

# THE JOURNEY SPARKED BY A SINGLE DECISION

**K**yle Kuntz's passion for electricity was sparked by a job he held during high school and college. He worked for an electrical contractor in his hometown of Pasadena, Texas. Armed with this experience, he decided to pursue a career in the power business and headed off to Texas A&M to study electrical engineering.

In August 1974, Kyle received his Bachelor of Science in Electrical Engineering from Texas A&M University and landed a great job with the City of Bryan. After starting out as an Engineer, he advanced to Assistant Superintendent of the City's Electrical Distribution and Transmission Division, where his responsibilities ranged from maintaining and operating substation and relay equipment to developing a coordinate mapping system and extensions for residential, commercial and industrial customers. He supervised construction

and service activities, and conducted long range studies regarding the City's transmission and distribution systems, which by 1982 served approximately 43,000 meters.

After eight years with the City of Bryan, Sam Houston EC approached Kyle to become their first full-time engineer. Based on his experience, career plans and a desire to live in the Piney Woods, he accepted the position. At that time, the Cooperative's system included 43,000 meters, 5,016 miles of distribution line, 26 miles of transmission line, 9 substations and 121 employees.

The Cooperative relied on Kyle's engineering expertise to plan and develop the infrastructure necessary to support the service area's growing population. This meant acquiring the people, equipment and systems to handle the increased demands for electricity that the Co-op would experience. The young engineer stepped up to the challenge, and consequently was named Director of Engineering and Operations.

In 1988, Kyle Kuntz was promoted to Assistant Manager of Sam Houston EC. One of his first priorities was to reorganize the Cooperative's structure in order to provide more efficient service for the member-owners. He began working closely with the General Manager, H.E. Striedel, to monitor fiscal activities and



**October 1, 2002 will be a landmark date for Kyle Kuntz. On that day, he will officially assume the role of General Manager and CEO of Sam Houston Electric Cooperative. But more memorable than the date is his journey to get there.**

supervise the Cooperative's day-to-day operations. All the while, he continued to participate in the planning and construction of substations, transmission and distribution projects.

Since his arrival in 1982, Kyle has been an integral part of effecting change at Sam Houston EC. Today, the Cooperative's system includes over 61,000 meters, 5,800 miles of distribution line, 41 miles of transmission line, 28 substations and 147 employees. Much has been done to provide the member-owners with better, more personal service...branch offices are now open in Woodville and Coldspring, a call center has been created, and both a mobile data program and outage monitoring system are in place. In addition to constant right-of-way and system maintenance activities, 19 substations have been

built and an additional 784 miles of distribution line have been pulled. Thanks to technology, the Cooperative is better equipped to care for more members using fewer employees. This has all contributed to member satisfaction, which according to quarterly surveys is at an all-time high.

On October 1, 2002 Kyle Kuntz will begin another leg of his journey when he assumes the role of General Manager and CEO of Sam Houston Electric Cooperative. While he will still be responsible for the operations and growth of the Cooperative, his duties will change.

According to Kyle, "While I will still be involved in the day-to-day operations, the biggest change is that I'll be more involved with the Generation and Transmission (G & T) Cooperatives. I'll be responsible for ensuring that our member-owners will continue to have an affordable source for electric power in the future."

When asked what he hopes to accomplish in his new position, Kyle said, "My biggest goal is to create a positive work environment where employees are motivated to work as a team, do their best and take great care of our members. Our employees are the key to Sam Houston Electric's success, and we have an outstanding group of people working to serve our members."





# Now

Sam Houston Electric Cooperative

Imagine life without light switches and electrical outlets. Your home without air conditioning, appliances, even light bulbs. A time when electricity was considered a luxury, not a necessity. While for most of us, a time like this is hard to imagine, the invention of electricity is new in relation to history. And for those of us living in rural areas, the reality of electricity in our homes is even newer.

In recognition of National Cooperative Month, we take a look back at Sam Houston Electric Cooperative, honor our rich heritage, celebrate our accomplishments and envision our future in the electric cooperative world.

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## Then and now...

The early ideas of electricity date back to the 18th and 19th centuries. By the early 1880s, electricity made its way to Texas with the state's first power plant erected in



Galveston. Power came to Livingston by 1908. But, even by the early 1930s, less than 3 percent of America's rural residents had access to electricity.

All of that changed with the formation of the

Rural Electrification Administration (REA) in 1935. President Franklin D. Roosevelt saw the need to expand electric services to rural areas and created the REA to make it economically feasible. Shortly after Roosevelt signed the Rural Electrification Administration Act, individual states began passing legislation enabling the formation of non-profit cooperatives.

