



watts working

The Monthly Newsletter for Members of Randolph Electric Membership Corporation

New Capital Credits Method Returns \$2.75 Million to 97% of Membership

Nearly every active member of Randolph EMC received a portion of the \$2.75 million in capital credits that the Board of Directors retired to the membership in June. This year marks the beginning of a new era in capital credits retirement.

“Capital credits are at the heart of what makes cooperatives different, and each member should get to experience that valuable benefit.”

Capital credits are best explained as money that is left over when revenues exceed expenses each year. This money is used for a period of time as operating capital for the cooperative and when it is economically feasible, is returned to the members.

In years past, Randolph Electric has followed what is called a “first-in, first-

out” (FIFO) method of retiring capital credits. That means that the members who have been on our system the longest are the ones who receive their capital credits checks first.

In an effort to include more members in the general retirement, the Board evaluated the retirement process last year. They determined that the cooperative was able to use a hybrid

process for its general retirement. This method is a combination of the first-in, first-out method and *last-in, first-out* (LIFO) method.

Using this process, the general retirement includes the remaining capital credit balances for 1987 and 1988, 36 percent of the remaining 1989 balance, and 42 percent of the

Did You Know?

You'll receive capital credits in the future for the electricity you bought this year, even if you move or no longer have REMC service—so be sure we always have your current address!

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**Randolph EMC
Offices will be
closed Monday,
July 4, for
Independence
Day**

remaining patronage capital from 2011. Any Randolph EMC members who received electric service during that time were included in this year's retirement, which resulted in 97 percent of members receiving a check or bill credit.

"Randolph Electric is not just another company that you pay money to each month for a service—you make an investment each time you pay a bill. The Board felt that migrating to a hybrid process would best demonstrate to more of the co-op's members the real benefits and value of their ownership and equity participation in the system," said Board President Bob Wright.

"The FIFO/LIFO combination of retiring capital credits allows Randolph EMC to still honor the contribution of longer-term members while also recognizing the contribution of newer members. Capital credits are at the heart of what makes cooperatives different, and each member should get to experience that valuable benefit," Wright added.

In addition to the general retirement, the co-op anticipates returning approximately \$275,000 to the estates of deceased members. This amounts to nearly \$25 million returned to members since Randolph EMC began the process in 1939.



Sign Up for PHP by 8/31/12 for a Chance to Win One of Four \$100 Visa Gift Cards!

From helping families with food and medical needs to providing clothing for children, your People Helping People contribution is more than small change. Please join the hundreds of Randolph EMC members who are already rounding up their electric bills to the nearest dollar each month to reach out to other members in our communities.

- **Maximum donation never exceeds \$11.88 per year.**
- **All donations are tax deductible.**
- **Monthly contributions indicated on your bill.**
- **Each application is carefully reviewed by the PHP Board of Directors to ensure donations are used responsibly.**

Call 1-800-672-8212 to sign up today or enroll online at www.RandolphEMC.com

SWAPSHOP

For Sale

Cardio glide exercise machine \$50. 336-857-0138 or 336-736-9095.

Electric hospital bed, mattress included, GC. \$200 OBO. Manual wheelchair, like new, \$100 OBO. 910-572-2667, 910-572-7722, 910-572-7560.

Chipper-mulcher, heavy-duty home model, Troy-Bilt, model #CS4325, 3 in. chipping capacity, 10hp, \$400, GC. 910-572-3092.

Open Road 36ft 5th Wheel Fully Loaded \$29,000. 5x8 Lark White Enclosed Trailer \$1,000. 2006 FCx2 Chevy Silverado 4WD Truck, 75,000 miles, bedliner, towing package, loaded, \$24,000. 910-673-1206.

1970 Hobart M. Cable Console Piano, VGC, needs tuning. Recent piano inspection report available to buyer, \$900. 336-465-1374.

Small rabbits \$5 ea. Satellite dish for camper Direct TV \$25. Pedestal for 44 inch flat TV \$10. Wall brackets for TVs \$10 ea. Three year old green mare Appaloosa \$450. 336-879-3320.

20 +/- acres in S. Alamance Cty, Pleasant Hill Community, cleared w/ pond \$100,000. 336-376-6926.

Organic square bales horse quality hay, weed free. Out of field \$2.80, delivery available. Fescue, fescue & rye, fescue & coastal Bermuda. Pat 336-317-4105

3,000 Red Sex Link pullets, young, laying age chickens, brown egg layers, vaccinated & debeaked. \$6.50 & up. Mr. Snider 336-708-2998

Little Wonder Blower, 3 wheel, 9 HP Honda. Like new. \$695. 336-362-3342.

50 lb bag feed wheat \$8.50/bag. 336-622-2480.

Two Ford lawn mowers, 8 & 11 horsepower \$300 OBO for both. 336-581-3189.

For Rent

2 BR mobile home 12 mi. N of Carthage. Private lot, water furnished. \$450/month. 910-464-3459.

Members may enter Swap Shop items online at RandolphEMC.com or email to General@RandolphEMC.com.

