

Speak Up: Energy Policy Will Affect Your Pocketbook

MESSAGE FROM
INTERIM MANAGER
BARRY MURCHISON

More than 70 years ago, a fledgling network of locally controlled, member-owned, not-for-profit utilities tackled the massive task of bringing safe, reliable and affordable electric service to America's rural heartland. After meeting that initial challenge, electric co-ops have continued to expand operations and now serve more than 40 million consumers in 47 states.

But a new challenge, as daunting as any faced since those early days, is putting electric co-ops to the test. Between now and 2030, consumer demand for electricity is expected to increase by 30 percent. To meet that demand, our nation must add about 264,000 megawatts of power plant capacity. However, roadblocks—some out of our control, some not—are delaying this required boom in generation construction.

Economic growth around the world has produced record orders for basic construction materials such as steel, cement and crushed stone. As a result, the average cost of building power plants here at home has increased by 27 percent over the past year and is up a full 130 percent from 2000.

Now a second factor, the need to develop climate-change policy, has slowed desperately needed power plant construction even further. With uncertainty about potential costs of climate-change policy, many lenders see the needed plants as too risky. Of 151 coal plants announced since 2002, only 15 have been built.

Issues preventing development of coal and nuclear power facilities are forcing power suppliers to increasingly use fuels such as natural gas, which is

subject to wide swings in price, to generate electricity. Coal itself, a once-inexpensive fuel, has also recently shot up in cost. The impact of these mounting fuel issues is compounded across the country as dramatic electric rate hikes are announced.

But the economic effect of climate-change policy has yet to be seen. Electric cooperatives are fighting to protect our members; fighting to minimize the cost impact of legislation currently being discussed by lawmakers—legislation that could otherwise go wrong for consumers and go wrong for the country.

As your provider of safe, affordable and reliable electric service, Lamar Electric Cooperative is a champion of the right policy, which meets its climate-change goals while keeping bills affordable. What has been described as the perfect storm—the clash of growing demand, skyrocketing costs for power plant construction and fuel, and climate-change policy constraints—has hit home. It is no longer a far-away problem reserved for backroom discussions in Washington, D.C., or state capitols.

As you may know, electric cooperatives across the country have launched a grassroots campaign called "Our Energy, Our Future: A Dialogue with America" to ensure that your voice gets heard. This campaign seeks to engage elected officials on critical energy questions, such as how to balance growing electricity needs and environmental goals, and how much all of this will affect electric bills.

Please visit WWW.ourenergy.coop to join this important conversation. Let lawmakers know that what actions they take regarding our energy challenges will carry enormous consequences for the folks back home. It is time to make our voices heard.

LET EFFICIENT LEDS LIGHT THE WAY

As you wait for your neighborhood's little ghosts and goblins to ring your doorbell for Halloween treats, leave the porch light (a compact fluorescent lightbulb) on and use other efficient lighting to illuminate your whole sidewalk.

Sidewalk and landscape lighting not only lend a decorative touch to your yard, but also add safety for you and for your neighbors' costumed kids.

You can light sidewalks and pathways efficiently with new, outdoor-rated LEDs (light-emitting diodes), which are durable and use about a tenth of the energy of regular incandescent lighting.

LEDs are perfect for walkway lighting because they produce directional light, and only the amount needed for the path you want to illuminate. That means no light is wasted.

You might be the first one on the block to use LEDs, so when the neighbors bring their kids over to raid your candy bowl, you'll have something spooktacular to show them.

The U.S. Department of Energy calls LEDs "the future of lighting."

LEDs aren't just for outdoors. They're showing up as accent lighting around walls, as task lighting under cabinets and as room lighting in the form of ceiling-mounted, recessed downlights.

You'll find these state-of-the-art lights in specialty lighting shops and online.

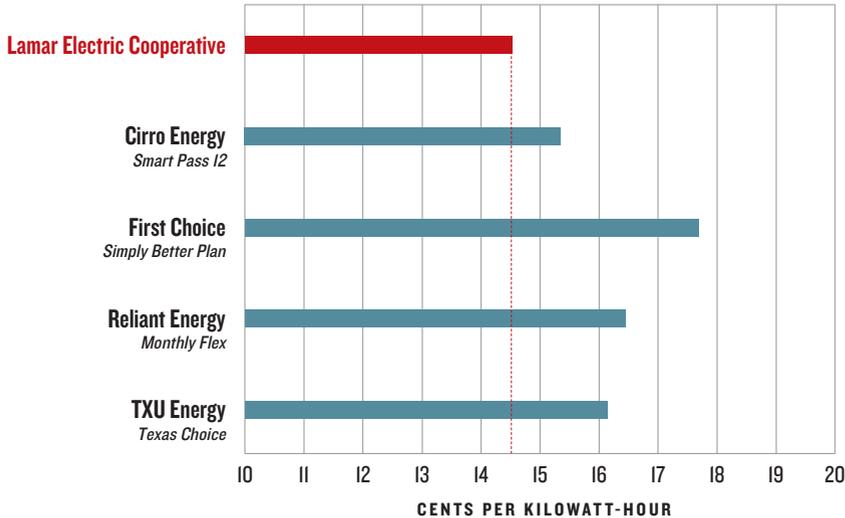
In addition, many home improvement stores carry solar-powered LED garden lights, which store the sun's power during the day to give a glow to your landscape at night.



