



Roanoke Electric **FLASHES**

Responding to the call to serve: Increasing member communications and sustainable subsidiaries

By Curtis Wynn, *President and CEO*

Over the past nine months, we've gradually communicated many efforts we've done and will be doing in response to your call for us to serve you. So far, you've heard updates about the strides we've made towards producing measurable targets in reducing controllable costs, improving reliability, improving safety and improving member satisfaction. Even with all of those combined efforts we've set in motion, we still feel that there is more that we can do for you.

As we move into the final quar-

ter of 2014, we'd like to close this year out by telling you what we're doing to increase our communications with our members and to ensure the sustainability of our subsidiaries.

Increasing Member Communications

Ever had a million-dollar idea but didn't have the resources to communicate your idea to the right people? Well, your cooperative knows that it is critical to effectively communicate all of the great ideas, programs and events available to our members – especially those

that enhance your member value and quality of life.

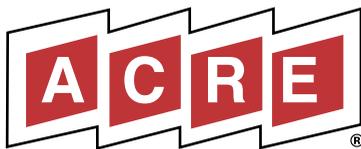
As a major part of our effort know as The Call:2018, we've found that communicating our actions is as important as or more important than accomplishing the initiatives themselves.



Curtis Wynn

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“I support ACRE”



Roanoke Electric Cooperative's ability to serve you and your community is enhanced when supportive legisla-

tors understand their votes matter to co-op members. Candidates who receive support from you get an important message about your interest in Roanoke Electric Cooperative and rural electrification.

As a member of Roanoke EC, you have the unique right to make financial contributions to the campaigns of candidates who support electric cooperatives. You can do this by joining the Action Committee for Rural Electrification (ACRE).

When Roanoke EC members and ACRE supporters, Phyllistine Simmons and her mother, Eunice Eley, were asked why they became ACRE Members, they replied:

“We became ACRE supporters because we believe we're standing up to lower our monthly bills and keep it affordable for other families by letting our voice be heard.”

Phyllistine Simmons and Eunice Eley, Murfreesboro

If you want to join Mrs. Simmons and Mrs. Eley in letting your voice be heard, call us at 252.209.2236 to find out how you can become an ACRE supporter.



Wynn: REC is responding to the call to serve (continued from page A)...

We believe that we have some “million-dollar” ideas and the right resources to communicate those ideas to the right people – you!

Currently, REC has more than 30 ways we can communicate to our members. Social media is a critical component and we are deploying it to reach a certain segment of our membership. Whether it be through Facebook, Twitter or even YouTube, your cooperative wants to be sure that members are the first to know all of the information important to them.

We know that transparency and engagement are accomplished through consistent and clear communications. Therefore, an overall communications strategy will be developed to ensure that we use the best approaches to inform and engage our employees, members and other key stakeholders.

Making Subsidiaries Sustainable

Presently, your cooperative is experiencing negative growth due to a departure of very talented individuals seeking quality of life outside of our region. A lesser number of individuals to serve each year raises the concern of spreading the costs of operating and maintaining an electric system which is steadily increasing across a smaller number of individuals.

So where do we find the balance? Raising our rates is not a viable



solution for making up for the lack of growth and declining kWh sales. We realize that your electric bill is already a big portion of your monthly expenses and increasing that expense will only put a bigger strain on your household.

That’s why we have made it a priority to ensure that our subsidiaries are sustainable. REC’s subsidiaries were established to allow us to provide a broader range of services without incurring additional expenses; and to put us in a position to earn additional non-electric sales revenue. At this time, REC has these two subsidiaries.

The Roanoke Center

As a 501c3 non-profit organization, The Roanoke Center (TRC), enables us to obtain grant funding to pay staff salaries for personnel who manage our energy efficiency, sustainable forestry, business development and financial education programs. If we didn’t have TRC as a tax-exempt, non-profit compa-

ny that is eligible to receive grants, these programs would either not exist or would cost REC more money to operate.

BSN Central

Our for-profit entity, BSN Central, was designed to earn additional revenue to make up for lost revenue from slow growth, energy efficiency efforts and renewable energy programs. BSN Central is a for-profit business that serves the dual purpose of saving REC money and earning revenue by providing cost-saving services to other entities.

We are exploring additional ways to generate revenue, such as making broadband communications available throughout our region with the Roanoke Connect project.

