

The following article is re-printed by permission from A. Paul Wood, President / CEO of Georgia Electric membership Corporation

Bill Shipp's recent column describing electric membership cooperatives as "sub-urban monsters" would have been amusing if he had not been dead wrong! And our founders would get a kick from his comment that we "regularly grab business away from the investor-owned utilities (IOUs)." That would be Georgia Power. Frankly, this is the first time I have heard anyone express open sympathy for the "investor-owned utilities" whose principle allegiance has always been to shareholders, not customers.

Our founders, far from "spinning in their graves" to see what we have become, would be beaming with pride. Sixty-five years ago, they formed the first cooperatives and, with great difficulty and expense, installed electric lines in rural areas (far from suburbia!) where the investor-owned utilities were unwilling to go. The IOUs had concluded they couldn't make enough profit serving rural areas! The job was left to the people who, collectively, decided to form cooperatives and bring electricity to Georgia farms.

Today, the IOUs look with envy on our coverage area that now amounts to 73 percent of the land area of the state. And though suburbia has come to us in 2001, we still serve an average of only 10 member/owners per mile of distribution lines compared to 35 customers per mile for the IOUs, and a whopping 47 customers per mile for the municipal electric utilities!

In spite of the difficulties encountered in delivering electricity to far-flung customers, most of Georgia's 42 electric co-ops provide power to their members at a rate that is 10-15% below the national average. And because the co-ops are not for profit, they have returned an average of more than \$16 million in refunds each of the past six years to their customers.

Georgia's 26 percent growth over the past decade has created enormous new demand for electricity, demand we are working hard to meet by adding new generation facilities and by purchasing electricity from other sources. Far from being an "unpredictable ingredient" in Georgia's energy picture as Shipp described us, electric coops are making decisions every day that will assure safe, affordable and reliable delivery of electricity to our homes and businesses far into the future. Bill Shipp might want to look into how we are doing that. ■

California Electric Deregulation Shock Not Expected to Be Felt In Georgia

While many California residents have been experiencing electric bill shock and even rolling blackouts this winter because of a shortage of electricity supplies, Georgians should continue to enjoy a dependable supply of reasonably priced electricity, according to Mr. Thomas A. Rosser, General Manager of Grady Electric Membership Corporation in Cairo, Georgia.

Mr. Rosser said California's woes are related to that state's electric utility deregulation, which required power companies to sell off their generating assets, beginning in 1996, and rely instead on wholesale power suppliers for the electricity they provide to their customers. Meanwhile, wholesale supplies have grown extremely tight and market prices for wholesale power have risen astronomically. To make matters worse, a price freeze put into place by California regulators prevented utilities from recovering their costs through increased rates to consumers. The result has been rolling blackouts and financial problems for the state's electric companies.

Mr. Rosser said he does not expect the California experience to be repeated in Georgia, for several reasons. The biggest reason is that, unlike California, Georgia utilities such as Grady EMC have longer term commitments for adequate power supply through asset ownership and power contracts with third parties.

Furthermore, Georgia's lawmakers and regulators have taken a "go slow" approach to electric deregulation in light of electric power rates in the state that are well below the national average.

