



Comments from your General Manager:

High Ratings Confirm GVEC's Financial Stability

Darren Schauer

From our personal financial experiences, we all know that the better we perform financially, the more confidence creditors have in us. That confidence translates into more opportunities to purchase the things we need at lower prices, amounting to considerable savings over time. The same underlying idea holds true for managing the Cooperative's finances. Important to proving GVEC has the credit worthiness to stand behind its financial commitments, the Board and staff work to maintain high credit ratings to reinforce the Cooperative's financial stability and performance. Doing so broadens the potential for increased savings for GVEC members now and into the future.

In April 2010, GVEC received an "A+" credit rating from Standard & Poor's (S&P) for the fourth consecutive year. Among the handful of cooperatives rated this highly across the country, we also obtained excellent ratings from Fitch Agency, another top credit rating entity. After numerous visits and discussions with Fitch about GVEC's strategic operations and business plans, GVEC was awarded a "AA-" long-term rating, which drove an "F1+" short-term rating. This, along with a short-term "A1" S&P rating, widened the door for savings opportunities in the financial market.

These second ratings from Fitch and S&P offered the ability for GVEC to seek a Commercial Paper Plan (CPP) as part of its overall debt management strategy. Utilizing this short-term, unsecured borrowing method to finance capital investments such as transmission lines for electric system reliability, GVEC has recognized significant savings in interest costs. Over \$1 million worth of savings has been realized in the first 17 months with Commercial Paper financing. GVEC continues to be the only distribution cooperative in the country taking advantage of this type of innovative program.

In a recent press release, Fitch Ratings affirmed GVEC's stable rating outlook as part of its routine surveillance efforts. Specifically pinpointed was the fact that GVEC's "AA-" rating is supported by "strong financial performance, which yielded debt service coverage of 2.96 times (x) in 2010, manageable leverage, and solid equity levels." In addition, Fitch cited "system infrastructure is well maintained, the result of ample maintenance and capital expenditures" as well as "GVEC's financial metrics compare well to similarly rated systems" and "management is experienced and proactive". Overall, high credit ratings from S&P and Fitch open doors to opportunities such as utilizing financing methods like the CPP and encourage lenders to compete for our business. This ultimately helps keep GVEC's rates lower and contributes to our goal of maintaining affordable service for our membership.

GVEC remains a solid, financially strong cooperative through a dedicated Board and staff supporting each decision through prudent strategic planning. Conducting business to this standard not only allows us to effectively care for our members' needs today, but also creates significant future opportunities for savings as we invest in vital resources to meet, and hopefully exceed, those needs well into the future.

Feel free to contact me at any time with questions or comments. Reach me via phone at 800.223.4832, email at dschauer@gvec.org, or by mail at P.O. Box 118, Gonzales, TX 78629.

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Preserving Gonzales History One Building at a Time

If you ever find yourself lost in the wilderness, hungry and maybe a little bit scared, you'd want Jack Boothe at your side.

That's because Boothe, a native of Concrete, is a mountain man at heart. He knows which oak tree has the sweetest acorns, how to hook a fish with a thorn, and which herbs will soothe an ailing body.

He's also an inspiration to children and adults alike when they visit the Gonzales Pioneer Village Living History Center.

That's where Boothe, aka the village blacksmith, brings early 19th century Texas history to life. Dressed in period costume, he's like a living exhibit teaching visitors about the past and how things used to be done. It's a natural fit for him because, among other things, he's a dedicated historical reenactor and a longtime participant in competitions where old-time survival mountain man skills are practiced and handed down to the next generation.

"I never know what I'm going to talk about until my group

arrives – it depends on their interests," Boothe explains after spending nearly an hour with elementary-age children touring The Village. "I can talk to them about everything from blacksmithing and early weaponry to medicinal herbs and early crafts like starting a fire with flint and steel. I enjoy teaching the kids about the things everyone's forgotten."

And it's that passion for keeping history alive that makes The Village so vibrant. This nonprofit organization helps preserve early Gonzales history by relying on volunteer docents eager to share their knowledge and items donated by the community and friends.

For example, volunteers like Betty Fink, Carol Martin, and Beverly Pirkle have been volunteering for years and are expert guides who welcome visitors into the furnished and restored buildings. To date, there are 15 buildings that include houses, a church, school, and broom shop to name a few. While visitors stroll the grounds, docents churn butter,

point out architectural features and answer questions about everyday pioneer life.

"I've always loved it here," says Pirkle, whose volunteerism at The Village was inspired by a Gonzales history teacher. "The older I get, the more I appreciate the history of Gonzales."

Fink says she was attracted to The Village because she loves history and knows volunteers are always needed.

