

NEWS Central

MAY 2023

Monthly newsletter from Central Electric Membership Corp.

Co-op meets officials to advocate for members

Together with other electric cooperatives across the state, Central Electric recently joined forces to impact legislation that will have a direct effect on our cooperative members. Representatives from NC's electric cooperatives convened to discuss important matters that affect co-op members. Leaders engaged with both sides of the aisle in the NC General Assembly in order to raise legislators' awareness of the impact of legislative decisions on electric cooperative members.

Key issues discussed with legislators included increased penalties for attacks on critical infrastructure, continued economic development across NC, protecting our state's energy portfolio as well as funding to continue innovation in the electric utility industry.

Cooperative leaders also urged officials to recognize the unique nature of the electric power industry and carefully consider how their decisions impact the costs of delivering affordable, reliable and safe power to cooperative members.



Representatives from your co-op met with state legislators to discuss issues important to electric cooperatives and our members. Thank you to Reps. Robert Reives, John Sauls and Joe Pike, as well as Senators Tom McInnis and Jim Burgin for taking time to speak with us and their efforts to help protect the long-term reliability and affordability of electricity for our members.

Keeping electricity affordable and reliable is a top priority for your cooperative as we work to best serve our membership and community. By constantly engaging with our local elected officials, we hope to continue being an advocate for protecting and representing the long-term interests of you, our member-consumers.



MAY 1 is when applications for Central Carolina or Sandhills Community College scholarships are due. Visit CEMCPower.com for more details.

MAY 15 is the deadline for applications for Cooperative Leadership Camp. Find out more information or apply online at CEMCPower.com.

MAY 29 the CEMC office will be closed for Memorial Day. Crews will be on call.



POINT OF VIEW

Cost-of-service study

From the desk of CEO & General Manager Eddie Oldham

“Our goal is to always minimize adjustments to our rates while also being fully transparent and straightforward with our members.”

As the electric utility industry continues to evolve and we move forward under the long-term outlook of costs and impacts of inflation, electric service providers are under continued pressure to deliver reliable service at the most affordable rates for consumers. Historically, we at Central Electric have worked hard to minimize our costs and have been able to maintain competitive rates for our members. This has especially been true during this latest period of high economic and supply side costs. During this time, we have worked hard to control costs and we have been able to maintain our rates for members despite sometimes wild and fluctuating costs.

However, to ensure the long-term financial stability of our co-op and the rates we can provide for members, we are currently conducting a cost-of-service study with our financial lender and rate consultant, National Rural Utilities Cooperative Finance Corporation (CFC).

A cost-of-service study is one tool that we use to understand the cost of providing electricity to our members. Essentially, a cost-of-service study breaks down the expenses involved in the co-op distributing electricity, and then allocates those costs to different consumer classes based on how much electricity they use and how much it costs to serve them.

The goal of a cost-of-service study is to ensure that each consumer class is paying a fair and reasonable price for the electricity they use. This means that consumers who use more electricity and put more strain on the electric grid will typically pay more than consumers who use less electricity.

To conduct a cost-of-service study, we collect data on expenses, such as the cost of fuel, labor, and maintenance, as well as data on member demand for electricity. This data is then analyzed to determine the cost of providing electric service to each rate class. Once the cost of service has been determined for each rate class, we can then compare our current rates to where they need to be moving forward.

To bring it all together, the cost-of-service study that we are currently conducting with CFC is an important tool for us to understand the costs of providing electricity to our members. We can ensure that each rate class is paying a fair and reasonable price for electricity, and we can identify areas where we can reduce costs and improve efficiency. Our goal is to always minimize adjustments to our rates while also being fully transparent and straightforward with our members. However, there are times where cost-of-service studies are needed in order to be sure we are setting our rates where they need to be so we can continue providing the service to you that you have come to expect.

