

A time for consumer action

Jim Kinghorn, Executive Vice President & General Manager

Representing your interests

Part of the basic mission of electric cooperatives is to look out for the interests of its consumers with regard to energy matters. Most of the time action is taking place on consumers' behalf without their realization. Cooperative employees and directors maintain contact with state and federal elected officials to educate them concerning proposed legislation that may help or hurt electric consumers. Usually legislators give serious attention to what electric cooperatives say for three reasons: honesty, consumer interest and reasonability. Information given to elected officials must meet all these criteria.

First, what is presented must be unquestionably the truth. Issues are carefully researched to make sure that all data and facts are correct and appropriately represent the position taken by cooperatives. Trying to slip something past anyone will destroy future credibility.

Second, any position taken must meet the test of being in the best interest of the majority of our consumers. Seldom does an issue arise where 100 percent of consumers will agree with any position, but this is no reason not to look after the interests of the majority of them.

Finally, positions taken by electric cooperative representatives are structured to be reasonable requests. Just because a position may be in the interest of a majority of our consumers does not make it realistic if other segments of the society suffer unreasonably as a result.

A fast-moving, huge concern

As consumers realize, there has been a large amount of legislation, especially at the federal level recently. Equally realized, news accounts have accurately

reported that some of this legislation was passed in haste without legislators comprehending the basic premise of the laws, much less the possible unintended results. Another piece of legislation that may get passed without adequate scrutiny was contained in the first draft of the 2010 federal budget.

A proposal known as "Cap and Trade" was in the proposed budget. While it has been at least temporarily removed, there is great concern that it may find its way back into the budget, or will be either attached to another piece of legislation or passed as a single piece of legislation, possibly under a new name. If this idea is passed into law, it can have devastating impacts on our economy in general and on electric consumers in particular. The idea was presented as a way of funding a significant part of the 2010 Budget. Part of the justification was to return a portion to those who would be hurt by it, with the remainder being used to support other programs in the Budget.

The plan was to auction off the "right to pollute." The right of electric power generators to continue to operate power plants that emit carbon dioxide would depend entirely on them successfully bidding on the right to do so. Budget requirements were that the minimum price would be set at \$20 per ton of CO2 emissions. If the auction is open to the public, there is nothing to keep the price from being higher than the minimum, in fact much higher. At \$20 per ton, the price was calculated to increase electric rates by 40 percent. Speculators, including foreign speculators, could bid the price very high and in turn offer the rights to U.S. electric generators at an even higher price. The operators of coal and oil fired electric plants would only have two choices: pay

the price or not operate. While North Carolina's electric cooperatives do not own and operate any coal-fired plants, they do own some smaller plants that use natural gas and a small amount of oil. Even more important, however, is the fact that coal-fired generation is in the mix of electric power N.C. electric cooperatives purchase. These power purchases result in a little less than half of the power we sell being subject to the cap and trade proposal.

This proposal, under any name or method of enactment will impact our consumers and most of the country in a huge way.

What can you do?

It is time for consumers to speak up! No matter whether your U.S. Representative and Senators support or oppose the "Cap & Trade" idea, they need to hear from you and they need to hear now. Electric consumers who reside in and out of state need to become involved quickly.

Electric cooperatives have put into place two Web sites to help electric consumers send messages to Congress. You are urged to visit one or both of these Web sites and get involved:

www.FindABalancedSolution.org

www.OurEnergy.coop

If you do not have access to the internet, you can call toll-free: 1-877-40BALANCE or (1-877-402-2526).

These websites and phone numbers are also designed to send Congress the general message that the cost of environmental solutions need to receive more attention than has been given previously. Unless you take time to be involved now, your future electric bills could increase dramatically in the next few years.

CHEC offers mail and e-mail billing options

CHEC continues to offer its membership beneficial and convenient services related to receiving and paying their monthly bills. The newest electronic billing service, E-bill, allows consumers to receive their monthly statement through the e-mail address on their CHEC electric account. To receive an E-bill in the future, call 252-995-5616 or 800-454-5616 to speak with a customer service representative or e-mail a request to billing@chec.coop. The options for receiving your bill are as follows:

1. Receive your statement by e-mail rather than a mailed printed paper copy
2. Continue receiving the printed paper copy only.

3. Receive your statement by e-mail and also the printed paper copy by mail

E-bill improves the bill payment process by allowing members to electronically receive bills and send payment information using convenient and cost effective technology. Make the efficient choice today by choosing E-bill as your monthly statement.

Also included in the CHEC member payment services are the E-check; credit/debit card; bank draft or credit/debit card draft. Credit cards honored by CHEC are VISA and MasterCard. To access forms for these services, visit www.chec.coop, click on CHEC Forms then choose and complete either Bank Draft Form or Credit Card Draft Form. To pay on-line with VISA or



Customer Service Rep. Kristen Jackson

MasterCard or E-check, click on the Pay Your Bill Online button and follow the instructions.

RED FLAGS RULE PROTECTS MEMBERS IDENTITY

The Federal Trade Commission established the "Red Flag Rules" to protect consumers from identity theft. In accordance with the law, CHEC will verify the identity of members for all requests concerning their electric account beginning May 1st.

Residential electric generators available

Cape Hatteras Electric Cooperative has made arrangements for consumers wanting permanently installed residential generators. Through an arrangement with Dominion NC Power, CHEC consumers can have a propane-fuelled standby generator installed at their residence on Hatteras Island. Generators will be sized to meet consumers' needs and installed by licensed local electrical contractors. Interested consumers can call the CHEC office or check the Web site www.chec.coop for the toll-free telephone number for this service, which was unavailable at the time this publication went to press. Financing and maintenance agreements may be available.

Official Notice: Annual Meeting of Members



The Annual Meeting of Members of the Cape Hatteras Electric Cooperative will be held at:

Cape Hatteras Secondary School
48576 NC Hwy 12, Buxton, NC 27920
Monday, May 11, 2009, 7:00 PM
(Registration begins at 6:00 PM)



Teachers: It's time again to apply for your BRIGHT IDEAS grant!

Visit www.ncbrightideas.com for pertinent information on the 2009-2010 program, or contact Anne Swain, (252) 995-7083 or annes@chec.coop.



Published by:
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