Cindy Munson, who manages the restorations and activities at The Village, sums it up best. "The Village is a special place. It's a piece of Texas history where kids, as well as adults, can learn about the past. It's important they realize that life wasn't always about cell phones and video games. When they're here, they can see that people had to work hard from sunup to sundown, and that Texas was built by the sweat of our ancestors."



Photos, from left to right: GVEC members can count themselves among the volunteer docents at The Village. Betty Fink is making "leather britches," which are green beans on a string — a method pioneers used to preserve beans. Beverly Pirkle says a proper pioneer woman wouldn't have shown her ankles. Jack Boothe talks to a young visitor interested in early weaponry.

The Village is open nearly every day to the public, offers private tours and can be rented for special events such as meetings and weddings. The Village hosts three annual fundraisers — the next one is October 1.

Come and Take It Celebration and Battle Reenactment – October 1, 2011. This is a huge production where visitors relive the drama that led to the first shot for Texas independence and how Texas came to be. This historical reenactment takes place once a year and is part of the 3-day Come and Take It festival in Gonzales on September 30 - October 2.

Stars in the Village – December 2-3 and 9-10, 2011. The Village is transformed with Christmas lights for the holidays. Visitors can enjoy The Village at night, listen to carolers, sample wassail and eat popcorn made over an open fire.

Dutch Oven Cook-off – April 28, 2012. Pioneer life is recreated as cooks prepare meals in Dutch ovens over an open fire and compete for the best-tasting meal. They are also judged on their pioneer camp presentation.

For more information and to confirm dates and times of events at The Pioneer Village, call 830-672-2157 or visit www.thepioneervillage.com.

Add More Time to Your Day With the Customer Self-Service Portal

Need more hours in the day? We can't make the day longer, but we can make it seem like you have more time when it comes to your GVEC business. We're proud to introduce our expanded customer Self-Service Portal, offering new service options you can access 24/7, whenever it's convenient for you.

- View your bill online.
 - Make real-time, online payments.
 - Update your address and phone number.
 - Access the last 24 months of statements and print them.
 - Sign up for text or email bill due date alerts.
 - Apply for new service; disconnect your current service.
 - And more.
- Best of all, it only takes a few minutes to sign up and will save you time in the long run!

Payments

Save stamps and gas money by paying online. Payments are real-time — your account is credited when your payment is submitted. You also can request payments be automatically withdrawn from your checking account or charged to your credit card. Payments are made on a secured, third-party site so information is confidential and protected.

My Account

Access your account 24/7 to update your address and phone number, change your password, request to receive your bill by email (eBill), and view past bills.

My Alerts

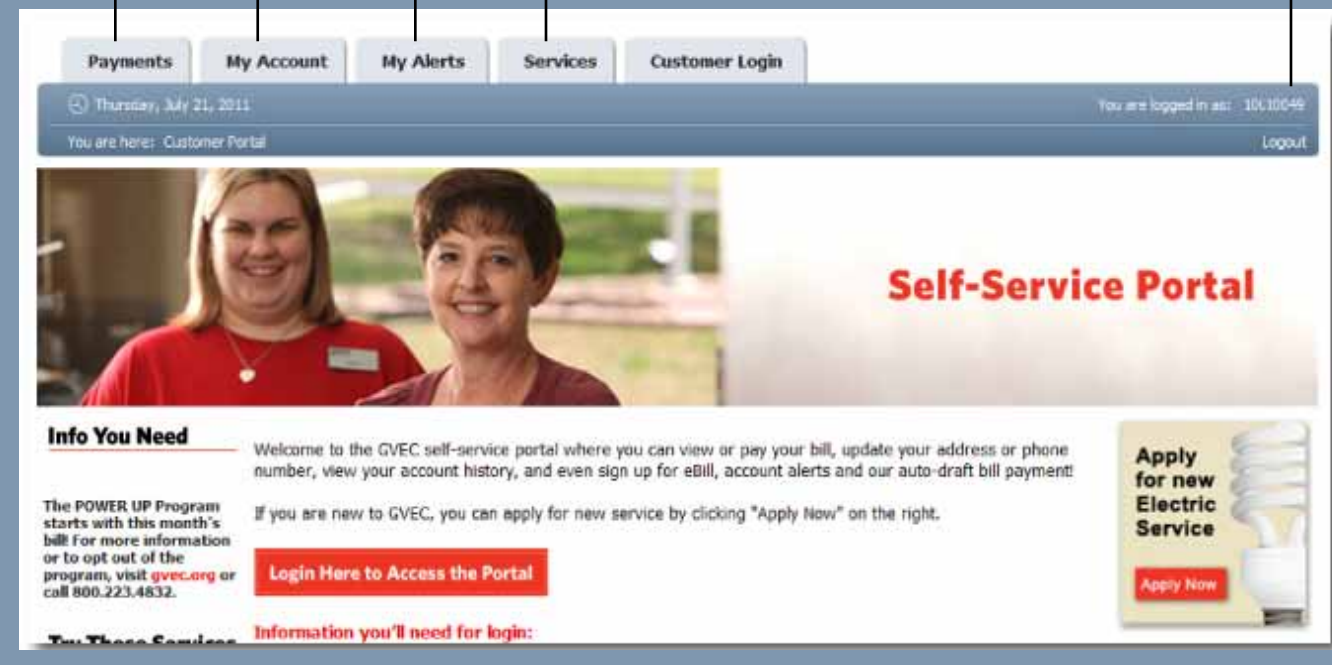
Stay informed by setting up automated email or text message alerts such as due date reminders, payment confirmations and returned check alerts.

