



Vol. 64 No. 2
February 2002

"Owned By
Those We
Serve"

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February brings Valentine's
Day. Sweets to the sweet on
Thursday, February 14.

Watts Your Touchstone Energy® Cooperative Working



The monthly newsletter of Randolph Electric Membership Corp.



A WORD ABOUT Randolph Electric

Dale F Lambert
Executive Vice President and General Manager

Dear Members,

I want to give you an update on two different subjects that directly affect member retail rates. The first is the cost of service study. I mentioned in a previous AWARE column that we are in the process of performing a cost of service study. Although the study is not complete, I want to give you an update on its status.

A cost of service study compiles data from all expense and revenue accounts within the operations of Randolph EMC. The purpose of this study is to determine if the revenues we receive from the different rate schedules reflect the cost of providing service to the members billed under each rate schedule. It includes a review of our current and future wholesale power cost projections; the cost of new plants; all maintenance accounts (which include the cost of line and right-of-way maintenance) and how each of these and other expenses impact member retail rates.

It is a very detailed and thorough process that needs to be completed periodically to ensure fair and equitable rates and to ensure that the financial standing of Randolph EMC is stable into the future. Our lenders require that we

meet certain financial standards and that our key financial ratios are strong enough to support the operations of the cooperative. We have reviewed the initial findings with our consultant doing the study and, unfortunately, we will need to increase retail rates in early 2002. Rest assured this is the last thing I want to do. It is the obligation of the board of directors, management and employees to ensure the long-term viability of Randolph EMC without jeopardizing the level of service our members demand and deserve.

**In looking back,
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In looking back, 1993 was the last time that Randolph EMC had a general rate increase. Actually, rates decreased through the late 1990s due to lower wholesale power

cost from North Carolina Electric Membership Corporation (NCEMC). Randolph EMC reduced retail rates a total of 9 percent between 1996 and 1999. Since 1993, we have absorbed increased costs within the operations of the cooperative.

Some of these expenses have increased substantially in the last nine years. One example is our right-of-way maintenance program. In 1993, our right-of-way maintenance expense was

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SWAP SHOP



The **Swap Shop** is a free public service to the members of Randolph EMC. All items for sale must be priced. Please include a membership number as shown on your power bill. Send item descriptions to Randolph EMC, c/o SWAP SHOP, P.O. Box 40, Asheboro, NC 27204.

Due to publication time restraints, many items have been sold before members receive the issue. Also, REMC reserves the right to edit or carry ads over to the following month if limited by available space. We apologize if this causes any inconvenience to our members.

FOR SALE

Hot Spring Spa for 5

Free standing, self-contained, space-age rovel shell, ceramic tile boarder, 350 gallons, 3" foam insulation completely surrounds tub, energy efficient type heater. \$1400 or trade for equal value (camper or pop-up). Call 910-235-0999.

Silver shield P/U truck cover

will fit long bed Chevy up to '87 or Ford up to '96, 72" x 99", aircraft aluminum with 700 flush rivets, 4" curve in roof, flips up lengthwise on either side or can be raised 2' at all 4 corners, \$1260 new — will sell for \$375 or trade for equal value, canvas camper conversion also available to fit cover. Call 910-235-0999.

1970 FJ40 Toyota LandCruiser, 4X4 (minor repairs needed on wiring), hard top, camouflage (good hunting vehicle), EC, \$1800.

Stripped down Toyota LandCruiser

Great for parts, \$200.

1986 Astro van, black body EC, van is a 4 cyl., originally bought for parts, good motor, owners never cranked it, \$750. Call 948-4674 or leave message.

Berkline 3pc. sectional (one section has 2 recliners w/table between them, other has a queen-sized bed), EC, only 1 yr old, originally sold for \$1700, asking \$1000.

Trampoline w/ wheels Also 1 yr. old, \$100. Call 873-9439.

1996 Dodge Stratus

White w/ gray interior, extra clean, \$5300. Call anytime 336-879-3043.

Grave plots \$500

Resting places and columbarium spaces available. Located in historical Flint Hill Community Cemetery on Uwharrie Mt. For info. call 910-572-3726.

1986 Dodge Caravan

Rebuilt engine, power everything, new A/C, brakes, exhaust, and joints, \$1800.

1987 White choo choo custom El Camino

Like new, 75,000 miles, asking \$11,000. Call 672-1125.

Kirby vacuum cleaner

With attachments, \$800. Call 910-948-3032.

Round bales of Fescue hay 4X5, dry, \$20. Call 336-879-3257.

Ford front bumper One dent, fits F250 H.D. TRK, \$25.

Sears air compressor 25 gallon tank 4 HP, \$150.

Two large wash pots \$85 and \$100. Call 336-824-8413.

Bobcat factory trailer 5ft., 4in. between fender wells, 8 ft. long. Call 910-428-9016.

1989 Nissan Maxima, 147,100 miles, runs but needs work, \$1000. Call 336-565-8017.

Large round bales of Fescue hay 2001 cutting, kept dry, \$20. Call 910-464-2216.

10X10 dog kennel \$100 OBO.

Yanmar Tractor 1401, 19 HP, has 4 ft. finishing mower and turning plow, also has new battery, \$4500.

Saxton Crossbow 150 lb. draw weight with quivers, bolts and broad heads, \$150.

Older model hot tub Octagon shape, hasn't been used in a year but worked well when taken out, make offer.

Electric cook stove Cream color, \$75 OBO. Call 857-4300 anytime.

1987 Celebrity \$850 Call 336-625-6847.

50+ acres between Seagrove and Erect, \$160,000. Call 336-629-3240.

1992 Champion mobile home 14 x 65, 3BR, 2BA \$7500, already set up in mobile home park. Call 625-6597 before 1:30 p.m., Mon.-Fri.

