



The Power of Human Connections

NEWS CENTRAL

Monthly newsletter from Central Electric Membership Corp.

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WPCA credit applied on your December bill

As a not-for-profit electric cooperative, Central Electric continually strives to provide safe, reliable, and *affordable* power for members.

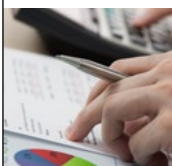
In order to provide the highest quality of electric service to members at the most competitive price, the cooperative operates as close to at-cost as possible, setting rates to generate enough revenue to purchase power and provide exceptional service.

An important part in determining rate schedules is predicting the future cost of wholesale power. Wholesale power costs account for approximately 65 percent of expenses and they significantly impact rates.

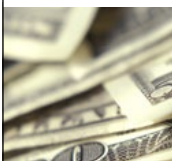
Wholesale power cost adjustment



Rates are set based on a budgeted projection of expenses, driven primarily by wholesale power costs



Wholesale power normally accounts for approximately 65 percent of the cooperative's yearly operating expenses



The WPCA billing credit reflects the difference between budgeted and actual cost of wholesale power

on your bill, and when they are higher, it may appear as a charge.

Due to favorable fuel and wholesale power costs, actual costs have been lower than budgeted costs for the past operating year. That's why on your December power bill, you should have noticed a WPCA **credit** of \$0.029 per kWh, or \$29.00 for every 1,000 kWh used.

These costs can be difficult to predict. Rather than doing frequent, costly rate studies, Central Electric and other cooperatives often use a wholesale power cost adjustment (WPCA) to adjust for actual costs of wholesale power. When costs are lower, you may receive a credit

While rates sometime need to be adjusted to account for rising expenses, our members also directly benefit from billing credits and capital credit allocations when the cooperative has excess revenue. This is just another benefit of being a cooperative member and how we are looking out for you.

2017
HAPPY NEW YEAR

- ▶ The CEMC office will be closed Monday, Jan. 2, for the New Year's holiday. Crews will be on-call. Have a Happy New Year and best wishes in 2017 from Central Electric.

POINT OF VIEW

Looking out for our members

From the desk of CEO & General Manager Morris McClellion

A fair question people often ask is, "What's in it for me?" This makes sense, as we all need to act in our own self-interest every now and then. The thing about co-ops is that we're all in this together. Cooperatives like Central Electric operate by bringing together the collective interest of the entire membership. While the co-op is certainly looking out for your best interest, it is also looking out for the "we."

When Central Electric was started, members of our rural communities shared at least one self-interest, they wanted electricity. In fact, many Americans who lived in rural parts of the country needed electricity, which is why electric cooperatives were formed. Individuals acted in their own self-interest, but that self-interest led to the community and economic

development of the rural areas in which we now live.

It is good to know that your friends and neighbors are also part of the cooperative, coming together to meet a particular need. Central Electric serves over 22,000 members of our communities, part of a rural electric cooperative network that serves over 42 million people in 47 states. You are a vital part of a strong electric cooperative network.

So how does looking out for the "we" benefit you? Rather than operating to provide returns to shareholders, Central Electric works to provide value to our members and community. The cooperative has a strong history of sharing financial success with its members. The WPCA credit applied to your billing statement in December is our continued commitment to you that the



cooperative is looking out for the best interest of all of our members.

The next time you turn on or off the lights, let it serve as a reminder that as a co-op member, you are in good company. Along with other electric cooperatives across our state and nation, we are working to be your trusted partner and to provide the best value for you, our member.

Until next time,

Morris McClellion

THE ELECTRIC CO-OP IMPACT

LOCALLY (CENTRAL EMC)

- Serve approximately 22,000 people
- Maintain more than 2,400 miles of power lines
- Span 5 counties in North Carolina
- Employ more than 65 North Carolinians



STATEWIDE (NC)

- Serve approximately 2.5 million people
- Maintain more than 98,000 miles of power lines
- Span 93 of North Carolina's 100 counties
- Employ more than 2,300 North Carolinians

NATIONALLY (US)

- Serve more than 42 million people
- Maintain more than 2.5 million miles of power lines
- Span 2,500 of the country's 3,141 counties
- Employ more than 70,000 Americans

