Holmes-Wayne

Electric Cooperative, Inc.

A Touchstone Energy Cooperative



6060 S.R. 83 P.O. Box 112 Millersburg, OH 44654-0112 Business hours 7:30 a.m.- 4 p.m.

24 Hour Toll-free Phone: 866-674-1055 888-264-2694

www.hwecoop.com

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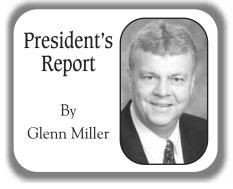
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Preparing for the future

Your Cooperative has used many avenues of communication to explain and educate member/owners of the future changes in the electric industry. We have delved into the subject matter of the increase in global energy demands, climate concerns and technology changes, and the implementation of legislative requirements. These intricate factors all will have a significant impact on electric generation, demand and cost.

As we work closely with our generation Cooperative, Buckeye Power, on these global and national matters. Holmes-Wayne also must continue to strategically plan and manage locally. This includes the importance of meeting the demands and needs of our growing community while



maintaining a reliable, safe infrastructure that remains cost conscious.

We hope you have noted the growth and improvements in our facility infrastructure over the past few years. As I write this article, we are in the midst of completing construction of the final four miles of the 115-mile facility replacement project. This project is replacing damaged infrastructure from the 2004 and 2005 ice storms and is financially assisted through the Federal Emergency Management Agency (FEMA).

We also have been diligently working with our transmission suppliers, American Electric Power and FirstEnergy, to improve transmission reliability and address concerns. We are constructing tie lines between substations to offer backup resources in case of major substation or transmission issues.

Substation tie lines, as well as standard line and pole inspection and replacement, all are part of our four-year, \$16.4 million work plan

Holmes-Wayne Electric's distribution territory serves an eight-county region and includes more than 2,200 miles of distribution lines and more than 18,000 meter locations. We understand and appreciate our responsibility to provide reliable electricity at an affordable price. This responsibility is not just managing the state, national and global aspects of the electric industry but also maintaining and improving a strong system within our own backyards.

> Reminder: Toll-free 24-hour outage calls 888-264-2694 or 866-674-1055

\$823,648.69

in capital credits returned to you, the members of Holmes-Wayne



If you were a member of HWEC in 1987, you should have received a check in the mail in June as a refund of capital credits.

If you were a member of the Cooperative during 1987, have moved off our lines and you did not receive a check (the minimum amount returned is \$10), please contact Vicki Bilek at the Cooperative office at 866-674-1055.

Conservation Corner

Landscaping for energy efficiency

Solar heat absorbed through windows and roofs makes your air conditioner work harder and gobble up more electricity. But incorporating shading concepts into your landscape design can help reduce this solar heat gain — and your cooling costs.

Shading from trees can reduce surrounding air temperatures as much as 9°F. Because cool air settles near the ground, air temperatures directly under trees can be as much as 25°F cooler than air temperatures above nearby blacktop.

Trees can be selected with appropriate sizes, densities and shapes for almost any shading application. To block solar heat in the summer but allow much of it in during winter, plant deciduous trees. To provide continuous shade or block heavy winds, use dense evergreen trees or shrubs.

Deciduous trees with high, spreading crowns (leaves and branches) should be planted on the south side of your home to provide maximum summertime roof shading. Trees with crowns lower to the ground are more appropriate to the west, where shade is needed from lower afternoon sun angles. Trees should not be planted on the southern sides of solar-heated homes in cold climates because branches will block some winter sun.

Although a slow-growing tree may take many years before it shades your roof, it generally will live longer than a fast-growing tree. Also, because slow-growing trees often have deeper roots and stronger branches, they are less prone

to breakage by windstorms or heavy snow loads. Slow-growing trees also can be more drought resistant.

A 6- to 8-foot deciduous tree planted near your home will begin shading windows the first year. Depending on the species, the tree will shade the roof in five to 10 years. If you have an air conditioner, shading the unit can increase its efficiency by as much as 10 percent.

Trees, shrubs and ground cover plants also can shade the ground and pavement around the home. This reduces heat radiation and cools the air before it reaches your home's walls and windows. Use a large bush or row of shrubs to shade a patio or driveway. Plant a hedge to shade a sidewalk. Build a trellis for climbing vines to shade a patio area.

Vines also can shade walls during their first growing season. A lattice or trellis with climbing vines, or a planter box with trailing vines, shades a home's perimeter while admitting cooling breezes to the shaded area.

Shrubs planted close to the house will fill in rapidly and begin shading walls and windows within a few years. However, avoid allowing dense foliage to grow immediately next to a home, since the resulting humidity will create maintenance-related problems. Well-landscaped homes in wet areas allow winds to flow around the home, keeping surrounding soil reasonably dry.

