



South River EMC Communicator

COULD YOU BE FOR YOU?

First, what is TOU? The acronym stands for time-of-use, an electric rate offered by the Cooperative. A TOU rate features different prices for energy, depending on the time of day that the electricity is used.

Off-peak energy is priced lower, because it is used at a time when demand for energy is low, but supply is plentiful. Meanwhile, on-peak is when energy is priced higher because of greater demand.



Summer (April- October)

- Peak time is 2-6 p.m.
- Off-peak is 6 a.m.- 1 p.m. and 7-10 p.m.
- Super off-peak is 10 p.m.- 5 a.m.

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MESSAGE FROM CEO CHRIS M. SPEARS

The Cooperative Difference: Celebrating National Cooperative Month

The electric cooperative program is an amazing program that focuses on the member, as it should. I like to say, "It's all about the member," because it really is. Electric cooperatives, such as South River EMC, were formed around 80 years ago to bring the blessing of electricity to rural America. The investor-owned utilities refused to serve the rural areas at that time because it wasn't profitable. At that time, approximately 10 percent of rural Americans had electricity and, where it was available, it was expensive. President Franklin D. Roosevelt responded by forming the Rural Electrification Administration (REA), which made it possible for individuals to come together to take advantage of low-interest loans and form their own non-profit electric utility.

80 years later, there are more than 900 electric cooperatives throughout the United States, serving more than 42 million people. Some say nothing else transformed rural America the way electric cooperatives and electricity did. Member-owned and controlled electric cooperatives provided a better way of life for those living and

working in rural America. In 1940, at a small church in rural Tennessee, when a farmer was asked to give his testimony, he stood up and said, "Brothers and sisters, I want to tell you this: The greatest thing on earth is to have the love of God in your heart, and the next greatest thing is to have electricity in your house."

Today, electric cooperatives still operate under the original model, which is different compared to other utilities. Electric cooperatives are not-for-profit, member-owned and controlled electric providers. Members can attend board meetings and have their voice heard. They can attend the annual meeting and elect directors to govern the cooperative. Members also can seek election to the board of directors. Members of electric cooperatives are owners and have a say in how the cooperative operates.

Not-for-profit means that any excess profits, or margins, are allocated to each member in the form of Capital Credits and refunded at a later date. For many years, South River EMC was on a 19-year Capital Credit retirement cycle. Now, in addition to the 19-year retirement cycle, between 20-25 percent of the previous years' allocation is returned. Previously, only around 33 percent of the active members received

a Capital Credit refund. Now, anyone who received electric service in the previous year is receiving a refund. Prior to the change in 2016, South River EMC retired an average of \$3.1 million a year in Capital Credits between 2011 and 2015. Now, South River EMC retired an average of \$4.7 million. Additionally, in 2017 and 2018, the Cooperative provided members \$5.5 million in bill credits. Furthermore, in May, the Cooperative issued a power cost rebate to the membership, which totaled \$3 million.

Personally, I find it rewarding that South River EMC has been able to return more money than ever in recent years, while avoiding a rate increase for almost six years. If we were not operating under cooperative principles and guidelines, this most likely would not have taken place. I hope you see that we are being good stewards of your cooperative.

We know that reliability is very important and I am pleased that we have been able to improve in this area as well. We evaluate reliability using the System Average Interruption Duration Index (SAIDI), which keeps track of the minutes that the average member is without power during the year. Excluding major events, such as a hurricane or an ice storm, South River EMC has experi-

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Harvest Safety Tips

- Keep all equipment at least 10 feet away from power lines.
- Never try to raise or move a power line to clear a path.
- Power line sagging? Don't move it. Call us immediately.

For more information on harvest safety, visit [SafeElectricity.org](https://www.SafeElectricity.org)



CEO message continued

enced a 37 percent reduction from the average SAIDI for the previous three years. It should also be noted that overtime costs have declined by 36 percent over the last three years.

Cooperatives are committed to community and South River EMC is no exception. In addition to providing reliable electric service at a reasonable cost, we are supporting the communities that we serve. Through member participation in Operation Round-Up, South River EMC funded \$195,403 in grants to not-for-profit organizations in 2018. Another \$59,935 helped fund educational grants to local educators through the Bright Ideas grant program.

South River EMC also supports economic development efforts by offering loans to qualifying

businesses and some not-for-profit organizations such as local fire departments.

There is more I could share, but I hope that you see that your electric cooperative is performing well for our members. We take member satisfaction seriously. Our American Customer Satisfaction Index (ACSI) score is generally 85 to 86, which is very high. The top investor-owned energy company in the country received an ACSI score of 80.

Our overall satisfaction rating, on a scale of 1 to 10 was also high at 8.82. I give our terrific team of employees credit for achieving high scores. They are very dedicated and are helping to make a difference. I should add that one of the areas where we score the highest at a 9.10 is "Having Competent and Knowledgeable Employees."

There is a positive difference when one is served by an electric cooperative because we are owned by those we serve. Some of our objectives are clearly different than other electric providers and I believe it shows in the way we operate and in the level of service we provide. Our Cooperative has been blessed in many ways and that allows us to be even more of a blessing to our members.

