



Vol. 64 No. 5
May 2002

"Owned By
Those We
Serve"

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Memorial Day

Office closed May 27

Attend the Annual Meeting in June

Make plans to attend Randolph EMC's 64th Annual Meeting at 7 p.m. on Friday, June 21 at Southwestern Randolph Middle School.

Watts Your Touchstone Energy® Cooperative Working

The monthly newsletter of Randolph Electric Membership Corp.

Randolph EMC donates truck to Ash-Rand Rescue



Dale Lambert (right), Executive Vice President & General Manager of Randolph EMC presents truck title to Captain Tommy McNeill (left) of Ash-Rand Rescue.

Executive Vice President and General Manager Dale Lambert of Randolph EMC presented the title of the truck to Ash-Rand Captain Tommy McNeill. During the presentation, Lambert said, "The events of

September 11 reminded everyone of the sacrifices made by rescue and fire personnel and police

officers as they go about their jobs making communities a better place to live. Locally, individuals give generously of their time and energy to help their neighbors and their efforts are sometimes overlooked. Our equipment donation to Ash-Rand reinforces

When an accident occurs, minutes can truly mean the difference between life and death. Realizing the truth of this statement, Randolph EMC recently donated a truck to the Ash-Rand Rescue — a truck that will help the organization save lives.

Based in the Tabernacle area of Randolph County, this quick response vehicle contains the "Jaws-of-Life," a piece of equipment used by rescue personnel to extract injured people from traffic accidents.

"The events of September 11 reminded everyone of the sacrifices made by rescue and fire personnel and police officers..."

the commitment that Randolph EMC has to the communities we serve and we believe this truck will enable them to continue the high level of service they provide."





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 Carla Bostick, c/o SWAP SHOP, P.O. Box 40, Asheboro, NC 27204. Questions? Contact Carla at 336-625-5177.

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

3 plots
Sundial Sect., 1 B
Randolph Memorial Park,
\$695 each. Call 336-685-4526.

5 piece Synsonoins drum set
\$150. Call 910-464-2617.

1994 Nissan Altima GLE
(blue), 4-door, sunroof,
CD player, auto temp.
control, alarm system,
only 1 owner, and serv-
iced regularly, 155,000
miles, asking \$5000. Call
963-0910.

Great Pyrnees puppie
Raised with goats, natural
guard dogs, AKC regis-
tered, \$200 each. Call 910-
464-0891 or 910-464-2792.

1978 Diesel VW four-door
car, good for parts, \$800.
Call 910-295-5706.

1993 Oakwood
14X70 mobile home
2BR, 2BA, very nice, has
extras, \$9500. Call 336-
381-3314.

White day bed
Including mattress and
springs, \$100. Call 824-
4189.

420' Cyclone Feeders
Good working condition,
\$350. Call 919-837-5000
(night) or 919-548-2194
(daytime).

4BR, 2BA 2562 sq.ft. home
On 5.2 acres in Highfalls
area, for sale or rent,
vinyl siding, large covered
porches, oversized rooms
(3) 16X24 BR's plus
bonus room, newly
remodeled 2001 through-
out, great water supply,
CK house for possible
garage/shop, 2-story addi-
tion w/2-story decks,
\$135,000 or \$600 monthly
+ utilities, security deposit
+ lease required.

3BR house for sale
Needs to be moved,
\$8000. Call 464-3576.

Fresh hatched small Finchs
\$13 for one or a pair for
\$25. Call 336-636-5484.

Lift Chair \$100
Call 336-622-7222 any-
time.

Cultivator, turning plow,
disc and middle buster
All for \$495, good condi-
tion. Call 336-625-5612.

1996 Fleetwood
14X80 mobile home
3BR, 2BA, refrigerator,
washer/dryer, 3 yr. old
heat pump and many
other extras. Mobile home
must be moved, \$16,000
or best offer. Call 336-697-
8277 and leave message.

Trane 2 1/2 ton gas pack
w/AC \$900 negotiable
Organ for sale, \$900
negotiable. Call 464-1877.

1995 Isuzu NPR 4cyl. diesel
turbo 5 speed
127,000 miles, all high-
way driving, \$15,000.
20' heavy duty trailer
w/ramps & siderails
\$1,500.

