

Alabama Living

FEBRUARY 2011

Keeping out **THE GOLD AIR**

New weatherization program
is a partnership between
Wiregrass Electric Cooperative
and Habitat for Humanity

Inside...

- Members see \$2 million in 2010
- Your Town in Focus: Ashford
- Scholarship applications due soon

Your WEC TRUSTEES



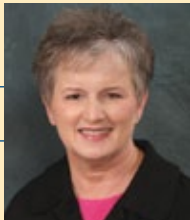
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Stay tuned for a word from your department leaders

by Michael S. McWaters, CEO



It's early January as I write this column, and I'm still recovering from the activities of Christmas and New Year. It seems as if 2010 came and went so quickly, with its final weeks being filled with the year-end busyness that goes along with the great memories you make with family and friends.

For Wiregrass Electric Cooperative, 2010 was a productive year in a number of ways. We increased the reliability of your system by bringing two new substations online (Murphy Mill and Coffee Springs). We made it easier for our members to do business with us by installing IVR (Interactive Voice Response) — now you can pay your bill by phone any hour of the day or night. And we put more focus on helping our members save energy by adding an energy services manager to do home audits and forging a weatherization partnership with Habitat for Humanity.

This new year promises to be just as productive, as we build upon the successes of the past and look for new ways to serve our members. Over the next few months, you will be hearing about these efforts from other members of our staff.

I enjoy sharing my thoughts with you each month in this space. Members often remark to me about something they have read on this page. Along with my blog on our website, this column gives me an opportunity to have a regular dialogue with our members.

Over the next four months, I will be sharing this space with the Wiregrass Electric Cooperative executive staff so they may have this same dialogue with our members. There are many important developments on the horizon in their departments, and I want you to hear about the progress straight from those responsible for making it happen.

These people are:

- Danny Ealum, Director of System Operations
- Brad Kimbro, Director of Member Services
- Les Moreland, Chief Financial Officer
- Tiffany Howell, Executive Assistant

The process of purchasing and delivering electricity across a wide rural area is a complicated task, and it takes great effort from a team of skilled and dedicated people. Danny, Brad, Les and Tiffany represent the departments that are made up of the men and women who make Wiregrass Electric one of the best cooperatives in the country.

Their columns will appear in this space over the next four months. I will pick back up in the July magazine. But until then, please feel free to email me or walk up and chat when you see me out in the community. Let's keep the dialogue going.



NEED HELP PAYING FOR COLLEGE?

The Electric Cooperative Scholarship can help!

Area high school seniors who are a dependent of a Wiregrass Electric Cooperative member have an opportunity to apply for a \$1,000 scholarship through the Electric Cooperative Foundation.

Each year the foundation awards scholarships to deserving seniors from each cooperative represented. Any eligible high school senior entering an accredited learning institution as a full-time student may apply.

Seniors may receive an application from their high school guidance counselor, at any Wiregrass Electric Cooperative office or online at www.wiregrass.coop.

Deadline for completed applications: March 10, 2011



WIREGRASS
ELECTRIC COOPERATIVE

CONTACT INFORMATION

Business:
1-800-239-4602
(Mon.-Fri. 8:00 a.m. - 5:00 p.m.)

Toll Free Outage "Hotline":
1-888-4-MY-OUTAGE
1-888-469-6882
(24 hours a day)

website: www.wiregrass.coop
Follow WEC on Twitter (twitter.com/wec2)
and Facebook

PAYMENT OPTIONS

BY MAIL
Wiregrass Electric Cooperative, Inc.
Department 1340
P.O. Box 2153
Birmingham, AL 35287-1340

WEB SITE
Payments may be made 24 hrs/day by
Visa, MasterCard, Discover,
American Express, and E-Check
on our website at www.wiregrass.coop

PHONE PAYMENTS
Payments may be made with a
customer service representative
during normal business hours.

NIGHT DEPOSITORY
Available at each office location.

IN PERSON
8:00 a.m. — 5:00 p.m. Mon.-Fri.

