



Piedmont Electric

CONNECTION

A Touchstone Energy Cooperative



Hillsborough, N.C.

www.pemc.coop

October 2011

Long Serving PEMC Director Passes Away



Long-time Piedmont Electric Director C. Franklin Murphy passed away August 16.

Mr. Murphy served as a member of the Piedmont EMC Board of Directors for 38 years, most recently as Vice Chairman. He lived in the Corbett Ridge Community of Caswell County.

Very active in his community, he previously was president of the Caswell County Jaycees, chairman of the Caswell County Board of Commissioners and treasurer of Caswell County Farm Bureau.

Mr. Murphy was a Certified Credentialed Director and had earned the Board Leadership Certificate from National Rural Electric Cooperative Association.

In addition to his wife, Dianne, Mr. Murphy is survived by his daughter and son-in-law, Janet and Alton, and two grandchildren.

YOU Get the Credit!

The Cooperative's Board of Directors has approved a General Retirement of Capital Credits for 1981 and 1982 patronage which will be distributed to members in December 2011.

Electric cooperatives aren't like other utilities—you, as a consumer and a member own a portion of the business. And, one benefit of that membership involves the allocation of excess revenue, called margins, in the form of capital credits.

As we celebrate Co-op Month, now is a good time to talk about capital credits.

Electric co-ops operate not for profit—collecting enough revenue to run and expand the business but with no need to raise rates to generate profits for shareholders.

When Piedmont Electric has

money left over, it's allocated back to you and other members as capital credits.

When the Cooperative's financial position permits, it "retires"—or pays—the capital credits to members in cash or as a bill credit.

Piedmont Electric has retired more than \$16 million in capital credits to current and former members.

"We're proud to support our communities by putting money back into the local economy—and into the pockets of those we serve," points out CEO R. G. Brecheisen.

The retirement of capital credits—so-called because members provide capital to the Cooperative for it to operate and expand—de-

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**LOCAL.
TRUSTED.
SERVING
YOU.**

*Please join us
Wednesday,
October 19,
as we cel-*

*brate National Co-op Month
at all three of the Piedmont
Electric offices. There will be
light refreshments and prize
drawings throughout the day.*



Piedmont Electric sent repair crews and equipment to Pitt & Greene EMC in Farmville to assist with power restoration following Hurricane Irene. Jerry Clifford, Matthew Porterfield, Jeff Bolick, Donald Neems, Brian Rhew, Josh Austin, Kelly Gentry, Brent Talley, David Tilson, Kevin Snead, Joe Hux, Chris Hoyler, Andy Dawson, Richard Gates, Jeff Young, Russell Yates and Chris Berry worked four days in hazardous conditions to restore electricity in eastern North Carolina.

Piedmont Electric Membership Corporation CONNECTION



From Your President...

Building a Better World

R. G. Brecheisen

President & Chief Executive Officer

This month we kick off a year-long celebration marking the International Year of Cooperatives 2012. Our theme, "Cooperative Enterprises Build a Better World," resonates loud and clear in our turbulent national—and global—economy.

The year offers a chance for us to showcase our legacy of innovation and achievement, and reminds us of what's important in business—putting people first.

You're a member of Piedmont Electric, so you know we're focused on providing safe, reliable and affordable power.

But this community-driven business model doesn't stop at your light switch. There are 29,200 co-ops across America taking many forms, from farmers banding together to get a fair price on supplies to credit unions delivering low fees and reasonable interest rates on loans.

Our business model works for dairy farmers and small business owners, financial institutions, grocery stores, housing and child care.

One out of every four Americans is a co-op member; there are more than one billion members around the world.

Co-ops fill a community need, giving a voice to folks that profit-driven businesses often overlook. Co-ops share a common set of principles and values, including self-help and—a personal favorite—democracy.

Electric cooperatives may only serve 12% of Americans, but our lines cover 75% of this great nation. By banding together, we deliver power to 42 million rural

Americans in 47 states—and we're not finished.

Through NRECA International Programs, co-op linemen are volunteering overseas to deliver electricity to two billion people living without power.

Robin Blanton, Piedmont's Manager of Engineering, traveled to Bolivia last year to assist in substation standardization procedures.

