

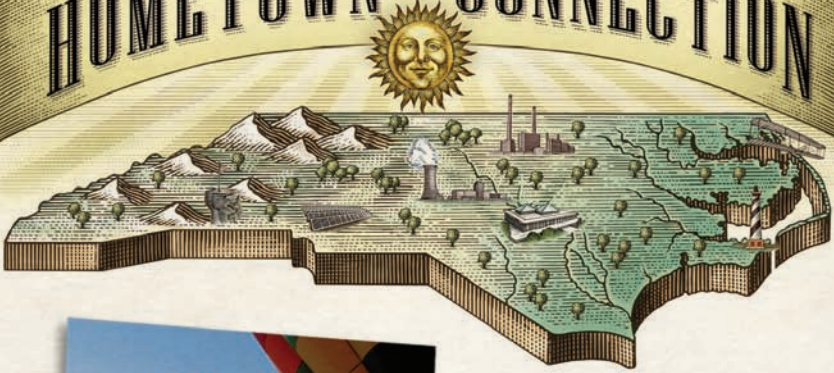
LEDs light up
Kinston's future

Rocky Mount officials
celebrate key accounts
customers

ElectriCities is now
on Twitter!

September 2011 • Delivering New Energy to the Old North State

HOMETOWN CONNECTION



2011

**Public Power
Awards of
Excellence**

Winners announced inside!

Got good news or article ideas? Submit them to htc@electricities.org

2011

Public Power Awards of Excellence

MEMBER CITIES SHOW OFF THEIR HOMETOWNS



North Carolina

North Carolina's Public Power communities are strong, vibrant areas in which to live and work. The Public Power Awards of Excellence honor outstanding efforts by city-owned utilities on behalf of their communities.

This year, more than 20 NC Public Power cities were honored for excellence in five key categories. The awards were presented at the ElectriCities awards banquet, held Friday, Aug. 26, at the Grove Park Inn in Asheville.

Competitive Business

Environment winners:

Albemarle, Cherryville, Concord, Cornelius, Fayetteville PWC, Gastonia, Granite Falls, Greenville Utilities Commission, High Point, Huntersville, Kings Mountain, Kinston, Lexington, Monroe, Morganton (honorable mention), Newton, Rocky Mount, Shelby and Statesville.

The Competitive Business Environment award recognizes efforts by the city to create a strong business climate, including economic development planning and community/regional partnering, an online economic development

presence and focus on key accounts customers.

Energy Efficiency winners:

Albemarle, Cherryville, Concord, Dallas (honorable mention), Fayetteville PWC, Gastonia, Granite Falls, Greenville Utilities Commission, High Point, Kings Mountain, Kinston, Lexington, Monroe, Morganton, New River Light & Power, Newton, Rocky Mount, Shelby, Smithfield, Statesville and Wilson.

The Energy Efficiency award recognizes efforts by the city with energy-efficient building programs, energy education, energy audits and participation in NC Green Power.

Financial Stability winners:

Albemarle, Benson, Cherryville, Concord, Fayetteville PWC, Gastonia, Granite Falls, Greenville Utilities Commission, High Point, Kings Mountain, Kinston, Lexington, Monroe, Morganton, Newton, Rocky Mount, Shelby, Smithfield, Statesville and Wilson.

The Financial Stability award recognizes customer options throughout the billing process, including equal payment programs, alternate payment

methods such as online billing and payment, credit card payments and multiple payment locations. This award also recognizes community partnerships to help customers in need and the implementation of new technology within the electric system.

Legislative Involvement winners:

Cherryville, Concord, Fayetteville PWC, Gastonia, Greenville Utilities Commission, High Point, Kings Mountain, Lexington, Newton and Rocky Mount.

The Legislative Involvement award recognizes city staff and officials' involvement in the legislative process on issues pertaining to public power, including participation in the ElectriCities Public Power PAC. The award recognizes participation in ElectriCities-sponsored events and involvement in the Public Power Grassroots Network.

Service Excellence winners:

Albemarle, Cherryville, Concord,

Dallas, Fayetteville PWC, Gastonia, Granite Falls, Greenville Utilities Commission, High Point, Kings Mountain, Kinston, Lexington, Monroe, Morganton, New River Light & Power, Newton, Rocky Mount, Shelby, Smithfield, Statesville and Wilson.

The Service Excellence award recognizes outstanding efforts by the city to communicate with customers through advertisements, online resources, social media or other community-based methods. The award also addresses emergency communications and community public power celebrations.



Congratulations to all of the 2011 winners!

Coming in the October issue:

Profiles of the 2011 Hometown Heroes and Lifetime Achievement Award winner.



Thanks to everyone who attended the 2011 **Electricities Annual Conference** at the Grove Park Inn in Asheville, N.C. To view all speaker PowerPoint presentations, visit www.electricities.com.

