

Anza Electric Cooperative, Inc.
THE HISTORY

By Barbara Bradford

LET THERE BE LIGHT

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Foreword

Arthur "Art" Nightengale said: "It is important to know a little bit about each person that was instrumental in putting the Co-op together and keeping it together all these years so that you can understand that it is people just like you and I that have created and operated our Anza Electric Co-op. While the Co-op is no longer a "Mom & Pop" operation, it still has a heart."

With this as a guideline I will tell the story as I have seen it, understood it and lived it.

Barbara Bradford



The Anza Electric Co-op Is Born

In 1950, kerosene and gasoline fueled lights gleamed from widely scattered homes around the Anza Valley and much of the surrounding areas—from Aguanga to the desert and Mountain Center to south of Chihuahua Valley.—when we arrived in the Anza Valley.

That was the year my husband, Ed McClain, brought the children and me to Anza Valley. He was foreman at the fire station and we lived with four children and two goats for milk in a couple of trailers in back of the hill that the water tank stands on.

Across the street from the fire station, where the Bank of Hemet now stands, was Clark and "Nell" (Helen) Devaney's store, gas station, Post Office and the only telephone in all of the valley. There was one other telephone at Clark's store in Aguanga. Clark Devaney would take messages for people and deliver urgent ones in the middle of the night. At no cost

either.

The Post Office was the heart of the area and Nell could tell you anything that was going on with anybody, which sometimes annoyed some of the people. The Devaney's were both so good hearted they would do anything for you at any time that they were able to. They carried people on credit and you paid the next time your money came in.

Next door to the station was Lichtwald's grocery-everything store. It burned down just after we arrived. Harry Bergman

bought and rebuilt the place as it stands now and later sold it to Jack Merrit. Eventually it was bought by Rudy Whetstine and was known as Rudy's until it was sold and subsequently closed. The Community Hall was already in place. It had been built by community effort and money in 1949. .

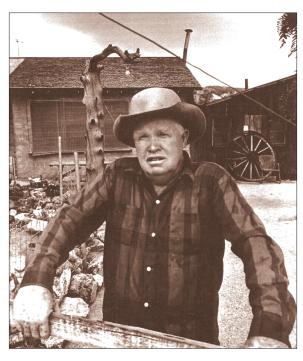
There were four ranches along what is now Johnson Road, Charlie Johnson and his wife Daisy (Contreras) Johnson, Clarence and Marie Contreras, Lincoln Hamilton and Westphalen.

Westpahlen had the only other generator that I know of, besides Devaney's. Westphalen used his to pump water as well as light up his home. We could hear the pump all night long when he was irrigating.



Anza Valley ahead

In early 1950 Bill Bradford talked to Rupert ("Rupe" as Bill called him) Costo about the frustration of getting cost effective electricity, Rupert suggested applying to REA for the money and building our own electric system.



That spring Bill received a note from Rupert:

"Bill: Friday, June 9th at Terwilliger 8:00 PM. Petitions for REA will be distributed. Any information you may have will be appreciated. Tell everyone to come. Rupe."

The dream caught hold atthatfirst meeting and a second meeting was held June 27, 1950, with REA Field representative Bill Letcher. At this meeting Rupert was elected temporary chairman and Mrs. Frances Hack became temporary treasurer. The

Bill Bradford Room on right with
wagon wheel was the
homestead house,
built in 1914 and
is now a County
Historic Site. The
middle room built in
'44 and left in '27.

cost to become a member/owner with the right to receive electricity was \$5.00.

And so the struggle began.

Bill contacted California Electric, the power company that served the area of Aguanga at the time. They said they might run a line up the highway to Anza but it would cost Bill \$3,000.00 to

Bill Bradford was born in Los Angeles in 1900 to Charles and Ione Bradford. The family moved to Aguanga in 1913. It had been homesteaded in 1910 by establishing an apiary on 640 acres with five springs. There Bill learned the bee business and followed the cattlemen around and learned about the cattle business and other aspects of farming. Bill's brother and sister, Charles and Ione, went to the Cottonwood School. At that time the school needed five and one-half children to stay open so Bill provided the one half and later completed one year of high school in Gardena, California. After homesteading 640 acres for himself and years of cowboying, Bill helped get the Co-op started and was a director for 20 years until he resigned because of ill health

obtain service. It was only a distance of one mile but in those days, \$3,000 was like \$30,000.00 today.

By the August 11th meeting there were 150 paid members. They met Aug. 18th, 1950 and picked "Anza Electric Co-op" as our name and nine directors were elected to the first board to represent nine districts. Rupert Costo, President, from Terwilliger. Arthur Nightengale, Pinon Flats. Perry Hack, Thomas Mountain. Howard Bailey, Anza. William Bradford, Aguanga. Roy Jackson, Chihuahua. George Hepburn, Tripp Flats. F. E. McKinley, Wilson Valley and C. A. Roberson, Aguanga. (All of Chihuahua Valley was part of our original planned service area.)

Now the fun began.

On Aug. 24th the Board assembled to begin to pursue a loan from the REA. And on Nov. 15th they met to incorporate and hire an attorney.

Exciting was the word for 1951. Bill's wife, Eleanor was named treasurer and Georgia Kerr from Wilson Valley Road, secretary. The Board got a mail box and placed it at Hwy 71 (now Hwy 371) and Wilson Valley Road for Georgia's convenience. There was still no office and each board member used their own homes to do their jobs.

Meetings were held at board members homes. Mostly at Hepburns on Cary Road, or at Bradfords off of Bradford Road, since they were considered to be more centrally located. There was always coffee and refreshments and the meetings often lasted until midnight, or later.

Each step was a struggle, with spouses and members pitching in to do typing, running errands, serving refreshments or doing whatever else was needed. The board was continually plagued by lack of money.

In March that year, Arthur Cary drove Bill, Rupe, Art Nightengale and Georgia to a hearing in Sacramento on a bill, SB 327, that would directly affect our chances of getting electricity. On the way back they started discussing the need for publicity to help people understand our plight. They spotted a radio station at this point and stopped in to see if they could get air time. Bill said they got 15 minutes to tell their story on LPRO in Riverside.

In spite of all their efforts, and that of other Co-ops and interested associations, the bill failed and the board then had to apply to the Public Utility Commission for a certificate of convenience and necessity. But how could they pay the

\$750.00 for the Certificate that California law said they had to have before they could get the loan money to pay it?

