

Watts Working

\$2 Million in Capital Credits Returned to Members in June

Putting money back into members' pockets with capital credits is just one of the characteristics that sets Randolph Electric apart from investor-owned utilities. This year, the Randolph EMC Board of Directors authorized a general retirement of \$2 million, with this year's estate retirements estimated at \$560,000. That's a total of more than \$2.5 million that's flowing back to our members and into the local economy in the five counties we serve.

In June, nearly 97% of Randolph EMC members received a check or bill credit for their share of the annual general capital credit retirement. The amount of each capital credit check or bill credit is based on the amount of electricity a member purchased during the years being retired—1996, 1997 and 2022.

As a cooperative business, Randolph EMC does not earn



Money Back to You

That's the Cooperative Difference!

profits. Instead, any revenues remaining after all expenses have been paid each year are considered "margins." They are returned to the members after being used for a period of years as capital to help finance long-term reliability projects, substation improvements, power lines and poles.

Each year, the board of directors decides on capital credit retirements based on the financial health of the cooperative. The amount of capital credits allocated to a member's account is based upon the amount of capital they contribute to the cooperative through payment

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of their monthly bills. The more electricity a member buys, the greater his capital credit allocation. Capital credits are allocated on a continuous cycle: the cooperative collects for current needs to deliver reliable electricity while returning funds collected in previous years. This helps offset the need to borrow funds, and that helps keep your electricity rates more affordable.

Randolph Electric mailed capital credit checks to members in early June. However, if your refund was less than \$20, it was issued as a bill credit. You can help us find former members who may have

an outstanding capital credits check by scanning the QR code or by visiting our website at RandolphEMC.com/unclaimed-capital-credits. If you recognize a name on the list, please ask that person to call the local Randolph EMC office to update his contact information.

At Randolph EMC, we count it a privilege to touch the home of every member in a positive way. Our core values of integrity, accountability, innovation and community involvement guide us in every decision we make. You, our member-owners, are our top priority. We appreciate the opportunity to serve you.



You can help us find former members who may have an outstanding capital credits check by scanning the QR code above. Recognize a name on the list? Please ask that person to call the local Randolph EMC office to update contact information.



REMC tracks how much electricity each member uses & purchases throughout the year.



Each year, after expenses are paid, REMC calculates margins (leftover funds) & allocates each member's share to their account.



REMC uses the margins for a time to pay down debt & to invest in plant advancements & improvements.