As you can see, your cooperative is responding to your call to serve in a big way. Be sure to stay up to date on our latest projects by visiting www.roanokeelectric.com/thecall2018.

Correction:

The Roanoke Center Phone Number

In September, we published an article in Roanoke Flashes entitled “Need access to a computer? The Roanoke Center is here for you!” Please note that the correct phone number to contact the center is 252.539.4600.



Roanoke EC annual meeting focuses on responding to The Call

Roanoke EC debuted its “Big Four” initiatives, acknowledging the strategic focus it has placed on being “best in class” in member service, financial accountability and operational efficiency. These initiatives were on display for members to learn of the major projects that are on the horizon for this year.

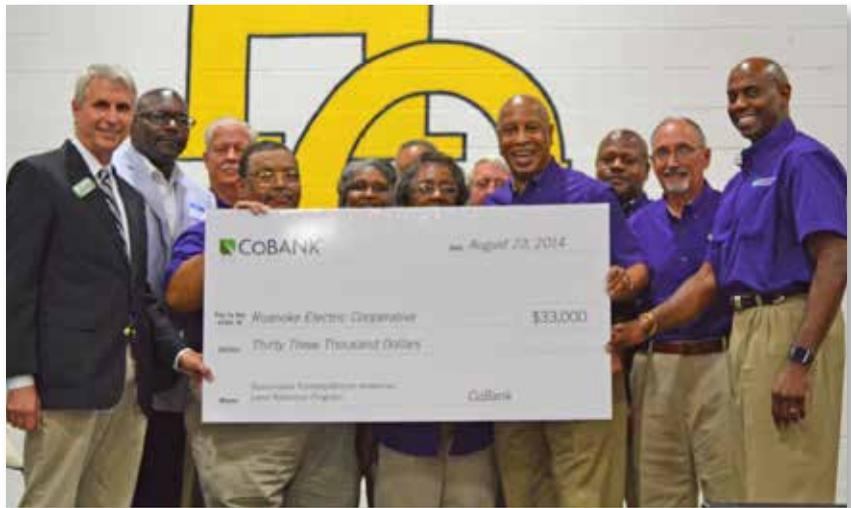
More than 500 members, guests, community organizations, friends and employees gathered to enjoy the festivities of this year’s Annual Meeting and Member Appreciation Day on Saturday, August 23, at Hertford County High School in Ahoskie. A member-focused theme, “Responding to the Call to Serve,” resonated throughout the day’s agenda.

Although the event has been a tradition for Roanoke EC for more than 70 years, the meeting was full of new offerings that promoted Roanoke EC’s strategic effort to serve through action. Attendees were able to receive free credit checks and financial literacy information through BB&T’s bank bus, free health screenings from the Hertford County Public Health Mobile, free tornado training with the Hertford County Fire Department, and free gifts and door prizes from Roanoke EC and local vendors.

While some members walked away with as much as \$275 cash in their pockets, all members in attendance received a \$10 bill credit on their next utility bill.

The cooperative’s general counsel, attorney Everette Winslow of Winslow-Wetsch of Raleigh, presided over the meeting.

Roanoke EC members later approved the nominating committee’s recommendation to re-elect the following board members to



Lee A. Earhart presented Roanoke’s Sustainable Forestry and African-American Land Retention project with a \$33,000 check on behalf of CoBank. This will help fund the project through 2015.

serve another three-year term: Delores Amason (District 2), Millard “Mickey” Lee (District 6), and Allen Speller (District 8).

The State of Roanoke EC

The address from President and CEO Curtis Wynn focused on REC’s “The Call 2018” brand while highlighting its Strategy Execution “Big Four” initiatives, specifically.

Responding to “The Call” is a simple combination of “asking you questions about how we are serving you, listening to what you have to say to us and responding in a manner that provides you better service,” Wynn stated. “One way this happens is through the use of surveys,” he continued.

For the past several years, REC had a firm contact its members about REC’s service levels. The cooperative then receives feedback on a quarterly basis and takes the proper actions to address the members’ concerns.

Another way the co-op responds to “The Call” is by coming to your communities and

conducting Community Forums, Wynn remarked. These forums are conducted throughout REC’s service area to share updates and information with members and allow them to share their concerns as well.

Wynn then highlighted results from one of the more recent surveys. According to this members’ survey, there was a big difference between the level of importance members place on “lowest cost” and how members thought REC was performing in that area.