1995 Redman mobile home 3BR, 2BA, 14X70 w/ shed. Call 672-7104.

Sofa & chair, \$275.

Bassett recliner, \$250.

Light oak farm table w/ 4 high back chairs, \$300.

Hammond organ w/bench and music (ideal for a small church), \$2500.

Rice planter bed w/queen sized mattress & box spring \$400. Call 629-9243.

3 point hitch trip bottom plows 2-3 bottom plows, \$350-\$750.

3 point hitch 6 ft. box blade (new) \$350.

3 point hitch fertilizer & lime spreader 500 lbs. \$550 Call 336-241-2405.

FOR RENT

Mobile home for rent \$325 per month and \$325 deposit required. Call 910-464-3459.

RANDOLPH ELECTRIC MEMBERSHIP CORPORATION

P.O. Box 40 • Asheboro, NC 27204-0040

www.ncemcs.com/emc/randolph

Dale F. Lambert, Executive Vice President/ General Manager

PHONE NUMBERS TO CALL FOR ELECTRIC SERVICE

Days:

Robbins Area: 8AM to 5PM. . . . (910) 948-3401

Toll Free. (800) 868-7014

Asheboro Area: 8AM to 5PM. . . (336) 625-5177

Toll Free. (800) 672-8212

For all Power Failures including Nights, Holidays, & Weekends:

Call. (877) REMC-OFF

. (1-877-736-2633)

Automated Billing Inquiries System:

Call (336) 625-2458

or toll free. (877) 534-2319

Jay Albright, District Manager

Fred Cole, Controller

Ron Gunnell, Manager of Engineering

Darrell Hunter, Mgr. of Energy Services

Sonya Husband, Manager of Office Services

Jimmy Lanier, Manager of Operations

Mac McCarty, Manager of Information Technology

Bob Phillips, Mgr. of Administrative Services

Dave Rowe, Mgr. of Member & Public Relations

Fred Smith, Key Accounts Manager

Doyle Stout, Mgr. of Safety & Transportation

BOARD OF DIRECTORS

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OFFICE HOURS

8:00 AM - 5:00 PM Mon. - Fri.

AN EQUAL OPPORTUNITY EMPLOYER
M/F/V/H



"A Word About Randolph Electric" continued

\$766,023. In 2002, our right-of-way budget will be \$1,400,000. This is one area of expense where other utility companies cut for short-term savings.

We believe that a strong right-of-way program is vital to reducing outage time and making storm damage restoration quicker. This is also an area where the short-term benefits of reducing maintenance costs for one or two years will only result in much higher costs in the future and additional power outages for customers.

As we prepared the budget for 2002, we scrutinized each item, looking for ways to be more efficient and reduce expenses. This has probably been one of the most scrutinized budgets at Randolph EMC, with staff looking to reduce costs wherever possible. With this in mind, our goal is to operate as efficiently as possible and continue to provide you with the excellent service you expect and deserve. I will keep you updated as we move forward in future AWARE columns. Your board, staff and employees will be working diligently to keep this increase as low as possible.

I would also like to discuss the Wholesale Power Cost Adjustment (WPCA). As I have mentioned in several AWARE columns in 2001, we added a WPCA on the bills starting in April of 2001. The reason for adding the WPCA on the bills was because of higher

wholesale power costs from our power supplier, NCEMC. As I noted in earlier columns, we spread this cost over several months to lessen the impact to our members. It appears our earlier projections concerning the WPCA factor and the amount needed to recover this increase were correct. The WPCA collected only the amount of the increase in the cost of wholesale power for 2001 and, as I have stated in previous columns, it will only be used to cover this cost.

Since we have collected the shortfall for 2001, the WPCA factor was lowered and will be reflected on the bills starting January 10, 2002. Many of you will remember that several years ago, the WPCA changed monthly based on fluctuating wholesale power cost. Due to current fluctuations in our monthly wholesale power cost from NCEMC, we will need to return to a fluctuating WPCA factor. It will be based on the actual monthly changes in wholesale power cost to Randolph EMC and will be reflected on bills rendered after the 10th of each month. We will continue to work with NCEMC to reduce the impact to our members as much as possible.

Cooperatively Yours,

Dale F Lambert

Executive Vice President and General Manager

Statement of Nondiscrimination

Randolph Electric Membership Corporation is the recipient of Federal financial assistance from the Rural Utilities Service, an agency of the U.S. Department of Agriculture, and is subject to the provisions of Title VI of the Civil Rights Act of 1964, as amended, Section 504 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, as amended, and the rules and regulations of the U.S. Department of Agriculture which provide that no person in the United States on the basis of race, color, national origin, age, or disability shall be excluded from participation in, admission or access to, denied the benefits of, or otherwise be subjected to discrimination under any of this organization's programs or activities.

The person responsible for coordinating this organization's nondiscrimination compliance efforts is Robert C. Phillips, Manager of Administrative Services. Any individual, or specific class of individuals, who feels that this organization has subjected them to discrimination may obtain further information about the statues and regulations listed above from and/or file a written complaint with this organization; or the Secretary, U.S. Department of Agriculture, Washington, D.C. 20250; or the Administrator, Rural Utilities Service, Washington, D.C. 20250. Complaints must be filed within 180 days after the alleged discrimination. Confidentiality will be maintained to the extent possible.

Employment Policy

All applicants for employment shall be considered and hired on the basis of merit, without regard to race, color, religion, sex, national origin, age or disability. The employment practices shall insure equal treatment of all employees without discrimination in rates of pay or other opportunities for advancement because of the employee's race, color, religion, sex, national origin, or disability.



Moms are part of our electric co-op

 **Randolph EMC**



Your Touchstone Energy[®] Cooperative

The power of human connections