

# Membership MATTERS



## FlexPay Lets You Create Your Own Payment Schedule!

FlexPay is an exciting new “pay as you go” power plan that offers members the flexibility of paying when you want — in the amounts you choose.

When you sign up for FlexPay, instead of receiving a traditional monthly bill your electric usage is calculated daily and you prepay in any amount you choose — enough for a day, a week or longer. You choose how you want Blue Ridge Electric to notify you of your account status: by telephone, e-mail or text message. While you must keep your account balance above zero to avoid interruption of service, FlexPay members can save money because they never pay a late fee, disconnect or reconnect fee. This type of program has also been shown to lower electric consumption due to better awareness of usage patterns.

As a FlexPay member, you can “recharge” your account any time of the day or night online at [BlueRidgeEMC.com](http://BlueRidgeEMC.com) or by calling us. You can also make payments during regular business hours in our district offices.

FlexPay helps you save even more money because no security deposit is required on this type of account. If you’re an existing member who has already made a deposit, we can apply that amount to the outstanding balance on your account. FlexPay can also help members keep their service connected while making payments towards a previous balance. This ensures no interruption of service and can offer a better long-term budgeting solution.

This new option is available due to the technology offered by automated — or “smart” — meters. Currently, FlexPay is available only to members in Caldwell and Alleghany counties where smart meters are activated. FlexPay will be available in Ashe County by mid-year 2010, and by the end of next year in Watauga County, as installations of smart meters are completed in these counties.

With FlexPay, you’re in control! You pay on your own timetable, in any amount you choose. If you’d like to learn more about FlexPay, contact us today.

Relax!  
With  
FlexPay  
there are no  
surprises,  
no fees.  
Pay when  
it’s  
convenient  
for you.



# THE *Perspective*

## Rate Adjustment Coming in 2010

At Blue Ridge Electric, we've worked hard to secure the most favorable wholesale power prices so that we can keep costs as low as possible for our members. Those efforts have been helpful in holding down increases we've seen occurring across the country since wholesale power makes up the most significant portion of our costs. However, as I've been communicating in past columns, your cooperative, like other utilities across America, has incurred continuing cost increases for wholesale power primarily due to the rising cost of fuels to generate electricity. Also, like other utilities, we're experiencing the need to make investments to modernize our transmission and electric plant system in order to continue delivering reliable, safe electricity.

This fall, we conducted a thorough cost of service study to determine the impact of these cost pressures. The study showed that the cooperative couldn't absorb significant price increases for wholesale power without implementing a rate adjustment.

While the Board of Directors approved the rate adjustment at their October 22 board meeting just before this newsletter went to press, it won't take effect until March. Members can expect to see a 3.4 percent increase starting on the electric bills they receive after March 3, 2010. The average Blue Ridge Electric residential member uses 895 kilowatt hours per month, so this change will mean an additional \$4.03 on the average monthly residential bill.

The rising cost of fuels to generate electricity has affected utilities across the nation. Specifically affecting our area are the extreme spikes in coal costs that occurred last year but are hitting utilities this year in their wholesale power contracts. In the past two years alone, the cost of coal has increased by more than 50 percent. The increase is primarily a result of global coal demand resulting from emerging economies in China and India, but is also due

to significant increases in mining costs and higher commodity prices in general.

Coal represents nearly 50 percent of the fuels used in our wholesale power supply mix. Therefore, any increase in coal prices greatly affects our power costs.

While wholesale power costs are the major driver behind the need for a rate adjustment, investment in the electric system is also a contributor. We are steadily modernizing substations, power lines, and transmission systems needed to deliver electricity into and across our system that were originally built in the 1950s and '60s to ensure reliable and safe electricity continues to flow to some 73,000 member households, businesses, schools and other community entities.

Employees are working hard to contain costs without sacrificing reliability or customer service. Through an organized "WorkSmart" effort, employees identified and implemented projects this year that have saved the cooperative more than \$600,000 in operating expenses. While certainly helpful, these efforts are just not enough to make up for increases in wholesale power, which makes up about 60 percent of our costs.

