

# Watts Working

## A Word About Randolph Electric

From CEO Dale Lambert

### RATE ADJUSTMENT APPROVED, EFFECTIVE APRIL 1



Dear Members,

With all the dramatic changes occurring within the electric utility industry, we place a high priority on preparing Randolph EMC to meet your future needs and expectations. To do this, your cooperative continues to invest heavily in upgrading and improving our electrical infrastructure to increase reliability and to meet increasing load requirements. We have a responsibility to continue delivering the same value, high-quality service and reliability that our member-owners have come to expect, well into the future.

Our lenders require that we maintain certain equity levels and other key standards to meet their requirements for borrowing money to invest in REMC's electrical system. Your Board of Directors has also committed to making substantial capital credit retirements whenever feasible so that you receive one of the monetary benefits of being a cooperative member-owner. It is challenging at times to hold rates stable, retire capital credits and build and maintain a reliable electric system.

Your Board of Directors and management team also have the fiduciary responsibility to

periodically review Randolph Electric's cost of doing business and adjust rates as needed to recognize the changing cost of serving our members. This is to ensure the different rate classes—non-commercial, commercial, industrial and lighting—are paying their fair share of the expenses to generate and distribute electric energy to your homes and businesses.

We work hard to keep electric rates stable for our members and have been able to hold the line on rates for several years. The last time we had a retail rate adjustment was in 2016.

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As I noted in my comments during last year’s virtual Annual Meeting, the cooperative engaged an independent rate consultant, the National Rural Utilities Cooperative Finance Corporation, to review our current rate structures. The purpose of this study was to determine if the revenues we receive are reflective of the cost for providing service to our members.

Your management team continually evaluates our operations to look for efficiencies in order to contain and reduce our operating costs as much as possible. But the costs to build and maintain the electrical system have risen dramatically in the last few years.

Even though we have switched to less-expensive transformers, since 2016, the transformer costs for our two most-used transformer sizes have gone up 21 and 25 percent, respectively. We utilize contractors to assist us with power line construction and right-of-way maintenance. As these contracts expire, we rebid the work so we can receive the most competitive pricing. Since 2016, our construction contract bid work has increased by 15 percent.

Maintaining a strong right-of-way maintenance program is critical to reducing outages and improving outage response during storms. Our team has implemented cost saving measures for our right-of-way program while still meeting the required maintenance schedule for each circuit. Our adoption of advanced meters several years ago to allow for two-way communications to devices in the field helped reduce costs and improve efficiency immensely.

Reflecting back to when I became your CEO in 2000, the number of accounts we serve has increased by over 4,800, 17 percent, to 32,700. The miles of line we service has increased by 640

Comparison of Old vs. New Rates for Residential Member Using 1,000 kWh		
	Old Rates	New Rates
Basic Facilities Charge	\$25.00	\$30.00
Energy Rate	\$0.1134	\$0.1165
Average kWh Usage	1,000	1,000
WPCA Charge per 1,000 kWh	(\$3.00)	(\$8.00)
Monthly Total Bill	\$135.40	\$138.50
<i>* Bill total shown here is for illustration only and does not include taxes or other line-item charges that may appear on bills.</i>		

miles, to over 4,400. Yet we have fewer employees working at the cooperative today than we did in 2000 because of our focus on operating as efficiently as possible.

Providing tools like FlexPay, high-usage alerts and Levelized Billing allows you to have more control and manage what you pay for energy. We also offer free energy advisor assessments, so when you see an unusual increase in your energy usage, we can help you find the problem and offer a solution.

As I noted earlier, the Randolph EMC team works hard to operate your co-op efficiently. We have done a lot of things to keep our costs in check and delay a rate increase, but we are at the point where we have to make a slight overall rate adjustment.

The management team worked with the consultants and made recommendations to the Board of Directors for adjustments to our current rates. After reviewing and discussing the findings, the Board of Directors approved a rate adjustment that will become effective on April 1, 2022. The good news is, for the average member, the rate adjustment is minimal.