Know You're Logged In

You know you're logged in when you can see your account number here.

Services

Apply for new electric service or disconnect your current service.



Navigation Know-How

To sign up for the Self-Service Portal:

1. Go to www.gvec.org.
2. Look for the "Self-Service Portal" box on the right-hand side.
3. Click the "More Options" bar. The Self-Service Portal page will appear.
4. Click the red "Login Here to Access the Portal" bar. The Customer Login page will appear.
5. Click the "Account Number or User ID" box. Type in your account number located on your bill.
6. Click the "Password" box. Type in your password which is printed in red numbers above the "Total" on your GVEC bill.
7. Once you've logged in for the first time, you can change your User ID and/or password from the settings menu located on the My Account tab.

Logged in, but can't navigate through the Self-Service Portal? You may need to disable your Pop-up Blocker:

1. Click "Tools" on your computer's menu bar.
2. From the menu, select "Pop-up Blocker".
3. From the drop down list, click "Turn Off Pop-Up Blocker". (You also can select an option to permanently turn off the pop-up blocker for www.gvec.org.)

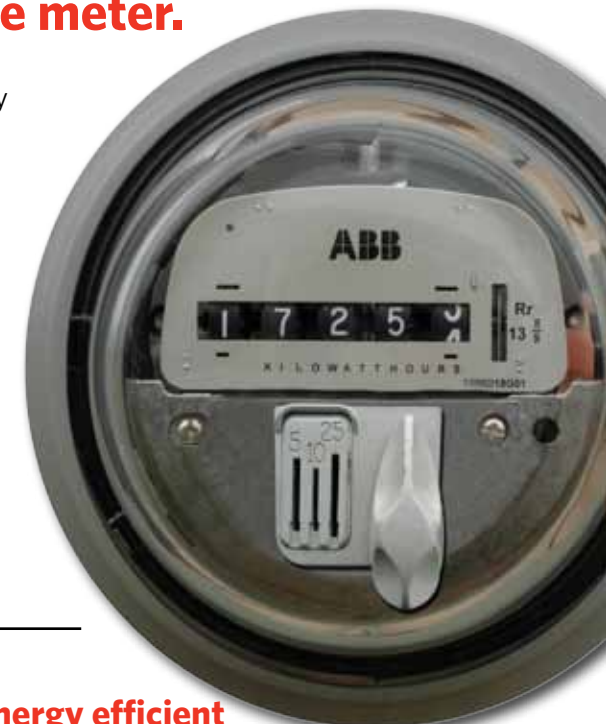


Agitated by high energy bills?

It's time to replace that aging washing machine!

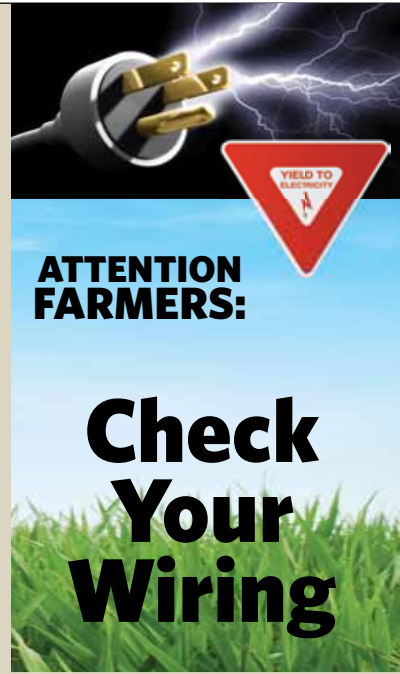
Quit feeding the meter.