Two methods were used. The collective Board signed a \$250 note at the Security Pacific Bank and Howard Bailey and George Hepburn each loaned the Co-op \$250.00 in their wives' names since the attorney advised them they couldn't make the loans in their own names. Now the board had additional incentive to get the Co-op funded so they wouldn't have to pay the notes out of their own pockets.

ADifficult Birth

Now came the many challenges and hurdles to overcome.

Walter Bowman, an attorney, was hired to draw up the Articles of Incorporation and the Charter. Board members met with California Electric to get a letter from them for the REA,



George Hepburn, Howard Bailey, Art Cary stating that they would sell us power. Bill and Georgia went to the Riverside County Board of Supervisors to get a Franchise to operate and Roy Jackson of Chihuahua Valley went to the San Diego Board since that area was in San Diego County.

Thefirst annual meeting of the Anza Electric Co-op was held on July 15, 1951, to elect trustees (board members),

adopt the articles of incorporation, by-laws and to sign up more members wanting electric service.

Later that year the board asked Attorney Walter Bowman for his resignation as he wasn't following through on the

Rupert Costo, a member of the Cahuilla tribe, was born in Hemet in 1907 to Isadore and Marriana Costo. The Costos had groves in Hemet and cattle on the Cahuilla reservation, so the children were raised in both areas. Rupert went on to graduate from San Diego High School and Whittier College. After he helped start the Co-op he moved to San Francisco and was a right-of-way engineer for the state until he retired. Then he and his wife, Dulce, went into the publishing business. He founded, and was director of, the "American Indian Historian" organization and newspaper.

recommendations of the board. Attorney Lacy helped with this and recommended another attorney, Mr. Shaw, from Palm Springs.

Hard won progress and discouraging setbacks characterized 1952. San Diego Gas and Electric extended service to Chihuahua Valley, which reduced the AEC potential considerably. This brought about a resolution to make the boundaries of our service area to the existing lines of other power companies, even though it went to Palm Desert, Mountain Center, Aguanga and Red Mountain.

This adversity made the board work harder.

They started a newsletter, set rates, the power contract with

Cal Electric was approved, the county franchise was granted and a PUC hearing was set. Tynes and Loftin were approved as engineers and Imes and Cologne for our new attorneys since Shaw proved too expensive.

Gordon Cologne was a young attorney just out of law school. He agreed to work with us even though payment was not available at that point. Imes was his partner for awhile. Gordon went on to become assemblyman, senator and appellate court judge. Many people did a lot of work for us without knowing whether we would be able to pay them, since no loan funds had been released as yet.

Don McPherson, a Riverside Enterprise reporter, became interested in the struggles of the Co-op and gave us a great deal of very helpful publicity. Attending nearly all of the meetings, in spite of the fact that the curvy roads always made him sick.

The News Letter (so titled) of May 25th stressed the work done by the board and Cologne to get all the maps and paper

work done for the P.U.C. hearing. The need was for a 65% yes vote so we could get our organization going. The vote didn't carry atthefirst meeting because the people failed to understand that the chattel mortgages were not on their property but on the lines and the plant to be built by the Co-op.

An incident in April '51 as told by Bill Bradford

"Rupe and I had to go to Sacramento to try and get legislators to get a bill passed so we could get the Co-op started without having to go through the PUC. Rupe said to be sure and wear Levis because that really impressed the Senators. So we both wore Levis, but knowing Rupe as I did, I also packed my suit.

When we registered at the Sacramento Hotel, Rupe leaned over the counter and his Levis, which had seen one washing too many, ripped from side to side and were really gaping. So he told me that he had to go change before we met with Senator Dilworth. But I said nothing doing, you said Levis go over big in the Capital so you wear them. Rupe said 'OK damn you!'

And that's the way we went. Senator
Dilworth was a very down to earth man and
was a farmer in Hemet for many years so we
all had a good laugh."

Tynes and Loftin came out to look over the area with Homer Sherrod, president, as guide. Mirriam Hale was hired as co-ordinator. Mirriam was the first employee of AEC. She was right-of-way agent for the Coachella Valley County Water District in its formative years and started work on checking ownership of the lands within the Co-op territory. Because the Co-op was still having trouble getting cash from the \$750,000.00 loan (later reduced to \$550,000.00), Mrs. Hale agreed to work for \$1.00 a week until funds were available to pay her salary of \$250.00 a month plus expenses including \$.10 per mile for travel. Her generosity was inspired by wanting to help get electricity to her cabin in Pinyon Flats.

The Accidental Loan Approval

Bill Bradford and Georgia Kerr attended a National Rural Electric Cooperative Association convention in San Francisco Jan 26-29, 1953, to see if there wasn't some way that they could cut some of the red tape. The following is from Bills' notes:

"Fred Holland introduced us to Mr. Roy Zook, (Western area assistant to Administrator Claude Wickard) and his statement was that our Co-op was 100% feasible but he thought Tynes and Loftin were too expensive. Bill told him the reason for this was the rough terrain.

Zook had been in Camp Anza, (changed to Anza Village then to Arlanza because of postal confusion) during World War II and he knew that that was pretty level ground. So he'd thought that was where we were located."

Bills notes go on to tell of a subsequent meeting of Zook and the four Co-ops—Surprise Valley, Portola, Campo and Anza. All but Campo had loans on stop order (not to be funded at this time) and all were trying to get the funds released. Campo questioned the feasibility of merging with Anza in order to attempt to purchase cheaper wholesale power.

Fred Holland, then manager for Surprise Valley Co-op, had been helping the AEC Board for quite a while as he was interested in becoming our manager. So, at Zook's request, Fred helped Bill and Georgia fill out a requisition for \$1,250.00 to repay the loans and some for future expenses.

In less than two weeks Bill received a telegram saying the money was available! Bill said they had no sooner received their first check when a letter came from the REA saying that the Co-op wasn't feasible and that the loan was denied. But when REA

discovered they'd already advanced funds they didn't have much choice but to go ahead and let the Anza Co-op build.

Then, as now, the board was made up of rugged individualists who weren't always in accord. Bill and Georgia took it upon themselves to go to the NRECA Convention, even though the board refused to authorize the trip. They went mainly to see if there wasn't some way to break the deadlock, they were fortunate in contacting Roy Zook who was more interested in "getting the job done" than in "red tape." The board voted unanimously to pay the Kerr trip since it was productive and did get some of the funds released and the loan approved.