Visit electricities.com and click on the Twitter logo to follow us for up-to-the-minute news on issues affecting NC Public Power. Along with Graham Edwards' *Plugged In* blog and our YouTube channel, it's just one of the ways you can stay connected.

LEDs light up Kinston's future

Light-emitting diode (LED) lamps are on the cutting-edge of energy-efficient streetlight solutions, and Kinston is lighting the way.

In October 2010, the City of Kinston Department of Public Services was awarded a grant from the State Energy Office for \$499,500 to replace 740 high-pressure sodium and mercury streetlights with 740 LED streetlights. The new lights will decrease the city's usage by 888,888 kWh, which will reduce costs by more than \$200,000. The City of Kinston electric department is installing the streetlights and the total in-kind services from the city is \$115,718.72.

Because the project came in under budget, the city was able to purchase an additional 65 LED streetlights, bringing the total replaced to 805. The additional 65 lights will increase the projected energy and dollars savings.

"This grant is expected to create savings in several areas," said Rhonda Barwick, Kinston's public services director. "Our electric budget should benefit from reduced maintenance costs and our General Fund budget should expect lower electric costs for street lights. In addition, we have received many compliments from the public on the sleek appearance of the new lights."

Installation of the new LED streetlights began in June 2010 and more than 400 have been installed to date.



Check it out!

The **Electricities Lending Library** is a one-stop resource for members' training and educational needs. The library has hundreds of DVD and VHS titles available on a myriad of topics* from accident prevention to electrical safety, workplace safety, economic development, emergency preparedness and much, much more.

All videos/DVDs are available for a two-week checkout period, and we've made it even more convenient to view and request titles. Simply visit electricities.com, go to "Services" and select "Library Resources." You may create an account and add titles to your cart for online checkout, or browse the catalog and contact the library staff by phone at 919-760-6355 or email at library@electricities.org.

Videos/DVDs will be shipped to you within three business days. When you're ready to return them, we ask that you insure them for \$300 and return them to Electricities Library, 1427 Meadow Wood Blvd., Raleigh, NC, 27604.

*Additional training videos concerning *Substation and Lineman Career Development topics* are available from the *Safety & Training Technician* at (919) 760-6301 in the *Member Services Division*.



Editor's Connection

Rebecca Agner

Earlier this month, the nation braced for the market's reaction to Standard & Poor's downgrade of the United States' credit rating. Economists filled the airwaves with debate about the downgrade's fallout to the rest of the nation. Much of the national conversation focused on Europe, federal spending and the national debt. But how might the downgrade and recent discord in Washington affect public power in North Carolina? I checked in with Electricities' resident experts on the subject – Tim Tunis, CFO; Susan Ingram, manager of Treasury; and Carol McCrary, manager of Financial Planning – to find an answer.

The group noted that the impact of the downgrade on credit markets was somewhat overshadowed by other factors, including the financial crisis in Europe and the slowing economy here at home. Normally when an issuer's credit rating is downgraded, their cost of borrowing goes up. However, this time the overall cost of borrowing for the U.S. Government actually went down considerably. The group said this was due to the "traditional flight to the perceived safety of U.S. Treasuries during times of worldwide economic crisis." They said we have seen a similar impact on municipal borrowing costs as well – especially for the higher-rated entities.

The market's lower interest rates will have a mixed impact on the Power Agencies, Tim said. Any additional borrowing requirements or refunding opportunities should have lower overall borrowing costs. However, the Power Agencies also have sizeable investment portfolios that will generate lower investment income in this low-interest rate environment.

The impact on municipal sector credit ratings has been mixed. Those municipal entities that receive direct federal funding, such

as some cities, school districts, public housing and federally funded transportation projects, were downgraded immediately. The Power Agencies and Participant cities are not dependent on federal assistance and, as a result, their ratings have not been directly impacted by the downgrade.

Tim, Carol and Susan also talked about our ongoing relationships with the rating agencies. We have regular conversations with all three rating agencies – Fitch Ratings, Standard and Poors, and Moody's Investor Services. In fact, Dennis Pidherny, Senior Director of Public Finance, from Fitch spoke at the Electricities Annual Conference in August (Dennis' presentation is posted on electricities.com). They regularly visit the rating agencies to update them on Power Agency operations and forecasts. "These visits and the ongoing relationships are a critical part of our path to financial stability," Tim said.

Overall, the team left me with a sense that although the world economy is ever-changing with so much unknown right now, we can take comfort that Tim and his team remain focused – alongside the finance directors in public power communities – on the critical goal of financial stability.

