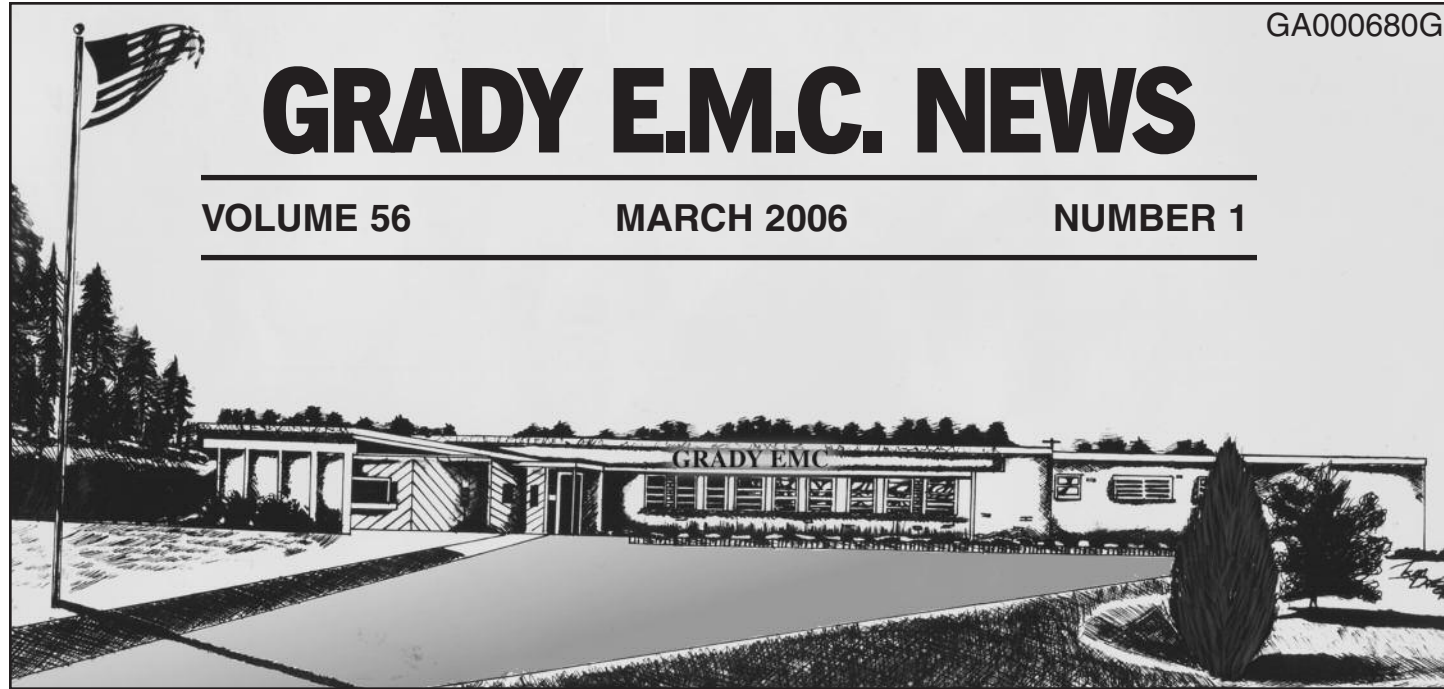


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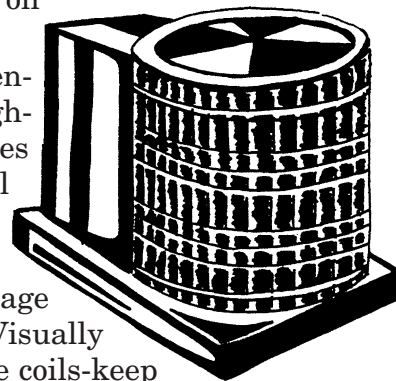
Education **is** Empowerment

WHY TALK ABOUT EDUCATION as an empowerment to us as members of a rural electric cooperative? No matter what the subject matter is that is being taught, if we comprehend the material being presented, and then we act on that information to use for our benefit, we have empowered ourselves to take control.

Educating ourselves to energy consumption in our homes and to those devices that consume the greatest portion of energy will empower us to take control of our electrical usage.

We need to understand, from the beginning, comparing usage from one home to another is not the answer. Construction of homes, types of homes, age of homes, air infiltration issues, insulation values, types of insulation, types of windows, size of homes, lifestyles in homes, efficiency of heating and air conditioning systems including types of ductwork, and the list can go on and on are all variables that come into play.

In a total electric home, the pictures you see in this article are representative of a central heating and air conditioning system (preferably a high-efficiency heat pump) and an electric water heater. These two devices alone, as a general rule, consume approximately 75% to 80% of our total monthly kilowatt hour usage. Heating our homes requires much more energy than air conditioning.