Over the last 50 years, these efforts have provided light and hope to 100 million people in more than 40 countries. That's how electric cooperatives build a better world.

During International Year of Cooperatives 2012 it's important to remember co-ops put people first.

We brought electricity to this community to improve our quality of life and keep young people from leaving to seek opportunities in electrified-cities. Nearly three-quarters of a century later, we still want our children to succeed.

That's why we support the Rural Electric Youth Tour to

Washington, DC. This summer we sent Hannah Teasley, a Roxboro Community School junior, to our nation's capital to learn about leadership, teamwork and our nation's ideals.

Piedmont Electric also provided four \$1,000 dollar scholarships to send local students to college this year, and we continue to give grants each year to local teachers through the Bright Ideas program.

We also held our first hydrogen fuel cell demonstration class in June with students from several Orange County High Schools who were attending the summer Engineering Camp and Career Camp.

These budding leaders will help us build a better world.

We also want to celebrate our legacy of innovation. Co-ops adapt quickly to change, and we work together—cooperatively—to find solutions to improve service for our members.

At Piedmont Electric, innovation takes many forms—from our energy efficiency like *TogetherWeSave*—
(Continued on page 23)

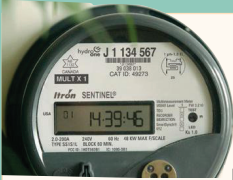
2012
International
Year of



Cooperatives

By the Numbers...

- 1,952 members have signed up for the use monitoring portion of www.MyUsage.com
- 625 members are participating in the FlexPay Program
- 426 members have turned in receipts for 4,216 CFLs, representing a total of 1,446,088 kWhs saved toward our Senate Bill 3 Mandate
- 28 solar water heater rebates given to members
- 795 electric water heater wraps sold
- 541 residential members on Time-of-Day Rates
- 619 visits to TogetherWeSave.com for a total calculated savings with the home savings calculator tool of \$249,358.51



'SMART METERS' ARE SECURE

Several months ago a news report questioned the security of "smart" meter technology.

Piedmont Electric's smart meters use power line carrier communications to transmit energy use information from our consumers to our billing system.

Power line carrier communication is more secure than other communications systems such as radio frequency and cell phone communication schemes.

Meter information and commands are specific to meters or groups of meters and are unable to be decoded by any commer-

cially available equipment.

In fact, the security of the power line carrier system is deemed so effective that many military installations specify power line carrier systems for advanced metering and distribution system communications because of the inability of hackers or intruders to detect, decode and corrupt system data.

Your smart meter is both protected by a firewall and password protected to allow access to metering systems only by qualified personnel.

In addition, our vendors do not sell or share any meter data information with any other vendor or individual.

From Your President... *(Continued from page 22)*

[Save.com](#) and renewable energy efforts to transforming the electric grid with Smart meters and [MyUsage.com](#).

Each innovative step forward builds a better community for all of us.

When a community faces a need—a challenge to make life better—the cooperative business model comes into play.

By putting people first and implementing innovations to meet member needs, cooperative enterprises build a better world.

...

I would be remiss if I didn't acknowledge the appreciation I hold for the dedication of Director

Franklin Murphy who passed away recently.

For almost 40 years Mr. Murphy gave of his time and energy to help make Piedmont Electric the best it could be. Many thanks to his family for sharing him with the cooperative community.

...

October marks our annual celebration of Co-op Month nationwide. We invite you to stop by any of our offices on Wednesday, October 19, for light refreshments.

U.S. Government Federal law prohibits removal of this label before consumer purchase.

ENERGYGUIDE

Refrigerator-Freezer
 • Automatic Defrost
 • Side-Mounted Freezer
 • Through-the-Door Ice

XYZ Corporation
 Model ABC-L
 Capacity: 23 Cubic Feet

Estimated Yearly Operating Cost

\$67

Cost Range of Similar Models: \$57 to \$74

630 kWh
 Estimated Yearly Electricity Use

Your cost will depend on your utility rates and use.

- Cost range based only on models of similar capacity with automatic defrost, side-mounted freezer, and through-the-door ice.
- Estimated operating cost based on a 2007 national average electricity cost of 10.85 cents per kWh.
- For more information, visit [www.ftc.gov/appliances](#).