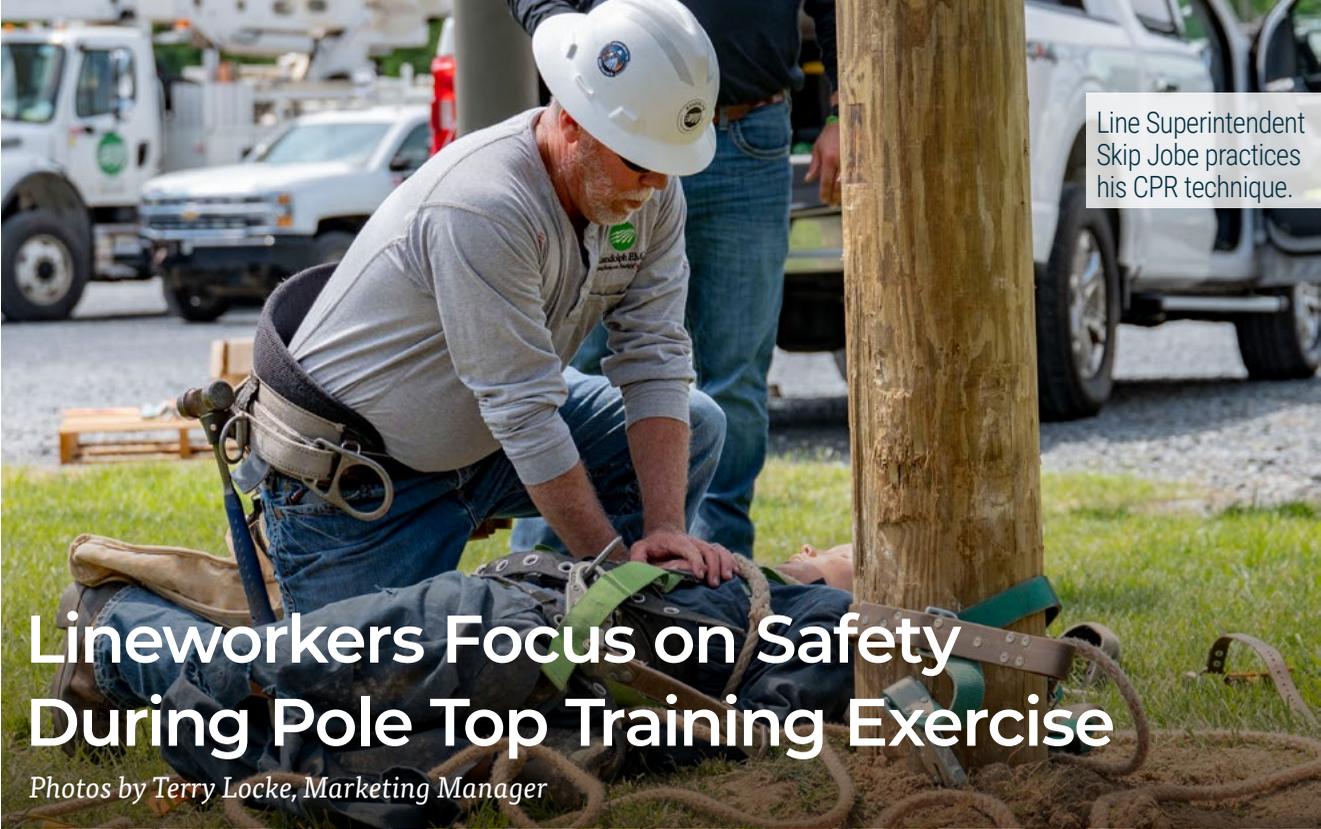


When financially feasible, REMC retires (returns) capital credits to members.



**Happy
Independence
Day!**

**REMC offices will be closed
Tuesday, July 4, for the
holiday.**



Line Superintendent Skip Jobe practices his CPR technique.

Lineworkers Focus on Safety During Pole Top Training Exercise

Photos by Terry Locke, Marketing Manager

REMC lineworkers construct, maintain and repair electric distribution lines that deliver energy to your homes, schools and businesses. Your Randolph Electric crews are ready to respond during storms or other outage events. They are also trained with life-saving skills to aid their fellow crew members in the event of an emergency. If a lineworker should become impaired or unresponsive high atop a utility pole, co-workers must perform a specialized rescue to save a life.

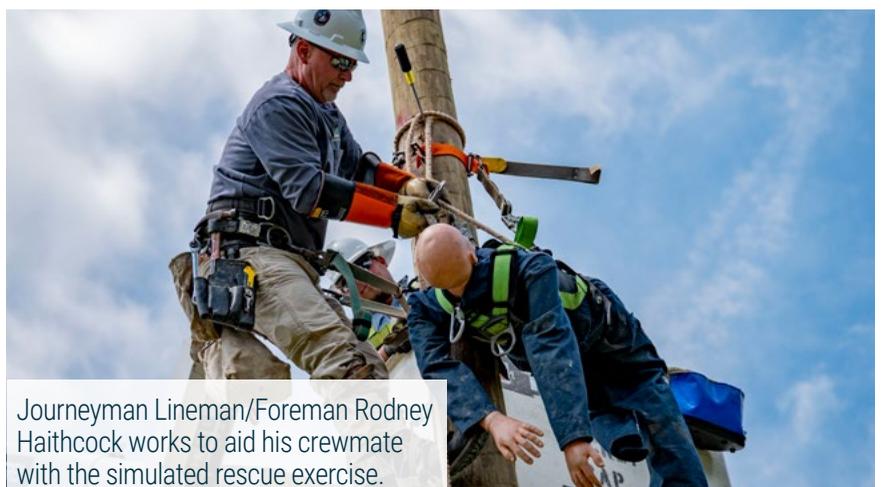
On Tuesday, May 16, REMC lineworkers sharpened their skills by practicing pole-top and bucket rescue drills on the grounds of the Asheboro office. The lineworkers race against the clock to execute a scenario based on retrieving an unconscious coworker from a utility pole. Each employee dressed in full climbing gear, radioed for help, scaled 20 feet up the utility pole, lowered a 105-pound mannequin to the ground and began lifesaving

procedures. Every year, all NC electric cooperative lineworkers must complete this same scenario to maintain their certification to work on co-op lines.