Did you know high-efficiency clothes washers use 30% less energy and 1/2 the amount of water used by regular washers? So take the load off your energy bill and put more change back in your pocket!



If you're not running energy efficient appliances, it's costing you money!

Graphic for illustrative purposes only.



ATTENTION FARMERS:

Check Your Wiring

If you live on a farm or ranch, chances are you rely on electricity to keep operations running smoothly. From illuminating farm buildings and powering feed-handling equipment to running motors for ventilation fans or irrigation pumps, electricity gets the job done.

Have you ever considered the condition of your electrical wiring system? Outdated and worn wiring can be a problem just waiting to happen. The result can be a fire or other catastrophic loss, or even electrocution of animals or farm workers. Your electrical system deserves just as much attention as your farm implements, so spend some time on maintenance.

An annual review of your wiring will indicate whether simple corrections are needed, or whether portions of the system are on the verge of failure. Check for loose connections, missing covers on electrical panels, overloaded circuits, brittle wiring or insulation, rodent damage, and broken ground rod connections.

The following checklist can help you evaluate your electrical systems. Any items answered "no" are potential problem areas.

- Was the system installed by a licensed electrical contractor?
- Is the electrical equipment dry and free of corrosion?
- Are all conductors, fuses and circuit breakers of the proper size and approved type?
- Do motor circuits have correctly sized fuses or circuit breakers?
- Are electrical cables, conduit, switches and outlet boxes all surface-mounted rather than enclosed in the walls?
- Do ventilation fan and motor circuits have disconnects located within sight of the motor?

More detailed information and guidance is available in the *Agricultural Wiring Handbook*, produced by the Rural Electricity Resource Council (RERC). The 118-page handbook costs \$21.75. To order, call the RERC at 937.383.0001 or visit www.rerc.org.

Be safe. Yield to electricity.

For Safety's Sake, Keep Easements Clear

Do you have an electric line running across your property or a pad-mounted transformer (big green box) nearby? If so, then you probably have a utility easement which is a strip of land GVEC uses to erect, construct, reconstruct, replace, remove, repair and maintain electrical equipment.

It's vital these easements remain clear so GVEC can protect equipment from damage and make timely repairs, keeping outages to a minimum. It's a matter of your safety, too. Certain

activities, such as building a swimming pool under electric lines can be dangerous, which is why there are restrictions on how land within easements can be used even though a property owner owns the land. If an encroachment is found, GVEC can require it be removed at the owner's expense. This may include barns, garages, building extensions, above-ground fuel tanks, tall signs, billboards, tall trees, soil mounds or any road construction involving raising the natural grade.

Make sure your easement is free and clear. Call GVEC at 800.223.GVEC (4832) before you start your project and we will stake out the easement for you.

TEXAS DIVISION OF EMERGENCY MANAGEMENT:

Hurricane Preparedness Guidelines

PREPARING FOR HURRICANE SEASON: JUN 1- NOV 30

Residents of Texas Gulf Coast EVACUATION ZONES should BEGIN NOW by making an evacuation plan, preparing an emergency kit and learning evacuation routes.

If you have special health care needs, register by dialing 2-1-1: Gulf coast residents with special health care needs (including those who are disabled or medically fragile) who live in evacuation zones and do not have friends or family to help in an evacuation should

register for assisted transportation in advance by dialing 2-1-1. The 2-1-1 transportation assistance registry must be dialed IN ADVANCE. It is confidential. Do not wait until a storm is in the Gulf to register for assistance.

If you need transportation, register with 2-1-1: If you do not have a vehicle, and you cannot get a ride with friends, neighbors or family, register IN ADVANCE for assisted transportation by dialing 2-1-1.

Evacuation zone information: If you are interested in registering and you want to find out whether you are living in an evacuation zone, dial 2-1-1 for information.

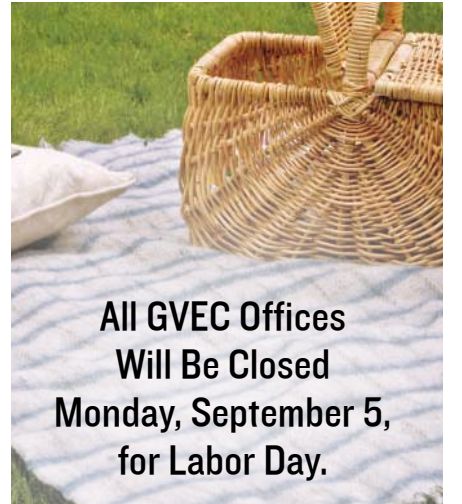
Hurricane Preparedness tips online: Texas Division of Emergency Management Website: www.txdps.state.tx.us/dem FEMA Website: www.Ready.gov Red Cross Website: www.redcross.org



PAM POWER AVAILABILITY MONITORING

Do your cattle in a remote pasture need watering? Are you storing food

at a weekend home? GVEC's Power Availability Monitoring Service (P.A.M.) can ensure you have service flowing to your electric meter at all times. For just \$5 a month, GVEC will ping your meter several times a day and automatically dispatch personnel to your meter without notification from you if there seems to be a problem. It's an inexpensive price to pay for peace of mind. Call 800.223-GVEC (4832) to sign up.



