

Watts Working

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

Putting money back into members' pockets with Capital Credits is just one unique difference 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 \$350,000. That's a total of more than \$2.3 million that's flowing back to our members and into the local economy in the five counties we serve.

This retirement will return the remainder of patronage capital from 1990, 44 percent of 1991 and 54 percent of 2013's patronage capital.

As a cooperative business, Randolph Electric doesn't earn profits. Instead, any revenues remaining after all expenses have been paid each year are considered "margins" that are returned to the members after being used for a period of years as capital to help finance major long-term reliability projects including substations and power lines and poles.

Each year, the Board of Directors decides on a capital credit retirement 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 he or she contributes to the cooperative through payment of their monthly bills. The more electricity a member buys, the greater his or her 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, thereby helping keep your electricity rates lower.

In the last three years, Randolph Electric has returned over \$8.5 million to its members. These are significant dollars and demonstrate how the cooperative business model established more than 75 years ago at Randolph EMC is just as vibrant as it was then. Capital credit checks were mailed out to members in early June. Refund

amounts less than \$20 were issued as a bill credit.

In the last three years, REMC has returned over \$8.5 million to its members.



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JULY 2014

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REMC offices will be closed Friday, July 4th

Ask the Experts

Power Outages

Why do my neighbors have power during an outage when I don't?

—Robin K., Asheboro

It can be frustrating to see lights across the street when you're sitting in the dark. The power grid is broken up into sections, so it's possible that your neighbors are on a different supply line or there may be trouble just on the portion supplying your immediate area. The cause of the outage may be isolated to one transformer or a group of transformers, or the problem may affect only the power lines connecting to your house or business. Keep in mind, too, that your neighbors might own a generator that provides electricity during an outage.

—Jereme Garner, Journeyman Foreman

Why can't you tell me exactly when my power will be restored?

—Susan B., Bear Creek

We never know what we're going to find when we respond to a call, so it's hard to predict when we'll have the power back on. When a crew arrives to make repairs, we have to investigate the cause of the outage first. Often we find problems that require additional time, material, equipment or crews. This can especially be true when we have problems with underground lines because we may be required to dig to access and repair the line.

The length of an outage depends on how many total outages we have across the system as well. When there are several outages to restore at one time, we work to restore power to the largest numbers of affected members in the shortest amount of time. This is an efficient way to restore power outages, but sometimes it can impact how quickly we're able to respond to an outage that may only affect one or two members.

—Tony Cole, Journeyman Foreman

How can I stay informed of your progress during an outage?

—Richard G., Bennett

REMC has lots of options to keep you updated of our progress during major outages. Our outage map is available online at RandolphEMC.com and shows you where and how many members are experiencing outages. Updates are often posted in the news section of our website, as well. In addition, Randolph Electric uses Facebook and Twitter to share news about our progress, safety information, and sometimes even photos. These are good sources for staying updated because they're all available on mobile devices.

None of these options are a replacement for our 24-hour customer service number, though. Please always call 1.877.736.2633 to report an outage.

—Jill Vanness, Communications Director



The monthly NC Renewable Energy Charge was adjusted for each rate class in the following amounts, which became effective May 1, 2014:

Residential: \$0.11 | Commercial: \$2.97 | Industrial: \$14.07

SWAP SHOP

Gallagher S17 solar fence charger \$75. NordicTrack Sequoia \$125. 336-879-5298.

Lazy Boy leather power recliner & loveseat, like new, 3 months old, Wheat color, \$2,000. Valued at \$3,900. 910-464-3810 or 910-464-4000.

Delta 36" Wood Lathe w/ Duplicator \$1395. Scoop Pan w/ 3-point hitch, fits any tractor \$275. 336-879-8294.

Dolly Parton, Shirley Temple & Marilyn Monroe porcelain dolls. 336-672-2815.

Wooden playhouse swing set, needs some repairs \$70. 336-683-5229.

Lightly used 7-piece Broyhill dining room set. Table w/ leaf & four chairs. Matching 2-piece china cabinet w/ light in top. All VGC. \$900. In Asheboro, off Zoo Parkway. 336-629-4553.

2011 Open Range Roamer 5th wheel 30' camper, EC. \$21,900. 910-464-6261.

Barn, 75 yrs old, you take down. \$2,000 OBO. 1994 Martin D-1 Guitar \$600. 1911 Victrola w/ records \$100. 8 Day Clock \$200. Illinois Railroad Pocket Watch \$100. Two old Fireplace Mantels, \$200 ea. Old transit \$25. 336-381-4710.

Color TV's cable ready \$20 - \$30 ea. Collectibles \$5 ea. Flower vases \$1 ea. Christmas tree in box \$5. New Sentry safe \$20. 336-879-3320.

4 ea. 40' long & 4 ea. 10' long power poles, you move, all for \$150.

150 amp. breaker box w/ 14 breakers, meter base & weather head, all for \$150. 336-873-7374.

2010 Tracker Marine Boat. Motor Mercury Marine 9.9 elpt 4s bf. Trailer 2010 txpro 16v2p. Includes fish finder sonar, fishing pole holders, life jackets, like new. \$5500 OBO. 336-672-3109 or 336-964-6253.

Three acres of land located on Highway 705 & Leaman Road in Robbins. Deed/Book # 983/66. \$2,000 for all 3 acres. 919-742-4451.

Twelve 1/2 acre lots, all w/ road frontage, 7 acres total, Pine Haven Acres, Franklinville, Randolph Co. \$36,000 for all. 910-948-2145 or 910-585-2399.