Hartford
509 N. State HWY 167,
Hartford, AL 36344

Samson
13148 W. State HWY 52,
Samson, AL 36477

Ashford
1066 Ashford Highway,
Ashford, AL 36312

Dothan
6167 Fortner St., Dothan, AL 36305

For questions regarding sanitation
service, call Houston County Sanitation
Department at 334-677-4705

Weatherizing your home will lower your annual energy costs



INSULATION
Blow fiber insulation into the
attic

Weatherizing is not a complicated process. "For a small investment of time and money, almost everyone can improve the energy efficiency of their home," says WEC Energy Services Manager **Jesse Ingram**. "If you're not sure what needs to be done, call Wiregrass Electric Cooperative to schedule a free energy audit. I'll inspect your home and point you in the right direction."



WINDOWS
Remove
dried out
molding
and
replace
with fresh
caulk

See Page 7 to learn how one WEC member is enjoying a warmer home thanks to a partnership between Wiregrass Electric Cooperative and Habitat for Humanity.

For more energy saving tips, visit
our website at www.wiregrass.coop.



DOORS
Replace faulty doors that do not
seal

WEC returned \$2 million to members in 2010 through power cost adjustment

“The cost of fuel to generate power was less than what PowerSouth budgeted for the year.

WEC members used 12% more energy than what the cooperative had budgeted for the year.

Because of the ‘Wholesale Power Cost Adjustment’ on the bill, some \$2 million in credits were returned to WEC members right away, instead of months or years down the road.

—Les Moreland
Chief Financial Officer
for WEC

Wiregrass Electric Cooperative’s new rate structure that began in January 2010 allowed for the quick return of approximately \$2 million to members throughout the year.

“One of the reasons we created the new rate structure,” explains **Michael S. McWaters**, CEO of WEC, “is that our board wanted a way to, when our power costs go lower than what we budgeted, get that money back to our members as soon as possible. The Wholesale Power Cost Adjustment allowed us to do that in 2010.”

Throughout 2010, the average homeowner saw credits of anywhere from \$5 to \$25 on the Wholesale Power Cost Adjustment line item of their monthly bills.

Two main factors contributed to the credits:

1) WEC buys the electricity it distributes to its members from PowerSouth Energy Cooperative. PowerSouth was able to buy fuel to generate power during 2010 at better prices than it had budgeted for, resulting in a lower charge to its distributors.

2) WEC created its budget expecting to purchase 380 million kilowatt-hours of power. Because of the extreme temperatures of 2010 (both winter and summer), the cooperative instead purchased some 428 million kilowatt-hours to meet the demands of its members.

Without the Wholesale Power Cost Adjustment, the additional

\$2 million in margins could have been kept by WEC and returned to members as capital credit refunds. Such refunds are normally credited several years later. With the Wholesale Power Cost Adjustment in place, WEC was able to return these margins to members on a much more timely basis.

“This adjustment resulted in a credit every month,” says **Les Moreland**, WEC’s chief financial officer. “Throughout 2010 it gave us the ability on a monthly basis

SERVICE FROM	SERVICE TO	PREVIOUS READING	PRESENT READING
12/02/09	01/02/10	48313	49817
DISTRIBUTION EXPENSE			
WHOLESALE POWER COST			
→ WHOLESALE POWER COST ADJUSTMENT			
ALABAMA STATE TAX			
TOTAL CURRENT BILL DUE			01/22/10
TOTAL AMOUNT DUE			

The Wholesale Power Cost Adjustment appears as a line item on members’ bills. During 2010, the average homeowner saw monthly credits of anywhere from \$5 to \$25.

to pass those savings through to our members.

“The Wholesale Power Cost Adjustment also protects the financial strength of the cooperative if the converse situation occurs,” he continues. “If for some reason fuels costs are higher than expected, we can add the difference back to the bill. That’s important, because we are an ‘at cost’ provider, and we must be able to recover our actual fixed operating costs throughout the year.”

Making a Difference

Partnership between Wiregrass Electric Cooperative and Habitat for Humanity is changing lives



The trucks began rolling up to **Melma Neal's** Hartford home before 9 a.m. A cold January rain the day before had left her driveway muddy, soaking the ground and knocking the project one day off schedule.

This was Wednesday. By the end of the week, Neal would have a warmer home and be on her way to saving hundreds of dollars on her annual energy costs – all made possible by Wiregrass Electric Cooperative and Habitat for Humanity.

Costly air leaks

This project started with a simple letter. Neal, a senior citizen on a tight budget, was looking for help. She wrote to Bobby Bright, who at the time served as U.S. Congressman for the district.