Fred Holland was chosen from a host of applicants to be our manager on March 1st, 1953. He officially started on May 18th at \$450.00 a month. George and Florence Hepburn gave him some land on Cary road to build his home on. And that was also the Co-opoffice for quite awhile.

The sign that was on the present office building until a couple of years ago, was displayed at the junction of 71 (371) and Cary Road and was painted and donated by Barbara McClain (now Bradford). When a manager was installed in the office, a yellow pick-up truck was bought and Barbara painted AEC on its doors. Now the Co-op was



Simon Arenas -Employee during the early years.

finally a reality. No Electricity yet but was ready to be built.

In the meantime, Tony Lappos and Elmer Everett both offered to sell adjoining one acre parcels to the Co-op for \$1.00 each. Those parcels are where the Co-op plant now stands. Tony then donated another acre, stipulating that if the Co-op ever sold out that the land would revert to his company, the Palm Land Co. Both Tony and Elmer are gone now, but the "gift" lives on.

For \$1,000.00, Forrest and Nora Trimble sold some land at Mountain Center to the Co-op for a substation to connect with California Electric.

Another stop order was put on the loan until the Co-op could get a right-of-way from the National Forest Service. They wouldn't give a right-of-way until the lines were staked, and that couldn't be done until we had the money to pay for it. The third encounter with governmental glitches. E.A. Wright, representing our engineers, Tynes and Loftin, finally worked out a solution acceptable to NFS and REA

Release of \$608,750.00 of the loan approved over a year prior from Washington on April 29th, 1953, gave the directors hope they'd be electrified before the year was out. But nothing is ever easy, and electrification was still two years away.

Our attorney, Gordon Cologne, met with the board on May 22nd and told of Washingtons concern that the Co-op would serve the three Indian Reservations within its' territory. The Cahuilla, Santa Rosa and Ramona (commonly known as Hog Lake) Reservation. The board was more than willing, but the Cahuilla tribe were reluctant to give right-of-ways which were necessary for service. When the tribe learned that the Co-op planned to go around the reservation, they capitulated and authorized the right-of-way.

Another comedy of errors occurred in August. It was with the construction bidders this time.

Drury Electric Co. of San Bernardino was the low bidder out of five firms. After the bid was accepted, they discovered they'd made about a \$35,000.00 mistake and wanted more money, even their lowest bid was \$100,000.00 higher than the engineers had estimated for the proect. Drury finally said they'd stand by their bid.

Fred Holland and George Hepburn took the bid and boarded the train for Washington to try to get REA approval, which wasn't

The First Board

The board was changing and consisted of the following: Howard Bailey, Bill Bradford, Roberson, Costo, Nightengale, Homer Sherrod, Georgia Kerr, George Hepburn and Ed Herring as director at large.

Howard was a cattle rancher married to Lola X Clark. "Babe", Bailey was a grandaughter of the Terwilligers. Howard and Babe owned 17 sections and had 17 sections of Taylor Grazing leased. Much of their land was donated to the San Diego Parks System for Borego Valley. Howard had been a stage driver (with horses) from San Diego to Julian which was partly owned by some of his family.

Art Nightengale had built Cactus City at the top of the grade east of Indio about where the Cactus City rest stop is now. Then he built a home and Sugarloaf Cafe on the highway at Pinyon Flats.

forthcoming. So it was back to the drawing board. The engineers revised their estimates by putting off construction in parts of the roughest terrain for future servicing. Part of the right-of -way clearing was to be done by less expensive local labor and farmers with dozers.

In December, the Co-op opened new bids, but it was another year before all the snarls were untangled and Collins Electric would be approved and start construction .In the meantime there were new Washington people to inform about our situation—Ancher



Equipment from the early days

Nelson, REA Administrator Chief; Clyde T. Ellis, Executive Manager; Henry Shipp, General Field Representative; and Harold Dangerfield, Engineer. And so 1953 ended with no Christmas lights and a bucket full of problems yet to solve.

If at First You Don't Succeed...

President Eisenhower's decision to de-emphasize public power and the fact that the Co-op had only 317 paid members were both deterrents to speedy progress as 1954 opened. So, at REA's

A very astute businessman and a great help for our Co-op.

Homer Sherrod had a home in Indio and Garner Valley.

Georgia Kerr lived at the bottom of Wilson Valley on the west side of the creek. She and her husband Ross and children Regina and Ross Jr.

Ross Sr. built a gasoline run welder with a generator from an LA red car which are now just history. The generator was used to do all the welding on the Palomar Observatory as Palomar Mountain wasn't electrified.

Rupert resigned in August 1951 to move to San Francisco, and Arlo Clemmer from Terwilliger replaced him. Arlo and his wife Gertrude played the mandolin and piano for the Terwilliger dances. They were always fun and interesting. They also raised chickens with the help of their two sons, Miles and Bill.

request, and taking into consideration that the Chihuahua Valley was no longer a part of the proposed service area, the board voted to scale back their application from \$750,000.00 to \$550,000.00. REA under the republican administration was apparently trying to stretch its allocation.

In March the line extension policy, which has been the key to the growth and prosperity of the area, was adopted. Single phase service to have 2,000 feet for \$5.00 per month for five years plus 4 mills per foot per month for any additional extension. For three phase service the Co-op will extend lines 200 feet per horsepower with .50 per foot beyond.

In October, Jones Construction Co. was declared to be the successful bidder for line construction. But in November, Jones confessed he didn't have a California contracting license and if he signed the contract he'd go to jail for violating California law and if he didn't sign he'd forfeit his bid bond of over \$20,000.00.

In an effort to save the bond, Jones arranged with a San Bernardio firm to enter a bid at the figure he had bid. In the meantime, Collins Electrical Co. of Stockton, the second low bidder knocked about \$20,000.00 off of his bid to bring the figure to \$423,576.56. The contract was signed in November 1954.

Georgia Kerr's husband died and she moved to Los Angeles. Her signature was needed on the Construction Contract but because of bad weather, she wasn't able to attend the meeting. The board asked for her resignation as secretary but not as a board member. So Fred Holland drove to Los Angles for her signature and then sent the contract to REA for approval. Another difficulty conquered.

In early '54 Arlo Clemmer died and Estill Money was appointed to his seat on the board. Estill and his wife were retired and lived in Terwilliger. Then after the dust settled, Collins Electric was approved by REA and we are set to build in '55.