All kinds of carpentry tools
Call for details, everything
sold together as a busi-
ness \$37,000.

White wedding dress
With train, \$160. Call 879-
4776.

1992 Ford Aerostar extended
Dual air, new trans., rack
& pinion, air cond., radia-
tor, alternator, vehicle
loaded, 180,000 miles,
\$2,800. Call 857-3145.

Eddie Bauer 5-point
car seat by Cosco
EC \$50. Call 336-498-
7928.

Woodsaw on a
four-wheel wagon
With 12hp Briggs and
Straton engine, \$150. Call
336-672-1266.

AKC registered
Pomeranian puppies
1 male, 1 female, parents
on site, mother weighs
4.5 lbs. Father weighs 6
lbs., \$300 each. Call 336-
215-2171.

Heifers bred and
ready to breed
Bulls for sale or loan.
Coastal hay round or
square.

2 houses for rent
Call 910-948-4346 or
910-648-2894.

2000 Yamaha Waverunner
3-seater, 120 hp, 32 hours
all options, EC, \$6,000.
Call 336-581-3825.

1997 Seadoo GTX
3-seater, used approx. 95
hours, no salt water use,
2000 model, single trailer
GC, \$4,500. Call or leave
message anytime 336-629-
7979.

Barrel type seed cleaner
Double-screened, in good
condition, \$500. Call 336-
241-2405.

FOR RENT

2-bedroom mobile home
with 2 baths, \$275 per
month

Mobile home lot
\$125 per month. Call 464-
3459.

WANTED

Want to make contact
with collectors of rocks
and seashells
Would like to hear from
people all over. Call 910-
464-5765 or mail to
Collector, 1228 Needham
Grove Rd. Robbins, NC
27325.

Old model cars, trucks,
and hot wheels, etc.
Call with prices, all condi-
tions accepted. Buy - Sell
- Trade, come join our
model car club. Call 336-
685-9933, all donations
accepted.

Want to buy 1988 and
up, cars & trucks
that need work. Call 336-
241-2425.

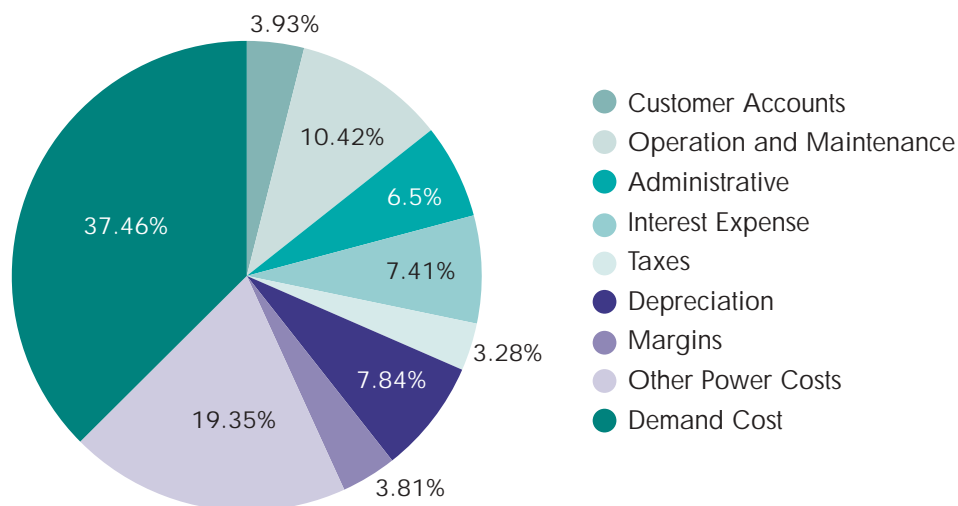
Yards to mow
Will do trim work, in the
Robbins area. Call 464-
2558, leave message.