The purpose of this article is to help us to concentrate on these high usage items. **FIRST**, the central heating-A/C system—what can we do? **1** Visually inspect unit— (a) Remove any objects that can restrict air flow across the coils—keep

continues on page 3

DOING BUSINESS WITH PEOPLE WHOM YOU KNOW AND TRUST






GRADY EMC




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Grady Electric Membership
Corporation

Cost of Power (Power Cost Adjustment-PCA) Continues to Rise, Why?

Cost of power (power cost adjustment-PCA) continues to rise, why?

Rising electricity costs are no secret to any of us who are members of Grady EMC or any other electric utility provider whether they are a cooperative

like us, an investor-owned utility, or a municipal system. The question among the membership of Grady EMC is the one we are interested in since it affects all of us. It is a legitimate question and one that we will try to answer in this article.

For those of you who attend your annual meetings, your board of directors and general manager give us a picture in words of the overall financial condition of your cooperative as well as inform us as to what the wholesale power market is doing.

Looking back over the years, our wholesale power cost to us remained relatively steady. This allowed us to have either a zero or negative "power cost adjustment" reflected on our monthly bills for service. It was really nice to see no additional charges and even better yet

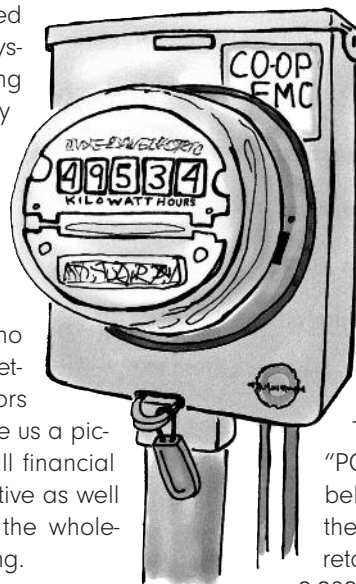
to see a deduction on our bills as a result of a negative "power cost adjustment". As the year 2000 came to a close, wholesale power costs to your cooperative began slowly rising and has steadily

been increasing ever since up to the present. Now, our bills for service no longer reflect deductions as a result of a negative "power cost adjustment", but additions instead due to a positive "power cost adjustment" strictly brought on by increased wholesale power costs to our cooperative.

What exactly is "power cost adjustment"?

This appears on our bills as "PCA". PCA is shown right below the dates of service on the portion of the bill that you retain. The recent bills PCA is

0.020000. The amount for PCA is derived by multiplying your total kilowatt hour (kwh) usage for the time specified times the PCA factor. The power cost adjustment (PCA) is an adjustment that is reviewed on a monthly basis. It is determined by reviewing what the true whole-



UNITED STATES DEPARTMENT OF AGRICULTURE

Rural Electrification Administration Statement of Nondiscrimination

Grady Electric Membership Corporation has filed with the Federal Government a Compliance Assurance in which it assures the Rural Electrification Administration that it will comply fully with all requirements of Title VI of the Civil Rights Act of 1964, all requirements of Section 504 of the Rehabilitation Act of 1973, as amended, all requirements of the Age Discrimination Act of 1975, as amended, all requirements under the Americans Disabilities Act of 1990 and all requirements of the rules and regulations of the U.S. Department of Agriculture to the end that no person in the United States shall, on the ground of race, color or national origin, of solely by reason of such person's disabilities or on the basis of age, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in the conduct of its program or the operation of its facilities. Under this Assurance, this organization is committed not to discriminate against any person on the ground of race, color or national origin, solely by reason of such person's disabilities, or on the basis of age, in its policies and practices relating to applications for service or any other policies and practices relating to treatment of beneficiaries and participants including employment, rates, conditions and extensions of service, admissions or access to or use of any of its facilities, attendance at and participation in any meetings of beneficiaries and participants or the exercise of any rights of such beneficiaries and participants in the conduct of the operations of this organization. The person in this organization responsible for coordinating the nondiscrimination compliance efforts of this organization is Pat Reed.

Any individual, or any specific class of individuals, who feel subjected by this organization to discrimination prohibited by Title VI of the Civil Rights Act, by Section 504 of the Rehabilitation Act, by the Age Discrimination Act, by the Americans Disabilities Act or by the rules and regulations of the U.S. Department of Agriculture may personally or through a representative, file with the Office of the Secretary, U.S. Department of Agriculture, Washington, D.C. 20250; the office of the Administrator, Rural Electrification Administration, Washington, D.C. 20250; The Office of Advocacy and Enterprise, U.S. Department of Agriculture, Washington, D.C. 20250; or this organization, or all, a written complaint. Such complaint must be filed no later than 180 days after the alleged discrimination, or by such later date to which the Secretary of Agriculture of the Administrator of the Rural Electrification Administration extends the time for filing. Identity of complaints will be kept confidential except to the extent necessary to carry out the purposes of the rules and regulations of the U. S. Department of Agriculture.