Finally -ELECTRIC Lights

The Co-op office outgrew Freds' home so in Oct. 1955 a three-year lease on Guy Register's house, located where the Liquor Store is now, was used for the office. Still no telephone service in Anza so the Devaneys let the Co-op use their telephone for \$3.00 a month plus long distance calls.

The Hamilton School teacherage, where the park is now, was first considered as an office but found to be too small for the rapidly expanding business.

The Co-op hired Don Fry to build meter loops to monitor electricity used since it could be done much cheaper that way. The meter loops were free at the beginning.

The transmission line was to start at Mountain Center and extend to the Anza substation where the distribution lines would begin. Heavy snows and Union Labor trouble delayed the job and the board granted an extension until June 15, after



Sylvester Costo

which date Collins Electric would be penalized \$50.00 per day.

On May 12th, 1955, the Co-op held an appliance show, complete with a free lunch, to help members decide what appliances they wanted most when electricity became available. Fred also presented plans for the office to be built on the donated property along with estimated costs. There have been many more additions to the building since then.

The big day finally arrived on July 29, 1955, when Glenn Froehlick, of California Electric Power Co. closed the switch at Mountain Center and the distribution lines were energized starting with Camp Roosevelt, Thomas Mountain then Anza.

Others lines were energized as they were completed so the Bradford Ranch and the Kerrs didn't get their lights until

October. Pinyon Flats was the last to receive power in the latter part of October or the first part of November. In October, the Co-op bought a line truck and a pole truck to facilitate carrying on the repairs and the future building of lines.

At the Nov. 12, 1955, annual meeting the 56 members present elected as board members for the nine

districts: Edward Wick, Reed Valley; Bill Bradford, Aguanga; Jacque (Jim) Cartier, Anza; Sylvester Costo, Cahuilla; Howard Bailey, Anza; Estill Money, Terwilliger; Henry (Hank) Lichtwald, Anza; Paul Hitson, and Arthur Nightengale, Pinyon Flats.



R. G. Elmore, Anthony Burke, James D. Smith

Jim Cartier worked for the road department here for years. Sylvester, "Sally" Costo drove the high school kids to Hemet and was a cousin of Ruperts. Hank Lichtwald an old timer here was a good hand with horses. His mother was probably the originator of the Thimble Club. At least she was very much a presence in it. Not much is known about Edward Wick or Paul Hitson.

Our New Servant and How We Use It

Senator Nelson Dilworth and Supervisor Fred McCall were speakers at our Annual Meeting on June 9, '56. They were very proud that we had perservered and made such a great improvement in their districts. John Pena was elected to the board at this meeting. Link (Lincoln) Hamilton donated the beef and the ballots were again counted by hand by selected members. Drawings were held for prizes throughout the meeting.

Other Co-ops had been having trouble getting a quorum to the annual meetings so the board decided to have a free Barbecue and a door prize or two. It worked very well. The meat was often donated by Link Hamilton or Howard Bailey or Talone Packing House or some other rancher. The women got together and made salads, coffee and did the serving. It was for a long time a community project then the Co-op and the Thimble Club took over the job until the barbecue was discontinued.



Telephones finally arrived at Valley homes in Sept. '56 when California Water and Telephone wanted to rent space on our poles to run their lines. Of course we were happy to do that. Now the re will be no more free meter loops. We are going to have to make this Co-op work.

Senator Dilworth and Senator Arnold of Susanville introduced a bill that would change PUC rules to allow us to get a Section 5 loan that would allow us to loan money to our members to get electric appliances, wire their homes and pumps, etc.

Jerry Hurst

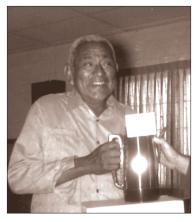
This was a boon for many and helped increase our load. It was also, as you will see, a cause for a problem that was successfully solved. However we didn't get approval until September, 1960. But we're very persistant.

At our June 8, '57 annual meeting, Edward Wick persuaded the Hemet Investment Co. to donate the beef. This barbecue cost the Co-op \$195.47. We had 75 members present and Lincoln Hamilton was elected to the board to replace Howard Bailey. Ballots were still counted by members.

The Co-op was trying to get telephones for the members and Attorney Gordon Cologne was still trying to get approval for the Section 5 loan. The Anza school children presented a play for our entertainment.

The whole community is involved in our system. You see they knew then that they were the owners and would receive any profits through their capital credits. Where as Edison has to give profits to their investors. The Thimble Club raffled off a quilt that was won by Mrs. Barnes.

In December of 1957, a group from the Ortega Highway asked us to serve them as they were unable to get electricity from California Electric. We had to turn them down as we needed to spend our energies expanding our own territory.



Sylvester Costo

The United States Air Force wanted to build a VHF Omni Range Station in Parks Valley so a telephone line was built from Aguanga, through Bradford Ranch, what is now Cowboy Country and north into what is now Lake Riverside Estates. We got the telephones at the Bradford Ranch but the Omni never materialized.

David Hamil, REA Administrator, was at our June 21, 1958 annual meeting which was attended by only 55 members. Graham Elmore and Fred Hurst were elected at this meeting. Estill Money was elected secretary as Paul Hitson was ill. Ten nice prizes were drawn for after a great lunch served by the members.

We used to read our own meters and then tell the Co-op what it was. But in July the Co-op started to read the meters. The \$20,000.00 for our office building was approved by REA. Joe Culton & Bud Wicon (Wixon?) got the bid to build it. This year the whole area had to answer to the Santa Margarita Water suit (lawsuit) that took years as the government wanted to know if we were taking water from Camp Pendleton. Ed Wick died and was replaced by C. P. Miller.

L.O.Lynch was hired to dig our well on the Tony Lappos Property in '59. Construction of the office started the first of the year and was scheduled to be completed by May 6, 1959 barring bad weather.

At the annual meeting Rev. Cochran gave the invocation and of course the flag salute was always a part of our meetings. Ralph Foreman, deputy Administrator spoke about the REA. C.P. Miller

was elected to the board and the Section 5 was reapplied for by Attorney Gordon Cologne. Lunch by members again.

Thelma Fry was hired to work in the office with Tom Crooks as we were really getting going. The office was still at the Liquor Store location and Fred was still running down the road to use Devaneys telephone.

We had a block of power available to us from the Parker Davis Dam. In December Gordon Cologne, Fred Holland, Art Nightengale and Bill Bradford went to Parker to see if we could get our allotment wheeled (distributed) to our system. Edison would not wheel it. That Christmas the board gave each of our six employees a canned ham. Progress!