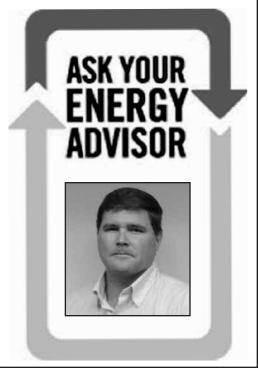
Source: U.S. Department of Energy Office of Energy Efficiency and Renewable Energy

HWEC introduces new energy advisor

Your Cooperative is proud to announce the latest addition to the Holmes-Wayne team, Kenny DePriest. Kenny is starting in a new role for the Cooperative as an energy advisor.

Holmes-Wayne Electric recognizes the increased needs of our members wanting information and guidance on energy consumption. Future projects include the latest advancements in energy efficiency both for homebuilders and contractors, as well as members who are looking to remodel their home. He also will be able to assist with energy-saving tips and information with heating for cooling systems, weatherproofing for insulation and water heaters, as well as major appliances.

Information regarding these new programs and resources will be promoted in the future through this publication. Also be sure to check out our energy advice section on our Web site — www.hwecoop.com



2007 allocation of capital credits on July bill

As a member-owned Cooperative, Holmes-Wayne Electric is committed to operating the Cooperative to provide the best service at the lowest possible cost. We sell and deliver electricity to our members at cost plus a small margin. It is necessary to collect a small margin in order to provide working capital. We use margins to maintain the electric distribution system, to build and upgrade lines, and to provide service to new members. However, because we are a nonprofit Cooperative, we return these margins to the members. These are called patronage capital credits.

Capital credits are returned to each member based on patronage. They are divided among the members according to the amount of power purchased by the member; so, the more power you consume and purchase, the higher your share of capital credits.

Capital credits are assigned or "allocated" to each member/owner for the prior year. Your member-elected board of trustees oversees the financial well-being of the Cooperative. As the financial status of the Cooperative permits, the board will decide to "retire" capital credits. Currently, capital credits are being retired on the industry standard of a 20-year cycle. Please note the retirement of the 1987 capital credits on the previous page.

When these capital credits are retired, they are returned via a check to current members and via check to former members no longer on our lines. This is one reason why you always should keep your Cooperative apprised of your address if you move off of Holmes-Wayne Electric's lines: you may have money coming to you that you have forgotten about!

You also receive an allocation of capital credits from our generation company, Buckeye Power, also a Cooperative. Holmes-Wayne Electric is a member/owner of Buckeye Power. Buckeye Power allocates capital credits to Holmes-Wayne Electric based on the same principles. We, in turn, allocate these capital credits to you. You are notified annually of your allocation of the capital credits assigned to your account for the previous year.

Please note in your July 2008 bill, the information regarding the "2007 Allocation" for both Holmes-Wayne Electric Cooperative and our generation company, Buckeye Power. You will have only "2007 Allocation" if you were a member of the Cooperative in 2007.

Boyd places fifth in statewide scholarship competition



Tony Ahern, left, president and CEO, Ohio Rural Electric Cooperatives, Inc., congratulates Iva Boyd, daughter of Doug and Rose Anna Boyd, Killbuck, who won fifth place and a \$1,300 scholarship in a statewide competition sponsored by Ohio Rural Electric Cooperatives, Inc.

Boyd was sponsored by Holmes-Wayne Electric Cooperative, Inc. She received a \$1,000 scholarship for winning the local competition sponsored by Holmes-Wayne Electric in March of this year.

Boyd is a graduate of West Holmes High School and will be attending Marshall University this fall majoring in psychology.

Also competing was Daniel Shipman, a graduate of Smithville High School and the son of Nathan and Cindy Glass. Shipman will be attend-

ing Miami University majoring in finance.

Forty-seven students representing 24 electric Cooperatives in Ohio competed for \$19,300 in scholarship awards. Winners were announced at a banquet following interviews with scholarship judges on May 12.

Keep safety in mind outside the house

Many people like to take advantage of the warm sunny days of summer, even if it's just to do chores. However, outdoor chores can bring electrical hazards.

For example, ladders contacting power lines cause 9 percent of electrocution-related deaths each year, according to recent data from the Consumer Product Safety Commission (CPSC). Landscaping, gardening and farming equipment cause another 7 percent. To avoid electrical hazards, make sure you and your family follow these simple tips:

General

Teach children to stay away from electric transformers and substations, and explain what posted warning signs mean.

Avoid damp conditions when using electricity. Keep all electrical devices and cords away from water.

Place waterproof covers on all outdoor outlets.

Install ground-fault circuit interrupters (GFCIs) in outlets where water may be present. Use only extension cords marked for outdoor

use; match power needs of an electric tool or appliance to the cord's label information.

Before you dig, call the Ohio Utilities Protection Service (OUPS). Power lines and other utilities can lie at various depths below the surface of the area marked for excavation. Call OUPS at 800-362-2764 at least two business days before you plan on digging.

Power tools

Inspect power tools and appliances for frayed cords, broken plugs and cracked or broken housing, and repair or replace damaged items.

Store power tools indoors.

Unplug outdoor tools when not in use. Do not carry power tools by the cord.

Ladders

Use only a fiberglass or wooden ladder if you must work near overhead wires.

Never touch a person or an object that has made contact with a power line.

Source: Electrical Safety Foundation International: CPSC