### **BASIC FACILITIES CHARGE**

The Basic Facilities Charge is a component of the power bill

that’s included in every electric utility’s rate schedule and is designed to cover some of the cost of the power delivery system. Many other utilities—such as your home phone, cell phone, cable, satellite or streaming TV service—include some sort of monthly charge to cover the cost of providing their services, as well.

For Randolph EMC, basically, everything it takes just to deliver the energy to your homes and businesses makes up Basic Facilities. This includes the capacity to deliver energy, transmission lines, substations, distribution lines, poles, wire and transformers. This charge is also designed to cover any required maintenance on the system and the cost to restore power when the lights go out, as well. In most cases, as with Randolph EMC, electric utilities also collect a portion of the Basic Facilities costs within the energy charge portion of the bill.

The cost analysis showed the average actual Basic Facilities cost for Randolph EMC’s non-commercial residential accounts is \$61.20 per month, which is significantly higher than our current charge of \$25 per month. Therefore, after much consideration, the new Basic Facilities Charge will be increased

to \$30 per month to reflect the actual cost of providing electric service more fairly.

### RATE ADJUSTMENT

The overall rate adjustment, including the Basic Facilities change and the energy rate, that will go into effect on April 1 will raise REMC's revenue for all classes by 5.79 percent.

That does not mean the average residential member's bill will increase by 5.79 percent. The change in our Wholesale Power Cost Adjustment (explained in the next section) will mitigate much of this increase and, in the case of the average residential member, will actually result in only a slight increase. Based on kilowatt-hour (kWh) usage data, the average residential member is defined as a member using about 1,015 kWh per month.

### WHOLESALE POWER COST ADJUSTMENT

The Wholesale Power Cost Adjustment (WPCA) is currently a credit of \$3 per 1,000 kWh. Beginning on April 1, 2022, a credit of \$8 per 1,000 kWh will be reflected in each member's bill. We project this credit to stay in place through the remainder of 2022, and depending on future Wholesale Power Costs, a credit to also apply in 2023.

### THE BOTTOM LINE

Now, let's get to the bottom line and answer the question most of you are asking— "How much will I be paying after this rate adjustment?" To help illustrate the details of this rate adjustment, the chart included compares the old and new rates.

To keep it simple, we'll look at a residential account that uses an average of 1,000 kWh per month. This comparison also takes into account both the summer and winter rate schedules.

When comparing the change in Basic Facilities Charges, increases in energy charges and the transition to a higher WPCA credit, you can see that the net impact to the average member is a 2.3 percent increase over the previous rate structure. When compared to the 2022 calendar year, the increase amounts to 1.69 percent over 2021.

I have tried to simplify the specifics of this rate adjustment to show you how it will impact your monthly bill. The new rate schedules are available on our website at [RandolphEMC.com](http://RandolphEMC.com), or you can always contact one of our offices with questions.

I ran through a local fast-food drive thru today to grab some lunch. I paid more for my "value meal" for lunch than what the average Randolph EMC residential member pays for the electricity they use in a 24 hour period, even with this rate adjustment. Electricity is the most stable, and I believe the most valuable, energy resource we have today. Just think of all the different things you use electricity for in a 24-hour day.

At the conclusion of our employee meetings, there's a quote that I have used for many years. "Remember who we work for, the people we look in the eye, are our owners and the reason we're in business." This helps us keep our focus on what's important.

Implementing a rate adjustment is never an easy thing to do. But I am pleased with all the work that has been accomplished over the years to lessen the impact to you as much as possible.

Cooperatively Yours,

Dale F. Lambert  
Chief Executive Officer



Randolph Electric Membership Corporation provides safe and reliable power with exceptional value to more than 32,000 member accounts in Randolph, Moore, Montgomery, Chatham and Alamance counties.

This institution is an equal opportunity provider and employer.

