



watts working

The Monthly Newsletter for Members of Randolph Electric Membership Corporation

New "Cars" Drive Power Costs

A new car arrives with fresh paint, a great smell, and a hefty price tag. After a few years of regular payments the scent changes, but there's value in owning an older car that's still running well.

Most of America's electric cooperatives bought a fleet of new "cars"—power plants—in the 1970s and 1980s. This ample stock of generation allowed co-ops to maintain a safe, reliable, and affordable supply of power. Current conditions may place affordability and reliability at risk.

Half of the nation's total generating capacity—530,000 megawatts—passed the 30-year mark by the end of 2010, according to the U.S. Energy Information Association (EIA). As with an older vehicle, there are costs associated with maintaining a power plant—expenses compounded by a slew of environmental regulations. In fact, these rules could result in a chunk of America's coal-fired power plant fleet shutting down by 2018.

In addition, some co-ops need to head back to the dealership to add new generation plants to meet

growing demand. However, with required environmental controls coupled with rising prices for construction materials, new power plants—as well as older ones "in for maintenance"—are going to be much, much more expensive.

In the '70s & '80s, co-ops bought a fleet of new "cars"—power plants—that are now at risk for being shut down.

All of these factors will impact our electric bills for many years to come. Working with the folks at our national service arm, the National Rural Electric Cooperative Association (NRECA), we will work with members of Congress and the U.S. Environmental Protection Agency to consider a more balanced and common-sense approach to rules. In the meantime, we will continue to keep you informed of these issues, and continue ***looking out for you.***



Randolph Electric
Membership Corporation

Your Touchstone Energy® Cooperative

in this issue

Conservation Corner	C
Tips for Managing Energy Use	E
Dale Lambert's AWARE Column	F

SWAPSHOP

For Sale

8 x 18.5 Aluminum truck box roll up door 2,000 lb lift tailgate fold under, like new. \$2,000. 336-879-5818.

Apples, Pears, Asian Pears, Japanese Persimmons, Pomegranate, Figs, Plums, Grape Vines, Black berries, Pawpaw, Kiwi, Peaches, Mulberry, Native Persimmon. 910-947-3384.

Pine wood bunk bed with steps at one end to bunk, drawers under steps & lower bunk, hardly used, \$250. 336-376-6103.

Hand held portable nebulizer \$150. Assorted porcelain dolls Indians, Angels, Country & Western \$35 ea., Boys infant clothes size 0 – 12 mo. EC \$150 or BO. 919-663-4596.

1983 Cadillac Fleetwood Brougham \$1200 Neg. Handmade quilts, western books. 336-625-4548.

Electric Organ \$50. Piano \$150. 336-629-6351.

Oak wood for winter, needs splitting, \$50 & up a load. 336-824-8445.

3,000 Red Sex Link pullets (16-18 week old chickens) laying-age, brown eggs, vaccinated & debeaked, \$6.50 & up, Liberty area. 336-708-2998.

Little Wonder Blower, three wheel, 9 HP Honda. Like new. \$695. 336-362-3342.

50 lb bag feed wheat \$9 per bag. 336-622-2480.

Pictures, black & white, & color, 8" x 10" \$10 or 10"x13" \$25. All bridges & mills of the Uwharrie River including the Pisgah Covered Bridge. 336-629-2533.

For Rent

Three bedroom singlewide mobile home with 2 baths located on a 1-acre private lot on Nathan Rd in the High Falls area. \$450 per month with \$450 deposit. 910-464-3459.

Option to buy. 1998 singlewide mobile home 14 x 80 in the Bear Creek area. \$2,000 down & \$500 per month for 4 years includes lot rent. Nice home, ready to move in. 336-906-6612.

Members, email Swap Shop items to General@RandolphEMC.com

Give it Your Best Shot...



Apply Now for the Touchstone Energy Sports Camp Scholarships!