2001 Annual Report

What We Took In	Operating Revenue	\$39,996,400
	Non-Operating Revenue	160,947
	Capital Credits from Associated Organizations	154,420
	Total	\$40,311,767
What We Paid Out	Gross Receipts and Property Taxes	\$1,322,919
	Purchased Power	22,902,154
	Depreciation of Plant and Equipment	2,989,009
	Interest Expense	3,158,594
	Operation, Maintenance & Other Expenses	8,404,764
	Total	\$38,777,440
What We Had Left	Net Margin for the Year (Patronage Capital)	\$1,534,327

The 2001 Revenue Dollar



ASSETS

Our entire plant is valued at	\$88,923,543
We have other investments worth	3,647,513
We have cash and temporary investments on hand in the amount of	1,741,969
We have accounts and notes receivable amounting to	5,448,697
We have prepaid expenses amounting to	100,606
Our materials and supplies are worth	912,222
We have deferred debits in the amount of	1,468,500
TOTAL ASSETS	\$102,243,050

LIABILITIES

We owe Rural Utilities Service (RUS) and Cooperative Finance Corporation (CFC)	\$55,878,728
We are holding deposit fees amounting to	498,413
We owe notes and accounts payable amounting to	5,362,111
We hold membership fees amounting to	115,700
We have allocated and unallocated margins amounting to	38,799,190
We have deferred credits and other liabilities amounting to	1,588,908
TOTAL LIABILITIES	\$102,243,050

POWER TRENDS

WEATHER RELATED TRENDS

The weather plays a large part in the statistics that tell the story of Randolph EMC's operations. Extremely hot weather causes a high demand for electricity and more kilowatt hour (kWh) consumption by our members. The same is true of extremely cold weather. The three graphs shown in this section reflect how weather patterns affect power use and ultimately power bills.

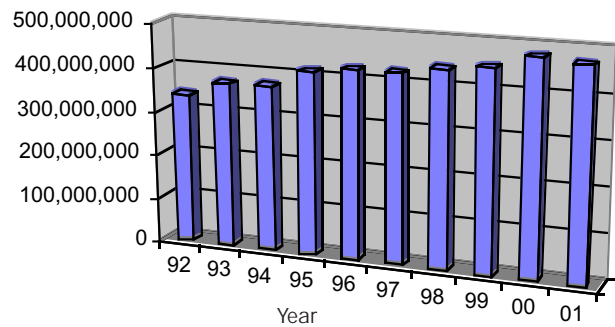
Figure 1 shows the kWh purchases of Randolph EMC from 1992 through 2001. In 2001 we purchased 470,311,722 kWh's. This is less than the year before. As mentioned earlier, weather is a main factor. In 2001, unstable economic conditions were also a factor. Many of our commercial and industrial members did not operate at past levels, which translated into less energy usage.

Figure 2 shows the trend in peak demand since 1992. Demand is an extremely important factor in our cost of power. You can see from the pie chart on the previous page, demand costs amounted to 37.46 percent of your annual power bill. In 2001, we had a peak demand of 110,773 kW.

Figure 3 in this section really dramatizes the effect of weather on power usage. This statistic removes growth in members and measures the average monthly kWh use in a residence. In 2001, the typical home on our system used an average of 1,009 kWh per month. It is easy to pick out the years that had mild weather as opposed to those that had extreme temperatures.

