

# Putting You First – Fighting to keep the lights on

According to the U.S. Department of Energy, demand for electricity nationally will increase by 40 percent during the next 22 years—even with an optimistic projection of a 9 percent reduction in electricity use due to increased efficiency factored in. As the economy expands, the need for power grows right along with it.

Nearly every respected analysis, however, finds that our country is running out of power. And as a result, there's a good chance consumers could experience brownouts and even rolling blackouts in the not-too-distant future if we don't act soon.

A recent report from the North American Electric Reliability Corporation (NERC), a Princeton, N.J.-based non-profit organization charged with monitoring America's power system reliability, confirms that unless more resources come online, it will not be long before the need for power can no longer be met.

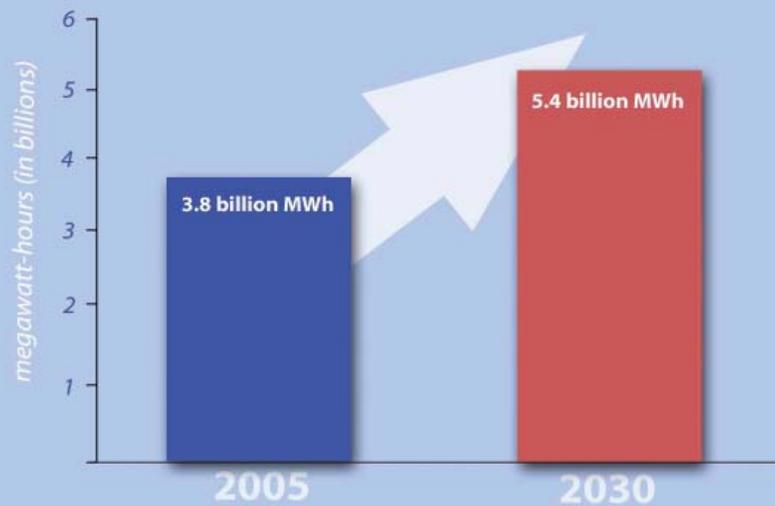
The predictions made by NERC shed light on the urgent need to bolster our nation's power grid. It is no longer a question of if but when we need to build – the need is real, and the time is now.

For electric co-ops, experiencing 2.6 percent overall load growth (twice the national average), we take our responsibility of maintaining a safe, reliable, and affordable supply of power seriously. We are working hard to implement a strategy that meets your needs with the right mix of energy efficiency, renewable energy, and new technologies for electricity generation involving clean coal, nuclear, and natural gas.

Electric co-ops are recognized industry leaders in promoting energy efficiency and wise energy use. Nearly half of all rural electric systems provide financial incentives—such as low- or no-interest loans for household improvements, leases on efficiency-related equipment, and ownership or maintenance of standby generators to reduce power use when consumption

## Demand for Electricity to Increase 40 percent

The U.S. Energy Information Administration (EIA) projects that demand for electricity will increase approximately 40 percent from 2005 to 2030.



Source: EIA Annual Energy 2007 Outlook Assumptions, Reference Case Table A8, Total Net Generation

spikes—or include interactive energy use calculators on their Web sites. More than 40 percent offer efficiency and weatherization services, including selling and installing high-efficiency lighting systems, electric water heaters, geothermal and air-source heat pumps, insulation, and Energy Star appliances. Simply put, the more we can do to conserve electricity and use it efficiently means fewer power plants must be built in the future.

Renewable energy, like wind and solar power, holds great promise in providing electricity. Consumer-owned electric co-ops have blazed trails when it comes to developing renewables. Today, more than 80 percent of the nation's 900-plus electric co-ops supply electricity produced by wind, solar, hydro, biomass



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General Manager of  
South Alabama  
Electric  
Cooperative

(including landfill gas, livestock waste, timber byproducts, and crop residue), and other “green power” sources. This makes up about 11 percent of all co-op kilowatt-hour sales.