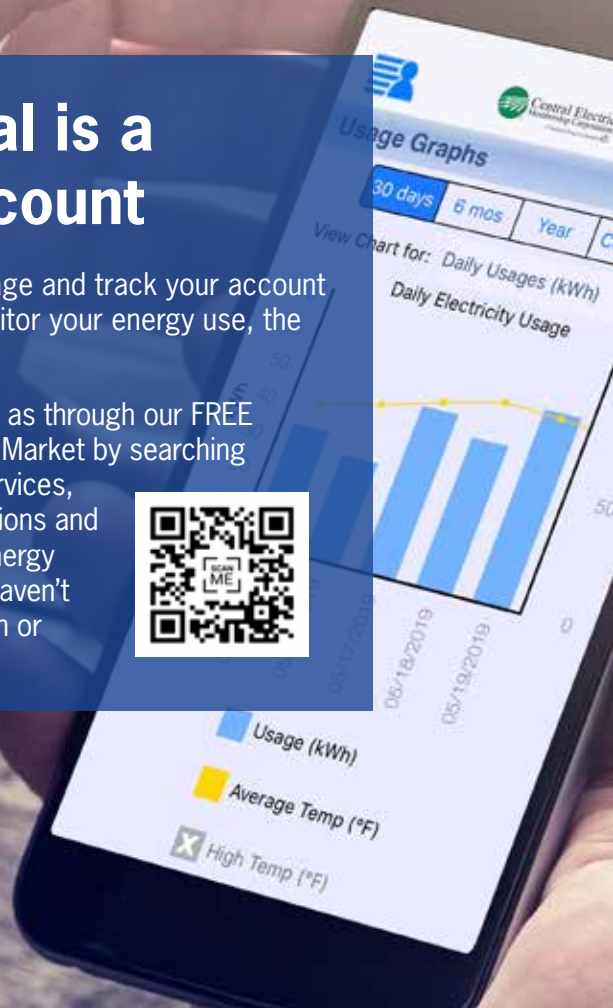
We are currently awaiting the results of the cost-of-service study from CFC. Your board and the management team at the co-op will assess the feedback we receive and work together to establish the best path forward for the co-op. Ultimately, this will help us continue delivering reliable and affordable electricity to you, our members. Stay tuned for more information on the feedback we receive back from the study.

Eddie B. Oldham

The Member Service Portal is a one-stop shop for your account

As a member of Central Electric, you have the ability to manage and track your account anytime, anywhere. Whether you need to pay your bill or monitor your energy use, the Member Service Portal has everything you need.

The portal is available to you 24/7 at CEMCPower.com as well as through our FREE mobile app, and is available in both the App Store and Android Market by searching "Central EMC." Both offer the same great range of account services, including the ability to set up a variety of different payment options and account alerts, such as a reoccurring payment draft or high energy use alert, as well as features such as paperless billing. If you haven't done so already, visit the "My Account" tab at CEMCPower.com or scan the QR code to enroll and get started!



Youth Leadership Opportunity

This summer, Central Electric is sending three rising sophomore, junior or seniors to Cooperative Leadership Camp hosted by the NC Cooperative Council. The camp features energetic and interactive workshops, presentations, outdoor recreation, leadership development, team building activities and small group sessions with an emphasis on how cooperatives operate. Each year, five campers are selected to receive leadership awards for their unique leadership abilities and receive an all-expense-paid trip to the National Institute on Co-op Education at Virginia Tech University. All campers will also be eligible to apply for the \$1,000 Jim Graham Cooperative Leadership scholarship their senior year of high school.

The weeklong, overnight camp is currently scheduled to be held at Camp Monroe in Laurel Hill June 26-30. The deadline to apply is May 15. For more information or to apply, scan the QR code or visit the "Cooperative Leadership Camp" section at CEMCPower.com.



Operation Round Up grants making a difference

Thanks to the Operation Round Up program, which relies on voluntary contributions from Central Electric members, over \$23,000 is being reinvested in the local communities to support deserving projects. Grants were awarded to the following nonprofit organizations:

Buddy Back Pack of Harnett County – \$5,000 to purchase items of individually packaged food to be distributed to school age children in Harnett County.

Chatham Education Foundation – \$3,000 to purchase books for the foundation’s “Books on Break” program.

Lee County High School JROTC – \$3,000 to help cover the costs associated with hosting the annual JROTC Military Ball.

Partnership for Children & Families – \$3,000 to help pay for presenters for a virtual annual Child Care Provider conference.

Pocket Volunteer Fire Dept. – \$3,000 to help purchase



The Central Electric Member Care Trust recently awarded a grant of \$3,000 to the Pocket Volunteer Fire Department to help purchase battery-powered tools that will be used to assist in critical life-saving and rescue missions.

battery assisted hand tools for two to three fire trucks. The tools will help assist in forcible entry, rescue operations and automobile accident extractions.

Project Point Five – \$3,000 operations various programs to address at-risk youth, returning citizens, vulnerable veterans and

community volunteers. The grant will be used to help operate the Youth Diversion program.

Special Olympics N.C. – \$3,000 to help cover the costs associated with sports equipment, facility rental, awards, uniforms, travel, housing and meals for athletes.



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