Wynn said that since REC’s performance wasn’t meeting members’ expectations, there was more work to be done. “Today, we are officially launching ‘The Call 2018,’” Wynn reported. “This means we are taking steps to ensure that we fulfill our mission, which is to provide members with safe, reliable and affordable electricity, while enhancing the lives of our members; and doing so in a way that meets all of their expectations,” he said.

He then called on Mrs. Dianne Stephens to talk about how REC

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Annual meeting highlights (continued from page C)...

has responded to the call to provide her family with better service. She eagerly gave a testimonial about the “Straight Talk” Forum that she attended in Windsor in 2013. She indicated it meant a lot to her that our board and staff would convene such meetings to keep members informed.

Wynn also noted that recently REC has developed a Strategy Map, part of a much larger Strategy Execution System that provides the cooperative with the best tools possible to operate efficiently and effectively to meet and exceed members’ expectations.

The Strategy Map combines the member, financial, operational and employee perspectives of REC. The map states that REC is building on its core values to engage its team so that they can execute strategies that enhance value and improve members’ quality of life.

“Through all of our listening and planning on how to respond to The Call to Serve, we began working on approximately 30 initiatives to better enable us to exceed your expectations,” Wynn said. Wynn’s focus was placed on what the cooperative has coined as the “Big Four” of these initiatives.

Bright Savings

The first of the Big Four initiatives is REC’s Bright Savings project. This project replaces all of the existing mercury vapor and high-pressure sodium outdoor lights on REC’s system with (LED) Low Emitting Diodes Lights.

Why LED Lights? Perhaps it’s because “this project will give you better lighting at a lower price and with fewer failures,” Wynn stated. How? Members will see the following benefits as a result of this project:

- ❑ Members’ cost will be \$2.30 lower per month per light after the conversion
- ❑ LEDs will be about half of energy usage
- ❑ LEDs are more reliable and require less maintenance

REC anticipates that this project will take approximately 24 months to complete. Members were encouraged to be on the lookout for a schedule so that they’ll know when to anticipate receiving the LEDs.

Upgrade to \$ave

Members were then introduced to REC’s second initiative – Upgrade to \$ave. This program allows

members to make energy efficient upgrades to their homes to lower their electric bill at no upfront costs by making monies easily accessible to members who need these upgrades.

Ultimately, REC will finance and manage the entire process for energy upgrades with local contractors. No promissory notes are required for members.

Wynn then informed attendees of the following program repayment obligations:

REC will apply a fixed monthly charge to the locations’ electric bill where upgrades are done. This means that members only pay as long as they stay at that location.

Amount and terms of up to 10 years for repayment will be determined on a case-by-case basis.

A member’s repayment amount will be no more than 75 percent of their savings.

“We anticipate a need for approximately \$7 million to cover estimated capital requirements for an Energy Efficiency Work Plan that spans a four year period,” Wynn noted. That figure will cover the capital requirements for an average of 200 residential energy efficiency upgrades per year, with an average investment of \$7,500 per home, supplemented by rebates. The program will be open to all customer classes, and the total loan amount would include \$250,000 per year for commercial and industrial customers.

Roanoke Connect

REC’s third “Big Four” initiative, Roanoke Connect, is a 200-mile fiber network that will connect critical electric distribution services to address REC’s operational needs via each of its substations.

“In addition to helping us provide members with more reliable electric service, The Roanoke Connect project has a number of



Additional special guests included 2014 NRECA Youth Tourist Chelsea Garris, 2014 Roy Williams Basketball Camp winner Caleb Taylor, and 2014 Woffpack Women’s Basketball Camp winner Mary Elizabeth Taylor (pictured center with REC president and CEO Curtis Wynn, left, and board president Allen Speller, right). Antonio Powell, 2014 REC Scholarship winner, appeared via video.

additional benefits,” Wynn said. “The project has the potential to bring high-speed Internet access to a number of homes, businesses, schools, governmental agencies, hospitals, cell phone service providers at a very reasonable price; thus improving the quality of life in our region,” he continued.

Having the Internet at high speeds to get information and to access entertainment are luxuries that our urban counterparts have had for years. “The Roanoke Connect project is a perfect opportunity to leverage the dollars we invest in keeping members’ lights on to serve a greater need in our communities,” Wynn noted.

Community Solar

Finally, the last of the “Big Four” initiatives, Community Solar, allows REC to make the upfront investment into solar energy on behalf of their members. For a much smaller investment, members can purchase panels and sell us the power they produce, thus reducing the amount of their electric bill.