### Electric Service

Asheboro ..... (336) 625-5177  
..... (800) 672-8212  
Robbins: ..... (910) 948-3401  
..... (800) 868-7014  
Report Outage ..... (877) REMC-OFF  
..... (877) 736-2633  
Account Info  
& Bill Payments: ..... (877) 534-2319  
Business Hours: ..... 8 am – 5 pm, M-F

### Board of Directors

Jerry Bowman ..... President  
Tammie Phillips ..... Vice President  
Billy Maness ..... Secretary-Treasurer  
Lee Isley ..... Assistant  
Secretary-Treasurer  
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Delbert Cranford ..... Jeff Sugg  
Steve Harris

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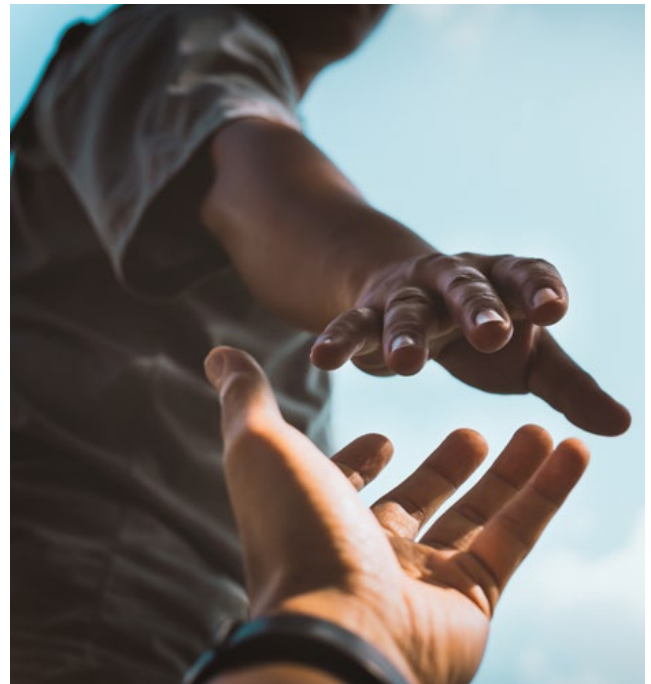
# Randolph EMC's Sharing Success Community Grant Applications Now Open

Randolph Electric Membership Corporation announces that applications are now open for its Sharing Success Community Grants. Nonprofits in the Randolph EMC service area of Randolph, Chatham, Moore, Montgomery, and Alamance Counties are eligible to apply.

The Sharing Success Community Grants Program is a special project of People Helping People (PHP), Randolph EMC's 501(c)3 organization. Community Grant funds are made possible through the generosity of CoBank, an industry lender, and are separate and distinct from monthly member contributions to PHP.

"Since 2015, the PHP Board of Directors has awarded over \$86,000 in grants to charitable nonprofits that lend a helping hand to those in need," said Nicole Arnold, communications and public affairs manager at Randolph EMC. "Randolph EMC's core values guide our philanthropic efforts, and our People Helping People (PHP) program is one example of how the cooperative is dedicated to making a positive, lasting impact on the communities we serve."

PHP will distribute \$20,000 for the 2022 grant cycle. Qualifying organizations may apply for up to \$2,000



in funding to implement programs or purchase necessary equipment to facilitate programs that will make a positive impact in the communities where Randolph EMC member-owners reside.

The application is available online at [RandolphEMC.com](http://RandolphEMC.com). Completed applications must be received electronically by May 31, 2022.

## Program Details

Each year, CoBank allocates \$4 million annually to match cooperatives' charitable contributions to nonprofit organizations in their local communities. For 2022, CoBank matched Randolph EMC's donation of \$10,000 to PHP to provide a total of \$20,000 in grant funding for nonprofit agencies in Randolph, Moore, Montgomery, Alamance and Chatham counties.

People Helping People is most effective when it focuses on helping those in need and providing assistance to community organizations that enjoy universal support among the members. Projects submitted for consideration should positively impact a significant number of community members and meet needs in the areas of health, financial support, or educational advancement.

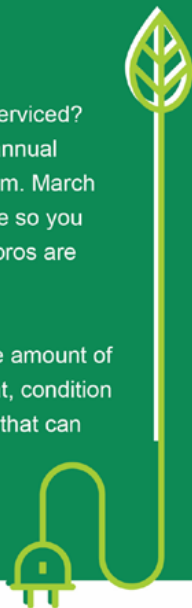
For additional information or questions, please contact Nicole Arnold at 336-625-5177 or [Nicole.Arnold@RandolphEMC.com](mailto:Nicole.Arnold@RandolphEMC.com).