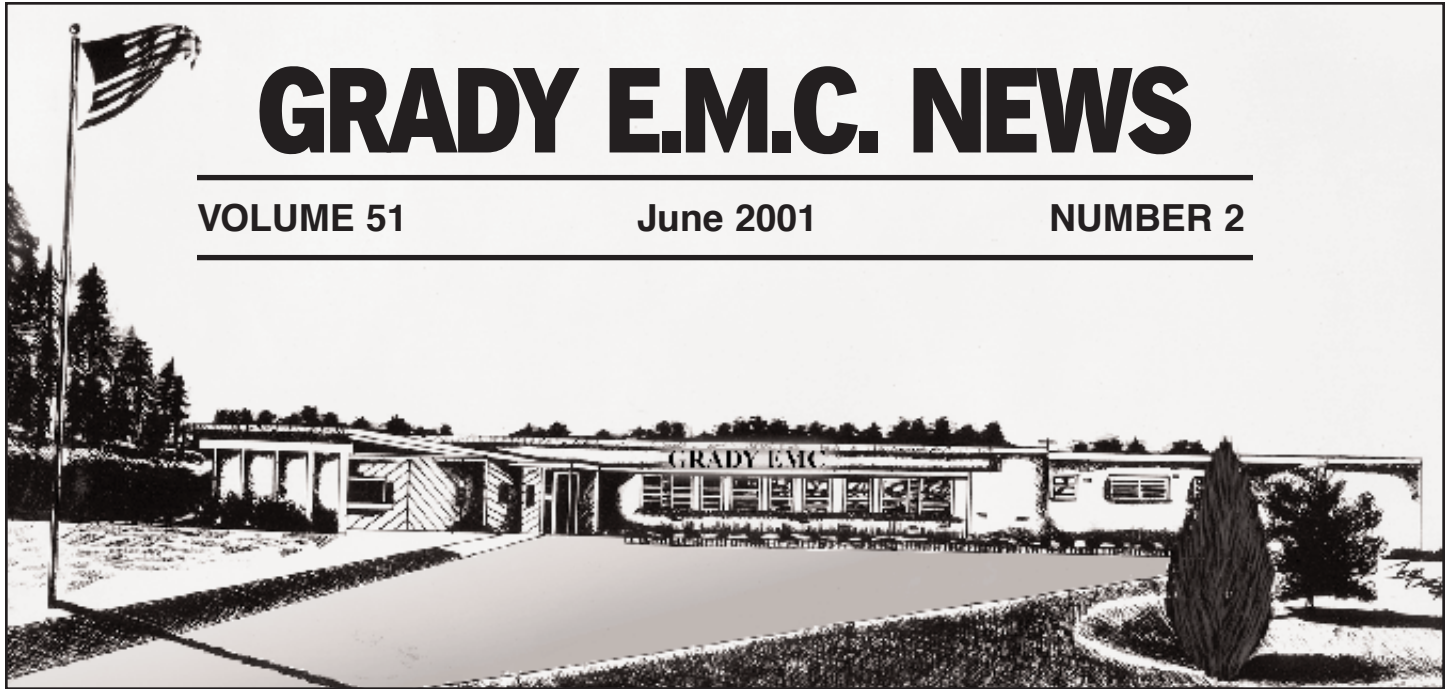
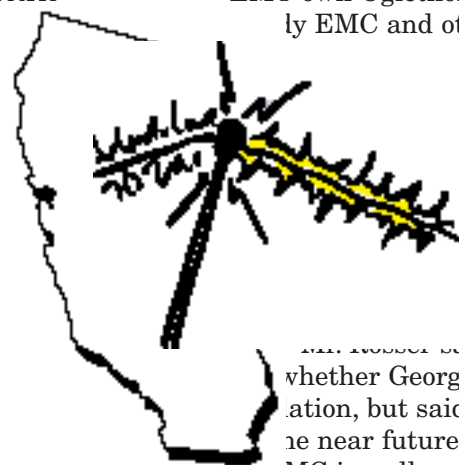
Mr. Rosser explained that 39 EMC's, including Grady EMC own Oglethorpe Power Corporation. On behalf of Grady EMC and other EMC's, Oglethorpe Power owns

major power plants in Georgia, representing more than 3,300 megawatts (MW) of generating capability. These include nuclear, coal and hydroelectric facilities.

Additionally, Grady EMC is a co-owner of Sowega Energy Resources LLC located in Baconton, Ga. This plant has two gas fuel combustion turbines that are generating up to 300 megawatts of power.

Mr. Rosser said it is not clear at this point whether Georgia will pursue electric utility deregulation, but said he does not believe it will happen in the near future. In the meantime, he said Grady EMC is well-prepared to supply the electricity its customers need both now and in the future.