“We are projecting this project to begin in November and be completed in December 2014,” stated Wynn. All members are eligible to participate in the solar project by purchasing one or more of the solar panels. Pricing for this program will be available soon, and members interested in purchasing solar energy were encouraged to sign up.

A Call to Action

Affordable and reliable energy is vital to American families and businesses. REC knows that “lowest cost” is very important to them and their members. “Recently, the Environmental Protection Agency (EPA) proposed actions that will make it harder for electric cooperatives like REC to keep members’ electric cost lower,” Wynn said.

One of the reasons coal is the most used commodity is because

our government encouraged the industry to use coal just a few short years ago. As a result, co-ops invested billions of dollars in fossil generation as was encouraged by what was once the national energy policy. Cooperatives have played by the rules, but moving the goalposts again—like the EPA’s current proposal—will result in stranded assets and premature shutdowns.

“Proposed EPA regulations targeting existing power plants will increase the cost of electricity and have serious consequences in our community,” said Wynn. “While we explore cleaner ways to provide electricity, such as the Community Solar project, the government is pushing for change quicker than REC and other electric cooperatives can realistically implement their mandates,” he continued.

Wynn then gave a call to action for members to make sure that their voices are heard beyond Annual Meeting by submitting “Tell EPA” forms and joining ACRE. “We need members to take action to notify EPA that “lowest cost” is important and that they should not take any actions that will cause your electric bills to increase,” he stated.

To take efforts further, REC has been trying to prevent laws from getting passed that impact our members. Since last June, REC



Many Roanoke EC members attending the annual meeting won door prizes (top). All members in attendance received a \$10 bill credit. Also at the meeting, members could visit the Health in Motion bus for a free health screening and learn about credit scores and financial literacy at the BB&T bus (bottom).

staff has been asking members to get involved politically by joining ACRE, REC’s political action committee, which uses the money we raise to support federal legislators who support the cause of the cooperative and who will fight against laws such as the one EPA is currently implementing.

Wynn publically acknowledged and personally thanked all of REC’s ACRE members in attendance. ACRE member, Mrs. Doris Russell-Holley, also addressed attendees with her reason for joining ACRE.

Wynn closed by saying, “I leave you with our continued commitment to respond to your call to serve as we work to implement projects and initiatives that will benefit you.”

Roanoke EC members enjoy the POWER of co-op membership

Ask yourself this—What does it mean to be a member of Roanoke Electric Cooperative?

As a member of Roanoke EC, you have the power, a voice and control in how your electric co-op is run; in what's best for the community; in the decisions that allow us to provide affordable electricity for your home.

This October, we're celebrating National Co-op Month, and we're recognizing the most important part of our co-op — you, our members.

Membership represents a vested interest—everyone is more engaged

and attentive to something they feel a responsibility for. Co-ops work to engage their members in all the issues surrounding the co-op. When members are engaged and informed they become advocates for their co-ops, not just consumers.

Roanoke EC is committed to helping its members save money on their utility bills, make wise energy choices and conserve energy. Your co-op offers several rebates to residential members who want to purchase Energy Star-qualified appliances, install energy efficient heat pumps, water heaters and cooling systems. We also offer

low-interest loans to members who wish to improve the energy efficiency in their homes.

Members are the reason cooperatives exist. When members embrace the idea that they have more than a passing interest in their co-op, and that they actually are the owners, with an ability to help guide it, that is the power of co-op membership.

The power of co-op membership is the cooperative difference, and our business 'bottom line' is the empowerment of you, our member-owners.

October is National Co-op Month!

Roanoke Electric Cooperative invites all to celebrate cooperatives in North Carolina – and across America – during National Cooperative Month.

Every October, cooperatives are recognized for the qualities that make the business model unique. Seven cooperative principles set

us apart from other businesses: voluntary and open membership; democratic member control; member's economic participation; autonomy and independence; education, training and information; cooperation among cooperatives; and concern for community.

We are proud to be part of

America's cooperative network, which includes more than 47,000 cooperative businesses. Roanoke EC is one of more than 900 electric cooperatives, public utility districts and public power districts serving 42 million people in 47 states.

"In the 1930s, rural America needed electricity just as much as anyone else," said Marshall Cherry, Chief Operating Officer for Roanoke EC. "It was a major challenge that big utilities weren't interested in tackling. So, the men and women of rural America banded together and made it happen. And that's why we celebrate in October – we celebrate the power of working together for the common good and bettering the quality of life for our friends and neighbors."

