

Green jobs are already being created in North Carolina

Jim Kinghorn, Executive Vice President & General Manager

There has been a lot of publicity from the political front about all the “green” jobs being created around the country and the hopes that our own North Carolina-elected officials will capitalize on the “green” craze.

The recent study released concerning wind generators potentially to be located in Pamlico Sound (and possibly later in other coastal locations) claimed an incredible quantity of “green” jobs to be created. The study indicated tens of thousands of “green” jobs could possibly result. But many “green” jobs are already being realized in North Carolina as a result of well-intentioned renewable energy legislation passed by the General Assembly in 2007. Cape Hatteras Electric Cooperative is seeing this job creation first hand. In order for electric utilities to comply with this legislation a number of jobs have already been created and more can be seen forthcoming in the future.

CHEC and other electric cooperatives around North Carolina saw that a great deal of employee time would be necessary to meet the legislation’s requirements. Developing energy efficiency programs, preparing contracts and specifications, purchasing supplies, obtaining and evaluating bids and negotiating contracts for renewable power sources, informing consumers, preparing compliance document filings are just some of the daunting tasks that face these small utilities. In order to carry out these tasks in the most cost effective manner, most of North Carolina’s electric cooperatives joined together and formed GreenCo Solutions, Inc. to implement these requirements on a cooperative basis. The fact that we are

doing this together for efficiency’s sake misses a point. All this effort, and even more to come, accomplishes one major result: increasing your electric bill.

If the nearly non-productive activities listed above aren’t enough, there is more, much more coming. In order to meet the requirements of this renewable energy legislation, utilities are going to have to find qualifying projects (some outside of N.C.) that produce “renewable energy credits” or “RECs” as they are now being called. These RECs are “generated” by projects based on precisely defined arcane regulations.

North Carolina Utilities Commission

Not just any project that could possibly generate RECs can do so. All projects must be approved by the N.C. Utilities Commission (NCUC). This translates to more dollars to “green” employees, consultants and attorneys. Since 2007, NCUC has been crafting detailed regulations and issuing a series of “clarifications.” By January 1, 2010, N.C. electric utilities are expected to begin showing the NCUC that they are obtaining a portion of the electric power that is sold to retail consumers is being produced by solar methods.

Cape Hatteras EC has already committed to purchase some solar RECs to meet a portion of the 2010 requirement.



In 2008, CHEC’s power supply cooperative, NCEMC, joined five other power suppliers to invest in the Story County Wind Energy Center near Colo, Iowa. The wind energy farm consists of 100 1.5-mw turbines. NCEMC’s share is 12 mw. Energy is transmitted to the Midwest grid.

CHEC originally planned to meet most of the solar requirements by subsidizing solar residential water heaters on Hatteras Island in order to keep at least some of the money spent in our electric service area and benefit some CHEC consumers directly. Lack of clear regulations on how the RECs produced from solar water heaters are measured and verified has prevented implementation of this project so far. While projects are being built and contracts are being signed to buy solar power RECs, utilities have no way of being sure that these projects will be approved. Some may not be. The result: more dollars possibly spent for absolutely nothing.

Renewable Energy Credits

Let’s examine these RECs a little deeper. These credits (alternately referred to as “certificates”) will be accounted for,

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“banked,” traded, brokered, bought and sold. The NCUC is developing a “tracking” system to make sure that the credits are from approved sources, properly documented, not duplicated, not used more than once and on and on. Developing, maintaining and auditing the system will take, you guessed it: more dollars and “green” jobs. This process looks a lot like a whole new type of banking and stock brokerage system, complete with mysterious “instruments” similar to what got the real banking system in trouble over the last few years.

If this development of nonproductive “green” jobs at the state level isn’t troubling enough, the U.S. Congress thinks it is wonderful enough to expand on it. In an effort to reduce the creation of carbon dioxide, legislation is being debated in Washington to create a similar framework of “carbon” credits. Currently this debate is taking place under the name of “Cap and Trade.” Watch for a name change very soon. Frequently when an issue becomes highly unpopular with the public as Cap and Trade has, the name is changed by those

supporting it to something with a very nice and friendly connotation.

These are not the “green” jobs that many assumed would be created that also would be good for the economy. We thought you might want to know in case you have the opportunity to discuss it with your elected officials. Cape Hatteras EC and electric cooperatives nationwide have long endorsed efficiency in energy use, but recent state and proposed federal legislation appear to require efficiency and renewable sources to be obtained in an unnecessarily expensive way.

December is “Operation Santa Claus” month at Cape Hatteras Electric



Each year, CHEC invites everyone to participate in the Operation Santa Claus

Christmas program, which coordinates with Angel Gifts on Hatteras Island. Operation Santa Claus and Angel Gifts are sponsored by Dare County Social Services and participating Hatteras Island local churches.

The CHEC office in Buxton is the delivery point for new and unwrapped gifts for children ages birth to 18 years. Monetary donations by cash or check

are also appreciated. Please make your check payable to CHEC with Operation Santa Claus noted in the memo. Your gifts or donations need to be delivered to the CHEC office no later than noon on Thursday, December 17, 2009.

Your gifts and sharing will give those who are less fortunate a very special Christmas holiday. Should you have questions, please contact Anne Swain (252-995-7083) or annes@chec.coop. Operation Santa Claus has experienced several years of generosity from those of you who have participated. CHEC, Dare County Social Services and the churches of Hatteras Island appreciate your contributions and sharing.

CHEC office closed for holiday

CHEC will be closed for the Christmas holiday on Thursday and Friday, December 24-25. For your convenience CHEC offers these methods of payment: pay online at www.chec.coop using your VISA, MASTERCARD or e-check or by manually depositing your payment in the local drop box to the left of the CHEC front office located at 47109 Light Plant Road, Buxton.



Members to receive capital credits refund

The capital credit refund disbursed in 2009 represents 25 percent of Cape Hatteras Electric’s 2008 margins. Of the \$102,046 refunded to our members, 50 percent or \$51,023 was applied to the capital credits of our active members in 2008. The remaining 50 percent or \$51,023 was applied to members with service in 1975 and 1976.

Capital credits are our members’ ownership of CHEC. Capital credits



are a part of the unique, non-profit, cooperative way of doing business. It pays to be a cooperative member.



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