The Tempestuous '60s

We celebrated the opening of the sixties by starting to make annual payments of \$6,482.92 on our loan. This was also the beginning of our trouble with the section 5 loan.

Senator Dilworth met with Gordon Cologne for dinner at the Bradford Ranch to discuss whether Gordon should run for the State Assembly as Sen. Dilworth was retiring and our then Assemblyman would step up to senator. Gordon decided to go for it and was easily elected in which position he was able to be even more helpful to our Co-op. Gordon then became part of Marsh Moore and Cologne Attorneys office.

At the '61 annual meeting Jerry Hurst presented John Myher of REA with our second annual payment in the amount of \$6,482.92. Art Cary and Dick Kimball had a lot of questions about the financial report which Fred Holland ably answered.

We received our Section 5 loan and our troubles started. The De Anza Mutual Water Company requested \$5,500.00 from the section 5 loan to subdivide some property. REA would have to approve anything over \$2,500.00 and Mr. Farrell of REA said that the money couldn't be used in that manner. However, many of our members did get loans to upgrade their homes and ranches. All repaid with gratitude for the help. Orville Smith, auditor was hired to do our audit as required by the REA.

The board continually sought sources for cheaper power, from Glen Canyon Dam, the California inter-tie and the Board of Recreation Power.

The new office, finished in 1959, was landscaped and Tom Crooks resigned as bookkeeper to be succeeded by Margaret Caldwell. The board requested \$10,000.00 to build a warehouse and garage. After our office was broken into, Fred and Helen Holland moved a mobile onto the property to live in and to protect the office.

The annual meeting was beginning to become more exciting. Art Cary and Dick Kimball, with The Anza Chamber Fact Finding Committe, had many questions about our financial reports. The Co-op territory of 400 square miles was divided into three districts retaining nine directors. Three for each one with one director being replaced or reelected each year. The barbecue was canceled to reduce our expenses.

Jim Minor requested electricity for five fifty-horse-power pumps to be put on the old Murcell Ranch, now Lake Riverside Estates. He was required to put up \$5,000.00 to be refunded at 10% of the bill. He backed out of the deal.

The California Electric Co-ops chose Miss Judi Lanik, "Miss California" to compete in the "Miss Rural Electrification" Contest in Las Vegas. She was chaperoned by Mrs. Hellen Holland.

Chester Jolley was appointed to finish Adolph Hart's term and the directors that wished to attend the NRECA in Las Vegas were given \$75.00 for expenses. Bill and I were married at our home by a friend, a Judge from Hemet, January 12, 1963, just in time to be at the convention for our honeymoon.



Dick Dietrick from

Inland Valley Bank (later sold out to Inland Savings and Loan) was present to tell us about interest bearing deposits and we later deposited our construction funds with them until we needed them. Don Fry and "Buzz" Northern were hired in '63.

An "Anza Electric Fact Finding Committee" was formed by a few people who didn't understand what a wonderful servant we have in our own electric company. They requested our mailing list which was denied. It seems that there will always be an occasional disgruntled member or employee that will start a "tempest in a teapot". Thank goodness the majority are grateful for the wonderful service we enjoy.

Anthony Burke, J. D. Smith, L. L. Urban, Frank DeMartino, G. J. Whittlinger, James "Bud" Wellman, Robert Lucas, Lincoln Hamilton, Oren Speir The proposed conservation camp in Bautista requested power and ways and means were considered. Thelma Fry was hired as bookeeper and took the REA bookeeping course in which she scored very high. She was a very capable lady who later resigned because since her husband was also an employee of the Co-op and the board was afraid of nepotism. Then the board asked her to reconsider as she was an excellent worker and had taken the NRECA bookeeping course and passed it with honors, but she didn't feel that it would be OK with the members.



Two-way radios were installed in the trucks and office for speed of communication. Marjorie Boyd was hired to help the bookeeper as there became so much more paper work and member contact.

Manager Fred Holland was elected as Calif. Representative for director of NRECA. (National Rural Electric Cooperative Association) A movie narrated by Chet Huntley called the "Rural Electric Way" was shown at the '64 annual meeting. Gordon Cologne, our new assemblyman, was introduced.

J. D. Smith, "Smitty"

Mr. Murray from REA explained how they were trying to get our rates lowered. New board members were, Leighton Taylor and Graham Elmore.

May 13, '65 Miles Cadwallader, of NRECA, read letter from Lucille Rood, secretary of the Fact Finding Committee and these questions were to be answered at the annual meeting. This is sellout time and Southern California Edison was involved.

Assistant Secretary of Agriculture John A. Baker, in a sharply worded letter, called on Southern California Edison to wheel power to AEC and to refrain from interfering in the Co-ops internal affairs. He also said that Southern California is the only area in the US wherein the commercial power companies vigorously refuse to wheel available federal power to rural electric cooperatives.

The Co-op was now operating in the black at our '65 annual meeting, with \$5,000.00 credited to members capital credit accounts. As always, we were still trying to reduce our power costs. We now had 547 meters with 209 miles of line. The two-way radios are making repairs so much faster.

Nightengale explained how hard it was to get our loan and Miles Cadwallader, NRECA, told about co-ops and what they do. After

a barbeque dinner, Herbert Stephen showed us his slides about Alaska.

Laura Treadway was hired as bookeeper, Ernie Hoole resigned and Don Fry became foreman. Marjorie Boyd also resigned. California Water & Telephone wanted to put a microwave repeater on Red Mountain and we needed to hire a helicopter to place some of the poles needed. A petition to sell out the co-op was being circulated. It would require a 2/3 majority to do this.

The sell-out movement got really hot in '66. At the annual meeting Senator Cologne presented a resume of the AEC from '52. Homer Sherrod stressed that we are a member-owned and member-operated business and we don't pay dividends to outside investors. Art Cary and 5 more people spoke for the Rate Reduction Committee in favor of the sell-out. Thirteen spoke in favor of keeping the AEC. There was a long heated discussion. Afterwards a barbecue dinner was served by the Anza Community Church with Eloise Lanik as chairperson.

Nightengale read us the message that President Johnson gave to the 24th NRECA convention. Fred Holland explained that Edison would not wheel the block of power due us from Boulder (Hoover) Dam—part of their bid to buy us out I expect. The Board elected, C. L Pierce, Frank Lofton and Victor Newell. There were 13 nice prizes to the lucky numbers.