“Randolph EMC is dedicated to safety training that promotes quick thinking when lives are on the line,” said CEO Dale Lambert. “We are proud of our crews, who depend upon each other to restore power and who guard each other’s lives on the job every day.”



Lineman Chris Smith rushes to bring equipment to his team during the timed drill.



Journeyman Lineman/Foreman Rodney Haithcock works to aid his crewmate with the simulated rescue exercise.

Phillips Elected Secretary-Treasurer of the N.C. Association of Electric Cooperatives

Earlier this spring in Raleigh, Tammie Phillips was elected to serve as Secretary-Treasurer on the board of directors for the statewide association of electric cooperatives. Phillips was elected to her term during the association's annual meeting in April, where more than 400 leaders from electric co-ops met to discuss the trends and concerns of the industry. The election took place during the business portion of the meeting. Phillips currently serves as Vice President of the Randolph EMC Board of Directors and has represented district 7 since

2008. She attended East Columbus High School and earned a Bachelor of Arts degree in Political Science with a concentration in law and political philosophy from North Carolina State University. She is employed by the North Carolina Department of Justice. Phillips and her husband, Jonathan, reside in Goldston with their two children.

"I want to congratulate Tammie on this achievement," said Randolph EMC CEO Dale Lambert. "She is a leader who will promote training and safety for the industry and education



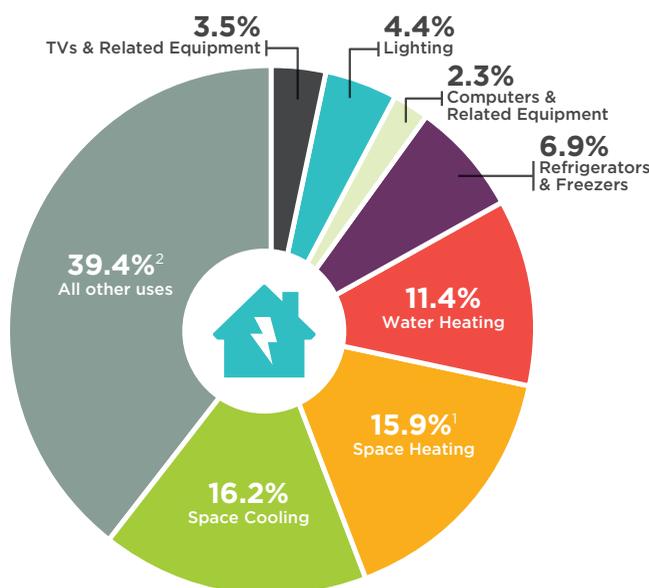
and legislative advocacy on behalf of our members."

North Carolina's electric cooperatives serve 2.5 million people in 93 of the state's 100 counties. The NCAEC (North Carolina Association of Electric Cooperatives) Board of Directors provides strategic guidance for the organization. The 26 member-owned, not-for-profit electric cooperatives in our state are governed by local, democratically elected leadership.

Randolph Electric Membership Corp. is a community-focused electric cooperative created to efficiently deliver affordable, reliable and sustainable energy to nearly 33,000 homes, businesses, farms, and schools. Randolph EMC is led by and belongs to member-consumers in areas of Randolph, Moore, Montgomery, Chatham and Alamance counties.

How Americans Use Electricity

The latest data from the U.S. Energy Information Administration shows the combined use of clothes washers and dryers, dishwashers, small appliances and other electrical equipment (noted as "all other uses" below) accounts for the largest percentage of electricity consumption in American homes.



Source: Energy Information Administration 2022

¹Includes consumption for heat and operating furnace fans and boiler pumps.

²Includes miscellaneous electronics, clothes washers and dryers, cooking equipment, dishwashers, heating elements, and motors.



Zariana points to her clay creations of the sun, Venus and Mars.

SPOTLIGHT ON A BRIGHT IDEA

Wayne Manning's Art Class Connects Students to Core Classes, Technology and Community

For the past 29 years, Randolph EMC has demonstrated our commitment to education by sponsoring the Bright Ideas education grants in K–12 classrooms of public, charter and private school teachers.

During this time, Randolph Electric has invested more than \$300,000 in innovative projects that have benefited students in our five-county area.

In the 2022 grant cycle, Wayne Manning, STEAM (Science, Technology, Engineering, Art and Math) instructor at Westmoore Elementary School in Seagrove, NC, won a Bright Ideas grant for his project on animation and ceramics. His art projects involved stop-motion animation, engineering skills, plot development for narrative storytelling as well as hand-building clay pottery.