Cost of Power - cont. from page 2

sale cost of power is to us and then comparing it to the wholesale cost that was used to determine our rate structure. The wholesale cost of a kwh is then adjusted, up or down accordingly, to ensure that our wholesale power cost remains constant compared to our rate structure. Additionally, independent auditors perform a complete review annually. They determine and insure that monies received from the power cost adjustments are used exclusively for the purpose of paying for wholesale power. Wholesale power cost adjustments are not rate increases or decreases. We, as Grady EMC members have not had a rate increase since May, 1992. We realize that, as a general rule, once a product or service goes up in price, very seldom does it come back down. For example, what has happened over the years to the price of a loaf of bread, medical insurance, a set of tires for our vehicles, the price of the vehicle, and finally, the price of a gallon of diesel fuel or gasoline? Grady EMC has been dealing with the steady pressure of increased wholesale power costs as you can see for quite some time. It is continuing to trend upward at present. We do not like the thought of raising rates because of the examples mentioned above. We believe it is in our best interests to deal with the PCA and see what happens to the fuel industry at the present time. We can only hope that the energy crisis will stabilize and not go higher.

Generation of electricity is up due to increased fuel costs passed on to generation companies from the oil industry. Their costs are passed on to the electrical transmission companies, who pass their costs along to the distribution companies (one of which is Grady EMC).

Please know that your cooperative is aware of your concerns regarding higher utility bills. We as individual members make up this cooperative and the Supply /Demand side economics rules for us as well. The more we demand from our homes for electrical usage, the less supply there is and the price goes up and vice-versa. Maybe once we as a nation decide to get serious about our future with regard to energy supply, we can reverse the upward spiral. But until... ■

Empowerment - cont. from page 1

objects at least 4 feet away to allow sufficient air flow across coils. (b) Remove any weeds or shrubs that have grown up around unit and remove any grass clippings from mowing the lawn that have been blown onto coils—mow around unit so that grass clippings are blown away from unit. (c) Wash coils using clear water with a water hose to remove any foreign matter from coils - this should be done in the spring and fall. ② Visually inspect air delivery system (ductwork) – (a) Are there any holes or gaps in the duct system allowing conditioned air to escape? If so, seal the leak with aluminum tape and cover that with mastic. (b) Make sure all duct systems are insulated to at least an R-6 minimum value, the higher the R-rating, the more efficient it is. (c) If ductwork is under home, crawl space should be closed off to prevent dogs, cats, and other animals from tearing holes in flexible duct systems and from knocking joints loose in rigid systems. Note: the preferred method for air distribution systems is to utilize rigid, galvanized, insulated ductwork. (d) Duct systems should not come in contact with the ground. ③ We recommend that a licensed heating and air conditioning contractor should service the unit and check the thermostat and overall delivery system annually.

SECOND: (a) Visually inspect the electric water heater. Does it appear to be in good condition? Are there rust areas visible on the tank? Are there any noticeable water leaks? Does the water heater tank have an insulation blanket wrapped around it? Are all exposed water lines insulated? (b) Recommended thermostat settings on the water heater elements are 120-130 degrees. (c) Timers can be placed on water heaters to reduce availability of run time when hot water is not needed.

How much do these units consume? A wide range of kilowatt hours are used by these devices dependent on such factors as age, efficiency ratings, heat pumps or central electric furnaces, size of systems (2,3,4, ton, etc) weather extremes, efficiency of homes, thermostat settings, etc. Taking into account the above variables, kilowatt hour usage can vary from a low of approximately 2 kwhs per hour of run time upwards to 18 kwhs and even higher in one hour of run time.

An electric water heater, using a 40 gallon tank as an example, assuming energy efficient measures have been taken as noted above, will consume approximately 300-400 kwhs per month dependent upon usage.

As we can tell, getting serious about reducing energy consumption takes some effort and understanding on all our parts. It is not a "one shoe fits all" solution. What we do know is, that the more demand we place on energy consumption in this country, the likelihood of prices coming down appears to be very slim. That is why it is so critical that we as individuals do the following: **EDUCATE, EMPOWER, AND ACT.** ■



FARMERS AND FRIENDS JOIN TO FORM ELECTRIC CO-OPS

If ever there was an American grassroots effort that brought together businessmen and farmers, housewives and ordinary folks to achieve a common goal, surely it was creation of the nation's rural electric cooperatives.

The painstaking procedures Georgia residents took to light up their homes and farms is chronicled in "Power to the People," an extensive exhibit that runs through September at the Richard B. Russell Library on the University of Georgia campus in Athens.

From the first meeting of prospective co-op members to EMC dedications where the switch to turn on power was ceremoniously flipped, the "It's Coming!" section of the exhibit reflects the excitement that swirled as communities prepared for electrification.