The employees asked that wages be brought up to scale. Lyman Turner was appointed to fill Graham Elmore's place and the contract for the State Conservation Camp was signed. The board presented a reduced rate schedule to Gerrald Diddle, REA, but he said we couldn't do that without harming our system. The board was upset as they had continually tried to find ways to reduce rates.

J.D.Smith was on the "rate reduction committee" and asked for facts and figures regarding Edison sales. The employees were given \$10.00 each for Christmas.

Bill Bradford and I went out to Twenty Nine Palms to contact old Desert Electric members to see how Edison was treating them. We found many were dissatisfied. The few that were happy with the service seemed to be the weekenders.



Lyman Turner

David Erwin, Atty, is taking Sen. Cologne's place as Cologne would have conflicting interests at this time. Marjorie Boyd came

back to work. The Rate Reduction Committee was invited to attend the next meeting to discuss their concerns.

Fred Holland resigned and there was some discussion of combining management of Mountain Empire in Campo with AEC. However that didn't fly and we were back to looking for a



new manager. Just as well, since Mountain Empire got into a "sell-out" situation which they lost to San Diego Gas and Electric.

NRECA was asked for help to stop the sell out. The board also tried to eliminate the \$2.00 monthly charge. Thelma Fry and Barbara Bradford were appointed as

Fred Holland, Marie Peña

members at large for the Service Education Committee. Barbara Bradford gave a report on a trip to Washington DC to talk to our Senator and Congressman about help in saving our Co-op. Attorney Nazareck was hired to do a rate reduction study. Jim "Bud" Wellman and Lincoln Hamilton were appointed on the committee.

Lucille Rood presented 107 cards from members requesting the board to seek an offer from Edison. The cards would have to



be verified but would need a lot more of them before they would be acted upon. Orville Spear, the Mountain Empire manager, offered to act as our temporary manager one day a week until we could get our own.

Secretary Stewart Udall, Dept. Of the Interior, committed 3000kw from the North West Inter-tie by 1972. However Edison would have to wheel it to

James "Bud" Wellman

us and they refused. Udall told us that it would not be in the best interest of the members to sell our Co-op. At a special meeting, a letter from Lawrence Hutton, Atty, to Edison was read and a letter from Edison containing terms of purchase.

The Co-op Board vetoed the purchase as being too expensive for the members in the long run. The sell-out problem was finally stopped and we're still in business. James Appenzeller was hired as a temporary manager of the Anza Co-op.

At the June 10, '67 annual meeting an REA film was shown to 129 members. A sumptious barbecue dinner was prepared by Lincoln Hamilton and Fred Hurst. Eugene Collins was hired as manager, Atty, Nazareck talked about the rate reduction and cost of power while Gerald Diddle from REA explained the benefits of being member-owners of our own power system. Elected or re-elected were: J.D.Smith, Hurst and Elmore.

A monthly newsletter was approved and after having a contest for the best name it was called the "Skyline Hi-lites". Visitors to

the board meetings came with tape recorders. Ten copies of Clyde Ellis's book "A Giant Step" were purchased. The Kunin Egg Ranch contract was signed. It was a fairly long line to reach. Nazareck was released as too expensive but he had been extremely helpful throughout the sell-out problems. David Erwin, Atty. was hired. Lucile Rood and Hutton requested copies of the minutes of the meetings



Fred Hurst at annual meeting

which was granted. Inland Valley bank will handle all our business and we bought a bunch of comic books on electric safety which were donated to schools in the area. Employees received \$10.00 for Christmas.

Early in '68 Art Nightingale died. He had served as the chairman of the board many times with distinction. Tony Burke was appointed to serve out his term. The Anza substation was named the "Anthony Lappos Substation". In May Lucille Rood, who had requested the \$5,500 loan, gave Link Hamilton a request to sell our Co-op to Edison. Again the answer was no.

After the pledge of allegiance by Sylvester Costo and an invocation at the June 8, 1968, meeting, the members heard Manager Collins excellent report, enjoyed lunch furnished by the AEC Booster Club while Fred Hurst entertained us with his guitar and singing. This year, H.F Samis from Riverside Election



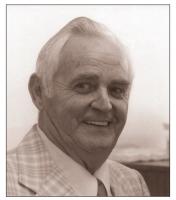
Anthony Burke

Dept., was here to count the votes. I don't believe they had a machine as yet. Elected or re-elected were; Bradford, Hamilton and Burke. We had four door prizes this year.

The Co-op paid to have a telephone put in to Line Superintendent, Buzz Northerns home which he paid back out of his salary. Eugene Collins resigned and Gay Whittlinger was hired in his place. Edison hosted a tour of their Big Creek facility for the board and many went.

Lloyd Tevis applied for power to their UCR installation in Palm Desert. That was a real challange. The holes had to be dug by hand, Santos Lubo a Cahuilla tribe member, was on that crew. Then the poles were set by helicopter. Just look down from the Pines to Palms highway to the green patch at the bottom of deep canyon and see what a job that was.

Early in '69 J.D.Smith was elected president, Pierce resigned and Frank DeMartino was appointed to take his place. At the annual meeting Sylvester "Sally" Costo, a Cahuilla tribe member, led the flag salute. Manager Gay Whittlinger gave a very encouraging report on the conditions of our Co-op. Our Attorney, David Erwin was there and Senator Gordon Cologne explained the by-law amendments. After the barbecue, Sammis locked the ballot box and took it to Riverside to be counted. We then watched a film showing the installation of the line to Palm Desert,



Frank DeMartino

narrated by Buzz Northern. Lloyd Tevis was there to thank the Co-op for the electricity. We had some door prizes and when the result were in those elected or re-elected were; DeMartino, Cartier and Wellman.

The Dynamic '70s

Finally we're up and running with only the regular every day problems of operating a multi-million dollar industry geared to serve our members. We exchanged some consumers with Edison, who we are buying

our power from, to make it more feasible for both utilities. It was a time that directors were searching for ways to be better informed. After 20 year as director, Bill Bradford resigned in '70 due to ill health. He died in '73. His ashes are on the Ranch as he requested. Major medical for the directors was made available. In

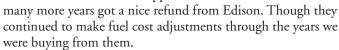
'70 Sammis brought a new counting machine to count the ballots and Elmore retired after 12 years.

The Co-op was always concerned with community needs and donated to the fire dept., community hall, schools and other places as need arose.