Through the grant, Randolph EMC provided materials including an iPad, tripod, clay and glaze. These supplies became the building blocks for hands-on learning experiences in the art classroom. By teaching children how to engage with these materials, Manning reinforced valuable lessons from their core subjects of English, science and math.

Students in kindergarten through eighth grade participated in Manning's Bright Ideas projects. Third graders learned about each of the planets in the solar system through hands-on clay building



Students ask questions as Manning describes the goals of their projects.

activities. Westmoore Elementary is located on Pottery Highway NC 705 in the Seagrove area, and some of the children are related to working potters in the community. Because very few of the students have had the opportunity to study pottery themselves, Manning's class was a special treat.

On a school day in March, students explained the impact the projects had on their understanding of science, math, English and technology concepts.

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A Word About Randolph Electric

From CEO Dale Lambert



THE IMPORTANCE OF RELIABILITY

Dear Members,

Most folks don't think about the reliability of Randolph EMC's electrical distribution system and the regional bulk power grid until the power goes off. In my opinion, that's the way it should be for our members. Power outages should not be the norm to the point where they are expected. But when the power goes out —because electricity “powers our lives” in so many ways— electricity becomes incredibly important at that very instant.

In 2022, specifically for the month of December, grid reliability was a hot topic of conversation for Randolph EMC members around kitchen tables and down at the country store. In fact, two unusual December outage events that affected our members captured state and national news. I've written about them in previous AWARE Columns.

On December 3rd, criminals attacked Duke Energy's substations in Moore County. The damaged equipment affected a high-voltage transmission line that feeds Randolph EMC's Eastwood and Seven Lakes substations, resulting in 2,737 members losing power. In the February 2023 AWARE column, I reviewed in detail your team's restoration response well in

advance of Duke Energy's completion of repairs to their damaged equipment. As I write this article, the criminal investigation is still underway. Our hope is there will be an arrest and conviction of anyone guilty of carrying out this attack.

Later in the month of December, a cold front brought wind gusts of up to 50 miles per hour and cold temperatures. In the early morning hours of Christmas Eve, temperatures fell into the single digits. This is somewhat unusual but not unheard of in our part of the country. But what followed on Christmas Eve morning was unheard of.

For the first time ever, Duke Energy initiated rolling blackouts for portions of the state to preserve the stability of the regional electrical grid from widespread failure. Not doing so would have resulted in extensive and lengthy power outages.

Based on what we currently know, peak load levels were higher than predicted. This high demand was coupled with multiple power-generating plants either not generating to their full capacity or going off-line completely.

The blackouts affected three of Randolph EMC's substations in the general areas of Snow Camp, Staley and New Hope in Alamance and

Randolph counties. This impacted 21% (6,858) of our members for durations of 15 to 20 minutes at a time. Investigations are underway, and I am looking forward to the final report. But as I have stated before, this situation is unacceptable.

These December outage events were certainly big news and brought a heightened focus on the importance of a reliable electrical grid. But there are new headwinds that could also affect the long-term reliability of the grid.

Upcoming Emissions Proposals

On May 11th, the Biden administration, through the Environmental Protection Agency (EPA), released newly proposed limits on greenhouse gas emissions from fossil fuel power plants. These proposed standards would specifically set emission caps for carbon dioxide (CO₂) from coal and natural gas generating plants.

As part of this new announcement, the EPA proposes that existing fossil fuel power plants either cut or capture nearly all their CO₂ emissions by 2038. Power plants unable to meet the new emission standards would be forced off-line. New fossil fuel-generating plants, and natural gas-fired plants are the only fossil fuel plants being constructed these days, and they

would be required to meet the new standards.

In response to these recently proposed power plant emission rules, I believe that Jim Matheson, the CEO of our national trade association, National Rural Electric Cooperative Association (NRECA), summed it up extremely well.

He said, "This proposal will further strain America's electric grid and undermine decades of work to reliably keep the lights on across the nation. And it is just the latest instance of EPA failing to prioritize reliable electricity as a fundamental expectation of American consumers. We're concerned the proposal could disrupt domestic energy security, force critical, always-available power plants into early retirement and make new natural gas plants exceedingly difficult to permit, site and build."