## Energy Efficiency Tip of the Month

When was your cooling system last serviced? Most manufacturers recommend an annual tune up for your home's cooling system. March is a great time to schedule this service so you can beat the summer rush when the pros are busiest.

A qualified professional can check the amount of refrigerant, accuracy of the thermostat, condition of belts and motors and other factors that can greatly impact the efficiency of your system.

Source: Dept. of Energy





# Spotlight on Community Grant Winner: Spirit Horse Ranch



In 2021, the People Helping People Board of Directors awarded a \$1,000 Sharing Success Community Grant to Spirit Horse Ranch Education Center. This nonprofit provides healthy, educational opportunities for children.

Spirit Horse Ranch was founded by Rosie Goldstein, who moved to Randolph County from Long Island, New York, in 2002. Upon arriving in the area, she had a vision to provide life changing experiences for children through the healing power of the horse. Today that is the mission of Spirit Horse Ranch, her nonprofit.

Because Rosie grew up with horses, she understood that children naturally form a connection with the gentle and majestic beasts. This

connection permeates the summer camps at Spirit Horse Ranch.

“There is a calming quality to the barns at the ranch,” said Nicole Arnold, communications and public affairs manager at Randolph Electric. “The campers here demonstrate the natural leadership qualities required for the care taking of horses. The children communicate their love and respect for the animals through their actions and their attitude.”

About six years ago, Rosie began hosting birthday parties and summer camps and advertised the ranch largely through word of mouth. She applied for a Sharing Success Community Grant for the first time in 2020.

“We received the application during the first summer of the pandemic,” said PHP Chairwoman Christina Haynes. “At that time, children had experienced the cancellation of sports and extra-curricular activities, as well as school. The Board recognized that a summer reading camp at Spirit Horse Ranch would meet a need for children to exercise,

get fresh air, and span the gap of learning loss through reading.”

In summer 2020, Spirit Horse Ranch used the grant to provide camp experiences for children who could not afford to pay for outdoor programs. In summer 2021, Spirit Horse Ranch won another grant. This time, the funds secured scholarships for children to attend a reading camp, held in the barns with the horses. The campers also learned basic riding and horse care taking skills.

“Horses teach teamwork, forward thinking, and how to be aware of your surroundings,” said Goldstein. “Studies have been done that show when children work with horses, they become more receptive to learning in other areas. I have parents who will attest to this!”

The Board of Directors for People Helping People is honored to fund such opportunities for children in REMC's service territory. If you know of a nonprofit organization that could benefit from a Sharing Success Community Grant, please contact Nicole Arnold at 336-625-5177 or [Nicole.Arnold@RandolphEMC.com](mailto:Nicole.Arnold@RandolphEMC.com).

# Randolph Electric Makes Basketball Camp a Reality this Summer for Students

## Applications open through March 31

Do you have a rising sixth or seventh grader who dreams of playing basketball on a college campus? Randolph EMC is partnering with the University of North Carolina at Chapel Hill and NC State University to make that dream a reality for two lucky students in five counties.

Through the Touchstone Energy Sports Camp Scholarship program, Randolph Electric will provide one young lady with a scholarship to attend the Wolfpack Women's Basketball Camp June 19-22 at NC State University, and one young man the opportunity to attend the Carolina Basketball School June 18-22 at UNC.

"We are very pleased to offer these scholarships," said Nicole Arnold, communications and public affairs manager for REMC. "The program offers a once in a lifetime

opportunity for budding student athletes to hone their skills at a critical and formative time in their development. We encourage our members with children in middle school to apply for these camps, so the children can learn from the best college coaches in the country."

The scholarships cover all expenses at the overnight camps, which provide a glimpse into life on a college campus. Campers stay overnight in dorms, learn fundamental skills that will help them excel on and off the court, and receive individual and group instruction from Division 1 coaches to enhance their basketball and team working abilities.

To apply, students must complete and submit the online application by March 31. Eligible applicants must be in sixth or seventh grade during the 2022-2023 school year.

