

Holmes-Wayne Electric Cooperative, Inc.



*Glenn W. Miller
President/CEO*

The effort of exceeding expectations every day

My two young children are working diligently through out this school year to receive high marks on their grade cards. It's a constant effort that takes persistence and desire.

At Holmes-Wayne Electric Cooperative, we also strive for those same high marks from our membership, every single day. We don't want to do only what you expect us to do — provide you with affordable, safe and reliable electric service. We want to go further and do better, from providing superior member service to offering programs that help you save time and money.

HWEC lineworkers provide the public face of our mission to exceed expectations. They routinely work in rough weather and put in long hours. But they do it gladly, because they care about doing an exceptional job for you.

In addition, we have many people behind the scenes who also make your cooperative the best it can be. Our engineering department continually explores new technologies to improve service reliability and plan for the future needs of our community as a key role in economic development. Our accounting and customer service departments work to make paying your bill easier and more convenient with on-line bill pay and budget billing. Also the cooperative is currently working on new outage reporting and payment options through new technology to be introduced in 2013. Our customer service representatives

want to make sure you have a positive, helpful and satisfying experience when you call our office.

And because we're a cooperative, we have a special responsibility to support the communities we serve and exceed expectations there, too. That means our goal is always to improve the quality of life through our scholarship program, Relay for Life team, Energy Savings Days and Operation Round-Up Foundation, to name just a few activities. Whether it's a power outage or energy audit, a billing question or community event, we're working hard to achieve those high marks of exceeding your expectations every day.

We love to hear from our members. Don't hesitate to contact us via our website or by picking up the phone and letting us know how we are doing. We never forget, as a cooperative, that we are here to provide for you, the member-owners of Holmes-Wayne Electric Cooperative.

Congratulations to
*the following members who each
won a \$100 bill credit during
the drawing held at our Energy
Savings Days this fall.*
**Debbie Fulk of Holmesville and
Delma Bornstine of West Salem**

Board of Trustees

*Randy Sprang, Chairman Dave Mann, Vice Chairman Barry Jolliff, Secretary/Treasurer
Don Buren Kenneth Conrad Kenneth Bower Bill Grassbaugh Jackie McKee Ronnie Schlegel*

**6060 St. Rte. 83; P.O. Box 112
Millersburg, OH 44654-0112**

Business hours 7:30 a.m. - 4 p.m.

www.hwecoop.com

24 Hour Toll-free Phone:

866-674-1055 or 888-264-2694

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2013 HWEC Operations

Holmes-Wayne Electric has a vast amount of operational goals for 2013. Tree trimming and EPA-approved vegetation control will continue on a four-year rotation. In an effort to prevent potential outages, these programs began in 2004 and are completed by a third party.

Additionally, we have more than 35 miles of distribution lines that will be rebuilt. This is an investment of more than \$2.2 million.

Annual pole inspections will continue. Poles are tested throughout the HWEC service territory to identify any poles not meeting standard requirements. Those poles identified will be replaced by line personnel within the standard daily schedule. Pole testing in 2013 will be in the Ripley and Clear Creek substation territory.

Also, throughout the entire year, line personnel are visually inspecting the infrastructure system to identify and correct any maintenance issues in an effort to prevent potential future outages.

With more than 2,200 miles of line that is exposed to a variety of weather elements throughout the year, it is critical for your cooperative to administer the above processes to provide the best service to our members.

Substation Upgrades

Clear Creek
Killbuck
Ripley
West Salem

Tree Trimming — 390 miles

Alpine
Hefferline
Moreland
Sugarcreek
Trail

Vegetation Control — 408 miles

Reedsburg
Ripley
West Millersburg

Holmes-Wayne Electric Announcements

E-bill offers members 2012 summary

If your business would like to retrieve your total electric expenses for 2012 for tax purposes, it's as easy as a few clicks away. You can go to our website at hwecoop.com. Select our "view and pay bill on-line." Then select "payments."



Budget Bills January Adjustment

If you participate in HWEC budget billing program, you will notice the mid-year recalculation change on your January bill. Your monthly payment will be adjusted based on your electric consumption over the last 12 months. This adjustment prevents you from accumulating a large credit or debit on your HWEC balance. As always, on the top left of your bill you can find your current balance based on actual consumption of electricity.

HWEC TREE TRIMMING PROGRAM

Why does Holmes-Wayne Electric trim trees?

Tree limbs and power lines aren't a good combination. HWEC's service territory is a beautiful rural territory with rolling hills and country scenes that includes a large population of trees. Because this area has a high density of trees, the cooperative was seeing a high number of outages and interruptions to your power due to tree contact with our power lines. In 2004, a tree trimming program was implemented. This program has greatly reduced tree-related outages.

How often are the trees trimmed?

