

Grassroots Opportunities

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With an eye on the White House, presidential contenders are beginning to gain momentum by utilizing grassroots initiatives to communicate a message and establish campaign organizations. Although this may be grassroots on a broad level, the truth is that many of us have been involved in a change initiative, perhaps without even realizing it. For example, if you sign a petition requesting a change at your children's school or vote on taxes to build a new hospital, you are part of a grassroots effort. Over the years my wife, Amy, and I have participated in local, state and federal candidates' races, supported a petition for annexation and have talked with elected officials about issues important to us and our family.



When it comes to grassroots activities that support your electric cooperative, I believe it actually starts with you, a member, participating in the selection of your co-op's leadership through the trustee election during annual meeting. However, CAEC is part of a much larger network in the utility industry, and when state and/or federal issues arise, there is expertise from electric cooperative advocacy organizations like the Cooperative Action Network (CAN). The CAN web site, Action.coop, provides tools and multimedia information on how to get involved, as well as background information on critical issues which our industry faces. During times when we need grassroots involvement, the network is activated and offers time-sensitive action items that assist our members in participation.

In addition, we have the Action Committee for Rural Electrification (ACRE®), an important part of the electric co-op network as well. The political action committee (PAC) gives financial support to congressional and state legislative candidates who understand and advocate on behalf of the value of electric cooperatives and their member-owners. For more information about this voluntary membership, visit our web site, caec.coop for more details or give us a call at 1-800-545-5735.

Just last month, CAEC representatives and hundreds of others from cooperatives nationwide attended the National Rural Electric Cooperative Association (NRECA) Legislative Conference (details on the next page) in Washington, D.C. Employees and members of electric cooperatives spent time on Capitol Hill talking to their congressional delegations and staffs about legislative issues affecting electric co-ops and their members. Electric cooperatives have established a reputation on Capitol Hill as a strong, honest, grassroots organization and legislators know that electric co-op members actively get involved by writing, calling and emailing their elected officials to have their voices heard.

Our goal at CAEC is to be an integral part of the communities we serve, while providing safe, reliable and affordable electricity. And that doesn't come easily—legislative and regulatory pressures can challenge the cooperative's ability to fulfill its goals. As co-op members, we have to remind our elected officials on a regular basis that the decisions they make can have a significant and sometimes a negative impact on co-op members.

Getting involved at the grassroots level is one of the best ways to make change happen and participating in this form of advocacy provides you the opportunity to express your concerns on issues affecting electric cooperative members like you and me.

Thank you for your interest. ■

Tom Stackhouse
President/CEO

Cooperatives Stay Connected to Washington D.C.

Bright sunlight reflected on the stone buildings of Capitol Hill in Washington, D.C., as cooperative leaders from across the country arrived for their annual visits with their elected delegations. During one of the three meeting days, May 4-6, more than 2,000 people, representing nearly every state, made their way into the Senate and House office buildings.

From Alabama, approximately 80 cooperative board representatives and staff, along with some family members, participated in the 2015 Legislative Conference, coordinated by the National Rural Electric Cooperative Association (NRECA). As a nationally-recognized grass-roots organization, NRECA hosts this annual visitation campaign, which allows cooperative members to thank their Congressional officials for their help or discuss concerns with them.



Senator Jeff Sessions (left) is pictured with Cooper Gray (center) and his father, Jimmy Gray, CAEC's VP of Engineering and Operations, following a breakfast at the legislative conference.

Topics for this year's visits included appreciation for:

1. the passage of House and Senate bills allowing the continued manufacture of large capacity electric resistance water heaters used in cooperative load control programs; (the bills were signed into law by the President in April), and
2. continued support of the Rural Utilities Service (RUS) Loan Program, allowing cooperatives to borrow funds for infrastructure improvements.

Members of Congress and their staffs were encouraged to co-sponsor and/or support:

1. the Ratepayer Protection Act, introduced by Energy and Power Subcommittee Chair Ed Whitfield (R-KY), which would protect ratepayers until litigation surrounding the Clean Power Plan (CPP) is concluded;
2. HR 1732 and S1140, designed to stop the regulatory burden imposed by the Waters of the United States (WOTUS) rule that would dramatically expand the regulatory reach of the Environmental Protection Agency (EPA) and the Army Corps of Engineers to include isolated ponds, puddles and ditches being subject to federal regulation; and
3. HR 1734 regarding the EPA's designation of Coal Ash as non-hazardous. Passage of this legislation would allow the non-hazardous designation to be permanent, which would provide long-term certainty and ensure continued beneficial recycling. ■



The U.S. Capitol is currently under renovation, which is scheduled for completion in time for Inauguration Day in January 2017.