"As a not-for-profit, member-owned utility, we've taken steps over the years to ensure that we have adequate supplies of reasonably priced electricity for our customers," he said. "Despite what may happen in California or elsewhere, we remain in a very good position to meet the power needs of our customers at a very fair price." ■

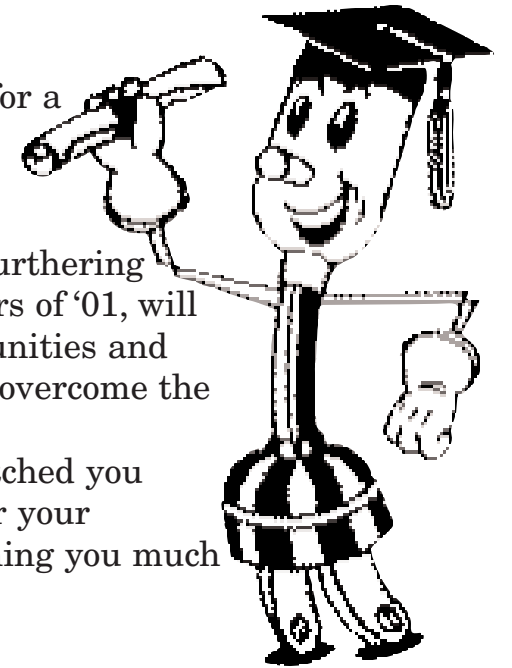


Congratulations to the Graduates the Class of 2001

We know this is a day that you have looked forward to for a long time. Your hard work and efforts have finally been rewarded.

The friends and classmates that have preceded you in graduation are now moving on with their lives, whether furthering their education, or entering the workplace. You, the Seniors of '01, will now start doing the same and contributing to your communities and society. You have been equipped to handle the challenges, overcome the objectives, and become a productive individual.

Your families, friends, relatives, and educators have watched you grow and mature and are extremely happy for you and for your accomplishments. Grady EMC also takes pleasure in wishing you much happiness and success in whatever you try to accomplish. CONGRATULATIONS!!!



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\$1,000 Walter Harrison Scholarship won by local student

Grady EMC is proud to announce that Patricia Washpon of Whigham, Georgia was recently awarded a \$1,000 Walter Harrison Scholarship for outstanding high school students. Ms. Washpon will be graduating from Cairo High School.

Ms. Washpon was one of five winners selected from among seventy finalists. The prestigious Walter Harrison Scholarship is awarded to students who excel in the areas of grade point average, SAT scores, academic standing, scholastic honors, and who demonstrate a need for financial aid.

The \$1,000 award can be used at any accredited two or four year university, college or vocational-technical institute in Georgia.

Ms. Washpon lives with her grandparents, Lester and Margaret Hall, in Whigham, Georgia. She will be attending Georgia State University in Atlanta this fall where she plans to major in Business Administration with a concentration in Computer Information Systems. Ms. Washpon was recently recognized on honors night at Cairo High School for her success in regional competition for Future Business Leaders of America by placing second in the desktop publishing competition.

The Walter Harrison Scholarship was created in 1985 by the Board of Directors of the Georgia Electric Membership Corporation, a trade association for the electric cooperatives of Georgia. Mr. Harrison was a pioneer in the rural electricity movement and a leader at the local, state and national level in the electric cooperative program.

Since 1985, Georgia's electric cooperatives, the National Rural Electric Cooperative Association and the Georgia Rural Electric Supply Corporation have awarded \$ 80,000 to students through the Walter Harrison Scholarship program.

We congratulate Ms. Washpon and wish for her the best. ■



Pictured on the right is Patricia Washpon, winner of the \$1,000 Walter Harrison Scholarship. Presenting the scholarship to Patricia is Donnie Prince, Manager of Marketing/Member Services for Grady EMC.