In 1938, the door was opened by a group of rural Polk County residents who had a vision for their lives in East Texas. That vision is now known as Sam Houston Electric Cooperative.

Chartered on May 16, 1939, Sam Houston Electric's first office was located in Livingston and the staff consisted of two local citizens – Tom Drew and Ruth Clarke.

In the early years, Sam Houston EC had less than 250 miles of line serving 661 members. Today, there are close to 6,000 miles of line serving over 48,000 members in ten counties. In 1968, there



were 16,800 meters on Sam Houston EC's lines compared to 61,000 meters today. Back then, the Cooperative had only one operating bucket truck. Now there's a fleet of 35.

And while the member-owners of Sam Houston Electric Cooperative reap the benefits of technology, enhanced customer service and safer, more convenient electricity, it's our employees who truly understand the Co-op...then, now, and for the future.

Following are a few examples of the changes employees have seen at the Co-op throughout the years. Changes that reinforce the founders' original dedication to provide reliable and affordable electric service to the Cooperative's members.

### RON LEMONS

*Supervisor of Meter Reading, Field Collections and Dispatching*

"I have seen tremendous change in my 35 years with the Co-op. When I first came in 1966, our members read their own meters and mailed the reading in on a card. In 1987, we started reading meters with handheld computer equipment. Today, over 99.9 percent of our meters can be read remotely. We've gone from one dedicated staff member to a department of six.

All of these changes have helped our member-owners, and we'll continue to advance to the next level for them. At some point in the future, I don't think we'll even have to leave the office to get meter readings, because we may be utilizing satellite technology for that."

## We're taking better care of more members with fewer employees now.

### Charlie Palmer

*Livingston Branch Manager*

"We're taking better care of more members with fewer employees now. It's because of technology and advancements in our equipment. When I came here in 1974, all the holes for power poles were dug by hand with posthole diggers that had 9-foot handles. That was tough. It took a lot of time, sometimes several hours, just to dig the hole. Now, with our digger trucks, it takes just a few minutes.

Our bucket trucks have made life much easier, too. Today, instead of having to climb poles, a lineman can be lifted in the bucket. This is not only safer, but he can carry more equipment and often work on energized lines, which helps with efficiency.



When Kyle Kuntz, our new General Manager, arrived at Sam Houston Electric in 1982, he saw the need for building an in-house engineering department. He's done that over the years. Our engineering group is really good about working with the operations and meter reading departments to make sure everything runs smoothly for the members.

Soon we'll be going to a mobile data system, which means our service orders will be transferred electronically. All our trucks will have laptop computers in them that will disseminate information and help us find locations quickly. This will help us take better care of our members and will also eliminate lots of paper!"

**Scott Ferguson**  
*Line Technician*

"I've been with Sam Houston Electric for almost 21 years; it doesn't even seem that long! We're much safer now. In fact, we have one of the best safety programs in Texas, if not the nation. We have very few on-the-job injuries.

Our safety program has really evolved. We didn't have the equipment we have now. Back then, a hardhat and rubber gloves were considered adequate safety equipment. We just wore our regular jeans and shirts from the house; now we have flame retardant clothing that protects us from burns.

Our response time has dramatically improved as well. Years ago, people might have an outage that lasted for days instead of hours! It was very difficult to locate problems and fix them quickly. Now

**Our response time has dramatically improved.**

because of our 28 substations and computerized Supervisory Control and Data Acquisition (SCADA) system, we're able to isolate outages throughout the 10-county area a lot faster and expedite repairs. It's much more efficient."

**Andrea Kirkpatrick**  
*Member Services Representative,  
Livingston office*

"Over time, everything has become more automated. Twenty years ago, we were doing everything by hand before computers came into our lives. Information is much more accessible for us today, but more importantly, it's better for the members. We can pull up information at our desk very easily and quickly without having to get up and retrieve it manually.

I can think of a million things that have contributed to this evolution at Sam Houston Electric. From credit card

payments, bank drafting and budget billing, our drive-thru, our Spanish-speaking representatives, the SCADA system and scholarships we give every year...the list goes on and on. All these things help us serve our members better.

We've made great strides to serve the best interests of our members, and I'm excited to see what lies ahead for the Co-op!"

While we've seen many changes in the last 60 years, one thing remains—the commitment to bringing quality service to the member-owners. That will always remain the focus of Sam Houston Electric's story...then, now and in the future.