Autonomy and Independence

The Power of Local Control

Official Founding PRINCIPLE #4

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

Electric cooperatives form a vast network across the country, from coast to coast. They're found in 47 states, serving 42 million people covering 75 percent of the nation's land mass. But what's unique is that each cooperative is an autonomous, independent business, controlled by its members, as described in the fourth cooperative principle, "Autonomy and Independence." While the cooperative itself is democratically controlled by its members through the election of the board of trustees or directors, it cannot be directed by any external organization.

Despite our obvious similarities, each co-op is different—first and foremost because the areas we serve are unique. Remaining autonomous and independent allows us to best serve the needs of you, our owners. That's because what might be a sound decision for one co-op, might not work for another. **Local** service and attention to your unique needs explain why having local control and governance is best for each electric co-op.

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For example, in the state of Alabama, electric cooperatives do not fall under the regulatory authority of the Public Service Commission (PSC), but is regulated by members of the cooperative.



Value of **Membership**

CAEC's Board of Trustees is elected and **trusted** to set policy and rates, representing the interest of the members, because CAEC trustees are also members of the cooperative.

But we don't operate alone. Our cooperative belongs to a statewide association, Alabama Rural Electric Association (AREA), as well as a generation and transmission cooperative, PowerSouth Energy Cooperative, which generates the power we deliver to you.

We are also members of the National Rural Electric Cooperative Association (NRECA), the Arlington, Va.-based national service organization that represents more than 900 consumer-owned, not-for-profit electric cooperatives, public power districts and public utility districts in the United States. Additionally, we have membership in Touchstone Energy Cooperatives, a nationwide alliance of more than 750 electric cooperatives which exemplify consistent standards of excellence and quality.

These umbrella groups provide support, such as valuable safety courses for our employees. Touchstone Energy gives us access to online energy audits and energy efficiency marketing information that is used to educate our member-consumers. Our statewide association and

NRECA advocate for us with lawmakers in Montgomery, Ala., and Washington, D.C., keeping public officials aware of how their votes can impact our members.

In spite of these benefits and established relationships, none of these organizations can direct the business of CAEC. Decisions about how to deliver your electricity at the lowest possible cost are left to our board of trustees, who are elected by you.

On occasion, we might need a large amount of capital to pay for infrastructure improvements. We can borrow from a number of sources, including the federal Rural Utilities Service (RUS) or the National Rural Utilities Cooperative Finance Corporation (NRUCFC), a private market lender that's organized and controlled by electric cooperatives. Of course, while we enter into any agreement—whether it's regarding financing, buying materials or contracting with a company to perform specialized work for us—no contract gives a third-party control over CAEC's operations.

In other words, for the co-op to stay a co-op, it's vital we stay close to you, our members, to ensure we are continuing to respond to your needs. This could be through energy-efficiency programs, providing convenient avenues for communicating or making payments or continuing our partnerships with businesses, schools and civic organizations.

Leaders of our co-op, who are members just like you, know this area and its needs well. Our ability to make our own decisions allows us to continue **servicing you** in the most efficient way possible while providing safe, reliable and affordable electricity, and that's the way it should be. ■

CAL.
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Pad-Mounted Transformer Safety



Darren Maddox,
Manager of Training
& Safety

Most of us have seen those big green boxes that generally sit on concrete, often on residential lawns (on our right-of-way) within new housing developments. These boxes are called pad-mounted transformers and they're a key part of the underground electrical system that delivers power to numerous homes, perhaps even yours. When homeowners, concerned about curb appeal, try to hide them from view with bushes, fences or flower beds, this creates an unsafe

situation for all concerned, including CAEC line workers. Pad-mounted transformers contain high voltage electrical equipment and caution must be used when planting or landscaping near them.

When considering any landscaping near electrical equipment, CAEC recommends leaving at least 10 feet of clear space in front of pad-mounted transformers. Linemen repair units while they are energized so homeowners won't experience an interruption in service. To ensure safety, they use an 8-foot fiberglass hot stick that requires about 10 feet of "elbow room" in front of the access panel.

terfere with its operation. Allow at least three to four feet of space on both sides and behind the transformer.

Overheating is another concern that can cause service interruptions when air circulation is compromised. Never install fences or storage buildings near them—allowing for adequate air circulation to keep the boxes cool and working properly. Excessively high temperatures might eventually cause oil leakage, which could further increase the chance of equipment failure or may become a fire hazard.



If you notice a damaged transformer, immediately contact CAEC at 1-800-545-5735.

Any obstruction can create safety risks to CAEC personnel trying to access the transformer; delay service restoration during power outages; and cause problems during routine maintenance of equipment.

Occasionally, we may need to repair a transformer, or it must be upgraded and replaced. To perform this work, line trucks must be driven into the right-of-way and the transformer lifted out. Although we try to minimize the impact, plants or other obstacles will be damaged if they're in the way.

Furthermore, never allow children to play on or near transformers. While locks are in place to ensure the doors and covers on transformers remain closed, electrical equipment should never be considered a toy. And if you do notice a transformer is unlocked or damaged—such as leaking oil, presence of smoke or evidence that it has been struck by a vehicle, immediately contact CAEC at 1-800-545-5735.

