



JUNE ■ 2009



# REAL PEOPLE. REAL POWER. Tideland Topics

A NEWSLETTER FOR THE MEMBER-OWNERS OF TIDELAND ELECTRIC MEMBERSHIP CORPORATION

## THE CO-OP WAY: Allocation of 2008 member margins

As a not-for-profit, member owned cooperative, Tideland EMC's year end margins are allocated to each member-owner's account for future refund. This is in keeping with our mandate to deliver electric service at cost. Margins represent those dollars remaining after all our expenses have been paid.

In 2008, the cooperative's income totaled \$40,658,148. After expenses, the cooperative realized a net margin of \$3,227,984. The total amount allocated to an individual member's account is based on the amount of energy you purchased from the cooperative during 2008. For 2008 margins, the allocation factor is 7.9¢ per \$1 of revenue received. The following table illustrates allocations based on typical residential energy use:

2008 Member Margins Allocated to Members			
If you paid this much for energy in 2008	\$1200	\$1800	\$2400
Your share of 2008 member margins are	\$95.75	\$143.62	\$191.50

Allocated margins appear as an entry on Tideland's permanent financial records and reflect your equity or ownership in Tideland. When margins are retired, a check or electric bill credit is issued and your equity in Tideland is reduced. The timing of margin retirements is dictated by the cooperative's overall financial picture and capital requirements and is subject to the approval of the federal government's Rural Utilities Service.

### REAL FACTS:

*Avoid exposure to high bills this summer*



- Keep your air conditioning thermostat at 78° F or higher this summer
- Replace cooling system filters monthly and avoid the use of pleated filters
- Turn ceiling fans off in unoccupied rooms
- Use exhaust fans after showering or cooking to dehumidify your home and reduce the air condi-

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- tioning load
- Empty and unplug underutilized refrigerator/freezers, especially those in garages or sheds
- Install compact fluorescent bulbs which give off very little heat compared to incandescent bulbs
- Inspect duct work for leaks
- Don't close interior doors if you have a central air conditioning system
- Set an energy goal and track meter readings daily

## Message to our Member-Owners: Cost matters to members

By Cecil O. Smith, Jr.  
General Manager & CEO

*Editor's Note: Due to the critical importance of pending energy legislation, we will resume our board member series of articles in the July issue of Tideland Topics.*

Franklin Roosevelt said electricity is a necessity, not a luxury. It must be affordable for all Americans. It's as true in 2009 as it was over 70 years ago.

That was, in fact, our primary message to Senators Burr and Hagan and Congressmen Jones and Butterfield during a May visit to Washington, D.C.

With regards to climate change legislation and regulation of carbon dioxide (CO<sub>2</sub>) emissions we asked that the following considerations be included:

- Oppose auctioning of CO<sub>2</sub> allowances in the electricity sector.
- Give allowances to retail electric utilities, based upon CO<sub>2</sub> emissions from the production of electricity sold by the retail utility.
- Set CO<sub>2</sub> caps consistent with the commercial availability of technology.
- Do not allow Wall Street speculators to set electricity rates by treating CO<sub>2</sub>

allowances as just another money-making commodity.

- Support an "economic safety valve" that limits CO<sub>2</sub> allowance prices.

Legislators were particularly interested in hearing real stories about real members and the very real consequences that could result from ill conceived energy legislation. Many consumers would be hard pressed in current economic times to pay 10, 20 or 30 percent higher energy costs.

Already, many Tideland members are having trouble making ends meet. For the month of April 2009, Tideland saw a 113 percent jump in past due electric account balances over the same time last year, a clear indication that members are in danger of not meeting basic needs.

We remember a time 70 years ago when electric service was reserved for a select group of people while others were passed by because of economic circumstance. What progress have we made if some return to darkness?

# 3rd Annual "Change a Light" Contest

## New Twist: 1 entry per bulb & a \$400 prize

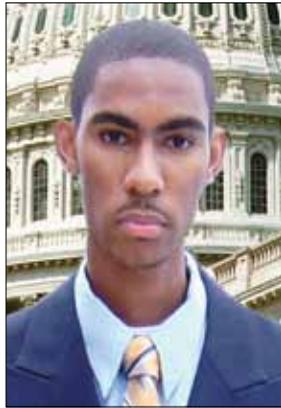
Would you change one light bulb if it meant saving up to \$30 per year? That's the potential of installing just one ENERGY STAR bulb in a high use fixture. Tideland EMC is sweetening the pot with an additional incentive. Mail in your receipt showing a compact fluorescent bulb purchased after May 1, 2009 and you're entered in our drawing for a \$400 credit on your electric bill. New for 2009: You receive one entry for every bulb purchased! Remember to write your name, account number and daytime phone number on the receipt along with the number of bulbs purchased and mail to: Tideland EMC, PO Box 159, Pantego, NC 27860. The deadline to enter is Dec. 1, 2009.