Operation Round Up® making a difference

Thanks to the Operation Round Up program, powered by voluntary donations from Central Electric members, over \$27,000 is being put back into the local communities to provide assistance for worthy projects. Grants were awarded to the following nonprofit organizations:

- ▶ Behaven Elementary School, Harnett County, \$1,000
- ▶ Broadway Lions Club, Lee County, \$1,500
- ▶ Chatham, Harnett, Lee and Moore County Social Services, \$5,000 total
- ▶ Chatham Central High School, \$2,000



(L-R) Jim Turner, Treasurer, and Harry Griffin, President, accept a grant check for \$1,000 on behalf of Highway to Healing, Inc. The grant funds will be used to help with expenses associated with transporting cancer patients to their treatment appointments.

- ▶ High Hopes Chorus, Lee County, \$800
- ▶ Highland Elementary School, Harnett County, \$1,000
- ▶ Highland Middle School, Harnett County, \$1,500
- ▶ Highway to Healing, Inc., Lee County, \$1,000
- ▶ Johnsonville Elementary School, Harnett County, \$1,000

- ▶ Lee County High School - Exceptional Children Dept., \$1,500
- ▶ SkillsUSA Northwood High School, Chatham County, \$2,000
- ▶ Southern Lee High School, \$1,000
- ▶ Southern Lee High School Agriculture Education Program, \$1,500
- ▶ Stepping Stones Children Center, Lee County, \$2,500
- ▶ Taylor Dance, Lee County, \$1,500
- ▶ Temple Theater, Lee County, \$2,000
- ▶ Treasure Chest Ministries, Lee County, \$1,000.

Get the best of Old Man Winter

With winter settling in, your co-op is preparing and here's how you can prepare, too.

Drop the inside temp.

When it's cold outside, your heating system has to work harder to heat your home. By lowering the thermostat a few degrees to 68 or as low as is comfortable, you can reduce your energy use, and your bill.

Then, layer up.

By adding blankets to beds and sofas, and wearing layers of

warm clothing, you'll be cozy and comfortable even if your home is a few degrees cooler.

Stock up.

Winter conditions, especially icy precipitation, can cause power outages. Just in case, keep emergency supplies on hand. Include flashlights and extra batteries, food and water (for humans and pets), essential medications, salt for icy sidewalks and driveways, and a battery-powered radio to stay connected.





Youth Tour deadline Jan. 13

Each year, Central Electric sponsors two rising high school juniors or seniors on the trip of a lifetime to Washington, D.C., in connection with the Electric Cooperative Youth Tour.

While in D.C., they'll join 1,500 other students from across the country to meet members of Congress and learn more about American history and the electric cooperative business model.

The Youth Tour provides a great opportunity to engage with the political process and interact with representatives in D.C. Each year, representatives come back

with an exciting perspective on the democratic process and cooperative model.

You know what else? The trip looks great on college applications, and participants will make new friends from all over the country.

Think you may be interested in this great opportunity or know someone who would like to go next year? The 2017

Youth Tour trip will be June 10-16 and **the deadline for all applications is Jan. 13.**

Visit CEMCPower.com to download the application or to find out more information on this incredible opportunity.



Central Electric
Membership Corporation

A Touchstone Energy® Cooperative

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CEO & General Manager

DIRECTORS

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James Taylor, *Editor*

This institution is an equal
opportunity provider and employer.

Touchstone Energy Sports Camp

Central Electric annually awards two Touchstone Energy Sports Camp Scholarships to local students in Chatham, Harnett, Lee, Moore or Randolph counties. A young man will be selected to attend the Roy Williams Basketball Camp at the University of North Carolina at Chapel Hill and a young woman will be selected to attend the Wolfpack Women's Basketball Camp at NC State University in Raleigh.

To be eligible to apply, the student must be in the sixth, seventh or eighth grade during the upcoming school year, have permission from a parent or guardian to attend the overnight camp and must be able to provide their own transportation if selected to attend.

The deadline for all applications is March 31.

Visit CEMCPower.com to download the applications, or contact Janet Jackson at (919) 708-1638 for more information.