We're working in other ways to help members as well. The Blue Ridge Electric Members Foundation has awarded nearly \$350,000 since 2007 to help members in need of crisis assistance to pay their electric bill and for other community grants that help improve the quality of life and economic opportunity for local residents. In 2010, the Foundation will award crisis heating assistance, weatherization funds, and community grants worth \$275,000. These funds are made possible through the generosity of members contributing to Operation Round Up®, as well as from the profits of the cooperative's heating fuels subsidiary, Blue Ridge Energies.

An Editorial by  
Chief Executive Officer Doug Johnson



Blue Ridge Electric covers administration of the program to enable 100 percent of member donations to go directly back to local communities.

A new program I'm especially excited about due to its potential to give longer term relief to members struggling to pay bills is our new FlexPay program you can read about in this issue. While FlexPay is available to any member who finds it beneficial to set their own payment schedule and amounts, it will be especially helpful to members who find it easier to pay a little at a time on their electric bill rather than having to come up with the funds for one larger bill each month.

We're also working to help members reduce their energy usage by selling compact fluorescent lamps (CFLs) and water heater wrap kits in our district offices and online. These energy efficient products offer an immediate benefit to members and they also help reduce the amount of electricity your cooperative must purchase.

From a longer-term perspective, your cooperative is working to help members and local communities by working with businesses, local government, and economic development entities to help retain and attract jobs to our area. We believe the communities we serve — and our individual members — will benefit most from a healthy economy driven by businesses that can employ local citizens, be good community supporters, and contribute to our quality of life. It is part of our mission to ensure a higher quality of life for those we serve; supporting economic development is a key way we work to achieve that goal.

At Blue Ridge Electric, we carefully consider the need for any rate adjustment.

(see "Perspective" on page 24)

# More News

## Bylaws Changes Approved

The following is a summary of changes to the bylaws of Blue Ridge Electric Membership Corporation approved by its Board of Directors at their October 22, 2009 board meeting. For a complete copy of the bylaws, visit [BlueRidgeEMC.com](http://BlueRidgeEMC.com) or contact your local Blue Ridge Electric office.

**Section 2.03, Notice of Member Meetings:** Written or printed notice of the place, day and hour of the meeting, and in the case of a special meeting or of an annual meeting at which business requiring special notice is to be transacted, the purpose or purposes of the meeting shall be delivered to each member not less than fourteen (14) days nor more than ninety (90) days before the date of the meeting, either personally or, by mail, or via electronic means in compliance with North Carolina law. Such notice shall be given by or at the direction of the Secretary or, upon the Secretary's default in this duty, by those calling it in the case of a special meeting or by any other director in the case of an annual meeting whose time, place and date have actually been fixed by the Board of Directors. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the Cooperative's records, with sufficient postage thereon and receipted by the US Post Office at least fourteen (14) days before the meeting date. If sent via electronic means, such notice shall be deemed to be delivered at the time it is sent, provided the member has previously requested or agreed to receive notice in this manner.

**SECTION 2.07, Credentials & Election Committee:** It shall be the duty of the Board of Directors to appoint, not less than sixty (60) nor more than one hundred fifty twenty (1250) days prior to the date of a meeting of the members, a Credentials and Election Committee consisting of an odd number of members, not less than nine (9) nor more than twenty-nine (29), who are not existing Cooperative employees, agents, officers, directors or known candidates for director, who are not close relatives thereof (as hereinafter defined) or members of the same household of Cooperative officers, existing directors or known candidates for director, and who, if an election of directors is to be held are not members of the Nominating Committee for such meeting.

**SECTION 3.02, Qualifications:** No person shall be eligible to become or remain a director of, or to hold any other position of trust in, the Cooperative who is not at least eighteen (18) years of age, and legally competent and available to serve as a director, or is in any way employed by or financially interested in a competing enterprise, or a business selling electric energy or supplies to the Cooperative. To become or remain a director, a person must not have been convicted of a felony.

**SECTION 3.06, Nominations:** It shall be the duty of the Board of Directors to appoint, not less than sixty (60) nor more than one hundred and fifty twenty (1250) days prior to the date of a meeting of the members at which directors are to be elected, a Committee on Nominations, consisting of twelve (12) persons who are members of the Cooperative, but are not existing Cooperative employees, agents, officers, directors or close relatives thereof or known candidates to become directors, and who are so selected that each of the Cooperative's Directorate Districts shall have representation thereon in proportion to the number of directors who must be residents thereof, plus one member representing the membership at large who must be of the minority membership group as defined in Section 3.02 of these Bylaws.