There is still time to send in applications for the Touchstone Energy Sports Camp Scholarships. Randolph Electric Membership Corporation and North Carolina's Touchstone Energy cooperatives are offering all-expense paid scholarships for middle-school students from across the state to attend basketball camps this summer at two of North Carolina's largest college campuses. More than 50 students across the state will attend basketball camps this summer through the Touchstone Energy Sports Camp program, a reflection of the electric cooperatives' commitment to community.

Young women can apply to attend the Kellie Harper Wolfpack Basketball Academy Aug. 1-4 at North Carolina State University in Raleigh, and young men can apply to attend the Roy Williams Carolina Basketball Camp June 15-19 at the University of North Carolina at Chapel Hill.

Randolph Electric will award scholarships to one boy and one girl and is accepting applications through March 30.



Students who will be in sixth, seventh and eighth grade during the 2013-14 school year are eligible to apply. More information and applications, which are judged on academics,

extracurricular activities and an essay, can be found at www.randolphemc.com or by contacting Lauren Ingold, Public Relations Coordinator, at 336.625.5177, ext. 2338, or via email at Lauren.Ingold@RandolphEMC.com.

Hurry! March 30 is the deadline to apply!

CONTACT US

Electric Service:

Asheboro(336) 625-5177
.....(800) 672-8212

Robbins Area:(910) 948-3401
.....(800) 868-7014

Power Failures:(877) REMC-OFF
.....(1-877-736-2633)

Bill Payments:(877) 534-2319

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Office Hours:

8:00 am – 5:00 pm | Monday–Friday

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Jill Vanness Director of Communications, Editor

Set It & Forget It!



A programmable thermostat is one of the quickest, easiest and most inexpensive ways to save on energy bills year-round. The average household in central North Carolina spends more than \$1,200 in heating and cooling costs. Programmable thermostats—which cost between \$50 to \$200—are a smart investment because they can reduce energy costs by as much as 15 percent, or about \$180 annually.

A programmable thermostat makes saving energy easy by controlling the heating and cooling settings in both the winter and summer. It's like putting your house on "cruise control" by using preprogrammed settings that regulate the home's temperature during the night and even while you're on vacation. This type of thermostat automatically turns down the heat in the winter and turns up the cooling in the summer. A homeowner can save energy and money while still maintaining overall comfort.

Programmable thermostats are an easy energy-saving tool. Here are a few more energy savings tips:

- Always look for the ENERGY STAR label when buying a new thermostat.
- Use the pre-programmed settings to maximize energy savings.
- Heat pump systems require a special type of programmable thermostat. Consult with

Randolph EMC's energy advisor or a HVAC specialist to determine what will work best for your home.

- Be sure to have the thermostat installed correctly using a certified HVAC contractor.

Programmable thermostats offer a lot of value by maximizing energy savings without sacrificing comfort. Best of all, they can be tailored to match a family's schedules. To learn more about buying and setting a programmable thermostat, contact your Energy Advisors at Randolph EMC or visit TogetherWeSave.com.



Protect Your Property from Power Surges

Q How does a power surge cause damage and how can I protect my property from it?

A A power surge is a boost in the electrical charge over a power line. This can be caused by lightning, but it's more commonly caused by motor-driven electrical devices, such as air conditioners and refrigerators, that require a lot of energy for starting and stopping compressors. Some surges can also be caused by faulty wiring.

The severity of a surge depends not only on the voltage and current involved but how long the event lasts. Most surges are very short in duration. It's important for people to realize

that surges can happen through any connection on your equipment.

One of the most effective ways to protect your property is a two-tiered approach. A service entrance surge protection device—mounted at at your home's main electrical panel or meter base—reduces power surges to a lower level that protects large appliances, such as your stove or clothes dryer. A point-of-use surge protector defends your sensitive electronics, but be sure the product specifically says it offers surge protection and is not just a regular plug strip.



Don't Just Change Clocks, Check Filters & Batteries, Too!

When you set your clocks ahead for Daylight Saving Time on March 10, remember to check your heating and cooling system filters and change them if they are dirty.