But renewables have some limits. Wind, for example, which has the potential to meet 20 percent of the country’s electricity needs, must overcome two main hurdles: construction of additional high-voltage transmission lines to bring generation produced at wind farms, usually located in remote rural areas, to population centers; and “intermittency”—the fact that wind only blows 30 percent to 40 percent of the time, and generally not during times of peak electricity use on hot, humid summer weekday afternoons. Electric co-ops are heavily involved in research needed to develop better batteries to store wind and solar energy, a breakthrough that will allow these resources to become full-time sources of electricity. Additional work must take place before these batteries can become viable.

All of these changes will help meet our growing demand for electricity. Yet at the end of the day, electric co-ops also need to plan for the future—which means building new power plants. Unfortunately, power plant construction costs have skyrocketed in recent years as international demand for coal and materials like steel and concrete continues to climb.

Presently, 50 percent of the nation’s electricity supply and 62 percent of electric co-op power requirements come from coal. Despite rising costs, power plants built in the near-term will burn coal more cleanly and efficiently than ever before. Even more encouraging, concerns over coal’s contribution to climate change could be alleviated within a decade if power plants that capture carbon dioxide gas before it goes up a smokestack, compress it, and then pump it deep underground for permanent storage become available—a real possibility if Congress provides sufficient funding for the necessary research and development.

Nuclear energy also remains part of the solution, even though only a handful of nuclear power plants have come online in this country over the past 20 years, and none have been ordered since the 1970s. Nuclear power—which emits only clean water vapor—generates 20 percent of all electricity in the U.S. and about 15 percent of electric co-op power needs. Estimates hold that it will take 10 years to bring a single nuclear reactor online.

Providing more electricity and dealing with climate change are important challenges our country faces. Our commitment to you, as we strive to keep the lights on, will be encouraging lawmakers and regulators to seek out practical, long-term remedies to our nation’s energy problems based on new technology—solutions that will allow us to continue providing safe, reliable, and affordable power in an environmentally responsible fashion.

Electric co-ops have no magic bullet to offer – only our hard work and a commitment to your best interests. But as we have done for more than seven decades, we will continue to put you, our members, first.

*Source: U.S. Department of Energy, U.S. Energy Information Administration, and the National Rural Electric Cooperative Association.*

## South Alabama Electric Monthly Operating Report

KWH Sold . . . . .	29,109,020
Avg. Utility Bill . . . . .	\$193.76
Average Use . . . . .	1,786
Total Accounts Billed . . . . .	16,301
Total Miles of Line . . . . .	2,560
Consumers per mile of line . . . . .	6.36

*Information from January 2008*



## South Alabama Electric Cooperative

A Touchstone Energy® Cooperative

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Visit our web site at  
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# www.south

Did you know you're just a click away from a great new option on South Alabama Electric Cooperative's website?

Beginning in April, you can now view and pay your electric bill online using your credit card, debit card or e-check. This is a great new tool to help you manage your electric account.

To access our online billing system, select the Pay Bill button on the home page. You'll be asked for your e-mail address, account number and statement ID number so make sure you have your current month bill handy. Once you enter the information, you'll receive an e-mail with a link you'll follow to finish the registration pro-

cess.

Then simply follow the directions on screen.

Once you have registered, in the future, you'll only have to click the Pay Bill button and enter your user name and password

The new system also allows you to view your current and previous bills online. This information can be useful in monitoring your usage patterns in your home or business.

South Alabama's website also offers tools and information that will help you control energy use at your home.

home > contact >

integrity innovation community commitment

South Alabama Electric Cooperative

NEWS CENTER PRODUCTS & SERVICES BILLING & PAYMENTS OUR COMMUNITY ECONOMIC DEVELOPMENT KIDS STUFF ABOUT US

**WELCOME MESSAGE**

Beginning in January 2008, members of South Alabama Electric Cooperative will be able to participate in an innovative new program - H2O Plus- that puts technology to work to save energy. At the heart of the program is a device installed on your water heater that allows our power supplier to cycle your unit during those times of day when the demand for power is greatest (and when it is most expensive).