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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Jill VannessPublic Relations Coordinator, Editor

Renters Have the Power to Save Electricity, Too



If you rent your home, it often seems that you can't do much to control your electric bills since leases often forbid renters to make alterations to a structure. Here are some low- or no-cost tricks that you can put into place to cut down on your electricity use.

ELECTRONICS AND APPLIANCES

- Shut off your computer monitor if you won't use it for more than 20 minutes; shut it down if you won't use it for more than two hours.
- Use a power strip as a quick fix for phantom loads that draw power even when an appliance is turned off. Just flip the switch on the power strip when you won't be using the devices.

WEATHERIZING

- Check for gaps around doors and windows. Can you see daylight? If so, ask your landlord if you can seal cracks and reduce air flow with some weather stripping and caulk.
- Try sealing kits that fit over your window to block drafts. Curtains also help—close them in the summer to block sunlight, and open them in the winter to let the warmth in.



OTHER USEFUL TIPS

- When lightbulbs burn out, replace them with CFLs.
- Vacuum coils in the bottom panel of your refrigerator, and keep your dryer vents clean. Clogged coils and vents cause appliances to work harder and increase the risk of fire.
- Don't allow furniture to block air vents, and shut the vents in rooms you don't use.
- Set the temperature on your water heater to 120 degrees Fahrenheit.

Save Time & Money with Our Bank Draft Program

Having your payment automatically drafted from your checking or savings account each month is easy and convenient — no more writing checks, paying postage or forgetting to pay your bill!



No Checks



No Postage



No Late Fees

**LIMITED
TIME
OFFER!**

Receive a \$10 bill credit when you sign up for our bank draft program before September 30, 2012. Choose paperless billing, too, and get another \$5 bill credit!

Call 1.800.672.8212 for more details or to sign up today!

a word about Randolph Electric

by Dale Lambert



A Time for Change

Dear Members,

“There is one thing that is constant in life and that is change.” I heard this quote the other day and it stuck with me as I was assessing the present condition of the electric utility industry.

I’m not opposed to “change.” I don’t think you ought to change just for the sake of changing, but I believe we should constantly be seeking excellence in all that we do and many times, that motivates us to change.

Randolph EMC constantly embraces change that increases the value of your cooperative. This is achieved through implementing new technologies, continually seeking efficiencies in our operations and targeting ways we can improve the service we deliver to you.

One very positive change that’s highlighted on the front page of this month’s *Watts Working* is a new Capital Credits retirement policy. The change, adopted by your Board of Directors, allows more members to see the value of being a cooperative owner by returning dollars to those who had electric service with us in 2011. This is in addition to the traditional method that retires money to members who have had service with us longer.

But the change that most concerns me is taking place in Washington, D.C., and it rests at the doorstep of the Environmental Protection Agency (EPA). It is becoming abundantly clear that these “changes” currently being administrated, and the new ones being proposed by the EPA, will certainly reduce the “change” we have in our pockets by increasing the cost of electricity for consumers.

The EPA’s latest proposal would place stringent carbon dioxide (CO₂) limits on new fossil fuel plants with an emissions restriction of 1,000 pounds per megawatt hour (MWh). This restriction is equivalent to approximately half of what a typical new coal plant would produce.

The only way this new requirement can be met is for new coal plants to install technology that would capture 50 percent of the CO₂ emissions and store those emissions underground. This is referred to as carbon capture and storage.

There are many issues to consider with the proposed new requirement. First, the technology for carbon capture and storage is not commercially viable at this time. For this technology to work, a coal plant would essentially need to have something similar to a chemical

plant built into it to perform this function. This would add tremendous cost to a coal plant project.

There are also many technical and legal issues to be resolved. Where would the CO₂ be stored? There are certain regions of the country, including North Carolina, where it appears the earth’s geology is not conducive for underground CO₂ storage. Building a pipeline to regions of the country where the storage would be possible would be extremely expensive.

If this proposal moves forward in its present form, it would effectively eliminate coal as an option for base load generation for American’s electric utilities. We all hear our national leaders talk about energy independence. Some propose the “all of the above” approach where we use our domestic resources to fulfill our energy needs. I agree with this approach, but it appears to be just lip service for some.

This proposal would ultimately remove an American resource from powering new coal power plants. What will happen to this domestic resource? It will continue to be mined and shipped to countries like China to fuel their growing economy.

This is just another example of why America needs a comprehensive energy policy. We have a piecemeal, blow-in-the-wind approach to something that is so vital to our nation’s security and economic strength.

The EPA is trying to force-fit the Clean Air Act, which was last updated in 1990, into regulating carbon dioxide and curbing greenhouse gas emissions. The Clean Air Act’s original author, Representative John Dingell, a Democrat from Michigan, stated the Act was never intended for this purpose. He described it best when he said that if the EPA continues to move forward on its current track, it will result in a “glorious mess” of regulation and litigation.

Randolph EMC and electric cooperatives across the country are currently providing comments to the EPA on this proposal and we are in contact with our members of Congress. I will provide updates to you on the status of this proposal as the issue progresses.

Cooperatively Yours,

Dale F. Lambert
Chief Executive Officer