"We want people to understand that getting electricity wasn't something where you turned in a piece of paper and the next week got your lights on," says Jill Severn, archivist with the Russell Library. "The REA [Rural Electrification Administration] had stacks of projects to fund, so there was a long waiting period."

The exhibit takes visitors through the anticipation of electricity, communities coming together and forming co-ops, and the technical part of putting up poles.

"In today's society, where there's so much bureaucracy, this would seem like an incredibly daunting task," says Severn. "It's empowering to know that farmers, women, individuals did this. It was a model of the cooperative principles: a coming together of equals where being a member as well as a customer gave you a greater interest in the process and the outcome, as well as a greater responsibility which often made for a more committed group."

Acquiring electricity became a consuming desire of the country people who saw it in the cities.

"If nobody had electricity, times would be tough but everyone would be in the same boat," says Severn. "But when your neighbors in town have it and you don't, even if you could afford it, that was really frustrating. Rural people wanted electricity because they saw its benefits elsewhere.

Robert Tisinger, a rural electric pioneer who served as legal counsel for Georgia's early EMCs, talks about his father wiring his house years in advance, anticipating electricity coming to the family farm, according to Severn.

"He wasn't the only one," she adds. "People were incredibly eager to get it."

Visitors to "Power to the People" can view correspondence that led to formation of the EMCs, along with work of the early line crews, including one of the first rural power poles in Georgia. Also highlighted is how electric cooperatives celebrated and commemorated completion of their line projects. The "ultimate celebration," says Severn, was the 1938 dedication of Lamar EMC (now Southern Rivers Energy) in Barnesville where President Franklin D. Roosevelt "flipped the switch" to power the new lines. Although FDR spent more of his podium time pushing his New Deal agenda before the crowd of 20,000, EMC employees from Lamar and across the state viewed the occasion as their turn in the national spotlight.

"They were all getting together to show the world that rural Georgia had lights turned on," Severn concludes.

Today, Georgia's 42 member-owned EMCs provide electricity and related services to four million people, nearly half of Georgia's population, across 73 percent of the state's land area. For more information about Georgia's EMCs and their growing communities, visit www.georgiaemc.com. For more information on the exhibit, call 706-542-5766 or visit WWW.libs.uga.edu/russell. ■

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ONLINE BILLING INFORMATION

You have chosen to view and/or pay your bill over the Internet. To access the proper account(s) you will be asked to provide your Account Number and Password. If this is your first visit to this site, you will be asked to change your assigned password to one that is more meaningful to you. **IMPORTANT PASSWORD INFORMATION:** If we have not assigned a password for you, or if you have forgotten your password, please call us or click Contact Support to send a message regarding your problem.

Your account number is printed on your bill. You must enter this number, less the last two digits, to access information on this site. For example, if the account number on your bill is 1234501, you should enter 12345 in the account number field.

You can make a payment or access account information with confidence knowing that our secure socket layer software (SSL) is the industry standard and among the best software available today for secure commerce transactions. It encrypts all of your personal information so that it can not be read as it travels over the Internet.



Grady EMC is now offering SEDC Bill Presentment and Payment to enable you to view and pay your utility bill using the convenience of the internet. Upon visiting our web site at www.gradyemc.com, you will find a link to our product support associates, Southeastern Data Cooperative. This is a safe and secure link that will guide you through the process of viewing and paying your bill on line. You will be assigned a user name and password which will enable you to use the system.

Our Customer Service Representatives will be glad to assist you in setting up this new feature.

Please note that the charges on your credit card statement will be from Southeastern Data Cooperative (SEDC) even though Grady EMC is the one receiving the payment. ■

Automated power outage reporting system working great

A great big "thank you" to all of you who have been using the automated power outage reporting system.

This system was installed as a result of a large portion of our members requesting a quicker way to get power restored to their homes after power failures for whatever reason. By calling into the automated system and entering your account number and/or telephone number the process of restoring power is working much smoother and providing a much more rapid response.

As your system continues to grow in numbers, it is becoming even more imperative that we use this system.

Please continue to call in and update your account information with our customer services department with regards to the correct phone number including the area code, and the 911 address for the service you are reporting.

You might want to consider placing your account number at a convenient spot close to your phone to make your reporting the outage easier.

We know that you still might want to talk to a live person to confirm that what you reported got entered, please rest assured that if you finished through the prompts requested, your outage has been reported. We are not saying for you not to call, but simply saying that when we do this, we are "boggling" down the system, duplicating outages, and defeating the primary objective of this most important system.

Our highest percentage of those using the automated outage reporting system so far has been 80% which is phenomenal in comparison to other systems. Let's see if we can break 90% when the next outage occurs.

Again, thank you for being some of the greatest members an electric membership cooperative could have.