COMPARISON OF RESIDENTIAL RATES

August 2008

Based on August 2008 comparison at www.powertochoose.com



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Operating in Lamar, Red River, Delta and Fannin counties

Find us on the web at www.lamarelectric.coop

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Barry Murchison

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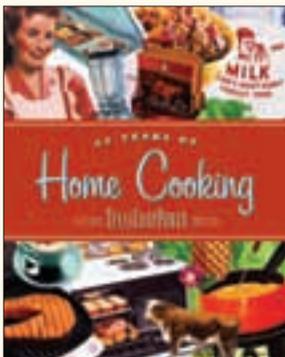
This section of *Texas Co-op Power* magazine is produced by LEC each month to provide you with information about current events, safety, special programs and other activities of the cooperative. If you have any comments or suggestions, please contact the local office.

MEMBER BENEFITS:

- Level billing
- Automated meter reading
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Six Decades of Texas' Favorite Foods, Fads & Facts

Full Color, Hardbound, More Than 600 Recipes From 60 Years of Texas Co-op Power



Now available at Lamar Electric Cooperative. Come by and purchase your copy today!



SAVE ENERGY • SAVE MONEY

When you're done baking a meal and you turn off the oven, pop in a baking sheet of raw nut meats after you've taken out your food. The residual heat will roast the nuts for future use, saving you the power you would have used to cook them separately.

CHECK US OUT ON THE WEB AT WWW.LAMARELECTRIC.COOP

October Is National Cooperative Month

There's something special about the utility that brings electricity to your home: It's a consumer cooperative, and you're more than a customer. You're a member.

The hallmarks of a cooperative business are its seven guiding principles. They are:

1. VOLUNTARY AND OPEN MEMBERSHIP. Your electric cooperative offers membership to everyone who lives in its service area.

2. DEMOCRATIC MEMBER CONTROL. Because you're a member of the cooperative, you're eligible to run for a seat on its board of directors and help the management make decisions. Don't have time to serve? You can still vote for others from your community who run for the seats.

3. MEMBERS' ECONOMIC PARTICIPATION. When you pay your electric bill, you're doing more than buying electricity. You're contributing to the financial health of your electric cooperative. In return, your cooperative will send you a refund if it takes in more money than it needs after meeting all of its obligations to you and the community. These refunds are called capital credits.

4. AUTONOMY AND INDEPENDENCE. Your electric coopera-

tive doesn't sell stock to Wall Street investors. Cooperatives are locally owned and controlled by their members.

5. EDUCATION, TRAINING AND INFORMATION. You're reading this publication because your cooperative is committed to keeping its members up to date about what's going on at your utility. It also makes sure that the community members who serve on the board of directors—along with managers, employees and others—are trained and knowledgeable about the business of the cooperative.

6. COOPERATION AMONG COOPERATIVES. If you've ever seen a bucket truck with an unfamiliar logo on it after a storm, it could be from a neighboring electric cooperative that has lent its crews to help out during an emergency. Likewise, your utility pitches in when other cooperatives need help.

7. CONCERN FOR COMMUNITY. The managers and staff who work for your cooperative also live in the community. So the utility takes a keen interest in the economic development and well-being of the neighborhoods it serves.

Lamar Electric Cooperative practices each of these principles every day as we provide our members with the high-quality service they deserve.

The Problem: Houses Are Leaky!



The Solution: Seal the Deal

If you add up all the hidden air leaks in your home, they can equal a hole the size of an open window. These drafts can make you feel uncomfortable, and they cause high energy bills. With a few supplies and a little elbow grease, you can improve the “envelope” of your home (outer walls, ceiling, floors, windows and doors) to make your home more energy efficient and keep interior spaces comfortable.

Check out the do-it-yourself video at TOUCHSTONEENERGYSAVERS.COM.

Lamar Electric Cooperative

Your Touchstone Energy® Cooperative

Looking out for you.