Among Neal's concerns was the amount of electricity she was using each month. She was spending too much of her limited income on heating and cooling. Congressman Bright's office contacted her right away and put her in touch with a source of help close to home: Wiregrass Electric Cooperative.

"I set up an appointment with

A Habitat volunteer measures to replace a piece of sheetrock.

Ms. Neal to perform an energy audit," says **Jesse Ingram**, energy services manager for the cooperative. "This energy audit revealed a number of problems with her home – problems that were costing her a lot of money on her power bill."

Neal's home was leaking. The industry term is 'infiltration,' but all it really means is that air from outside was finding its way into her home. "Just to drive by, you couldn't see a major problem," says Ingram. "But like so many homes out there, hers was letting in so much air that it was just like throwing money out the window each month."

Neal's attic did not have adequate insulation. Air was seeping



in around windows whose molding had long since dried and become brittle. Her front door was not sealing properly, welcoming cold winter breezes like a visiting neighbor. But most of these problems could be fixed by spending just a few hundred dollars.

Neal was thankful to learn that something could be done to make her home more energy efficient. However, she faced a challenge that so many homeowners across the region deal with. "It's not very helpful to tell a homeowner who is struggling to pay their power bill that spending a few hundred dollars will save them money in the long run," says Ingram. "If they had several hundred extra dollars, they wouldn't be struggling to pay their power bills. It's a real challenge."

Strong partnership

This is where WEC's newly formed partnership with Wiregrass Habitat for Humanity is making a difference.

"We have forged a partnership with Wiregrass Habitat for Humanity, and it is taking our ability to help struggling members to a new level," says **Brad Kimbro**, director of member services for WEC.

Please see HABITAT, Page 34



Ashford

A town rich in history

(Editor's Note: This is the first in an ongoing series of articles about the many great towns in and around the WEC service area.)

Ashford is a small town with a rich heritage dating back more than 100 years. While residents here embrace their traditions, they are also using modern methods of communication such as a website and Facebook account to keep their community connected.

"Ashford still has the hometown feeling and sense of community," says **James Ethridge**, president of the Ashford Chamber of Commerce. "Everyone in a small town knows everyone, which forms a support group that I think you lose in larger areas."

On the town's website is a list of information for residents. The site provides up-to-date details on council meetings, police reports, holidays and community events.

"Our public servants have excellent relationships with the community," says **Rusty Burgess**, the mayor of Ashford. "I have lived here 71 years and don't want to leave."

Ashford is an intersection of young adults who are moving in and establishing their lives, and older adults who are investing back into their community. To-

gether these two generations are making Ashford a great place to live, grow and retire.

Ashford residents are proud of their schools. Ashford Elementary, Ashford High School and Ashford Academy offer children solid educational opportunities, while providing parents the satisfaction of knowing their children are being prepared for the future just around the block.

Two stories explain how the town got its name. In the late 1800s, Jack Cochran settled 160 acres near an old Indian trail. He soon sold the land to Capt. John L. Davis who named the area after his wife's family. The second story tells of a ford in a creek in the southern part of town that was used by travelers. Several Ash trees grew along the banks, prompting settlers to combine the two landmarks and call the area Ashford.

The Alabama-Midland Railway built a small depot in Ashford in the 1890s, as a way-station on the Bainbridge, Ga., to Montgomery, Ala., train route. Ashford was the center for a naval store production, with other economic means coming from a turpentine mill, pulpwood harvesting and cotton farming. The depot allowed for more lumber and agriculture products to be sold outside the area, while lo-

cals bought goods arriving by train.

In 1915, the depot was the only building to survive a fire that destroyed the entire town. Today it is used for meetings and provides a link to the past by providing tours of a time when transportation by train was in demand.

The town experienced a period of growth with the construction of the Joseph M. Farley Nuclear Plant on the eastern border of Houston County in 1970. A second stage of construction began in 1980. During those years, workers traveled from Dothan (and other towns west) through Ashford to get to the plant. This increase in traffic is credited with fueling population growth in Ashford of 1,000 to 1,200 people.

The town celebrated its centennial in June 1991. During the celebration, items were gathered for a time capsule. Placed in the park, the time capsule is set to be opened on June 22, 2091.

Ashford's annual Harvest Day is held each fall and brings vendors, entertainers, dignitaries and the community together to celebrate the past and focus on the progress of Ashford.

