

Conservation and efficiency — kissing cousins

Turn on the lights and TV, boot up the computer and head to the kitchen to start dinner. Arriving home after a full day at work, most of us walk through a familiar routine.

We hardly take a step that does not involve the reliable flow of electricity. And every light switch or appliance we turn on sends the electric meter outside spinning a little faster and the monthly bill a little higher.

Meanwhile, it's hard to escape the media coverage surrounding climate change as evening news reporters drone on about global warming.

We watch with concern and ask, "Is there anything one person can do to make a difference?" The answer is an emphatic, "Yes!" It starts with learning all we can about energy conservation and efficiency. While they are not the same thing, they are close relatives.

Conservation occurs when we reduce total consumption of electricity, often achieved by simply turning off anything that consumes electricity when not needed.

Energy efficiency occurs when we replace or upgrade the essentials in our lives (e.g., appliances, lighting, insulation), allowing us to realize the same benefit with less electricity.

If you want to help, call any Holston Electric Cooperative office and ask for a home energy survey. Or you can even use your home computer to go to the

energy right[®] Web site at www.energysright.com and complete the online version of the survey. (And as an added bonus, everyone who submits a completed survey will receive a free conservation kit full of valuable energy-saving products.) The computerized analysis from the survey will assess how much energy your home consumes and evaluate what measures you can take to make your residence more energy-efficient.



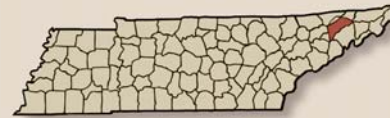
Larry Elkins
General Manager
Holston Electric
Cooperative

Then, with the survey results in hand, take action. The cumulative effect of such small steps in homes and businesses will have a direct impact on our nation's entire electric grid — reducing demand during peak periods, cutting emissions of greenhouse gases and lowering overall costs to co-ops and consumer-members. Plus, energy efficiency helps manage load growth and delays the need to build new electric generation facilities.

America's electric co-ops are working with public officials

at all levels to identify and adopt achievable and balanced solutions to climate change. One of quickest remedies involves embracing those "kissing cousins" — conservation and efficiency — and making them part of our daily routine. Although energy consumption will continue to increase, by using electricity more efficiently, we can slow the overall growth for more power.

"The cumulative effect of such small steps in homes and businesses will have a direct impact on our nation's entire electric grid."



Serving more than 29,000 customers in Hawkins and Hamblen counties.



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Rogersville, TN 37857
272-8821 235-6811

Web site: www.holstonelectric.com

Church Hill office

Highway 11-W and S. Central Ave.
Church Hill, TN 37642
357-6441

Russellville office

Highway 11-E
Russellville, TN 37860
581-2066

**Office hours: 8 a.m.-5 p.m.
Monday-Friday**

General Manager

Larry Elkins

Board of Directors

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Vice President: William W. Bales
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Danny Cockreham
Lynn Parker
Phil Pierce
Danny R. Price
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To report an outage or electrical emergency, call 272-8821 or 235-6811 day or night.

Holston EC tax payment to Hawkins County exceeds \$500,000

When Holston Electric Cooperative's taxes came due in February, there were some enormous amounts distributed to cities and counties within the service area. Holston EC is the second-largest taxpayer in Hawkins County, paying \$512,775 in 2007 taxes.

Holston EC pays an ad valorem tax, which is based on the assessed value of the cooperative's infrastructure in each county and town it serves. The assessment includes buildings, substations, transformers, poles, lines and equipment. The taxes paid to each city or county government are funds to operate schools, build and maintain roads and support all other city and county services.

Ad valorem tax totals paid by HEC to local governments for 2007 are shown below.



Phil Campbell, Holston EC supervisor of accounting, delivers a check to Hawkins County Trustee Patsy Courtney in the amount of \$512,775 for 2007 ad valorem taxes.

Hawkins County	\$ 512,775	Surgoinsville	\$ 8,631
Rogersville	53,115	Bulls Gap	2,163
Church Hill	22,911	Hamblen County	93,695

Recycle your old telephone books Food City, Highway 66 South, Rogersville April 12-19

A lot of paper won't wind up in the local landfill this year thanks to a new telephone book recycling project. The Rogersville-Hawkins County Chamber of Commerce, Food City (Highway 66 South in Rogersville), Hawkins County Litter Recycling Program, the Tennessee Department of Transportation and Shred-A-Way of East Tennessee Inc. are sponsors of an eight-day opportunity to recycle out-of-date telephone books.