Co-op Connections®

1st Choice Pest Control

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- Matt Terry, owner

Quality Craft Picture Frames

OFFERING 20 PERCENT OFF CUSTOM FRAMING INCLUDING FRAME, MAT AND GLASS

- Custom-made picture framing, shadowboxes, needle work, well-known artist prints, ready-made frames, mirrors and more.
- Hours of operation are 8:30 a.m.-5:30 p.m. Mondays-Fridays. Located at 2030 Clarksville St. in Paris. Phone (903) 785-2760
- Owners Harold and Doris Cody invite you to come in and see what they have to offer.

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\$1,682.12 Saved

On prescriptions by members using their Co-op Connections® Card

In July, 144 prescriptions were filled and members saved \$1,682.12, averaging 23 percent off the retail price.

This valuable member benefit is absolutely free!

Want to do some price checking on your prescriptions? Visit www.rxpricequotes.com to see the discounted price from our local pharmacies.



Even if you have medical coverage, compare your coverage to the discounts. Sometimes the Co-op Connections discount is better than your medical insurance!

The pharmacy will need the group and member numbers on the back of the card to process the discount.

When Cars and Power Lines Collide

If your car comes in contact with a power line, a state of panic may set in. Try to stay calm and follow these tips:

You should remain inside your vehicle. If you are in your car, you are not part of electricity's path, which always looks for the shortest way to the ground. Honk your horn to alert passers-by.

If someone stops to help, roll down the window and warn them not to touch the car or the power line. Ask them to phone 911 and contact the local electric utility immediately.

Wait in your car until qualified electrical workers turn the power off and tell you it's safe to leave the car.

If you have to leave the car because of fire or other danger, open the door and jump away from the vehicle so no part of your body touches the vehicle and the ground at the same time. Make sure to jump with both feet



together so that they land on the ground at the same time.

After you land with both feet together, shuffle away, keeping both feet in contact with the ground constantly.

Do not try to help anyone from the vehicle. If you do, you may become a path for electricity and be injured or killed.

Source: National Weather Service

Watch Out for Those Energy 'Vampires'

Beware: There's a power-hungry fiend haunting your house—and, no, it's not a Halloween visitor. With vigilance, you can stop the drain on your pocketbook by fighting the electricity "vampires" that you may find lurking in every room.

Vampire power, also called standby power, is the energy used by many appliances

when they are turned off but still plugged in.

TVs, DVD players and stereos all use standby power after you shut them off because they need

to stay energized to remain responsive to your remote control.

Your desktop computer also uses electricity when it's in sleep mode. And anything with a built-in clock uses electricity even when the appliance isn't running.

You can turn those items off and unplug them when you're not using them. Or, better yet, plug them into power strips with a switch and turn the strip off.

Each appliance wastes just a little bit of power in standby mode, and those kilowatt-hours add up. In fact, the U.S. Department of Energy reports that standby power can account for as much as 20 percent of home energy use.

This year, slay the vampires in your home. Here's how:

- Unplug all of your electronics—

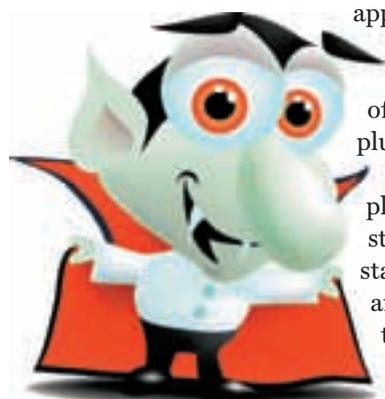
including the pieces of your entertainment system—if you go away for the weekend.

- Unplug seldom-used electronics like a second TV or your old VCR until you want to use them.

- Power down desktop computers and laptops when you're finished working. If you have a home office, the same goes for printers and fax machines.

- Choose new products that bear the Energy Star label. They typically use less standby power.

- Invest in an "intelligent" power strip for your computer equipment. It "knows" when you turn your computer off—and it turns off your monitor, printer and scanner at the same time, so you don't have to remember. It turns them all back on when you power up the computer.





IT'S TIME TO COME TOGETHER AND CHANGE OUR FUTURE

We have an energy challenge, America.

When it comes to finding solutions, we must meet climate-change goals while keeping costs down and electricity available. America needs a plan. Immediately. Because we all know that our energy needs keep on growing—every day.

Now is the time to have a candid conversation with your elected officials. Together, we can find answers and take action.

Start the conversation today at www.ourenergy.coop.

**Lamar
Electric Cooperative**

Your Touchstone Energy® Cooperative 



Our Energy, Our Future
A Dialogue With America