As we celebrate National Cooperative Month, I want to thank you for the opportunity to serve you as your CEO. I also hope you see the cooperative difference and the many benefits it provides.

TOU Continued from page A

Winter (October-April)

- **Peak time** is 6-9 a.m.
- **Off-peak** is 10 a.m.- 10 p.m.
- **Super off-peak time** is 10 p.m.- 5 a.m.

With a typical residential rate, you don't see this variation in cost, because it is standardized, spread out throughout the day. But if you're looking for a way to save, the TOU rate might be a start.

TOU rates aren't new, but South River EMC has recently improved our rate to offer members who shift their use off-peak a greater incentive.

Time-of-use does not fit every situation and is often dependent on your family's lifestyle. However, as lifestyles change, you might find this rate fits you a little better.

Member Lee Patterson told us recently why he signed up for TOU.

"I believe I received an e-mail from the Cooperative," said Patterson. "I contacted South River EMC pretty quickly to sign-up, because I thought it would lower our bill."

Now, before you decide this is the rate you absolutely need to be on, learn a little more about it.

The rate is often very advantageous to members with no children, or older children with after school activities. However, if you can work with the rate, it can help you save.



"We've saved quite a bit of money," said member Fidela Guay. "Our bills could at times be over \$400, but now they are usually under \$200.

"We don't cook or do laundry at peak times," continued Guay. "Everything you found yourself doing during the day, you change around and do whenever it's cheaper."

In order to make the rate work, each family made changes.

"I have programmable thermostats that I set a few degrees lower from noon until 2 p.m. to build up some cool air in the house, then set them a few degrees higher from 2-6 p.m.," said Patterson. "This makes the air conditioning unlikely to come on during those peak rate times."

Many families take strides to find alternate ways to cook or move all activities, such as laundry, to off-peak times.

"I would say we have saved a considerable amount because we are willing to adjust our

thermostats," said Patterson. "As well as being a little more mindful of what times we cook and do laundry."

It seems to be the sentiment echoed by members who are making the switch to the rate, the savings are worth the schedule changes. They all say it's worth it to lower their electric bill.

"You have to plan ahead," said Guay. "But we don't have to pay a lot of money and that's the part that I love."

An even greater savings can be gained for those who charge electric vehicles, during the super off-peak time of 10 p.m. and 5 a.m.

The TOU rate is beneficial, but it isn't ideal for everyone. However, if it is something you'd like to discuss, please contact our office at 910.892.8071.

TAKE A TRIP TO WASHINGTON, D.C.

The Electric Cooperative Youth Tour has had a name change or two through the years, however its purpose remains unchanged.

The trip is a week-long excursion for students to learn more about cooperatives, as well as their government.

Each year, South River EMC selects three rising juniors or seniors to send with a group of students from North Carolina, to experience Washington, D.C.,

with students their age from across the country.

That's not all though, students visit museums and monuments, Arlington National Cemetery, take a boat ride down the Potomac River, participate in a youth day and have the chance

to meet their state senators and representatives.

It's a trip full of varying experiences, even students who have been to Washington, D.C., previously are amazed by it.

If you have a student interested in learning more about the Electric Cooperative Youth Tour, please visit sremc.com/content/electric-cooperative-youth-tour.



SCHOLARSHIP INFORMATION HIGHLIGHTS

At this time, most everyone has settled back into the school routine. In fact, some students are already researching scholarship opportunities for when they graduate.

South River EMC, your local Touchstone Energy Cooperative, offers several scholarships to members, and children of members, each year.

Soon, the South River EMC scholarship application period will open, our first scholarship offer is for at least one \$1,000 and two \$500 scholarships. These scholarships are typically available in October for high school seniors at sremc.com/content/scholarships.

Then, there are the South River EMC \$500 scholarships offered at the following community colleges each spring: Johnston Community College, Central Carolina Community College, Fayetteville Technical Community College and Sampson Community College. You will need to speak to someone in



the foundation office when considering one of these scholarships. They are available for new and continuing education students.

Students who attend the Electric Cooperative Youth Tour receive a \$1,000 scholarship, so if you have a student who is a rising junior or senior, encourage them to consider this great experience.

Finally, the Kesler Butler Memorial Scholarship is a needs-based scholarship available for one student attending NC State University.

Information about scholarships offered by South River EMC can be found at sremc.com/content/scholarships.



Questions about energy efficiency rebates? Speak with the Advise Guys to learn more.

Start Saving With A Smart Thermostat

Heating and cooling your home is important, accounting for about half your monthly energy costs.

Use your heating and cooling system more efficiently with a

smart thermostat. They're easy to use, show you energy-saving information related to settings, and with Wi-Fi and apps, they're easy to reach and change.

Start saving today by purchas-

ing, installing and learning with a smart thermostat. Certain thermostats are eligible for rebate, details can be found at sremc.com or by calling 910.892.8071 x 2152.