Dirty filters slow down airflow and make the system work harder—wasting energy and money. A clean filter prevents dust and dirt buildup, which can lead to expensive repairs or early system failure.

While you're at it, check and change batteries in your home smoke alarms. Every year in the United States, about 3,500 people die in home fires, according to the U.S. Fire Administration. Most of these deaths occur in homes that don't have a working smoke alarm.

Randolph Electric offices will be closed March 29 for Good Friday



SAVINGS YOU CAN ACTUALLY SEE

SAVE 10-60% ON HEALTH-RELATED SERVICES, INCLUDING VISION AND EYEWEAR AT PARTICIPATING RETAILERS WHEN YOU SHOW YOUR CO-OP CONNECTIONS CARD.

FIND ALL THE WAYS YOU CAN SAVE AT
WWW.CONNECTIONS.COOP



This is not insurance, nor is it intended to replace insurance.

When It Comes to Your Payment, You've Got Options!



Pay online anytime at www.RandolphEMC.com

Pay by phone with a check or credit card by calling **1.877.534.2319**.



Automatic Bank Draft deducts your payment from a checking or savings account each month.

Your local Randolph EMC office has a night deposit box for your convenience.



Visit www.RandolphEMC.com for more information!

TOGETHER WE SAVE

Tips for Helping You Manage Your Energy Use



Water heating ranks as one of the top three energy-related expenses in your home. Save energy and money by installing a water heater blanket, using low-flow showerheads and faucets, and lowering the thermostat on your water heater to 120 degrees Fahrenheit.



Don't get your electric bill caught in a spin cycle!

When doing laundry, use cold water. If your dryer has a moisture meter, use it to prevent over-drying clothes—50 minutes often works best for a full load. And remember to check your lint filter each time before you run a load to help your dryer run more efficiently (and save energy).

LOWER BILLS WITH LANDSCAPING

Smart home landscaping can lower your electric bills. Trees on the east and west sides of your home provide shade—and reduce your cooling costs—during hot summer months. Shade for your air conditioner can save 10 percent of your cooling costs. And by adding vegetation to the north side of your home, you can reduce winter winds that trigger higher heating costs.

Don't forget to dial 811 before digging for any landscape projects!



Did you know a computer can use as much electricity as a new refrigerator? Turn it off when not in use or put it in energy-saving mode.

Also, cell phone and mp3 player chargers, as well as plasma TVs, cable and satellite boxes and game systems use power even when they're off. Unplug these and other appliances to save on your electric bill.



AWARE

a word about
Randolph Electric

by Dale F. Lambert, CEO

Dear Members,

In the monthly AWARE column, I cover a variety of topics that, hopefully, you find to be relevant as member-owners of Randolph EMC. I know some articles may be more interesting and informative than others (I strive to make them all interesting and informative), but my goal is to give you a perspective of the successes and challenges we face in order to serve our members.

In the December AWARE column, I informed you that Randolph EMC conducted a cost-of-service and retail rate study. We are continuing to work through this process and will have the details to share with you in the April edition of our newsletter. There are several thoughts I would like to share with you that have relevance to this study.

Over the last couple of years, several of my columns have been dedicated to one particular topic that is a major concern of your Board of Directors and management team — the rising cost of generating and delivering electricity in the wholesale market. Since 2007, the cost Randolph EMC pays for electricity generation and transmission delivery has increased by 19 percent. This is the largest increase we have experienced in several years.

All electric utilities are being affected by this rising cost of electricity generation, some to a greater extent than others. There are several factors responsible for this.

One factor is that our industry is undergoing a major transition. Electric utilities are entering into a generation construction phase similar to



the 1970s and 1980s. As the demand for electricity continues to grow with the increase of technology and appliances in our homes and businesses, there is a need to build new generation to meet this demand.