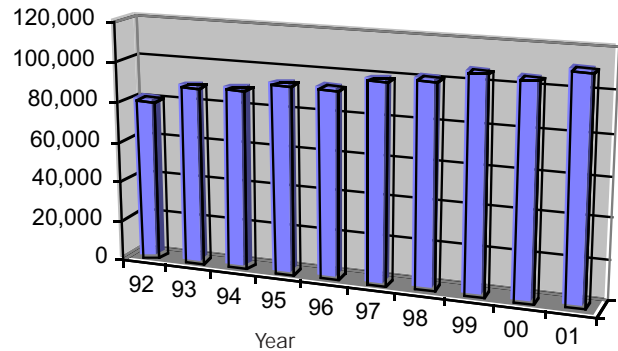
1

kWh Purchased



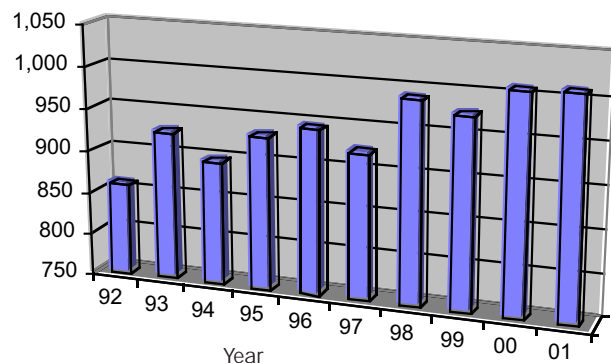
2

Annual Peak kW Demand



3

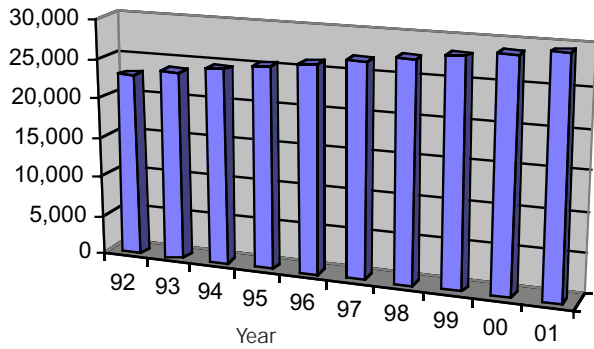
Average Monthly kWh Usage per Home



AT RANDOLPH EMC

1992-2001

Number of Meters Served



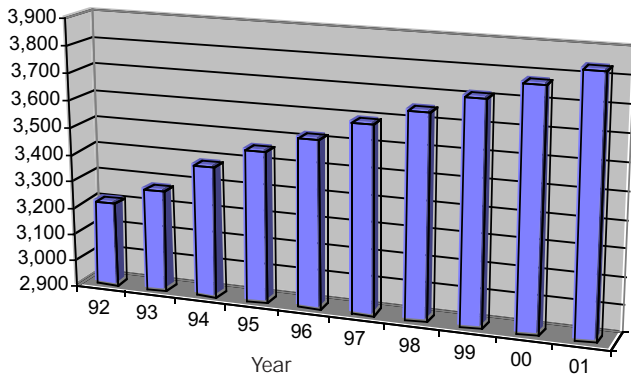
4

NON-WEATHER RELATED TRENDS

There are growth trends that are caused entirely by increases in members and increases in the use of electricity. These trends tend to show a much more regular growth pattern than those that are affected by the weather.

Figure 4 shows an increase in the number of meters served. The growth since 1992 has been steady and at a pace that is manageable. At the end of 2001, we served 29,413 meters.

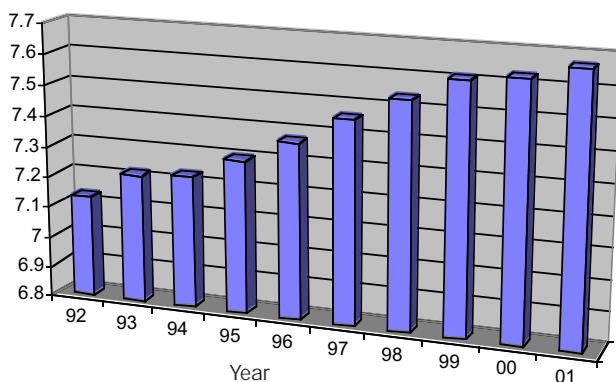
Miles of Line



5

Figure 5 shows the increase in miles of line owned and operated by Randolph EMC. This increase is also steady and is directly related to the growth of the number of members and the level of electric use. As of December 2001, REMC had 3,835.67 miles of line.

Meters per Mile of Line



6

Figure 6 shows the growth in meters per mile of line. While this growth has not been as consistent as the other two in this section, it shows a marked increase over time. At the end of 2001, our density was 7.67 meters per mile of line. This is extremely low compared to other electric utilities. The more meters per mile of line, the more accounts that cost of operations can be spread over and the less it costs each customer. For comparison, the average cooperative density in North Carolina is 9.1 while the investor owned density numbers range from 24.1 to 29.3. The average density for a municipal's electric system is 41.4.

These graphic illustrations show growth patterns that Randolph EMC has to cope with. We must be prepared for natural growth as well as weather-related conditions that maximize or minimize growth.



Farmers are part of our electric co-op

 **Randolph EMC**



————— Your Touchstone Energy[®] Cooperative —————

The power of human connections



Proper grounding of pools

According to the national electric code, all electrical installations must comply with the North Carolina State Volume IV- Electrical Building Code. Poor pool grounding is usually due to loose or sandy soil conditions and/or workmanship. Also noted is improper grounding to the entire walking area around a pool. Grounding procedures for a pool include grounding the entire walking area, which needs to be tied together. After installing a pool, your local code enforcement officer (CEO) should be notified to inspect the entire area for proper and safe grounding.