In addition to cooperative utilities, NC residents are served cooperatively by credit unions, food co-ops, agricultural co-ops, and more! To learn more about the cooperative difference, visit www.roanokeelectric.com.



Speak up! Don't let EPA regulations drastically impact your electric bill

Groceries and gas are already costing you more than they did a few years ago. So why should your electric bill have to?

Electric co-ops have invested billions of dollars on innovative, clean and efficient technologies to ensure that we'll be able to provide the energy for your future. However, the US Environmental Protection Agency (EPA) has proposed to regulate greenhouse gas emissions at new power plants that can have an impact on the amount you pay for your monthly electric bill.

Join the more than half a million members who are sending a loud message to their elected officials by letting your own voice be heard!



Tell the Administration to please withdraw this proposal and work with electric cooperatives on a balanced solution that is not only going to ensure that we're able to meet

your energy needs as well as consider environmental concerns.

Act now and visit www.TellEPANC.com to send your message today!

Roanoke EC's board supports PAC efforts

With its member first mindset, Roanoke EC (REC) believes in looking out for the best interest of its members in all that they do. Ultimately, REC knows that this means amplifying its members' voices both locally and nationally in the political arena.

As a cooperative, REC is proud to share a set of core principles and values unique to cooperatives and the millions of members nationwide. One of those guidelines is the principle of democratic

member control. At the base of REC's democracy is the political activism of its members.

In order to ensure that members continue to receive the safe, reliable and affordable electricity they expect and deserve, REC has taken a very active role in encouraging responsible legislation that promotes policies that secure the future of REC and the families it serves. As a matter of fact, REC's board of directors have a standing Board Resolution in support of efforts to

increase the political participation of all cooperative members through their endorsement of implementing the Action Committee for Rural Electrification (ACRE) Political Action Committee.

ACRE is the non-partisan political action committee (PAC) of electric cooperatives. ACRE supports candidates for state and federal office who will speak for the best interests of electric cooperatives and their members.

Over the past year, REC has enrolled over 300 members in its ACRE program in a quest to enroll 10 percent of its membership by 2018. For a member's perspective of ACRE, see the article on page A, "I support ACRE."

To join ACRE, members are encouraged to call 252.209.2236.



Need a business loan? Let The Roanoke Center help you!

The Roanoke Center (TRC) knows that each and every business is different and have different needs, just like our members. That's why TRC offers a variety of different services and resources to businesses seeking practical solutions to help them grow and solve problems.

One of the biggest top-of-mind problems to solve for many businesses is money. Having the capital you need to operate your business can make the difference between a successful venture and a short-term idea. TRC doesn't want your lack of capital to be the reason you can't build a successful business. As a result, TRC partners with the NC Rural Center and works with client businesses and potential lenders as a liaison in preparing loan packages and business plans in obtaining capital resources for launching, growing, or sustaining a business.

TRC offers assistance in packaging loan applications for two loan programs: Microenterprise Loan and Capital Access.

Microenterprise Loan Program: Ever had problems securing a loan from a bank? Well, this program helps individuals who may have trouble obtaining financing from banks or other traditional lending sources. This program is great for the needs of small businesses for loans ranging from \$500 to \$25,000.

Capital Access Program: Know you have a solid business plan but just need the capital resources to make it happen? If so, the Capital Access Program may be the right program for you. This program encourages the state's banking system to make sound loans to



people with solid business ideas like you. What makes this program unique is that it provides a reserve fund to protect the institution against losses. This allows banks to make loans to businesses with potential for success, but that do not conform to conventional banking guidelines.

For more information about these and other resources TRC has for you, call 252.539.4600 or visit www.roanokecenter.org.

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REC's Co-op Connections wallet cards and key fobs are real money-saving tools. The card puts value in your wallet and connects you with discounts on everything from hotel stays to home maintenance to prescription drugs. Just show your card or fob to participating merchants in order to receive the discount they've signed up to give co-op members. You can find all the ways to save locally and nationally at www.connections.coop.

Businesses! You are welcome to participate in this rapidly growing program. Participation is free! Visit www.roanokeelectric.com/commercial or call 252.539.4600 for details. We are eager to answer any questions you have about the program and how to take advantage of the discounts it provides.