New environmental regulations from the Environmental Protection Agency (EPA) are also having an impact on our industry. Many of the older coal plants that produced low-cost energy are being shut down due to the tremendous cost that would be incurred to meet the new regulations. They are being replaced with new, more costly generation plants. Many other plants will have to install upgrades and make improvements to meet these new standards, and this, too, will add to the cost of electricity generation.

Randolph EMC routinely performs forecasts that project the future cost of our wholesale electricity. In 2009 and 2010, our forecasts projected higher costs than we had traditionally seen, with an especially large increase in 2013. As I noted earlier, our cost for wholesale electricity has increased by 19 percent from 2007 to 2013. Even though this is a large increase, it is less than the original projection of 23 percent.

At that time, your Board of Directors and management team began working to minimize this potentially dramatic increase to the members as much as possible. In our planning, we assumed the worst and took a very conservative, two-pronged approach in preparation for this increase.

In preparing for the future, REMC first focused on containing and reducing our operating costs as much as possible. In 2011, the cooperative restructured the organization, which brought efficiencies in personnel. The cooperative currently operates with the same number of employees as in 1995, even though the number of accounts we serve has grown by 24 percent since that time. In addition, we have taken steps to reduce employee benefit costs over the past few years.

Randolph EMC has also revised our right-of-way maintenance program and bidding processes, allowing us to still meet our expected schedule while delivering cost savings. Completing our automated metering project has also helped to minimize costs and bring better efficiency to our operations. With all of these changes, though, we have not sacrificed the level of service our members have come to expect from us.

The second piece of our strategy focused on making this transition of increased wholesale power cost as smooth as possible for our members. Randolph EMC has continually been deferring revenue to a future year to assist with containing the impact from the annual increases we have been experiencing. This deferral of revenue has helped offset—to some extent—the increased cost of wholesale power for that year. Using deferred revenue has also allowed us to delay a retail rate adjustment for two years.

Even with all the effort to contain and delay a rate increase, we will need to make an adjustment in retail rates effective in April, 2013. Next month we will provide you the results of the cost-of-service study and changes to the retail rate structures.

Cooperatively Yours,



Dale F. Lambert
Chief Executive Officer

75 Imagine for a moment you lived in the late 1930s. Cows were milked by hand, groundwater was pulled from a well in a bucket, dinner was made on a wood stove, and the restroom facilities were out-houses. A gas lantern flickered to make it easier to see your way around in the dark or to make reading a book possible.



Seventy-five years ago, our area didn't have electricity. In 1938, Randolph Electric's founding members tackled the feat of bringing power and hope to the rural areas of central North Carolina by forming an electric cooperative.

How much did things cost in 1938? As Randolph Electric celebrates its 75th Anniversary, we want to share some fun facts from the past:

Average cost of new house: \$3,900

Average wages per year: \$1,730

Cost of a gallon of gas: 10 cents

Average price for new car: \$763



Make a Change with Your Spare Change

As a Randolph Electric member, you have a unique opportunity to help others in your community through People Helping People. The primary purpose of People Helping People, also known as PHP, is to address charitable needs and provide financial assistance to members who are dealing with difficult situations.

Each month, members who participate in PHP have their bills rounded up to the nearest dollar.

Since the program began in 2001, more than \$75,000 has helped individuals, families and organizations in Randolph

EMC's communities. The average donation is just 50 cents per month, so if each and every account signed up for PHP, Randolph Electric could raise about \$180,000 in just one year!

If you are a Randolph Electric member and would like to have your electric bill rounded up each month, simply complete the form below and mail it to us. To learn more about People

Helping People, or to sign up online, visit www.RandolphEMC.com and click on the People Helping People tab under the *Community* dropdown menu.



✂ **Clip out this form & mail in with your payment or mail to PO Box 40, Asheboro, NC 27204**

Yes, I want to join **People Helping People!** By filling out this form, I give Randolph EMC permission to round up my electric bill to the nearest dollar each month.

Name (as it appears on your bill)

Address

City

State

ZIP

Phone

Email

Account #

Signature