A bin for old phone books will be located at the Food City on Highway 66 South in Rogersville from Saturday, April 12, through Friday, April 18. Please bring your telephone books and deposit them in the bin during regular store hours. On Saturday, April 19, from 9 a.m. to noon, Shred-A-Way will be set up in the parking lot in front of Food City to actually shred all of the books that have been collected.

How many telephone books can be shredded and recycled? How many tons of waste can be kept out of the landfill? It all depends on you! Make a note of the dates for this important recycling project and do your part to reduce, reuse and recycle.





Communicating Leadership in America

Young leaders meet in Pigeon Forge

John and Charissa Baskette of Hamblen County participated in the Young Leaders Conference Feb. 1-2 at the Main-Stay Suites in Pigeon Forge. They joined more than 250 others for the annual conference, which is designed to bring young people together and develop leadership so they can go back to their communities and educate others on the importance of cooperatives and agricultural issues.

"This conference is all about education, and we hope participants learn how cooperatives impact our daily lives," said Greg Anderson, general manager of Bledsoe Telephone Cooperative and president of the Tennessee Council of Cooperatives (TCC). "We often take for granted larger, well-known cooperatives such as Land O' Lakes and Ocean Spray, but the prosperity we know today is due to cooperatives formed years ago."

TCC, which co-sponsors the conference with the Tennessee Farm Bureau Young Farmers and Ranchers, is comprised of a variety of cooperatives across the state including dairy cooperatives, farm credit banks, farm supply cooperatives, telephone and electric cooperatives, tobacco cooperatives and the Tennessee Farm Bureau Federation (TFBF).

Young Farmers and Ranchers is an organization within the TFBF for men and women ages 18 to 35 with an interest in agriculture. Its purpose is to develop agricultural leaders and address issues facing agriculture.

"We hope attendees walk away from the Young Leaders Conference with knowledge of current agricultural issues that have an impact on them," said Ben Moore, a row-crop and livestock farmer from Weakley County who serves as chairman of the Young Farmers and Ranchers. "Through this conference, participants gain leadership experience they can utilize in their counties, churches or agricultural or civic organizations to become better leaders for their communities and state."

Participants are selected and sponsored by TCC members or TFBF's Young Farmers and Ranchers. John and Charissa Baskette were sponsored by Holston Electric Cooperative.

The conference gave the Baskettes the opportunity to attend sessions and workshops addressing areas of interest to young farmers and cooperative members. Topics included the Tennessee Agricultural Enhancement Program, cooperative education, a Tennessee legislative update and Young Farmers and Ranchers contest information.

During the first general session, attendees played a "Jeopardy"-style game with subjects such as TFBF, state government, cooperatives and agricultural issues. University of Tennessee President John Peterson spoke on the future of energy production, and Stefphanie Gambrell, American Farm Bureau Federation domestic policy

economist, provided information about the U.S. Department of Agriculture Farm Bill and outlined its benefits to farmers.

U.S. Rep. David Davis of Johnson City also addressed the group, stressing the importance of the conference's theme, "Communicating Leadership in America."

"We need to stay involved, stand up and be heard and take part in government," said Davis.

Attendees also had the opportunity to tour the Apple Barn and Old Mill in Pigeon Forge and browse through an accompanying trade show that offered more information about the sponsoring organizations.

"We were honored to represent Holston Electric Cooperative and appreciate the opportunity to learn more about current agricultural issues," said John Baskette. "And the fellowship with other farm families from across the state was enjoyable and helpful."

The ultimate purpose of the conference was summed up by Frank Jennings, president of Middle Tennessee Electric Membership Corporation.

"We continue to strive to carry out our cooperative philosophy," he said. "And that is to educate our people."



Hamblen County's John and Charissa Baskette — and 6-month-old son John Dean — represented Holston Electric Cooperative at the Tennessee Council of Cooperatives Young Leaders Conference in Pigeon Forge.

Be a part of the Cherokee Lake **POWER** Cleanup on April 26

This is the sixth year that Holston Electric Cooperative and two other area power distributors (Appalachian Electric Cooperative, and Morristown Utility System), along with the Tennessee Valley Authority, Keep Tennessee Beautiful and other local businesses have combined efforts to sponsor a trash cleanup along the shoreline of Cherokee Lake in four East Tennessee counties. Community volunteers are needed to help clean up Cherokee Lake, so organize your civic club, youth group, Boy or Girl Scout troop,



Rogersville/Hawkins County Chamber of Commerce Executive Director Nancy Barker displays a Keep Tennessee Beautiful T-shirt that lake cleanup participants will receive.

neighborhood or even your family members and help to protect and restore the beauty of Cherokee Lake.