Randolph EMC has a local contact person, Dennis Mabe, who can answer questions about proper grounding of pools. Call him at 1-800-672-8212. If you have any questions, doubts or concerns about codes on proper grounding of pool areas, please do not hesitate to call your local officials.

Renewable energy tax credits

Beginning in tax year 2000, North Carolina's renewable energy tax credits were upgraded to include the following:

- 35 percent tax credit for all renewable energy technologies (solar, wind, biomass and small hydro)
- 35 percent tax credit for residential, commercial and industrial sectors
- A maximum credit of \$10,500 for residential wind, photo

voltalic, hydro and biomass systems

- A maximum credit of \$3,500 for residential active and passive solar space heating
- A maximum credit of \$1,400 for residential solar water heating
- A maximum credit of \$250,000 for commercial and industrial renewable energy applications

Consider consulting with your CPA about these possible tax credits!



Herbicide spraying begins in May

Randolph EMC will be starting up its very successful right-of-way herbicide spraying in mid-May. The herbicide spray that Randolph EMC uses is non-toxic to humans and animal life and only works on certain types of foliage. Herbicide spraying promotes the growth of wild seeds and other foods for wildlife. Plans are in place to spray the following rights of way.

In the northern (Asheboro-served) areas

- Circuit 2 and Circuit 4 which come out of the Snow Camp substation

- Circuits 6 and Circuit 7 which come out of Staley Substation
- A portion of Circuit 42 in the Love Joy - Abner area.

In the southern (Robbins-served) areas

- Circuit 31 from Seagrove toward Union Grove Church
- Circuit 37 from High Falls toward Reynolds Mill area
- Circuit 36 High Falls toward Putnam
- Circuit 80 Garner's Store toward North Moore High School

- Circuit 81 Garner's Store toward High Falls
- Circuit 82 Garner's Store toward Midway Grill area
- Circuit 83 Garner's Store toward Zion Grove area
- Circuit 84 Garner's Store toward Spies
- Circuit 36 High Falls toward Putnam area

If you live in these areas or have any questions about the use of herbicides, please contact the Asheboro offices of Randolph EMC at 1-800-672-8212 or 336-625-5177.



A WORD ABOUT **Randolph Electric**

Dear Members,

This issue of "Watts Working" contains some important information concerning the operations of your cooperative for the year 2001 and information about our upcoming 64th Annual Meeting. I want to encourage you to be active and attend the annual meeting of your electric utility. This year, our meeting will be held on June 21, 2002, at Southwestern Randolph Middle School in the air-conditioned gymnasium.

The annual meeting is important because it gives our members the opportunity to come together and hear reports about the condition and the operation of their cooperative for the past year. Unlike investor-owned utilities, those receiving their electric service from Randolph EMC are the owners of their cooperative. The members have a voice in the operation of the business through their participation at the annual meeting. In addition to the business portion of the meeting, members will elect three people to serve on the board of directors. The board of directors of Randolph EMC comprises nine people that meet monthly to hear reports and set the direction for the cooperative. The three directors who are up for election this year are: Bobby Wright from District 2, Jerry Bowman from District 4 and Frank Kennedy from District 7.

The annual meeting is a good time to get together with old friends and to make new

friends among the Randolph EMC cooperative family. Attending the annual meeting also gives you a chance to establish new friendships from other parts of the Randolph EMC system. Our electric distribution system covers more than 1,500 square miles of area in five counties. It stretches from Mt. Gilead to Snow Camp, from Badin Lake to Goldston, and from Randleman to Pinehurst. Annually, for the last 63 years, members from across Randolph EMC's service territory have converged to conduct the business of the cooperative.

This year, some of the events at our annual meeting are a pole top rescue and electrical safety demonstrations, a health fair for our members and informational exhibits on programs offered by Randolph EMC. After the business meeting, we will be awarding some really nice door prizes, which include drawings for the children in attendance. Also, each member that attends will receive a "goody bag." Be an active member of your cooperative and attend this year's annual meeting. I look forward to seeing you there.

Cooperatively Yours,



Dale F. Lambert
Executive Vice President
and General Manager