5th Wheel Hitch 16,000 lb. VGC, \$190. 910-464-3914.

Miscellaneous 57 Chevy parts. 740-403-7148.

Two new double replacement windows 65" x 35 1/2"; tan color, \$260 for both. Three Continental 17" tires, like new, size P225/60R-17, all 3 for \$125. Also one 17" 6 lugs rim, new, \$80 neg. 336-629-5694.

FREE: Two kilns, 5,000+ ceramic molds, boxes of mud. All items FREE if you pick up. Siler City area. 336-669-1159.

WANTED: 8" used cinder blocks at reasonable price. 336-963-9325.

Members, email SwapShop items to General@RandolphEMC.com

Electric Service

Asheboro (336) 625-5177
..... (800) 672-8212
Robbins Area: (910) 948-3401
..... (800) 868-7014
Power Failures: (877) REMC-OFF
..... (877-736-2633)
Bill Payments: (877) 534-2319
Office Hours: 8:00 am - 5:00 pm
..... Monday-Friday

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Kids Have the Power to Save Energy, Too!

Summer vacation can be a recipe for high electric bills if kids are home all day. Here are a few tips that can help kids save on their part of the energy bill this summer!

Keep your cool and don't overheat!

More people in the house, plus doors hanging open from that last trip to play outside, plus high temperatures equal an air-conditioning unit that must work harder to keep the house cool. Keep doors and curtains closed to warm air and sunlight and park the thermostat at 78 degrees. Wear shorts and short sleeves and use ceiling fans only while you're in the room to help stay cool.

Take the water-saving challenge!

Behind heating and cooling, water heating is the third largest energy expense in your home. Kids can reduce their time in the shower by keeping it to five minutes or less. Don't have a clock handy? Set a timer on your cell phone or listen to a song or two to keep track of time!



Turn it off and unplug it!

When you are done with a light, TV, stereo or anything else that uses electricity, turn it off to save energy. Better yet, also unplug appliances that use electricity when turned off but are still plugged in an outlet, like a charger or DVR.

WIN THIS TRUCK!



People Helping People

As a thanks for joining the People Helping People program, we're entering all of our contributors into a drawing for this 2006 Chevrolet Colorado Truck that has been retired from the REMC fleet! The drawing will take place on December 19, 2014.

Learn more about "rounding up to give a hand up" with People Helping People and sign up to participate at www.RandolphEMC.com.

Routh Recognized for 30 Years of Service to REMC



REMC Board President Bob Wright honored Director Larry Routh at the May board meeting with a certificate commemorating 30 years of service to the cooperative. Routh

was also recognized at the annual meeting of the NC Association of Electric Cooperatives in April.

STOP YOUR ELECTRIC BILL FROM GOING UP



Tell the government you can't afford costly regulation.

VISIT ACTION.COOP

AWARE

a word about
Randolph Electric

Dear Members,

by Dale Lambert, CEO

During the 2013 Legislative Session, the N.C. General Assembly passed legislation that modified our state's tax laws. House Bill 998, called the Tax Simplification and Reduction Act, was ratified on July 17, 2013.

This legislation modified tax laws that dealt with numerous sections within the tax code. One of the major provisions, and the overall goal of the legislation, was to reduce state income taxes for individuals and businesses. Other provisions increased taxes paid on certain items, including electricity.

To explain the change, I'd like to provide you an overview of what you are presently paying in electricity taxes. Currently, members actually pay two separate taxes for electricity.

The first is obvious and you see it on the bills each month as a line item. It is the Sales Tax for electricity at a rate of 3%.

In addition, a tax not obvious to the members is the Gross Receipts Tax that electric utilities are required to pay to the Department of Revenue in the amount of 3.22%. This tax is collected through our rates as a cost of doing business. So the bottom line is, you are actually paying a tax rate for electricity of 6.22%.

Effective July 1, 2014, the Sales Tax rate will increase from 3% to 7% for electricity; however, the Gross Receipts Tax will be eliminated.

Since Randolph EMC will no longer be required to remit this tax to the Department of Revenue after July 1, 2014, your Board of Directors approved reducing our retail rates to reflect this change. The Basic Facilities Charges will remain at their current levels and the reduction will apply to all other aspects of the rate schedules, which include demand charges, energy charges and security lights.

The net impact to the membership is the difference between the current tax charges of 6.22% (combined Sales Tax and Gross Receipts Tax) and the new Sales Tax rate of 7%. This results in an increase of .78% in the cost of electricity.

In addition, farmers who are currently exempt from paying the electricity Sales Tax will have to meet new requirements to continue to receive this exemption. The full details for these new requirements can be found in N.C. Gen. Stat. 105-164-13E, which includes meeting a condition of \$10,000 or more in annual gross income from farming to qualify. We



encourage our farmers to consult with a tax professional about how these changes might affect their exemption status.

A notice we received from the N.C. Department of Revenue states, "A person that does not meet the criteria of a qualifying or conditional farmer as of July 1, 2014, must give notice to a retailer that Form E-595E or other exemption information issued prior to July 1, 2014, is no longer applicable to the purchase of electricity."

If you currently receive this farm exemption and no longer qualify due to the new tax law provisions, please notify either the Asheboro or Robbins offices so that our records will be up to date and we can bill accurately.

Cooperatively Yours,

Dale F. Lambert,
Chief Executive Officer