The application can be found at [ncelectriccooperatives.com/in-the-community/sports-camps](https://ncelectriccooperatives.com/in-the-community/sports-camps).

"Athletic skill and talent are not bound by where you live or how much money you make," said NC State University Women's Basketball Coach Wes Moore. "Thanks to this partnership with North Carolina's Electric Cooperatives, we are able to help kids who otherwise wouldn't have been able to come to our camp to discover their true potential."

More than 50 students will be awarded Touchstone Energy Sports Camp Scholarships from electric cooperatives in North Carolina this year. Now in its nineteenth year, the scholarship program demonstrates the electric cooperatives' commitment to building a brighter future through continued support for education and community programs.



## SURGE PROTECTION

Keep your electronic equipment safe.

A power surge is typically caused by lightning, changes in electrical loads, faulty wiring or damaged power lines.

Install power strips with surge protection to protect sensitive equipment.

- Easy to use (just plug them in)
- Protect electronics plugged into the device
- Must be replaced over time or after a major surge event



### REMEMBER:

Not all power strips offer surge protection. Carefully read the packaging labels when purchasing.

# Student LIFT Tours Randolph Electric

On January 26, Randolph EMC hosted the Student LIFT class of 2022 for a live line demonstration, a facility tour and a discussion on careers in electrical cooperatives. Student Leadership Information For Tomorrow (LIFT) is a program of the Asheboro/Randolph Chamber of Commerce. REMC is a primary sponsor of this educational outreach program offering thirty high school sophomores, juniors and seniors the opportunity to learn more about careers in the area and gain valuable leadership skills.

REMC Line Superintendent Daniel Maness led a team of Journeyman Lineman/Foreman Rodney Haithcock, Apprentice Linemen Tanner Perdue, Jordan Hodges and Michael Ramos in presenting a live line demonstration in the Operations Support Facility. They also described the functions of the mobile substation and answered many questions from the students. Students then met Warehouse Director John Stout while on a tour of the warehouse and met GIS Supervisor Linda Poole and GIS Technician Phil Cox in the Dispatch Center.

This impressive group of students learned about advances in technology, the importance of safety and careers available to them at their local cooperative. Randolph Electric is honored to contribute to the educational experiences of students by opening their minds to careers in the energy sector.



## Plant Trees Safely

Before you dig, call 811 to locate buried utility lines.

### LOW TREE ZONE

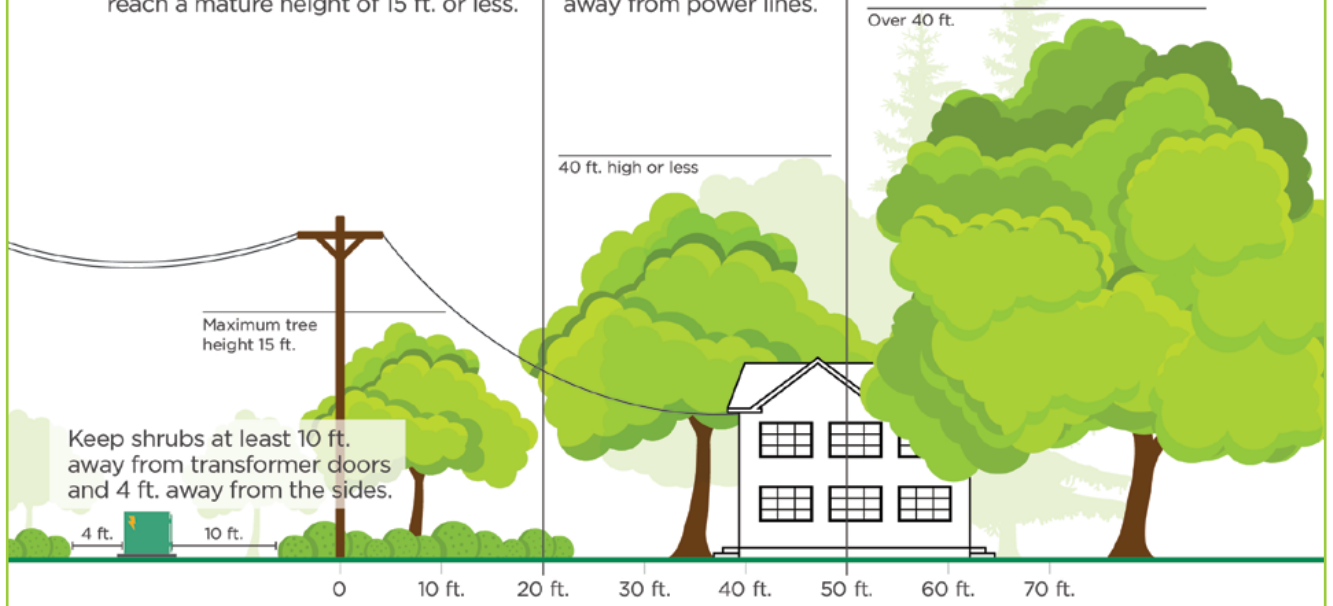
Avoid planting within 20 ft. of power lines. If planting is unavoidable, only plant shrubs and small trees that reach a mature height of 15 ft. or less.