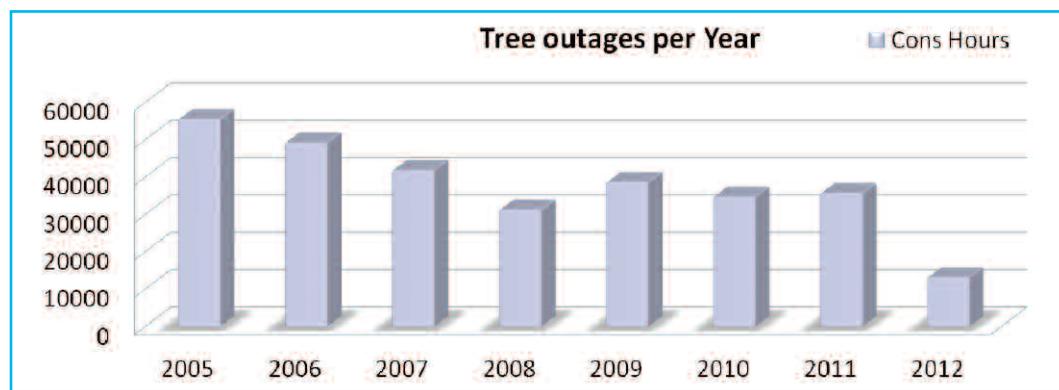
HWEC has established a four year tree trimming cycle. Annually the cooperative has a tree trimming bid process for qualified third party service. The HWEC board reviews the bids and selects the service provider. The tree trimming contractor is required to complete the trimming process within the calendar year in order to maintain a timely cycle.

What guidelines are used for trimming?

HWEC's tree trimming project is managed by Brent Schrock, HWEC Right-of-Way Supervisor. Schrock is a certified utility arborist. All tree trimming is reviewed before and after the process. All cutting and trimming is required to be at arborist cut where economically feasible. Directional trimming not only eliminates the limbs from current contact with power lines but strives to train the tree to grow away from the lines.

Where should I plant a tree in my yard?

Smart planting saves the need for pruning. Trees planted along your property's border should be low-growing shrubs or tall, narrow trees planted at least 30 feet from power lines. Spreading trees including maples and oaks, are the most common outage-causing culprits and need to be planted at least 50 feet away from the lines. Visit our website at www.hwecoop.com for more valuable planting information or contact the office toll-free 866-674-1055 for a detailed brochure.



2013 Holmes-Wayne Electric Scholarship

High School Seniors

Are your parents members of an electric cooperative?

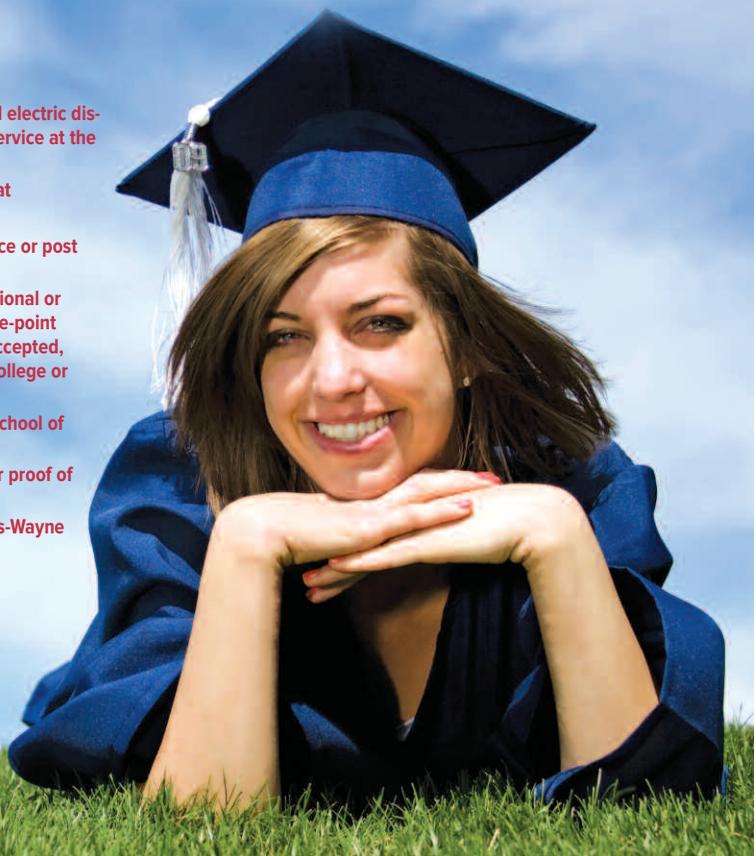
You could win a college, vocational or technical school scholarship of

\$5,500*

****Seven scholarships for both the boys and girls division will be awarded through statewide competition. Amounts listed include local Holmes-Wayne Electric first place award of \$2,500. Holmes-Wayne Electric will distribute three scholarships for both boys' and girls' division. (First \$2,500, second \$2,000 and third \$1,500)***

**Second place:.....\$4,560
Third place:\$4,250
Fourth place:\$4,150
Fifth place:\$4,045
Sixth place:\$3,940
Seventh place:\$3,840**

1. Applicants must be a son, daughter or legal ward of an Ohio rural electric distribution cooperative member living on the lines and receiving service at the time of the statewide competition.
2. All applications must be submitted (typed) on forms obtainable at hwcoop.com or at your local high school guidance office.
3. All applications must be submitted to Holmes-Wayne Electric office or post marked by Friday, Feb. 1.
4. Applicants must have all basic credits for college or proper vocational or technical school entrance. They must have a current career grade-point average of "B+" (3.6 on a 4-point scale) or better and must be accepted, then enrolled (when they receive the award), in the accredited college or proper vocational or technical school of their choice.
5. Any applicant who has received a full-tuition scholarship to the school of his/her choice is not eligible for a scholarship.
6. All scholarships must be accepted in the first academic year after proof of enrollment is received.
7. Winners from both the boys and girls division of the local Holmes-Wayne Electric competition will compete at the statewide competition.



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