**Another Local Celebrates its Heritage**  
October marks the 100th birthday for the City of Livingston. The day-long celebration—appropriately themed “Celebrating 100 Years of Community Service”—will take place on October 26 in the downtown business district and Pedigo Park.

- Festivities include:**
- 9:30 a.m.** Dedication of the new centennial clock, which will be installed on the city hall grounds. A time capsule dedication will follow.
  - 10 a.m. – 4 p.m.** Downtown business district will celebrate “Livingston through the decades” with decorations, costumes and music. A variety of musical entertainment will also be available at the Courthouse Gazebo and the Anniversary Park Gazebo. Youth activities at the Murphy Memorial Library. Quilt and art show at Heritage Park. Food available at Anniversary Park.
  - 11 a.m.** “Through the decades” parade along Washington Avenue
  - 1 p.m.** Antique car show and equipment display at the Trade Days pavilions
  - 1:30 p.m.** Birthday cake cutting ceremony
  - 5 p.m.** Barbeque at the Trade Days pavilions
  - Dark** Fireworks at Pedigo Park



# ReMember This

## Security Lighting Can Prevent Crime

Our rural service area is an invitation to thieves and other would-be criminals. Security lighting is a proven crime deterrent. Take advantage of Sam Houston Electric Cooperative's convenient, hassle-free solution to installing security lighting around your home or business.

For a monthly fee only \$7.28 per light, Sam Houston EC will install and maintain commercial grade 175 mercury vapor lamps that automatically turn on at dusk and go off at dawn. These lights are more energy efficient and less expensive to use than comparable lights you might purchase and install on your own. Electrical usage is estimated at 75 kWh per light per month and will be included on your monthly bill.

Protect yourself and your property with security lighting from Sam Houston Electric. Contact a Member Services Representative at 1-800-458-0381. We're always glad to help.

## SAFETY MATTERS

# Don't Shoot!



Shooting guns at line insulators, utility poles, transmission towers and transformers is vandalism – a crime punishable by fines and a possible jail sentence. Not only is shooting electrical equipment illegal, but it is also dangerous. Be aware of the harm it can cause:

- A stray bullet could hurt an innocent bystander.
- A falling "live" power line could electrocute someone.
- A resulting power outage may be a matter of life and death for someone who depends on electricity to power life support equipment.
- Damaging electrical equipment results in unnecessary repairs, costs and service interruptions affecting potentially thousands of people.

So don't use utility equipment for target practice. It's illegal, dangerous and senseless.

## VOTE: IT'S YOUR OBLIGATION AS A MEMBER-OWNER

At Sam Houston Electric, one priority rings through loud and clear – you, the members, come first! The men and women at Sam Houston EC and our Board of Directors work hard to represent your best interests as a member-owner. Our obligation is to deliver safe, reliable electricity to our members at the lowest possible cost – day in and day out.

In return, we ask our members once a year to take the time to vote for those Directors nominated for election at the Annual Meeting. That time is now.

We realize it is impossible for all 48,000 members to vote in person at the Annual Meeting. That's why we've attached a proxy card – your vote – to the

front cover of this magazine. It is important that each member sign and return their proxy card before the November 12 meeting. And as a bonus for returning your proxy card by November 5, you will automatically qualify for a chance to win up to \$1,000 of FREE ELECTRICITY or one of many other prizes. Look on the cover for more information about Director elections and the Annual Meeting.



**EVOTE**



## *Co-op membership has its benefits.*

**W**hat does Sam Houston EC provide its member-owners that investor-owned utilities cannot? Trust in our devotion to work on their behalf. Trust in our desire to keep them informed. Trust in our commitment to serve their best interests. Our members are our owners. We work for them. That's the Co-op way.

“ My wife and I keep up with what the Cooperative does. We send in our proxy card every year. In fact, we've won proxy prizes three times! But that's not the only reason I enjoy being a member of Sam Houston Electric.... I guess you could say I like that we get a vote as much as I do the chance to win something.

It's a fair company. And the people who work there are friendly as can be. They've been good to us since we first became members. We used to live in Beaumont, and we never heard from the electric company there. But it wasn't a cooperative, and that makes a big difference.

I read everything Sam Houston Electric sends us. It's a good way to keep up with deregulation and electricity saving or safety tips. I can tell you this.... They've been good to us; I don't think I would ever want to change.”

**Jim Spencer with his wife Midge**, Tyler County  
Quilters and Painters, Co-op members since 1979



Energizing Communities Since 1939