The Thimble Club took over the barbecue lunches with the Co-op doing the meat and beans. Sally Costo kept doing the

Flag salute and Ian Ehle and others gave the invocations. The sell-out became a thing of the past for us but Mountain Empire was stillfighting its losing battle with SDGE.

In '71 the directors fees were increased from \$10.00 per meeting to \$15.00. Bautista Camp construction was coming along nicely. Edison proposed a rate increase in '72. We have to increase our rates 15%, or .005 per k w, to cover costs. We took our objection to the rate increase to the PUC and to the Court of Appeals and after





Ian Ehle, Frank DeMartino

We tried to get cheaper power from Imperial Irrigation but could not get it across Edison's lines. We maintained an excellent safety record and by '73 had 200,000 man hours with only 1 day lost time.

One of the exciting projects the Co-op was involved with was Scouting. Pete Urban brought it in and Gay Whittlinger, Bobbie Burch and Tom Scott were clubmasters to Pack 701 with Maureen Rous as Den Mother. Frank Lauridsen presented the Charter to President DeMartino.

Many ways were explored to find cheaper power including generating our own and building a hydro plant at Lake Hemet, which didn't happen. As you will see we finally have it all, but from Arizona. Directors fees were raised in '74 to \$25.00 plus per diem. Directors toured the geothermal electric plant near Thermal as SDG&E wanted AEC to help build a geothermal plant but it wasn't feasible for us.

In the late 70's Smitty resigned and Sylvester Costo died. We joined with Arizona Statewide Organization and AEPCO (Arizona Electric Power Cooperative). We also subscribed to Arizona Currents and they included a page for our news.



Switching to AEPCO

The directors fees were set at \$50.00 per meeting, .15 per mile and \$35.00 per diem as they were spending so much more time and effort for the Co-op. The meetings would last all day and they would travel to educational meetings and others for the well being of the Co-op. Ralph Beardsley did an Energy Audit to show us how to conserve on our usage. I was elected as a director in '79.

Learning and Growing in the '80s

Since we had joined the Grand Canyon State Electric Cooperative Association, we were afforded many more opportunities to learn to do our job more efficiently and correctly. The GCSECA was an organization that all the Co-ops from Arizona belonged to, as well as one in New Mexico and now the Anza Co-op so we were able to get Seminars from NRECA and elsewhere very reasonably. Our manager encouraged us to take advantage of as much learning as we could and several of our directors, including myself, became NRECA certified.

The 25th aniversary silver booklet containing a short history and the by-laws was presented to members at the Aug. 23, 1980, annual meeting.

In '81 we begin receiving power from Arizona Electric Power Co. With electricity coming from Benson, Ariz., our own generating plant, it reduced our rates by .009 per kwh (kilowatt-hour). That doesn't sound like much but when applied to the whole bill it was definitely a step in the right direction.

In the earlier years Bill and I had gone to another NRECA convention in Miami, paying our own way, and then after I was on the board, the whole board went to New Orleans to that convention. I expect that was overkill but one thing I learned from Bill is that mingling with members from other co-ops all over the country, you really learn of different ways to improve your own utility.

Our co-op isn't just a plant, it's the member-owners. The people who got together to make all their lives better. We own and control our AEC.

Seeing what an impact the Arizona "Tic-Tac-Go to Washington" program had on getting members involved, we started participating in the NRECA Youth Tour. The first year board member Eloise Lanik was in charge. Dawn Farmer and Chris Bailey won the essay contest and when they got back from DC, showed slides and gave a great report on what they'd learned.

Congressman Al McCandless and Supervisor Kay Ceniceros were always very helpful and would come to our annual meetings to cheer us on. McCandless and his wife Gail were involved with the Youth Tour here as well as when they were in DC. This was an excellent opportunity for our high school children and brought the community closer together. I'm really sorry that this program was dropped by uninformed new board members.

Mother Nature got in the act and we suffered floods and fire. We have 400 square miles to cover and much of it is brush and hills. But by the end of March 1984 we had 2,062 members.

President Nixon felt that REA should be privatized or turned over to the Farm Home Administration. People don't realize that the Co-ops more than pay for themselves on paper. The money goes back to the general fund and then is re-allocated by loans. The 2% loans that we were able to get early on turned into 6% which made it more difficult to get things done.

Manager Gay Whitlinger retired at the end of '86 and the board hired David Coyle, a man with much experience in Co-op management. Buzz Northern also retired. '87 was the last time the Youth Tour was held. Winners, Thomas Whittlinger and Susanne Cyrus told the members at the annual meeting of the many educational valued they received through youth tour activities. I feel that cancelling this program further isolates the board from the community.

With an REA audit it was discovered that we had been overcapitalizing our expenses and owed REA \$500,000.00. This was reduced to \$300,000.00 and was finally paid off in '95, but it

did cause us to have a rate increase. Our first loan obtained in '52 was paid in full in '88. That year I decided not to run again. The barbecue was replaced with coffee and donuts.

To make the board less cumbersome the number was reduced from nine to seven. The Bautista Canyon fire burned a major line and the Hemet substation had to be rebuilt. Pinyon was scheduled for more preventitive maintenance to protect the lines there.

A Profitable Utility In The '90s

We do have profit. It is called margin and it is returned to the members in the form of capital credits. A portion of the money is retained in case of loan funds not coming in time or other unforseen expenses.

In '91, \$100,000.00 was mailed to the members and each year since then we have received our share of the profits based on the amount of electricity we use. In '91 we had a \$350,000.00 margin and in '92 over \$500.000.00. The Co-op has become a well-run business. REA certified accountants keep track of our money and is all properly accounted for.

As of the year 2000 more than \$2,000,000 has been returned as patronage capital.

In 1998 the youth tour was re-instated as well as the practice of providing donations for worthwhile community projects. There have been instances when the Board thought the cause was worthy but did not benefit the community a whole. In more than one instance the Board Members made the donations.

As of the year 2000 the number of employees has been held at 20 for fourteen years in spite of the increase in membership from around 2000 to 2700 members operating 3500 meters. Currently the Cooperative is experimenting with a remote meter reading system, which operates on a non-interference telephone system.

The Board members are very much aware there are many more ways that we could serve the community. Being a small cooperative, the Board has been reluctant to take on the personnel to perform the member relations function. We have this in mind and perhaps in the future the Cooperative can do more.