### MEDIUM TREE ZONE

Plant medium trees (under 40 ft. when mature) at least 25 ft. away from power lines.

### LARGE TREE ZONE

Plant large trees (over 40 ft. when mature) at least 50 ft. away from power lines.



# A Full House of Energy Savings

## ATTIC

In many homes, attic insulation is one of the easiest, least expensive and most effective ways to reduce your energy use. Contact us to find out how much insulation is right for your home. In colder regions, a properly insulated attic also reduces the chance of ice dams.

## DEN/OFFICE

Plug all electronic gadgets such as phone and laptop chargers, printers, gaming consoles and BluRay players into a power strip with an on/off switch. When not in use, turn the power strip off to eliminate all those energy vampires.



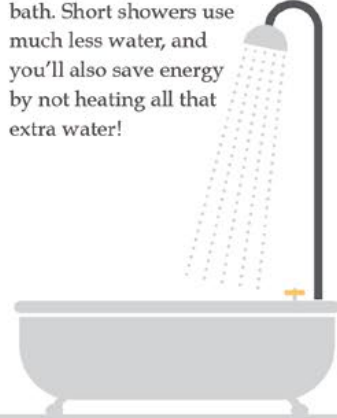
## BEDROOM

Ceiling fans can help save energy all year long! In the summer, fans should rotate counter clockwise to push air down creating a cooling flow. In the winter, fans should rotate clockwise to help draw cool air up toward the ceiling and push the warm air that naturally rises down to you and your family.



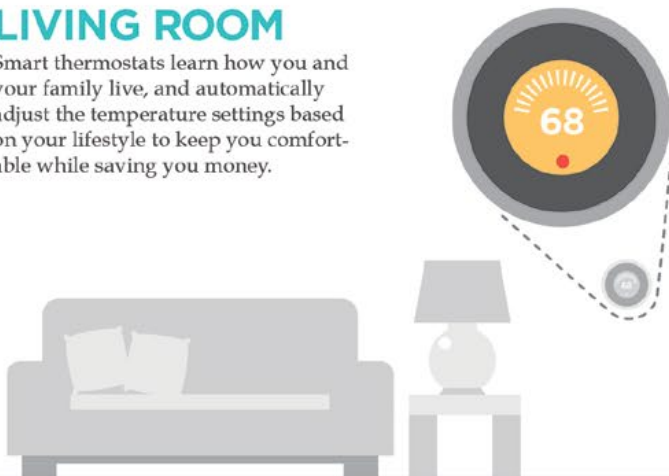
## BATHROOM

Take a short shower instead of a bath. Short showers use much less water, and you'll also save energy by not heating all that extra water!



## LIVING ROOM

Smart thermostats learn how you and your family live, and automatically adjust the temperature settings based on your lifestyle to keep you comfortable while saving you money.



## KITCHEN

Make sure your burner isn't bigger than the pan, and use flat-bottomed pans to maximize surface contact with the burner. Don't preheat the oven until you're ready to use it. Minimize the number of times you open and close the refrigerator or oven door.



*Want to learn about additional ways to save energy?  
Contact us for more energy efficiency tips!*

**1-800-672-8212**