HERO Homes: Built For Savings

High efficiency residential option, or HERO, homes are 30 percent more efficient than homes built to code. This is done through high resistance insulation, high-efficiency

lighting, window U-factors, whole house tightness and duct leakage testing, among other things.

For more information, visit

energy.gov. Learn about rebates offered for HERO homes by South River EMC at sremc.com or by calling 910.892.8071 x 2153.

Heating And Cooling Efficiently

Purchasing a new heating and cooling system might not be up for consideration, but if you're looking to cut down on electric costs, heating and cooling is number one. You can practice efficiency with your current system, but as systems age, they become less efficient.

When you do have to replace your system, make sure it's with a high efficiency heating and cooling unit. If it's a heat pump, select a seasonal energy efficiency ratio, or SEER, rating of 17 or higher because a higher cooling efficiency, means a more efficient system.

Not just that, but South River EMC also offers rebates on 17 SEER or greater air source, mini split and geothermal heat pumps. For details, visit sremc.com or call 910.892.8071 x 2152.

Minimize Temperature Change With Improvements

As the seasons change, so do temperatures and you want your home comfortable during all of it, the heat of summer and the chill of winter. Insulation

and weatherization are key.

Weather stripping, caulking and installing or replacing insulation could help improve your comfort and costs.

South River EMC offers rebates for insulating, and weatherizing.

For details visit sremc.com or call 910.892.8071 x 2222.

Consider An Efficient Water Heater

A standard water heater just re-heats water as necessary, even when no one is home to use it. How often does that occur?

Consider a more efficient one. A solar or heat pump water

heater might be the answer to helping you save. You have to have the space, and both systems are more expensive than standard water heating. With solar units, you want to make sure you use enough water to

recover your costs.

For information on the water heating rebates offered by South River EMC, visit sremc.com or call 910.892.8071 x 2152.

Make Appliance Selection Easier With Energy Star

Appliances can be tough to shop for with so many things to consider, size, cost, efficiency, even color, play a part. Cost and size are important, so is efficiency. Energy Star certified appliances are more energy and water efficient, which makes

them a great consideration. Even better, they come in a variety of colors and sizes. You might not like replacing appliances, but when it's necessary, start off the right foot, with Energy Star.

South River EMC also offers a rebate on the purchase of Energy Star certified refrigerators, clothes washers, dryers and dehumidifiers. For details, visit sremc.com or call 910.892.8071 x 2152.



Having the appropriate type and amount of insulation can help comfort and costs.

The Mini-Split Heat Pump

If you are considering residential or small commercial space conditioning options, mini-split or ductless heat pumps provide a great value in heating and cooling. Since these systems are ductless, the conditioned air is forced straight into the living space without the need of a complex, expensive, often leaky, duct system. Mini-splits have been used in Europe and Asia since the 1970s and have recently began to gain popularity in the USA. These systems are very efficient and should be considered during new room additions and when upgrading older heat pumps, especially when duct replacement is required.

Ductless mini-split systems consist of two main components: the outdoor compressor/condenser and the indoor air-handling unit, also called the head. The power cable, refrigerant tubing, and condensate drain link the indoor and outdoor components. The indoor unit blows warm air from your home over cold evaporator coils. During winter, heat is moved into the home. Conversely, during summer, heat is moved out of the home. These systems use hyper-heat technology, which enables the unit to heat the house with outside air temperatures down to minus 13, without the use of expensive supplemental heat strips.

These systems have some distinct benefits like size, efficiency, and flexibility, but mainly the fact that they are ductless.

From a service and maintenance perspective, ductless mini-split units have a reputation of reliability. Proper maintenance will insure that you are getting the most out of your system. To properly maintain mini-split heat pumps, an annual service, preferably in the fall, is recommended and might be required for warranty validity. Mini-splits utilize sophisticated components to provide space conditioning for the home. It is important to hire a reputable HVAC contractor who specializes in maintenance of ductless systems for the best results. Procedures that should be performed are:

1. Airflow check, make sure the air filter inside the indoor air-handling unit is removed and cleaned and inspect the outdoor cabinet for airflow obstructions. The filter should be cleaned monthly by the homeowner.
2. Deep clean the coils to eliminate debris and contaminants to help eliminate mold and mildew growth. Clean coils are very important and have a large impact on energy efficiency.
3. Refrigerant lines, coils, and connections are inspected for leakage.



Advise Guy Robby Talton

4. Electrical connections are inspected.

A few drawbacks to the mini-split are appearance and design. Some people do not like the appearance of the indoor head. Also, qualified installers can be harder to find. Proper installation is key since oversizing and improperly located inside air handlers can cause short cycling, which wastes energy because it does not allow proper humidity control. Also, an oversized HVAC system costs more to purchase and operate.

When time to upgrade or purchase new HVAC equipment, don't forget to consider mini-split heat pumps. South River EMC offers a \$200 Energy Star heat pump rebate for units 17 SEER or higher installed by a professional HVAC contractor. For an application, go to sremc.com and look under "rebates & efficiency." For more information, contact one of the Advise Guys at adviseguys@sremc.com.

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