With the latest development in deregulation of the investor owned utilities in California, the whole Cooperative movement has come under a new light. Where some utility bills as of August 2000 have doubled and tripled, Cooperatives, particularly your Cooperative, will not experience the "sticker shock" due to

the long term contract with Arizona Electric Power Cooperative which your Board wisely approved in the 1970's.

The Co-op employees are a team to be proud of. They are always getting awards for safety records. They are helpful in the community in many ways. Our board members put in a minimum of 275 hours each year in helping to guide Manager David Coyle who is very knowledgeable in keeping the board from making any decisions that REA would find unacceptable.

And so the year 2000 arrived with a dream, dreamed 50 years ago, come true but the job never done, only started, since the project will continue as long as service is required. I, for one, don't wanttogobacktofilling ke rosene and gasoline lamps, cooking on wood stoves, using sad irons or gasoline irons and kick-starting the old gasoline maytag washing machine.

Blackouts & Price Gouging! There is a Better Way

Rolling blackouts, price gouging and finger-pointing are the reality most consumers of California's largest utility companies face everyday. But the story in Anza is very different. While electric service crashes and prices skyrocket in most of California, Anza Electric Cooperative consumers have kept the lights on and the prices under control.

How? Because consumers in Anza made the commitment to empower themselves with the security of ownership. In Anza, they're not only customers of their local power supplier, but they're also the owners. That means the consumers of Anza Electric Cooperative own the electricity delivered to their homefrom the outlet in their kitchen to the generation plant where it all comes from. The result? Safe, reliable, affordable cost-based electricity...day in and day out.

The consumer/owners of Anza Electric Cooperative aren't alone. Today, 34 million people in 46 states enjoy the benefits of owning their electric utility - and more are joining every day. The nation's 900 local electric cooperatives are protecting their consumer/owners from the deepening energy crisis and improving the quality of life in the communities in which they live and work.

Consumers First - It's the Electric Cooperative Difference!

Anza Electric Cooperative, Inc. FORMER DIRECTORS

Russ Arrowsmith Howard Bailey Fred Borchert Barbara Bradford Eleanor Bradford Maurice Burchard Anthony Burke Harolď Bush J.E. Cartier Arlo Clemmer Michael Comorre Rupert Costo Sylvester Costo Frank DeMartino Robert De Weese Thomas Duncan Winthrop Dyer Don Ellington R.G. Elmore Ronald Engeldinger Robert Giffin Terry Grant Wilfred Gregg Perry Hack Lincoln Hamilton Edward Harbison Thomas G. Harpole Adolph Hart George Hepburn Edmond Herring Paul Hittson Fred Hurst Jerry R. Hurst Roy Jackson

Chester Jolley Georgia Kerr Joan A. Kessman Eloise Lanik Henry Lichtwald Frank F. Lofton Robert Lucas F.E. McKinley C.P. Miller Estill Money Victor W. Newell C.A. Nickels Arthur Nightengale Del Pate John Pena C.L. Pierce William Pysden C.A. Roberson Thomas A. Russell Homer Sherrod James D. Smith Oren Speir Terry Strelecki George Taylor Leighton Taylor Lyman Turner L.L. Urban Logan Vines Frank Walbridge James F. Wellman, Jr. Frank Whitehead Edward Wick Wilson Wied

Anza Electric Cooperative, Inc. CURRENT DIRECTORS

W. H. "Doc" Schofield" Michael Machado Grace Angelo Ryall Stewart Bill Adams Ray Barmore Ruben Gutierrez

Anza Electric Cooperative, Inc. CURRENT EMPLOYEES

Benedict, Philip S. Britton, Gloria Carr, Marshall Clabaugh, James Coyle, David J. Manager Easley, Greg English, Mary Hallenbeck, E.M. Hauger, Brad Higgins, Eli Joyce, Denny Layton, Janet MacIver, Katherine Mendoza, Sally Mines, John Pettit, Mary Rumbles, Jeff Scott, Barry Slusher, Tami Watson, Kevin

Anza Electric Cooperative, Inc. PAST EMPLOYEES

Adams, Billy L. Alexander, Judy Alsobrook, Del Appenzeller, James Arenas, Simon Arenas, Simon Arenas, Simon Bage, Mitchell Bailey, Melody Barkdull, Kevin W. Barrett, Pamala Barrett, Renee Barrey, Christopher Beam, Linda Beardsley, Ralph Bidinger, Jeff Bischaf, Carolyn Boyd, Marjorie Braatz, Eugene C. Brewer, Eula Mae Burch, R.S. Caldwell, Margaret Cartier, Norman Carver, Judy Clemmer, William U. Clemmer, Miles Coates, Ronald Collins, Eugene - Manager Cotner, Edith Craig, Doyle Crooks, Tom Culton, Joseph Cunningham, P.H. DeWit, Christopher Dewitt, Karyn Diehl, George Eckhart, Jay Ellington, Michelle

Elmore, Virgil Paul Ewanchew, Ron Firth, Tom Fletcher, Patsy Flores, John Foster, Jerald Fry, Don Fry, Thelma Gieck, Ruth Gonzales, Mathew Greenhill, J.S. Greeve, Alfred Griffis, William Gutierrez, Judy A. Hansen, Wyatt Harmon, Robert Harris, Alfred Henry, Edwin Hill, Tom Hogue, Joane Holcomb, Robert L. Holland, Fred - Manager Hoole, Ernie Hummel, Cynthia Hunt, Victor Jackson, Donald Jolly, Richard Kelly, Pamela E. Kitchen, John Kitchen, Peter Lapp, Edwin W. Leath, Ted A. Lichtwold, Henry Robert Lofquist, Jon David Lokoen, Larry Lubo, Santos Magee, Fred H. Martin, Patti Maynard, Daniel J. McGiffin, Doug McHan, Al McQueary, Dennis Milliman, Carl R.

Mohn, Alan Moore, Dorothy Moses, John Northern, Melvin "Buzz" Northern, Jeff Nortrup, Charles Odom, Nancy Patterson, Floyd Ramirez, Steven Raphael, Irwin Richetts, Zelius B. Roman, David Ross, Raymond Russell, John L. Russo, John Scott, Thomas Scudder, Carol Sheeran, Robert Smith, Orville Sokoloski, Sally Spanley, Jacqueline Spear, Orville Sundin, Wayne Talbott, Keith Throne, Randy Tolson, Kathleen Tortes, Matthew Treadway, Laura Van Dyke, Danny A. Vanzee, Michael Ward, Robert Westerberg, Ruby Whittlinger, G.J. - Manager Woods, Richard A.