Any fifteen (15) or more members of the Cooperative, acting together, may make additional nomination(s) in writing over their signatures, listing their nominee(s) in like manner, not on or before the first business day in April, less than ninety-five (95) days prior to the meeting; and the Secretary shall post such nominations at the same place where the list of nominations made by the Committee is posted.

The Secretary shall mail or submit by electronic means to the members with the notice of the meeting, or separately, but at least fourteen (14) days prior to the date of the meeting, a statement of the names and addresses of the nominee(s), from each District and, if applicable, for the Director-at-Large position, showing separately those nominated by the Committee and those nominated by petition, if any.

(see "Bylaws Changes" on page 24)

**Non-Discrimination Statement:** Blue Ridge Electric Membership Corporation is the recipient of Federal financial assistance from the U.S. Department of Agriculture (USDA). The USDA prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited

bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call toll free (866) 632-9992 (voice) or (800) 877-8339 (TDD) or (866)377-8642 (relay voice users). USDA is an equal opportunity provider and employer.

# Membership MATTERS

## Members Only NEWS ~ For Members of Blue Ridge Electric



### CORPORATE OFFICE

PO Box 112 • Lenoir, NC 28645

**CHIEF EXECUTIVE OFFICER**  
Doug Johnson

**EDITOR**  
Renée R. Whitener

**PRODUCTION SUPERVISOR**  
Susan Simmons

### DISTRICT OFFICES

Caldwell	(828) 754-9071
Watauga	(828) 264-8894
Ashe	(336) 246-7138
Alleghany	(336) 372-4646
Wilkes	(800) 451-5474
PowerLine®	(800) 448-2383

(PowerLine® is an automated account information and outage reporting system.)

Toll Free 1 (800) 451-5474  
(for members outside the service area)

To report an outage at any time,  
call one of the numbers listed above.

**OFFICE HOURS**  
8:30 am - 5:00 pm, Monday - Friday  
Night deposit available.

Visit us on the Web:  
[www.BlueRidgeEMC.com](http://www.BlueRidgeEMC.com)

## Bylaws Changes *(continued from p. 23)*

**SECTION 3.13: Distribution of the Cooperative's Member Newsletter and Other Member Information Publications** Carolina Country and the Cooperative's newsletter, The Enlightener. For the purpose of disseminating information about the operations and plans of the Cooperative, the Board of Directors shall be empowered to circulate to the members the Cooperative's newsletter and **any other informational publications** the publication Carolina Country, the cost of which shall be paid from the operating funds of the Cooperative.

**SECTION 4.03, Notice of Directors' Meetings.** Written **or printed** notice of the date, time, place or telephone conference call and purpose or purposes of any special meeting of the Board of Directors and, when the business to be transacted thereat shall require such, of any regular meeting of the Board of Directors shall be delivered to each director not less than five (5) days prior thereto, either personally or, by mail, **or via electronic means in compliance with North Carolina law. Such notice shall be given** by or at the direction of the Secretary or, upon his default in this duty, by him or those calling it in the case of a special meeting or by any other director in the case of any meeting whose date, time and place have already been fixed by Board resolution. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the director at his address as it appears on the records of the Cooperative, with first class postage thereon prepaid, and postmarked at least five (5) days prior to the meeting date. **If sent via electronic means, such notice shall be deemed to be delivered at the time it is sent, provided the director has previously requested or agreed to receive notice in this manner.**

**SECTION 14.01, Amendments:** A copy of such alterations or amendments or repeal shall be sent **by mail or by electronic means** to each member of the Cooperative after any such shall have been adopted by the Board of Directors.

## Perspective *(continued from p. 22)*

It is never something we enjoy, but is necessary to stay in business providing reliable, safe electricity to our members. We will continue to work to address the energy and economic challenges our cooperative and our nation faces. You can be assured that your cooperative is working to contain costs, to provide reliable electricity, and to support the communities and members we serve in northwest North Carolina.