*1970s*

**Midwest Electric Cooperative**

Despite the increasing cost of power, the co-op and its governing board of directors have been able to postpone a rate increase, due to the increased kWh consumption of homes and oil industry power loads.

In 1970, Midwest EC, along with other co-ops across the country, reached a crisis in the need for capital for future growth. The need nationwide exceeded the Rural Electrification Administration's lending capacity. Midwest, along with 852 other U.S. cooperatives, joined forces to create the National Rural Utilities Cooperative Finance Corporation (CFC for short) as an independent, self-help institution to provide large capital funding for cooperatives. According to co-op records, it is estimated that 15% of the money borrowed by cooperatives of the nation during the first half of 1972 came from CFC. In 1972, the cooperative had borrowed $7,150,000, of which $3,525,375 had been repaid. The cost of line construction and maintenance equipment is very high, but valuable to minimize outages. By this point in time, a bucket truck had been purchased; it was an expensive purchase, but a valuable asset.

By 1972, Midwest EC employed 24 in the Roby office and 5 in Snyder and continued to serve 9 counties: Fisher, Scurry, Kent, Stonewall, Garza, Jones, Mitchell, Nolan & Borden. Of a total 4,804 meters, 3,045 were residential. Most of the co-op's 2,279 miles of line are in Fisher and Scurry counties. To this date, $1,432,300 had been returned to the members in the form of Capital Credits, with more scheduled to be released this year. The amount of the refund is based on usage; for example, a man who uses $200 worth of electricity gets twice the refund compared to a man who uses only $100 worth of electricity.

The board of directors was comprised of 7 directors, members who were elected to serve 3-year terms of service representing the territory in which they resided. The cooperative served no incorporated towns, and the Fluvanna area represented the largest concentrated area of homes served.

Also in 1972, the Ladies Task Force was formed, consistent of cooperative managers', directors', and employees' wives, who sought to help promote rural electric cooperatives. The group would be renamed TREWA – Texas Rural Electric Women's Association – in 1979.

In 1973, the co-op paid $21,846 in property taxes, mostly to Fisher County, Roby School, City of Roby, Rotan Water Authority and Fisher County Water Authority. Social security and sales tax expenses cost the co-op about $11,000 in 1972. Midwest purchased 79,233,200 kWh of electricity, 70,645,000 was sold to Midwest members.

In 1979, Midwest constructed a new Snyder office facility on north College Avenue and, by this point, the Snyder crew had now grown to include 10 employees. Two additional pickups, a service bucket truck, and a digger truck were purchased to serve the Snyder area.

At the end of the year, 5,331 consumers were billed; average farm bill $25.83 for an average usage of 722 kWh. Total billing for Dec. 1979 was $309,260 - $219,637 of that was oil field & commercial. For the year, 106,282,600 kWh were purchased at an average cost of 2.06¢. Overall, the cost of purchased power was up about $50,000 from 1978; the majority of usage comes from the Dermott & Rotan areas.

**Stamford Electric Cooperative**

*Adapted from Stamford Electric Cooperative, Inc.: The First Thirty-Seven Years by C.M. Lester*

In 1970, SEC's bylaws were amended, calling for the directors to serve three-year terms instead of one-year terms. Three major changes took place at the cooperative that year: the first bucket truck was purchased, the Member Service Director position was created, and given that the system was now largely 30 years old, a maintenance and replacement program was implemented.

In 1973, the bylaws were revised and reprinted. Due to an energy shortage and uncertain economic conditions, the board elected to pass along the fuel adjustment cost to the members for the first time.

The co-op was granted a loan from the REA in the amount of $761,000 in 1974, and purchased the plant site land at 225 W. McHarg. The exterior of the building was renovated, adding steel siding and a building front of simulated stone.

In 1975, turmoil in the electric utility industry and the increasing fuel cost for electric generation, became such an issue for SEC that margins declines substantially, even though revenue was at an all-time high. Cost of power increased by 56.8% on a purchase of 63,548 less kWh. Overall, the cost of power increased 30% from 1974, due to the increased cost of natural gas for generation, while kWh sold only increased 10%. However, SEC resumed paying Capital Credits and paid 33% of the 1961 Capital Credits due.

The co-op was re-accredited in with the National Rural Electric Safety Accreditation Program and printed its first employee Policy Manual, a project that had been in the works for several years. In October, the cooperative hosted its first Open House to celebrate Co-op Month, and distributed a brief written history of the cooperative to its members. In December, the majority of employees voted against unionization.

In December, the board voted to support the Texas Public Utilities Commission, which had only recently been established by the legislature. The co-op paid $2,663 to support the entity, which represented 1/6 of 1% of the co-op's gross revenues. One of the PUC's first requirements was the development of system maps to identify territories, and eliminating supplication of services and allow for territorial protection. Meeting the PUC's requirements was over $10,559, in addition to the initial financing.

At the end of 1975, SEC celebrated its 37th birthday with a few noteworthy observations:

- No increase in rates, exclusive of the fuel adjustment;
- Average member cost per kilowatt was down to 2.17¢;
- The cooperative had 27 employees, a fleet of 13 vehicles;
- Net worth was $4,359,726.39.

In 1976, the co-op realized a substantial increase once again on fuel, and had to pass along the fuel adjustment cost, in addition to the base power cost which just covered wholesale power cost and operating expenses, which accounted for about 44% of the member's bill – making the total cost to members about 4¢ per kWh. All supplies and equipment became much more expensive: In 5 years, cost of a single phase line went from $2,900 per mile to over $4,000. Poles that originally cost $25.00 each were now $66.00.

The Stamford City Council approved a franchise in March 1977 that allowed the co-op to serve Stamford Lake residences. In August 1978, the lake, many areas around Stamford and the Brazos River in Stonewall county were ravaged by a flood that left 90-95% of the Lake Stamford cabins under water. Co-op employees worked 500 hours of regular time and over 200 hours of overtime disconnecting meters in flooded areas, and reconnecting them once waters receded. This combined with the need to hire heavy equipment to repair crossings to allow co-op vehicles access to areas where poles needed to be replaced was incredibly expensive, despite the fact that pole loss was fairly minimal. Lines crossed the Brazos River at 9 different locations, but only 3 crossings lost poles – a testament to the foresight of design and construction planning. The co-op did receive a $10,000 grant from the Federal Disaster Assistance Administration to help offset costs of repairing flood damage to the electric system.

The co-op finished out the decade celebrating 40 years of service with 4,985 connected meters, 2,134 miles of line, 2 substation and 7 metering points. For the year, 49,689,679 kWh were purchased. Thirty-seven miles of new line were built to reach 270 new services for a cost of $372,292. Since 1969, line construction costs had risen 400%: cost is materials, supplies, wages, and transportation expenses).

Fuel costs continued to rise drastically.