Wiregrass Electric Cooperative has a branch office in Ashford to serve members in the easternmost portion of its service area. ☎ Visit ashfordcitygovernment.com

HABITAT

continued from Page 7

When Ingram conducts an energy audit and finds air infiltration problems in a home, he has a new resource for pointing members toward the help they need. “Before our partnership with Habitat, all Jesse could leave members with was a lot of good information,” says Kimbro. “If they didn’t have the ability to make the weatherization upgrades to their homes, nothing changed for them. They were still wasting money each month on their power bill.”

Now Ingram can refer members to Wiregrass Habitat for Humanity. They complete a simple application and, if they qualify, get ready to make a significant change in their home’s energy efficiency.

Through its network of vendors, skilled contractors and volunteers, Wiregrass Habitat for Humanity can weatherize a home in just a few days. “But more important than the time frame,” explains Kimbro, “Habitat can get more done for the money because of its buying agreements and labor arrangements.

“They can stretch a dollar much further than an individual, or even

an organization like Wiregrass Electric Cooperative.”

Getting it started

Habitat has brought the ability, the networks and the know-how to this partnership. In turn, WEC has created a funding mechanism to make the projects a reality.

“Habitat for Humanity is best known for building new homes,” Kimbro says, “not for rehabbing existing homes. After realizing the value of partnering with Habitat, the Board of Trustees of Wiregrass Electric Cooperative voted to create a way to help fund weatherization projects for our members of lower income.”

The result was a revolving loan fund that Habitat for Humanity can use to weatherize the homes of cooperative members who qualify for Habitat services. Depending on their income, some members will pay back the money at very low interest rates, with the payments going back into the revolving loan fund to be used to help others.

Some members will qualify for the services at no cost, with no payment required.

Kimbro believes the partnership will make a real difference in the lives of WEC members. “It will

help those whose homes are inefficient stop wasting their energy dollars and keep more money in their pockets,” he says. “But it will also help our entire membership, because the more energy efficient our members become the better we can manage our system’s energy demands.”

The Habitat organization is excited about the partnership, too, as it sees the struggles faced by people on a regular basis. “Everybody at Wiregrass Electric has been very helpful, informative and just a pleasure to work with,” says **Sabrina Kirkland**, development coordinator at Wiregrass Habitat for Humanity. “The members of WEC should be very proud that their cooperative has stepped up and wants to make these changes in the community for their benefit.”

The partnership has just begun, and the participants have great hopes for a region-wide impact. They understand, however, that the real strength of their cooperation is found in the way it helps people on an individual basis save money and improve their way of life.

Just like Melma Neal. “I’m 68 years old, and if I didn’t work I couldn’t make it,” she says. “I’m so grateful. This is stuff that I was needing, and I couldn’t afford

to do it... my children couldn’t afford to do it for me, either... so I was grateful to God for this program.”

Contact WEC today at 800-239-4602 if you think you may qualify for this weatherization program.

WEC Energy Services Manager Jesse Ingram (left) removes brittle molding from around a window at Melma Neal’s home, preparing it for caulking. Elizabeth Tiller (right), executive director of Wiregrass Habitat for Humanity, coordinated the project.



When the lights go out,
you really need this...



... and we need
your correct
phone numbers

WHY DOES YOUR COOPERATIVE NEED YOUR PHONE NUMBER?

Without your phone number, we have no way of contacting you if there is a problem with your account requiring immediate attention. When we send a broadcast message with important service information for a particular neighborhood, you will not receive the message. And most importantly, our automated Outage Reporting System will not be able to link your account with your phone number when you call to report an outage — we will be unable to track your outage, which could make response times much slower.

With your home and cell numbers on file, our Outage Reporting System will use Caller ID information to immediately identify your account when you call to report an outage. With the press of a few keys, you'll be able to verify the information and complete your report in a minute or less. Our system will then use the information from you and others affected to efficiently track and respond to the outage. 1-888-4-MY-OUTAGE (or 1-888-469-6882) is working for you 24 hours a day, 7 days a week!

UPDATING YOUR ACCOUNT INFORMATION IS EASY:



ONLINE: Use the convenient update form on our website at www.wiregrass.coop



BY PHONE: Connect with our Member Care Team or Interactive Voice Response (IVR) system.

When the lights go out there's only one number to call



Report Outages 24/7
1-888-4-MY-OUTAGE
(1-888-469-6882)



Please help your electric cooperative serve you better. Update your account today.