

## **Keeping the Lights On and Rates Low in a Changing Environment**

An important function of the HILCO Electric Cooperative, Inc. Board of Directors is to keep abreast of cooperative issues that are being considered by members of Congress, the Texas Legislature and various regulatory agencies. This means informing and educating legislators and their staff about cooperatives and how various bills will impact HILCO Electric Cooperative and its members.

In 2007, several issues were discussed on the national level that your board of directors was involved in. The 2007 Bill contains a section on energy and would impact electric cooperatives, particularly in the areas of transmission and economic development. Global warming is at the forefront of the policy debate on Capitol Hill and electric cooperatives are actively engaged in the congressional debate over how to reduce emissions of carbon dioxide and other greenhouse gases. The nation as a whole is focusing on renewable energy -and HILCO Electric Cooperative is too. From wind, solar, hydro, biomass/biowaste, biofuels, and geothermal/heat recovery, your board of directors continually reviews the fuel mix of our generation cooperative in an effort to utilize renewable energy sources. Energy efficiency plays an important role in the electric cooperative's efforts to deliver safe, reliable, and affordable electricity to our almost 20,000 members. National policies are being developed concerning energy efficiency programs.

On a state level, House Bill 3928 aimed at increasing the amount of money paid in franchise tax by cooperatives, was successfully modified to ensure that cooperatives were not negatively affected by the increased tax liabilities. Franchise taxes are taxes paid to cities where the electric cooperative provides services. These taxes are passed directly on to the members. By ensuring the taxes are kept low, the member directly feels the relief of avoided taxation.

The HILCO Electric Cooperative, Inc. Board of Directors works diligently to protect the interest of the cooperative, and you, our member-owners.

Log on to [www.hilco.coop](http://www.hilco.coop) for more information