Matheson continued: "Nine states experienced rolling blackouts last December as the demand for electricity exceeded the available supply. Those situations will become even more frequent if EPA continues to craft rules without any apparent consideration of impacts on electric grid reliability. American families and businesses rightfully expect the lights to stay on at a price they can afford. EPA needs to recognize the impact this proposal will have on the future of reliable energy before it's too late."

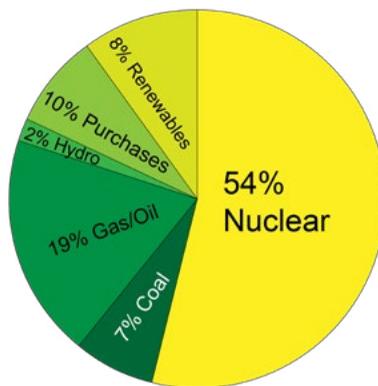
I couldn't agree with Mr. Matheson more. Unfortunately, the EPA has no duty to maintain the reliability of the national electrical grid or the affordability of power bills. That's someone else's problem.

The potential result of these proposed power plant regulations is that fossil fuel generation would effectively be removed as an option to keep the lights on. As a nation, we cannot allow climate policies to outpace the advanced technology required to meet these new emissions standards.

The old farmer's common-sense wisdom applies here: we can't let the "cart get before the horse." To maintain a reliable power grid, our state, region and nation will need fossil fuel power plants well into the future until affordable and dependable new technologies become widely available to replace them.

Diverse Generation Mix
Randolph EMC has a great story to tell about our generation mix.

REMC Generation Mix



Through our statewide cooperative wholesale power supplier North Carolina EMC (NCEMC), we have a very diverse and low-carbon generation mix. For 2023, our energy generation mix consists of 54% nuclear, 19% natural gas, 10% from renewables and hydro, 10% from market purchases and 7% from coal.

In the past, when reliability and affordability were in the crosshairs, your cooperative has been engaged to carry the message to the halls of Congress and the North Carolina legislature. You can rely on REMC to continue this tradition of advocacy. We would be doing our current and future members a disservice not to do so.

Cooperatively Yours,

Dale F. Lambert
Chief Executive Officer



Randolph Electric Membership Corporation provides safe and reliable power with exceptional value to more than 33,000 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

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RandolphEMC.com

“My favorite part so far has been painting the clay planets that I made,” said Cara, a third-grade student in Manning’s art class. Cara’s planets included Venus, Jupiter and Mars.

“I liked learning about the planets and making a movie,” said Alyssa.

“Yes, making the animation is my favorite part,” said Caden, who loves math. “I am looking forward to making the movie. I have never done that before.”

“Students assimilate knowledge from science class about the solar system with the clay project,” said Manning. “Next, they will tell a story using logical narration to make the stop-motion animation movie. This blends technology training with English skills, so they can demonstrate how plot and timing work together to make a movie.”

The animation portion of this project focused on space science for the students. In each movie, a student’s small astronaut and spaceship models propelled through space and then visited one of their planet creations.

Kindergarten students, also, made stop animation movies about what antics snowmen might get up to at night. Eighth graders had already learned about heat transfer in science class. These students illustrated to Manning how convection worked by animating movies through Claymation. You can view these and other imaginative creations by scanning this QR code on your smartphone:



“Here, students can work with their hands, starting with just a ball of clay to create something amazing,” said Manning. “I want to motivate them to increase their critical thinking skills by having memorable learning experiences in the classroom.”

If you know of an educator whose classroom would benefit from an innovative learning opportunity, please tell him or her to apply for a Bright Ideas education grant of up to \$2,000.

Applications and more information about the program can be found at [NCBrightIdeas.com](https://www.ncbrightideas.com).

Bright Ideas grant applications will be accepted through Sept. 15, but teachers are encouraged to apply early. Those who submit their application by Aug. 15 will be entered to win one of five \$100 Visa gift cards.

Supported by all 26 electric cooperatives in North Carolina, Bright Ideas grants have contributed \$15 million to N.C. classrooms, funding a total of 14,200 projects that have benefited well over 3.5 million students statewide since 1994.

Support for youth and education is part of our continued commitment to building a brighter future for the communities we serve. To learn more, visit [RandolphEMC.com](https://www.randolphemc.com).



Manning helps Alyssa place her storytelling props in the frame for her stop animation movie.



“I want to motivate them to increase their critical-thinking skills by having memorable learning experiences in the classroom.”