Electricities Finance Team



Carol McCrary
Manager of Financial Planning



Tim Tunis
Chief Financial Officer



Susan Ingram
Manager of Treasury

Rocky Mount officials celebrate key accounts customers

Rocky Mount Mayor David Combs hosted a breakfast for key utility account holders Thursday, July 14, at the newly renovated Booker T. Theatre in Rocky Mount. Since 1988, Rocky Mount Public Utilities has hosted a yearly appreciation event to thank its local key accounts customers. Charles Penny, city manager, and Rich Worsinger, director of utilities, were the featured speakers at the breakfast.

The host of the event, Mayor David Combs, welcomed everyone to the breakfast. Combs recognized the key accounts customers for their commitment and contribution to the Rocky Mount community and acknowledged their continued business.

Penny addressed the group regarding the goals for the City of Rocky Mount: excellent public service, excellent customer service, and innovation. He discussed the city's budget and the challenges facing the city going forward. He also noted several key improvements the city has undertaken such as the Douglas Block project, of which the Booker T. Theatre is an integral part.

Worsinger provided a brief update on initiatives to maintain and improve electric system reliability and other major projects including



the new customer information and billing system, substation rebuilding, the new point-of-delivery station, the automated meter reading rollout, and the relocation of electric and gas facilities due to the numerous Department of Transportation road projects. He thanked each customer for their business, and an appreciation gift was given to each participant.

Rocky Mount Public Utilities truly values its relationship with each key accounts customer, and the yearly event is one way to thank the key accounts customers for their continued business.

Our Core: plant status, billing determinants & load management updates

NCMPA1 plant status

Catawba Unit 1 is currently operating at 100 percent power in its 65 days of continuous service.

Catawba Unit 2 is currently operating at 100 percent power in its 294 days of continuous service.

McGuire Unit 1 is currently operating at 100 percent power in its 198 days of continuous service.

McGuire Unit 2 is currently operating at 100 percent power in its 128 days of continuous service.

NCEMPA plant status

Brunswick Unit 1 is operating at 100 percent power and has provided 84 days of continuous service.

Brunswick Unit 2 is operating at 100 percent power and has provided 111 days of continuous service.

Harris Unit 1 is operating at 100 percent power and has provided 269 days of continuous service.

Mayo Unit 1 is operating normally according to system load requirements.

Roxboro Unit 4 is operating normally according to system load requirements.

All items reported as of August 11, 2011.

NCMPA1 billing determinants for Participant usage in July 2011*

Billing demand (kW)	Billing energy (kWh)	Billed amount
916,464	530,700,306	\$41,232,492.25

* All values are less SEPA. Values include Gastonia Prime Power Park.

NCEMPA billing determinants for Participant usage in July 2011*

Provider	Billed demand (kW)	Billed energy (kWh)	Billed amount
Progress	1,237,483	705,743,680	\$63,605,750.29
Dominion	142,137	81,202,277	\$7,680,538.90
Total	1,379,620	786,945,957	\$71,286,289.19

* All values are less SEPA. Dominion values include Edenton and Elizabeth City generating project output.

Load management information

In July, **NCMPA1** recommended load management for Agency cities for 17 hours over a five-day period. Electric-Save operations occurred for 17 hours over a five-day period. For Non-Agency cities, **NCMPA1** recommended load management for 17 hours over a six-day period including the Duke Control Area Peak which occurred on July 21 at hour ending 3 p.m.

In July, **NCEMPA** provided advance telephone and pager recommendations for load management for 30 hours over a six-day period, including the day and hour of the Progress Energy Carolinas (PEC) monthly peak. Electric-Save (direct control) operations occurred for 15 hours over a six day period, excluding the PEC peak occurring on July 22 at hour ending 3 p.m.

For more information on how your city or town can benefit from load management, call Cecil Rhodes at ext. 6231 or Kathy Moyer at 704-948-9797.

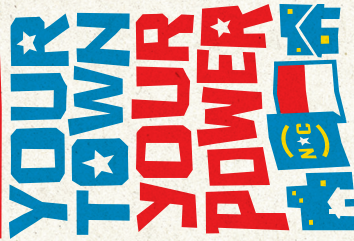
Celebrate Public Power Week (Oct. 2-8) 2011,
a time to celebrate with your community
the advantages that locally owned and
operated electric systems provide. It's also a
perfect time to educate our customers and

stakeholders

about the value of
public power.

ElectriCities
has created a fun
and educational
campaign, Your
Town, Your
Power to help
your community
celebrate. Samples

PUBLIC POWER WEEK 2011



of promotional materials were sent to each city/
town manager, and **orders are due by Sept. 6.**

We've also developed an informational webinar
about the campaign and ways you can promote
Public Power Week in your community. Visit
electricities.com and click on "2011 Webinars
Schedule" to view the presentation.



ElectriCities of North Carolina, Inc.
1427 Meadow Wood Blvd.
Raleigh, NC 27604