# Co-op scholarship winners named



**Brinkley Johnson**  
Pungo Christian Academy  
Brinkley will study exercise and sports science at Pfeiffer University. She is the daughter of Jimmy and Donna Johnson of Washington.



**Warché Downing**  
Plymouth High School  
Warché is the son of KaTina Downing of Plymouth. He will major in biology at UNC-Chapel Hill to prepare for a career in medicine.



**Kiawana Fulford**  
Mattamuskeet High School  
Kiawana is the daughter of Laverne and Linda Fulford of Engelhard. She will attend Winston Salem State University to study nursing.



**Mariah Van Essendelft**  
Terra Ceia Christian School  
Mariah is the daughter of Bernard and Monique Van Essendelft of Pantego. She will major in occupational therapy at ECU.



**Temple Mills**  
West Craven High School  
Temple will major in biology at East Carolina University. She is the daughter of Annette Mills of Vanceboro and the late Robert Mills.



**Roderick B. Cox**  
West Craven High School  
Roderick is the son of Angelyn Cox of New Bern. He will major in engineering at N.C. State.



**Deanna Sutton**  
Washington High School  
Deanna is the daughter of Ida Sutton of Washington. She will attend Beaufort County Community College to prepare for a career in health care.



**Bridgette Haislip**  
Washington High School  
Bridgette will major in agriculture and life science at N.C. State University. She is the daughter of Chris and Sarah Haislip of Washington.

1. Performs an on-site inspection of your home and existing duct system before bidding
2. Sizes the system according to a heat gain/heat loss calculation which should accompany the bid; If sizing is based solely on square footage, find another contractor
3. Lists in detail all work to be performed including installation, duct installation or repairs, and job site clean up
4. Bid specifies all products by quantity, name, model number, energy ratings and warranty coverage
5. Explains care and maintenance of your new system along with proper thermostat operation before leaving site

# Stop surges before they stop you

Tideland recommends installation of a surge protection system to guard against damage from both external and internal spikes and surges.

External surges can be produced in many ways, such as lightning or vehicles hitting utility poles. These surges enter your home through electric, cable, or telephone wires.

Surges created inside your home can be caused by the starting and stopping of appliance motors such as air conditioners, washing machines, and vacuum cleaners. Though not as serious as surges from lightning, they

can still wear away the circuits on your sensitive electronics.

To protect your home and electronic equipment takes a double line of



defense. Install a surge arrester at your electric service panel AND a point-of-use surge protection at the outlets where you plug in your valuable or sensitive electronics.

Tideland EMC offers sales and installation of a heavy duty surge arrester to protect against external surges that come in through the electric service. The \$290 charge includes ground rod testing. Tideland offers financing with \$90 down and 10 installments of \$21 each. The device is suitable for services up to 600 amps. Installer Geary Brown will be glad to discuss your commercial surge protection needs and units specifically designed for central air conditioning units and swimming pool pumps.

For more information call Tideland at 1.800.637.1079.

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## Tideland Topics

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## Carbon Coffers

Federal climate change proposals seek to reduce emissions of carbon dioxide (CO<sub>2</sub>) through one of two mechanisms: a carbon tax or a cap-and-trade system. Here's a comparison of the two proposals.

### Cap and Trade Tax

In its most basic form, cap and trade uses market forces to curb emissions. Each source, like a power plant, has a limit, or set number of allowances, placed on the amount of gases it can release; that's the cap. Those who make investments to curb emissions under the cap can sell any extra allowances to those who can't make reductions as easily: that's the trade. Current legislation seeks to conduct the trade via an auction system.

### Pros

- If implemented well, provides an opportunity to find the most efficient ways to reduce emissions
- Guaranteed CO<sub>2</sub> reductions.

### Cons

- Financial speculators could ultimately determine the price of carbon, directly impacting electricity bills
- Success of reducing emissions relies on technology that is currently limited, largely untested, and expensive
- If used to generate additional federal revenue, essentially turns power companies into government tax collectors

### Carbon Tax

A levy on energy sources emitting carbon dioxide meant to cut consumption of fossil fuels. The tax would likely be based on carbon content by ton. The effectiveness

of such a system would largely depend on the price or tax per ton.

### Pros

- Economic certainty: costs are easily tallied up-front
- Resulting revenue could be used for research on new energy technologies, create incentives for non-emitting sources such as nuclear power and renewables, or returned to taxpayers via rebates

### Cons

- No specific CO<sub>2</sub> reduction goals are set
- Sources of emissions could essentially pay to maintain "business as usual"
- If the tax is too high, energy prices could skyrocket impacting the prices of virtually all U.S.-produced goods and services

Source: National Rural Electric Cooperative Association