TX
MEX
MARFA, TX
SAN ANTONIO, TX
DELL CITY, TX
DEL RIO, TX
EL PASO, TX
LA COSTE, TX
COYANOSA, TX

See more, page ____.

Capital Credits, cont'd from pg. ___

The current schedule for capital credits disbursements appears below. The dollar amounts below are the total allocated for each cycle of capital credits payments, however, the board decides annually the amount of retirements for a given year. Thusfar, capital credits have been paid for the years 1951-1983.

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
1951-1976	1977-1979	1980-1983	1984	1985	1986-1987	1988	1989	1990	1991
\$675,054	\$764,768	\$754,514	\$1,256,750	\$528,692	\$326,127	\$1,853,697	\$1,670,929	\$1,555,232	\$921,823

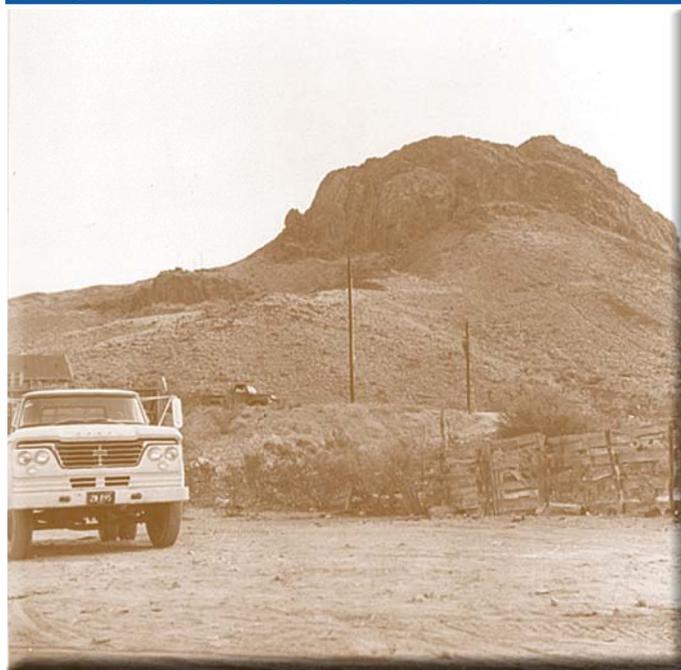
2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
\$764,732	\$858,937	\$1,140,593	\$827,381	\$1,111,945	\$798,303	\$1,113,513	\$736,505	\$712,643	\$734,775

2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
\$778,326	\$612,427	\$657,471	\$1,288,790	\$1,778,181	\$1,271,264	\$915,300	\$1,114,536	\$5,276,007	\$4,000,000



Circa 1957. Caption on back, "Three of original organizers and directors of RGEC, organized 1945. C.F. Briggs, Del Rio, President; Tom Black, Eagle Pass, Vice Pres.; Fred West, Brackettville. Not pictured: J.G. Brite, Del Rio; J. K. Wipff, Normandy; J.N. Lockley, Uvalde."

- | | |
|-----------------------|---------------------|
| AIR CONDITIONING INC | AUSTIN, TX |
| AIR MACHINERY CO | ODESSA, TX |
| LENVAL AKINS | CARRIZO SPRINGS, TX |
| ALAMO ANGUS RANCH | CARRIZO SPRINGS, TX |
| ALAMO MINING CO | KENT, TX |
| A L ALANIZ | CARLSBAD, NM |
| VICTOR ALANIZ | DELL CITY, TX |
| LUPE ALBARADO | VAN HORN, TX |
| LARRY E ALBERS | OZONA, TX |
| AARON ALBERT | BRACKETTVILLE, TX |
| FRANCIS ALBERT | BRACKETTVILLE, TX |
| ANTONIO ALCANTAR | DELL CITY, TX |
| MARIA ALDAY | COYANOSA, TX |
| ALDEN QUICK | CEDAR RAPIDS, IA |
| JOSE ALEMIDA | DELL CITY, TX |
| BOB ALEXANDER | UVALDE, TX |
| CS ALEXANDER | SAN ANTONIO, TX |
| HERBERT ALEXANDER | CORPUS CHRISTI, TX |
| HOLLIS ALEXANDER | FORT STOCKTON, TX |
| JACK ALEXANDER | WHITES CITY, NM |
| KEITH ALEXANDER | ODESSA, TX |
| ALEXANDER MARKETING | PECOS TX |
| ALLAN CONSTRUCTION CO | SAN ANTONIO, TX |
| OLLIE T ALLDREDGE | DEL RIO, TX |
| A Y ALLEE SR | TERLINGUA, TX |
| A Y ALLEE SR | TERLINGUA, TX |
| WARREN ALLEE | CARRIZO SPRINGS, TX |
| LENVAL AKINS | CARRIZO SPRINGS, TX |
| ALAMO ANGUS RANCH | CARRIZO SPRINGS, TX |
| ALAMO MINING CO | KENT, TX |
| CHARLES ALLEN | CARRIZO SPRINGS, TX |
| DAVID G ALLEN | DEL RIO, TX |
| DEE W ALLEN | DELL CITY, TX |
| DIANE ALLEN | CARLSBAD, NM |
| DON S ALLEN | SANDERSON, TX |



An early photo of lines in the Big Bend region. The vehicles may have changed since it was taken, but the terrain has not.

To see the names of more who have unclaimed capital credits, visit the Co-op's website, www.riogrande.coop. Click on the Capital Credits link on the homepage.