All GVEC Offices Will Be Closed Monday, September 5, for Labor Day.

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2011 Texas Lineman's Rodeo Results



Congratulations to the Journeyman Team of Ricky Varela, Zeke Ybarra and Christopher Laake who took 7th place in the Cooperative Division and 13th place in the Overall Journeyman Team category. Apprentices Derek Ranft, James Hunter and Zach Land placed in the top 15 for various events including URD Service Install, Rope Event and Written Test. In the Overall Apprentice category, Hunter placed 8th, Ranft placed 19th and Land placed 46th. Another round of kudos goes the Western Operations Center BBQ Cook-Off team who won 3rd in the beans category and the GVEC Communications team, who were recognized for best magazine ad in the rodeo event program.

Member Recipes

Kathy Jurek, Gonzales

Sloppy Joes

- 2 lbs. ground beef
- 1 cup celery, chopped
- 1 medium onion, chopped
- 1 green bell pepper, chopped
- 2 tablespoons brown sugar
- ½ cup ketchup
- 1 tablespoon vinegar
- 1 can tomato soup
- 2 tablespoons Worcestershire sauce
- 1 tablespoon mustard

Brown ground beef, celery, onion, and green pepper in large skillet. Add remainder of ingredients. Cover and simmer 30 minutes. Serve on hamburger buns.

Randy Gay Squyres, Gonzales

Calico Beans

- 1 medium can butter beans, drained
- 1 medium can kidney beans, drained
- 1 medium can pork 'n beans
- 1 lb. ground beef, browned
- ½ lb. bacon, browned
- 1 ½ cups ketchup
- 1 onion, chopped
- ¾ cup brown sugar
- 1 teaspoon dry mustard
- 1 tablespoon vinegar

Mix all ingredients together in a large casserole dish. Bake at 325 degrees for 1 hour. Serves 12 or more.

Strawberry Salad

Jonathan Ford, Marion

- 1 small box strawberry Jello
- 1 8-ounce container of Cool Whip
- 1 10-ounce package frozen strawberries, thawed (do not drain)
- One prepared Angel Food cake

Mix Jello, Cool Whip and strawberries in a large bowl. Tear apart Angel Food cake in bite-size pieces and fold into the strawberry mixture. Do not over mix. Serve immediately or chill before serving!



SEND IN YOUR RECIPES!

We welcome your input and questions!

Recipes, photos, stories about you, your family, and communities! Always feel free to contact us with information for the *GVEC Review* or any questions you may have for us. Email info@gvec.org, write to us at P.O. Box 118, Gonzales, TX 78629, or phone us at 1.800.223.4832.

FIRST SHOT COOK-OFF GONZALES, TEXAS

J.B. Wells Park
September 16-18, 2011

- Youth Education Program
- Antique Tractor Exhibit
- Tractor Pull
- Arts & Crafts
- Annual CASI Chili Cook-Off

Need more info?

830-857-4142 or 830-857-6247
info@gonzalestexas.com

Shiner

SS. Cyril and Methodius Catholic Church Fall Picnic

September 4, 2011

Live music, dancing, 3-meat meal with trimmings, arts & crafts, bingo and kids' activities. 10:30 a.m. – midnight. For info: 361-594-3836 or visit www.sscmshiner.org.

Belmont

Belmont Volunteer Fire Dept. BBQ Fundraiser

September 17, 2011

Brisket & chicken plates with trimmings — dine in or take out. There will also be live music from the Kerr Creek Band, an auction & a raffle for guns and a four-wheeler. 5-8 p.m. at Oliver Pecan House, Hwy 90A, Belmont. For info: Call Kenneth Schauer at 830-491-7310.

Hallettsville

17th Annual Kolache Fest

September 24, 2011

Kolache-making demo and eating contest, domino tourney, arts & crafts, food, live music, car show and more at the Hallettsville KC Hall. Begins: 8 a.m. Booths close at 8 p.m.; music till 11 p.m. For info: 361-798-2662 or visit www.hallettsville.com.

All dates, times and events are subject to change without notice.

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