During your next landscaping project, resist the temptation to "hide" your transformer behind plantings or other obstructions. These green boxes play a crucial role in delivering reliable power to your property. Additionally, because underground service continues from the transformer to your home, you should never dig anywhere in your yard without first calling 811 to find out where cables are buried. ■



Although plenty of space is left in front of the transformer, overgrown vegetation on the other three sides can cause problems.

Plant roots can interfere with the operation of transformers.



In some cases, members may leave plenty of space in front of the transformer, but grow vegetation on the other three sides. This invites problems—for example, plant roots can in-



Recipe for *Efficiency* from CAEC

Install a Programmable Thermostat

Imagine the air conditioning automatically cooling your home 10 minutes before you walk through the door. And wouldn't it be nice not having to remember to bump the temperature back up as you leave for work? These small advantages make the programmable thermostat not only a budget-friendly upgrade, but also a convenience.

Also on the market are smart programmable thermostats which are connected to Wi-Fi, allowing you to program your

thermostat from your computer, tablet and smartphone.

According to the Department of Energy, installing a programmable thermostat can help you save between 5 and 15 percent on your monthly cooling and heating bills. The process to install a traditional programmable thermostat takes less than an hour, and with many models available starting at \$25, you can recoup the initial expenditure after only one year of use.

Ingredients (supplies):

Programmable Thermostat
Batteries (if applicable)

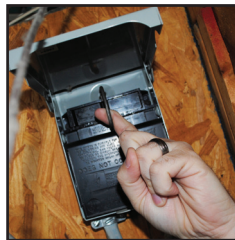
Utensils (tools):

Screwdriver
Drill/Driver
Level

Directions:

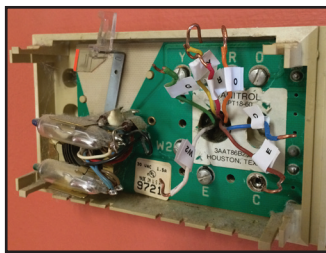
When shopping for your new thermostat, make sure it is compatible with your home's system. Read the instructions with the new unit BEFORE starting the installation. Manufacturer's installation instructions might differ slightly for each model. If you have any doubt about the electrical connections, contact the manufacturer.

1. Turn off the power supply to the thermostat at the breaker box and cut power to the indoor HVAC unit. This could be a switch or a breaker; it will be near the indoor air handler.



2. Remove the old thermostat cover.

3. Remove wires one at a time from the old thermostat and label each one with labels from the new thermostat. Once all the wires are labelled, remove the old thermostat plate from the wall. If the old thermostat contains mercury tubes, it must be recycled—check with your local hardware store for proper disposal.



4. Install the new wall plate. Use a level and mark the location for the mounting holes. Drill the holes and, if needed, insert drywall anchors which should be provided by the new thermostat (this step will vary depending on the

model). Feed the wires through the wall plate, pulling the wires out about an inch so they don't fall back into the wall and fasten the plate to the wall with a screwdriver.

5. Follow the instructions in your manual to verify all the wires are connected correctly. The instructions should include two sets of wiring guides: one for a heat pump and one for a conventional (electric furnace) system.



6. Install batteries (if appropriate) in the new thermostat and insert new faceplate.

7. Restore power at the main breaker and next to the indoor air handler. Program the new thermostat according to the manufacturer's instructions. Test the new thermostat to make sure it's operating properly. If you have a heat pump, ensure the heat strips (auxiliary heat) are not coming on too soon or automatically—an indication of improper installation or an incompatible thermostat.

Installing a programmable thermostat is a small job that can have a big impact on your monthly cooling and heating bills. For proper installation and safety, be sure to follow the instructions precisely.

Enjoy a Hot Shower and Help Control Costs at the Same Time



By having a CAEC Peak Shaving Device installed on your electric water heater, you'll still have hot water when you need it, while helping the cooperative reduce its need to pay for peak-time power costs.

If enough people join this effort, we can have a positive effect on our future rates. Will you join us?

The peak shaving device for your electric hot water heater is free, and will be installed by a licensed electrician at no cost to you just by submitting the form below.

To learn more about this program, visit our web site, www.caec.coop, or call (800) 545-5735, ext. 2118 or (334) 351-2118.

Yes, I agree to do my part by joining CAEC's peak shaving program.

Name: _____ Phone #(s): _____

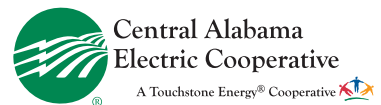
Address: _____ City: _____ St: _____ Zip: _____

Account #: _____

Email: _____

Number & Size(s) of Water Heater(s): _____

Signature: _____



Mail form to: Central Alabama Electric Cooperative, P.O. Box 681570, Prattville, AL 36068