EnergyStar Label Signals Efficiency

When buying a new appliance, check the black and yellow EnergyGuide label.

This label provides an estimate of the product's energy consumption and efficiency. It also shows the highest and lowest energy efficiency estimates of similar models.

Most major appliances—such as refrigerators, dishwashers and clothes dryers—are required to have these labels, according to the U.S. Department of Energy.

And, if you plan to buy any new appliances, you may want to take advantage of the Energy Star Tax Holiday Weekend coming November 4-6.

If Your Power Goes Out, Call Us...

When your power goes out, call Piedmont Electric's outage reporting number—800.449.2667—to report the outage.

The Cooperative uses your phone number to determine your service location when you use the automated outage reporting system to report a service outage.

If, like some folks—you no longer have a land line and use a cellular phone, please make sure to let the Cooperative know.

Unless we have your correct phone number(s), we may not be able to pinpoint your outage location as quickly.

Please complete and return the form on your monthly billing statement if your telephone number has changed.

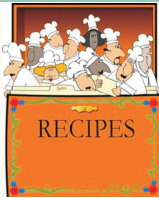


What are you waiting for?

Sign up for [MyUsage.com!](#)

And while you're at it, check out the free new smart phone app, [TogetherWeSave.com!](#)

Please Pass On Your Recipes



If you have a favorite recipe you want to share with other Piedmont Electric members, please send it to: Pass It On, c/o Piedmont Connection, P.O. Drawer 1179, Hillsborough, NC 27278, or you may include it with your monthly payment.

We depend on you, our members to share their recipes for this feature. If your recipe is printed in the newsletter, you will receive a copy of a cookbook from the Cooperative Council of N. C. Please remember to check all ingredients and cooking directions.

IS AN ELECTRIC CAR IN YOUR FUTURE?

Please contact the Cooperative if you plan to buy an electric vehicle that will be charged at your home or business served by Piedmont Electric. We need to ensure the distribution transformer and conductors are adequately sized to serve this added load and that no safety issues exist.



TAX 'HOLIDAY' SET FOR NOVEMBER 4-6

The next Energy Star-qualified tax holiday weekend will be Friday, November 4, through Sunday, November 6.

The 2008 Session of the N.C. General Assembly enacted Session Law 2008-107 that authorizes a sales tax holiday for certain Energy Star qualified products.

If you plan—or need—to buy a new appliance soon, this is a



good time to buy an energy efficient model, and avoid paying N.C.

sales tax on your purchase.

The qualified products include:

- Clothes washers
- Freezers and refrigerators
- Central air conditioners and room air conditioners
- Air-source heat pumps and geothermal heat pumps
- Ceiling fans
- Dehumidifiers
- Programmable thermostats



October Right-of-Way Maintenance

Person County:

Dink Ashley Road
Helena-Moriah Road
Flat Woods Road
Houston Blalock Road
Robert Gentry Road
Chambers Loop Road
(and surrounding areas)

Locations are subject to change due to uncontrollable circumstances.

Piedmont Electric CONNECTION

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Roxboro: **336.599.0151** • Elsewhere in North Carolina: **800.222.3107**

To report an outage 24 hours a day: **800.449.2667***

To access account information 24 hours a day: **800.548.2105***

*Voice instructions will direct you through the system.

Call BEFORE You Dig: **800.632.4949** or **811**

A Touchstone Energy® Cooperative
Cathy J. Johnson, CCC, Editor

YOU Get the Credit! • (Continued from page 21)

depends on the Cooperative's financial status.

Piedmont Electric retains allocated capital credits to cover emergencies, such as a natural disaster, and other unexpected events, and to expand its electric system, all of which may require large-scale construction of poles, wires and substations.

This action decreases the need to raise rates or borrow money to pay for the infrastructure.

After a number of years, if financial conditions permit, Piedmont Electric usually retires a set

amount of capital credits—in this case the years 1981 and 1982.

Member-consumers are annually allocated capital credits based on the amount of electricity they used during a year.

It's essential for a cooperative to maintain the right balance between retiring capital credits to members and retaining sufficient equity on its balance sheet.

"Retiring capital credits is just one more way Piedmont Electric is looking out for you," emphasizes Mr. Brecheisen.

Have You Checked Out www.TogetherWeSave.com?