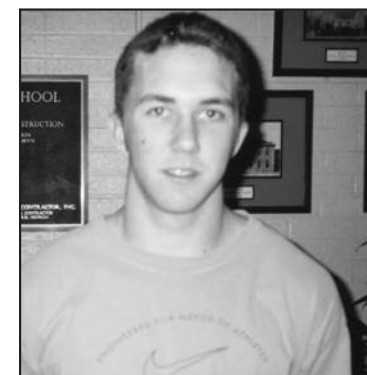
2001 RURAL ELECTRIC YOUTH TOUR

June 14th thru June 22nd of 2001 will be an exciting, memorable time for three very deserving high school students. These are the dates for Grady EMC's 2001 Washington Youth Tour Leadership experience. The three delegates for this year's tour are Ms. Brooke Blanton from Thomasville High School, Mr. Jeremy Bearden from Cairo High School, and Ms. Jamie Newton from Bainbridge High School.

This tour continues to be one of the most rewarding, educational, and fun-filled events that happen in the lives of students as well as adults who chaperone and orchestrate the tour. Previous students from across the nation who have been a part of this program have been impacted in various ways. Some have had life changing experiences after visiting the nation's capital and gone into politics to serve their country. Long lasting relationships grow out of this experience as well. An exchange student that attended Thomas County Central High School and is now back home in Germany continues to stay in touch via E-mail with a friend she made from Cairo High School while attending the Washington Youth Tour.



BROOK BLANTON
Thomasville H.S.



JEREMY BEARDEN
Cairo H.S.



JAMIE NEWTON
Bainbridge H.S.

The tour is a week long, all-expenses paid trip that includes two nights in Atlanta and five nights in Washington, DC. A dinner banquet is held in their honor on the first day of the tour in Atlanta. They participate in leadership educational sessions on electric cooperatives, meet with the Governor, tour the Capitol and other areas of interest, and participate on national TV with CNN's Talk Back Live show while in Atlanta.

The morning of the third day finds them flying to Washington. After arriving in Washington, the next five days will be a nonstop, highly orchestrated tour that entails visiting many of the historical sights that only Washington has to offer. This gives them first hand and hands-on experiences that they have studied in school and can now actually be a part of. They will tour the White House, visit Capitol Hill, meet with Congressional leaders at a breakfast or luncheon, visit the U.S. Supreme Court, the Tomb of the Unknown Soldier, and observe the Changing of the Guard, the National Cemetery, Washington Monument, Lincoln, Jefferson, FDR Memorials, Vietnam Wall, Korean War Memorial, Smithsonian Institutes, Holocaust Museum and watch a beautiful sunset performance by the U.S. Marine Corp Drill Team. At the end of the day, more leadership sessions occur back at their hotel. Somehow, time is found also to check out places such as Planet Hollywood, Hard Rock Cafe, and go dancing and dining on an evening cruise down the Potomac River.

The approximate number of 75 Georgia delegates will be part of about 600 other delegates from across the nation that converge on our nation's Capitol.

Thomas County's delegate for the 2001 tour is Ms. Brooke Blanton from Thomasville High School. Brooke is a rising senior and plans to further her education after high school by going to college and pursuing a degree in accounting. Mr. Tim Helms, Principal of Thomasville High School served as the WYT coordinator.

Grady County's delegate is Mr. Jeremy Bearden. A rising senior, Jeremy is involved in various activities and organizations at Cairo High School. Jeremy's future goal is to become an architectural engineer. Ms. Betty Elkins serves as the WYT coordinator.

Decatur County's delegate is also a rising senior. Ms. Jamie Newton, from Bainbridge High School, is a very active young lady, and by the sound of her summer schedule, she will not be around home very much this summer. Jamie plans on going to college after graduation and will be pursuing a career in the medical field. Mr. Tommie Howell is the WYT coordinator.

We are proud to sponsor Brooke, Jeremy, and Jamie as delegates for the 2001 Washington Youth Tour. They will make excellent representatives for their respective schools, families, communities, themselves, and Grady EMC. CONGRATULATIONS !

RURAL ELECTRIC YOUTH TOUR

