

GRADY E.M.C. NEWS

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Grady EMC Announces New President and General Manager

Grady EMC is proud to announce the recent promotion of Bo Rosser to President and General Manager. Bo is a graduate of Florida State University where he earned his MBA as well as Thomas University where he was a Forbes Business Scholar and earned a BSBA in Management. He completed the Thomas County Leadership program as well as several finance and banking courses through the American Institute of Banking. Bo is familiar with all aspects of the electric utility business having grown up around the business as well as being a third generation president of the cooperative.

Working summers during his undergraduate studies, Bo became increasingly familiar with all areas of the cooperative but chose to pursue a career in finance as a loan officer until the board approached him about the possibility of returning to Grady EMC. After much consideration, he ultimately chose to return to the cooperative. When asked about

the challenges ahead, "The biggest challenge to the electric industry today is the uncertainty of the current administration in regards to regulation, specifically environmental, which will impact the generation that supplies all electric systems. Regardless of our personal attitudes, the government is the driving force on this front and the decisions being made will impact all consumers." Bo went on to say that, "Grady EMC strives to be a good steward of the environment as well as follow all applicable regulations while seeking to increase efficiencies through better technology and a well trained workforce." Grady EMC is fortunate to have its future in the hands of a qualified and dedicated individual seeking to continue the success of his family. "I remember my grandfather's passion for the electric coop as well as my fathers, always seeking the best options for the members in the face of increasing regulation, extreme weather, and local challenges. I plan



Bo Rosser

to continue that success and provide consumers with the best service possible." Help us in welcoming Bo Rosser as Grady EMC's new President and General Manager. ■



GRADY EMC

"Your local cooperative with access to the world's power"



T.A. (Bo) ROSSER, Jr.
President

BOARD OF DIRECTORS

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Chairman - District 3

ROBERT E. LEE
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District 7

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CLAIRE CHASON

OFFICE HOURS

8:30 A.M. to 4:30 P.M.

Drive Thru - 8:00 A.M. to 5:00 P.M.

MONDAY thru FRIDAY

CLOSED HOLIDAYS,

SATURDAY & SUNDAY

BUSINESS and SERVICE CALLS

DURING and AFTER

OFFICE HOURS

377-4182

TOLL FREE

SERVICE NUMBER

1-800-942-4362

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Grady Electric Membership
Corporation

ALERT

American Express and Discover Cards will NO LONGER be accepted beginning March 1st. Credit card transactions will be limited to \$1500.00 once per month per member. Visa and MasterCard will still be accepted.

Grady EMC *crews respond...* to CALL for *help!!*



Pictured left to right are Grady EMC linemen: Richard White, Keith Phillips, Kent Alligood, Eric Tyus, Geoffrey Lawrence, Scott Taliaferro. Not pictured is Todd Gibbs.

As the winter ice storm hit North and Central Georgia as well as portions of South Georgia again, calls for help went out for additional help to aid in power restoration brought on by ice, snow, rain, and wind. These seven men responded, without hesitation, to what they knew would be a miserable environment to work in. Working in almost unbearable conditions, plus working in an unfamiliar territory; however, is not something new to Grady EMC's linemen. Their willingness to leave the comforts of their home and their families to go and help other families, who are in need of help, speaks volumes to the character and integrity of these individuals. Working power lines in the best of weather conditions, in familiar territory, is a dangerous job. When working in the aforementioned elements, it becomes extremely more hazardous and dangerous. We pray God's hand of safety will be upon them as they work and that He will return them home safely. ■

GOVERNED FOR THE PEOPLE, BY THE PEOPLE

Georgia's electric cooperatives, of which Grady EMC is one of more than 900 nationwide, are private independent electric utilities owned by the members they serve. These cooperatives adhere to the "Seven Cooperative Principles" that guide them in their daily operations.

The mid-1930s witnessed the origination of the country's electric membership corporations (EMCs), known as the Rural Electrification Administration (REA) at that time. They have been member-owned from the beginning due to necessity. Private power providers would not take on the huge task of running lines through the rural countryside; therefore, farmers and rural residents themselves had to spring into action. This is when President Roosevelt, in 1935, created the REA. It joined ordinary folks together, cooperating to provide electric power to their homes and farms. They adopted the cooperative form of doing business because it best suited their needs.

As a member of Grady EMC, we all have the benefit of being locally owned and governed. We are led by directors elected by the members they serve who continue to follow and operate on the "Seven Cooperative Principles" mentioned in the beginning. Grady EMC's mission today is the same as it was in the beginning: to provide the members with the highest quality service, least interruptible, lowest cost electricity available. We consider it an honor and a privilege to serve you. ■

Capital Credits – What are they?

Grady EMC is a cooperative owned by you, the member. It technically does not earn profits. Instead, any revenues left over above the cost of doing business are called "margins". These margins represent an interest-free loan of operating capital by the membership to the cooperative. Cooperatives throughout the nation return capital credits to their members in various ways. Grady EMC allocates capital credits each year to each member based upon our margins and each member's usage of energy sales annually. Each member (present or past) has an individual capital credits account which holds the allocations due to that member until refunded. The Board of Directors of Grady EMC elects to refund to deceased member's estates the accumulation of capital credits for the tenure of that particular member. Any member of Grady EMC is welcome to contact the office with any questions. As always, Grady EMC appreciates and values each one of you as a member of this cooperative.

The Seven Cooperative Principles, in brief:

1 Voluntary and open membership: Cooperatives are open to all persons able to use their services and willing to accept the responsibilities of membership.

2 Democratic member control: Members control cooperatives by setting policies and making decisions. Directors are elected by and accountable to the membership.

3 Members' economic participation: Members contribute equally to, and democratically control, the capital of their cooperative, receiving limited compensation, if any.

4 Autonomy and independence: Cooperatives are self-help organizations controlled by their members.

5 Education, training and information: Co-ops provide education and training for their members, elected representatives, managers and employees. The general public is routinely informed about the nature and benefits of cooperation.

6 Cooperation among cooperatives: Cooperatives serve their members most effectively by working together through local, national, regional, and international structures.

7 Concern for community: With focus on member needs, co-ops work for sustainable development of their communities through projects accepted by their members.

Power cost adjustment - PCA - cost of power

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 just below the dates of service on the portion of the bill that you retain. The recent bills PCA is 0.030000. 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 wholesale 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 cost.

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..... ■

Tune Up for *Spring Safety!*



No musical talent required — just use your common sense and follow a few guidelines to enjoy the coming spring season safely. For example:

- When you use electrical appliances and tools outdoors, make sure they're properly grounded and that your work area is dry.
- Remind your children never to climb utility poles or play near substations, ground level transformers, or any fence, building or equipment marked "Danger: High Voltage."
- Don't post or attach signs or announcements to utility poles. They create a safety hazard for personnel who need to climb poles for routine maintenance and repair.

And there's more you can do to tune into a safe spring season. Simply contact us with your questions.

We'll be happy to advise you. ■