Reporting Outages & Issues

While it's true that RGEC does have equipment that can detect voltage anomalies, when your power goes out, it's always advisable to call in the outage. Don't assume that your neighbor called. Being prepared with your meter number speeds the process, and gets service crews to you as quickly as possible.

Describing what happened before the outage can help. Telling us if blinks occurred, or if lights seemed to get dimmer, or brighter, may be useful.

We recently heard from a member who said they saw a buzzard land on a pole, and then they heard a loud bang or pop. When service crews arrived, there was, in fact, a fried buzzard and a blown transformer.

Remember to check your breakers before reporting an outage. It is possible that your outage is within your own electrical system. If the problem is on the consumer's side of the meter, RGEC must charge you for a sales and service call.

Your continuing help in reporting things like damaged cross arms on poles, severely sagging lines, and other such things, can help prevent an outage. Arcing is another issue with which we struggle in dry weather, because dust accumulates on insulators, and even the slightest amount of precipitation -- or even humidity, can combine with the dust to allow arcing to occur. An arcing line puts off a distinctive blue glow. This situation is the cause of many pole top fires. If you see arcing, please note the location of the pole and call RGEC.

Power Outage Food Safety



Power outages can happen due to storms, animal or human damage. We never know how or when they will happen, but the fact is that they do happen. To safeguard your family's health, it's important to remember these food safety tips from the American Red Cross.

Keep refrigerator and freezer doors closed as much as possible. First use perishable food from the refrigerator. An unopened refrigerator will keep foods cold for about 4 hours. Then use food from the freezer.

A full freezer will keep the temperature for about 48 hours (24 hours if it is half full) if the door remains closed.

Use nonperishable foods and staples after using food from the refrigerator and freezer. If it looks like the power outage will continue beyond a day, prepare a cooler with ice for your freezer items.

For more tips, visit these helpful sites: www.redcross.org or www.foodsafety.gov.

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If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.



Board Action

RIO GRANDE ELECTRIC COOPERATIVE, INC. Summary of Board Meeting Minutes

April 16, 2014

A meeting of the Rio Grande Electric Cooperative, Inc. Board of Directors was held at the Headquarters office in Brackettville, Kinney County, Texas at 8:00 a. m. on April 16, 2014. The following Directors were present for the meeting: Frank Archuleta, Jimmy Ballew, Mark Daugherty, James Evrage, Stephen Haynes, Rowdy Holmsley, Henry Mills, Kimball Miller, Margarita Nelson, Priscilla Parsons, Bill White, Cindy Whitehead and Lowell Woodward. Also present for the meeting were General Manager/CEO Daniel G. Laws and Executive Assistant to the GM/CEO Sonya Cruz.

Approved	March 19, 2014 Board Minutes, As Presented
Heard	Financial Reports
Distributed	Membership List For Selection Of Nominating Committees For Director Districts 5, 6, 8, And 9
Reviewed	2014 Member Involvement Survey
Approved	CliftonLarsonAllen, LLP As The 2014 Audit Firm
Approved	Consideration To Donate Facilities Rather Than Retire To An Individual Consumer
Heard	Budget Progress Report By Shawn Stanley, Director of Finance And Accounting
Approved	Contract Award To Chebo Electric For Safeguard Feeder Buildings 56 In The Amount Of \$124,200.00
Approved	Contact Award To Tri-State Electric, LTD. For Pike West Of Marshall URD Conversion In The Amount Of \$215,992.14
Approved	Contract Award To Solar Electric Company, Inc. For Safeguard Feeder Buildings 13, 21 & 1441 In The Amount Of \$82,872.00
Reviewed	Board Policy 1.5.4 Controlled Substance And Alcohol By Lowell Woodward
Approved	Refinancing With CFC To Reduce Interest
Accepted	2013 Audit Report As Presented By CliftonLarsonAll, LLP
Heard	General Manager/CEO Report
Heard	Committee Reports
Approved	Director Expenses
Approved	February's New/Revoked Memberships
Reviewed	Check Register And Arrears Report
Adjourned	3:35 P.M.

Note: The summary above is provided so that members can follow the activities of the board, and is not intended to be exhaustive. Should you wish to know more detail on a particular item or items, please contact the director for your district or the General Manager/CEO's office.

Lightning Safety Awareness Week: June 22-28

Lightning is the third greatest storm-related killer in the United States. Over the past 10 years, on average, lightning has directly killed about 37 people per year in the U.S. and indirectly killed about a dozen more due to fires caused by lightning. There is no safe place outside when a thunderstorm is in the area. If you hear thunder, you need to get inside a safe place immediately, avoid contact with plumbing and anything plugged into an electrical outlet, stay off corded phones, and stay away from windows and doors. Remain there for 30 minutes after the last lightning or thunder. Remember...**When Thunder Roars, Go Indoors!** - *National Weather Service*

This institution's an equal opportunity provider and employer.

BOARD OF DIRECTORS



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Rocksprings, TX 78880 830-395-2283 (H)
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- *Rowdy Holmsley, Secretary
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- *Jimmy Ballew, Treasurer
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- *Frank Archuleta, District 9
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- *James Evrage, District 9
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- *Kimball Miller, District 7
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- *Henry Mills, III, District 5
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- *Cindy Whitehead, District 3A
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- *Lowell Woodward, District 8
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Alpine, TX 79831 432-837-7308 (H)
- Dan Laws, General Manager/CEO
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Brackettville, TX 78832 830-563-6112 (W)
- * Credentialed Cooperative Director