"When a member agrees to participate, we'll send a certified electrician to their home to install a cycling device on their water heater," explains Max Davis, General Manager of SAEC. "There's no cost to the homeowner for the device or for its installation."

Once the device is installed, SAEC's power supplier will be able to send a signal that instructs the device to cycle your water heater. The elements will power down for a short period - usually between two and four hours - and restart in time to maintain plenty of hot water for your home.

Members need not worry about running out of hot water when they enroll in H2O Plus.

SEARCH  GO

**\$ PAY BILL**  
click for details >>

**NEWS**

- >> [H2O Plus Program brings wiser energy use to region](#) (2/13/2008 2:46:16 PM)
- >> [Members celebrate 70th Anniversary at 2007 Annual Membership Meeting](#) (11/12/2007 11:23:08 AM)
- >> [Capital Credit Checks on the way](#) (11/12/2007 11:21:33 AM)
- >> [CFL's: Safe and Efficient](#) (11/12/2007 11:14:24 AM)
- >> [Hixon to represent District 1](#) (11/12/2007 11:09:27 AM)

# thaec.com



## MANAGE YOUR ACCOUNT

- Pay your bill
- View previous months information

- Update your phone number
- Sign up for bank draft
- Sign up for Levelized Billing

## SAVE MONEY



- Energy saving tips
- Home energy calculators
- CFL calculator
- Apply for Energy Resource and Conservation Loan for energy efficient updates to your home
  - Touchstone Energy Home program
- Energy efficient water heaters

## SAFETY



- Outage safety information
- Generator safety
- Wiring guides
- Outdoor lighting
- Surge Suppression

## MEMBERSHIP

### TOOLS

- View previous Alabama Living articles
- Archived annual reports
  - Scholarship formation
  - Kids Activities
  - Youth Tour
  - Electric Cooperative Foundation Scholarship
  - Green Power



HomeEnergySuite™

South Alabama Electric Cooperative, Inc.  
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CALCULATORS LIBRARY FUN

HOME ENERGY CALCULATOR APPLIANCE CALCULATOR LIGHTING CALCULATOR

### Describe Your Home

Home Type: Multi-Story  
Year Home Built: 1980 to 1989  
SqFt Heat/Cool: 2000  
Occupants: 1  
Heat Type: Electric  
Heat Setting: 70  
Air Conditioner: None  
Cool Setting: 75  
Big Screen TVs: 0

Electric  
High  
Leaky  
Single Pane  
None  
None  
Electric  
1

Water Heat Type  
Water Heat Setting  
Air Leaks  
Windows (panes)  
Cook Stove  
Dishwasher  
Clothes Washer  
Clothes Dryer  
Refrigerators

Calculate

Click Here To Help Us Serve You Better

Instructions

Tips

This calculator will provide you with estimates of energy use costs based on your inputs. The Annual and Monthly results are not intended to be extremely accurate but rather to provide a

Your Approximate Energy Costs

Press the "Calculate" button to establish your Existing Home. Your summary chart will be shown here.

Reset to Defaults

It's easy being green

About Green Power Choice

Landfill Gas-To-Energy

Pricing

greenpower choice

Power Choice, the latest innovative power choice allows interestedly caring for the environment while power energy - in this case, methane

http://southaec.apogee.net/ - Kids Korner - Windows Internet Explorer

Kids Korner

Energy Education is Fun!

what's a watt?

What is ENERGY?

It's the POWER to do work.

Energy makes everything GO!

Energy can heat and cool buildings. It can power our cars and make machines run. Energy is what makes electricity that lights our homes.

So let's GO...

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Technology from your Electric Cooperative: A Powerful Advantage



## Smart Appliances Save Home Owners

You're at work and the kids are at school during the day, but your water heater keeps heating the water regardless. Or does it? We can recommend innovative new ways to save energy. Call us to get in the know!

**fact:**

H2O Plus, while helping you and your cooperative manage usage, also helps conserve the environment through the smart use of electricity.



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For information on how you can participate in the H2O program  
visit our website at [www.southaec.com](http://www.southaec.com) or call our office at 1-800-556-2060