Holmes-Wayne Electric Cooperative, Inc.





Glenn W. Miller

President/CEO

Why keep power lines exposed to winter weather?

As we enter the heart of winter, the reality of winter weather in Ohio can be brutal. High winds, heavy snow and icy conditions can cause tree limbs to fall on power lines, triggering outages. Although Holmes-Wayne Electric line personnel are on call around the clock and respond quickly

to problems, some folks ask a simple question: Why keep power lines in harm's way?

There are two ways electricity can be delivered to a home: through overhead or underground power lines. Although underground lines may seem attractive during storms since the lines are not exposed to extreme weather, the technology doesn't always make sense for nonprofit member-owned electric cooperatives focused on affordability.

Estimates indicate that installing power lines underground costs double the amount per foot compared to overhead. The rougher and more rural the terrain, the price tag goes higher.

Most underground lines are found in subdivisions where developers request and pay for the option for aesthetic reasons. A high concentration of homes in these areas helps spread out the expense. We also see more new homes paying the additional fee to have their secondary service provided underground. According to Hi-Line Engineering, nine out of 10 new subdivisions are served by underground cable.

But the bulk of the nation's cooperative energy (including that provided to subdivisions) continues to be delivered via overhead lines — 16 percent of the 2.5 million miles of distribution lines owned and maintained by electric co-ops across the nation are found underground (although the amount grows by approximately 1 percent annually). Holmes-Wayne Electric, along with the more than 900 rural cooperatives across the nation, is a not-for-profit company, selecting distribution methods with two goals in mind: keeping electricity both affordable and reliable for consumers.

There are pros and cons to both forms of power distribution. For instance, underground facilities are more reliable during storms and generally require less right-of-way maintenance because there are no trees, brush and other vegetation to clear away.

However, faults in underground power lines are not easy to track down and fix. A North Carolina study found that outage restoration times averaged 92 minutes for overhead lines compared to 145 minutes for underground lines. In 2005, Hi-Line Engineering compared the increased cost of underground lines against their benefits in Virginia. The results: underground savings did not outweigh the heavy initial cost of installation.

If a tree falls on a line, you can normally drive down the line, see the problem, and get to work restoring power. The same holds for repairing broken insulators and crossarms — if you see it, you can fix it. But underground lines are tough to troubleshoot. You can't find a problem with your eyes — you have to search harder for it, tracking it down based on where the power flow stops. Then a line crew has to dig a hole to reach the spot before repairs can be made.

For most Holmes-Wayne Electric members, affordable overhead lines will remain the norm. In a challenging economic time, our mission of providing reliable and economical service to you becomes even more valuable. Since our establishment in 1935, we continue to be looking out for you!

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The year 2011 marks another aggressive year for Holmes-Wayne Electric in our effort to continue providing reliable service to our members. Tree trimming and EPA-approved vegetation control are completed on a fouryear rotation. These services are completed by a third party and have had an extremely positive impact in preventing potential outages since its implementation in 2004.

Additionally, we have more than 28 miles of distribution line that will be rebuilt, including tie lines that connect one substation to another. Tie lines provide backfeeding options to substations that have had an interruption of power due to a transmission failure.

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.

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 are exposed to a variety of weather elements through out the year, it is critical for your cooperative to administer the listed processes to provide the best service to our members.

Substation Upgrades

Clear Creek Drakes Valley Killbuck Ripley West Salem

Tree Trimming

Buckhorn Drakes Valley Killbuck Stillwell

Vegetation Control

Clear Creek Golden Corners Clear Creek Mohican North Wayne West Salem

How your power is produced

Again this year, Holmes-Wayne Electric Cooperative members had the opportunity to tour our generation facility, the Cardinal Station. The Cardinal power plant is a coal-fired power plant that provides electricity to the rural cooperatives in Ohio. It provides power to more than 380,000 homes and businesses.

Located along the Ohio River just south of Brilliant, Ohio, Cardinal has approximately 224 employees with an annual payroll of \$22 million. It uses approximately 4.2 million tons of coal in a year and is one of the cleanest coal-burning generation facilities in the world.

Almost all the power delivered to members of Holmes-Wayne Electric is generated at the Cardinal Station. Additional generating resources include 55 MW of hydropower from the New York Power Authority, 400 MW of power from the Ohio Valley Electric Corporation (OVEC), 510 MW of peaking power from the Robert P. Mone Station and 40 MW from renewable sources. The following are comments that your fellow HWEC members made after touring the plant.

"Holmes-Wayne Electric's price is among the lowest in the state."

"There are a lot of things that need to happen in order for us to enjoy the conveniences of electric, and we should appreciate it even more."

"There is very little pollution involved in creating our electric."

"Coal is a clean operation."

Cardinal Power Plant Tour

"The cooperatives have invested many dollars to upgrade the plant facility for environmental regulations that not all facilties have done."

"Our price is being kept as low as possible."

"(Amazed by) the effort being made to be able to use local coal yet being environmentally responsible."

"Twenty cents for every dollar of your electric bill is used to cover environmental requirements."

"Takes one pound of coal to power a light bulb for 10 hours."

"It takes a lot of coal to produce our electric. We were surprised at how clean the process was and the use of the by-products."

"I appreciate all the effort being done to keep the environment clean."

"Surprising the amount of power it takes to run the power plant itself."

"There is a lot involved in producing the power for us. We can be confident Holmes-Wayne and Buckeye Power are quality organizations working efficiently for us."



High School

Are your parents members of an electric cooperative? You could win a college, vocational or technical school scholarship of:

Contact your electric cooperative for details on how you can enter

Second place:...\$4,465 Third place:\$4,185 Fourth place:\$4,070 Fifth place:\$3,960 Sixth place:\$3,845 Seventh place: ...\$3,725

* Seven scholarships for both the boys' and girls' division will be awarded through the statewide organization and amounts include local Holmes-Wayne first-place awards.

- Applicants must be a son, daughter or legal ward of Holmes-Wayne Electric Cooperative member living on the lines and receiving service at the time of the statewide competition.
- All applications must be submitted (typed) on forms obtainable on request from your local high school guidance office or at our website, hwecoop.com.
- 3. All applications must be postmarked or submitted to the office of Holmes-Wayne Electric Cooperative by February 11.
- 4. Applicants must have all basic credits for college or proper** vocational or technical school entrance. They must have a current career average of "B+" (3.5 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 their choice is not eligible for a scholarship from OREC.

- 6. All scholarships must be accepted in the first academic year after proof of enrollment is received by OREC.
- 7. Holmes-Wayne Electric Cooperative local first-place winners in both boys' and girls' divisions will be eligible to participate in the statewide competition.
- Local winners will include both girls' and boys' divisions and awards will be \$2,500 for first place, \$2,000 for second place and \$1,500 for third place.

For information, contact: Holmes-Wayne Electric Cooperative Toll-free 866-674-1055

**Proper vocational or technical schools must educate beyond high school and credits earned must be transferable to a state-accredited college.