A special invitation to participate is issued to boaters, fishermen, lake property owners and all other lake users. Many areas of the lake that are heavily littered cannot be accessed by walking or driving in. We urge those with boats to come out and help clean up an area during this event on April 26.

Be a part of the fun, the excitement and the solution! Join us for the Cherokee Lake POWER Cleanup.

Saturday, April 26

9 a.m.-noon

Registration begins
at 8:30 a.m.

Hawkins County staging area will be at Quarryville Boat Ramp, located just east of Cherokee Boat Dock on Highway 11W. All

participants meet here first to get
their T-shirts,

trash bags and gloves.

Return trash to the
trash bin at this site.

FREE T-shirt to each participant!

FREE treat bags!

To register a team or for more
information, call Jenny Lawson at
Holston Electric Cooperative, 272-8821,
or Nancy Barker at Rogersville/Hawkins
County Chamber of Commerce, 272-2186.





TVA announces rate increase

April 1 hike will be passed on to Holston EC customers

“The announcement of a wholesale rate increase and an increase in the fuel cost adjustment (FCA) by the Tennessee Valley Authority will lead to an increase in power cost for Holston Electric Cooperative customers,” says General Manager Larry Elkins. “We will have to pass along TVA’s 7-percent rate increase and the FCA to customers, but this will not generate any additional revenue for the cooperative. Holston EC will continue operating on the same margin and the same budget that was approved by our board of directors last July.”

The TVA board of directors met Feb. 15 and approved the rate increase, which is expected to provide an estimated \$300 million in additional revenue for the power producer during fiscal year 2008. Tom Kilgore, TVA chief executive officer, said, “Additional revenue is needed for long-term investments to keep the power system reliable and lessen our dependence on volatile energy markets. That will help us keep electricity reliable and affordable in the years to come.”

The 2008 budget includes \$2 billion in capital expenditures for the addition of new power plants and work to complete Unit 2 at Watts Bar Nuclear Plant. TVA needs the additional power plants to meet power demand that is growing by about 2 percent a year during peak periods.

The fuel cost adjustment for the third quarter, which begins April 1, will increase from the current level of less than 0.3 cents per kilowatt-hour (0.267 cents) to more than 0.5 cents per kilowatt-hour (0.550 cents). The FCA, already a part of the customers’ monthly power bills, is adjusted quarterly and can be a charge or a credit. The lingering effects of the drought across the Southeast and its continued impact on reduced hydro generation — TVA’s least-expensive generation source — and increases in purchased power costs were factors that drove the FCA.

“TVA’s rate increase and the increased FCA will both take effect on April 1, with the total percent increase varying depending on each customer’s power usage,” explains Elkins. “The average Holston Electric Cooperative customer uses about 1,270 kilowatt-hours each month. On our previous rate schedule, that power usage cost the customer \$100.48. With the new rates implemented, that same usage will cost \$109.62, an increase of 9.1 percent. Again, the total received from this rate increase goes directly to TVA.”

“We’re all hurting as the cost of living continues to go up,” Elkins continues. “The cost of power is closely tied to the global economy. When the price of oil, natural gas, steel, copper and all other materials goes up, the cost of producing power eventually goes up.”

Holston Electric Cooperative Inc. Retail rate schedule effective April 1, 2008*

	BASE RATE	FUEL COST ADJUSTMENT	ADJUSTED RATE
Residential rates			
Customer charge	\$ 9.00		\$ 9.00
Energy charge	0.07340	\$0.00583	0.07923
(GSA-1) gen power 0-50 kilowatts (kw)			
Customer charge	\$11.50		11.50
Energy charge	0.08407	0.00575	0.08982
(GSA-2) gen power 51-1,000 kw			
Customer charge	\$11.50		11.50
First 50 kw	0.00		0.00
Excess over 50 kw	11.99		11.99
First 15,000 kilowatt-hours (kwh)	0.08407	0.00575	0.08982
Additional kwh	0.04219	0.00567	0.04786
(GSA-3) 1,001-5,000 kw			
Customer charge	\$11.50		11.50
First 1,000 kw	11.56		11.56
Excess over 1,000 kw	12.86		12.86
First 15,000 kwh	0.08407	0.00567	0.08974
Additional kwh	0.04219	0.00567	0.04786

*These published rate changes reflect the rate increase announced by the Tennessee Valley Authority in February. The entire rate increase was passed on to Holston EC customers. These rates are subject to a quarterly fuel cost adjustment by TVA.