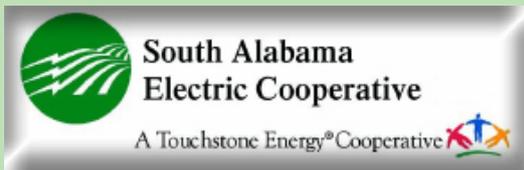




Max Davis
General Manager of South Alabama
Electric Cooperative



South Alabama Electric Monthly Operating Report

KWH Sold	32,730,971
Avg. Utility Bill	\$232.83
Average Use.	2,012
Total Accounts Billed	16,271
Total Miles of Line	2,613
Consumers per mile of line	6.23

Information from SEPTEMBER 2010

Your Money Stays at Home

Ever wonder who owns your power company? If you get electricity from South Alabama Electric Cooperative, the answer's easy—look in the mirror.

You and other folks who receive electricity from us are the owners. Of course, being an owner doesn't mean you can drive to a substation and take home a transformer or borrow a spool of wire. Those assets are owned collectively by everyone who has signed up for electric service. A portion of the electric bill you pay each month, in fact, goes into building distribution infrastructure—poles, wires, and substations—that bring you a steady supply of power.

Cooperatives follow a unique consumer-focused business model led by a set of seven principles. The Third Cooperative Principle, "Members' Economic Participation," requires all of us to chip in a bit on our monthly bill to keep the cooperative in good shape.

Your cooperative conducts business locally. Investments we make in infrastructure don't profit someone in an area far away—benefits stay right here in our community.

Paying your monthly bill does more than build lines, buy equipment, and purchase wholesale electricity. You also pay the salaries of our hard-working employees, who live right here in the community. They, in turn, buy goods at local businesses, spreading income around and boosting our local economy.

Your cooperative also impacts the economic welfare of the communities we serve through the taxes we pay. SAEC pays state, county and city sales taxes on the items purchased

by the cooperative. We pay county use taxes on materials and equipment we purchase during the construction of our electric distribution system. We also pay payroll and property taxes along with taxes on the fuels we purchase to operate the cooperative fleet of vehicles.

Here's another advantage: you get money back. We're not-for-profit, so any funds left over after bills have been paid, infrastructure built, operations, maintenance, debt service and taxes are covered, goes into a capital credits account for each co-op member. Then, when your board of trustees determines the co-op is in good financial shape, this capital is returned to you by check. How much money you get back depends on how much electricity you used. The December issue of *Alabama Living* magazine will contain information about the 2010 capital patronage declaration made by your board of trustees.

Capital credit refunds are to you what dividends are to stockholders at for-profit companies. Only we don't aim to make a profit. Our goal is to provide you with electricity at a price that is as close to cost as possible. That way, more of your money stays in your pocket—up front.

In short, you are receiving a vital resource, electricity, from a business owned and operated by you, your friends, and neighbors. Working together, we provide you with the highest level of service we can while striving to keep your electric bills affordable.

And that's the cooperative difference.

Extension Cord Safety: Make Smart Connections

During the holiday season, families often string together extension cords without a second thought. Unfortunately, not all cords are not created equal.

Just because an extension cord can reach an outlet across a room doesn't mean it's the right one for the task at hand. If a tool, appliance, or holiday display draws more current than an extension cord can carry, it may cause the cord (and whatever is connected to it) to overheat and start a fire.

Cords come in many lengths and are marked with a size or gauge. The gauge is based on the American Wire Gauge (AWG) System, in which the larger the wire, the smaller the AWG number.

For example, a 12-gauge wire would be larger and power larger wattage appliances than a 14-gauge wire. A cord, based on its gauge, can power appliances of a certain wattage only at specific distances. As the cord gets longer, the current-carrying capacity of the cord drops.

Using the right cord for the job is only the first step in using extension cords safely. Follow these tips to en-

sure safe use and make smart connection decisions:

- Look for the Underwriters Laboratories (UL) symbol, that means the cord has been tested for safety hazards.
- Never use an indoor extension cord outdoors.
- Extension cords should not be placed underneath rugs or other heavy furniture; tacked in place to a wall or taped down; or used while coiled or bent. Match the length of the cord to your needs.
- Unplug extension cords when not in use. The cord will continue conducting electricity until unplugged.
- Do not use extension cords that are cut or damaged. Touching even a single exposed strand of wire can result in an electric shock or burn.
- As a safety feature, extension cords and most appliances boast polarized plugs (one blade wider than the other). These special plugs are designed to prevent electric shock by properly aligning circuit conductors. If a plug does not fit, have a qualified electrician install a new outlet.

Source: Underwriters Laboratories, Inc.



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CO-OP BOOT CAMP MARCHES ON



Grant Baldwin challenges students to be accountable and make a difference in their communities.

More than students from across Alabama attended the 28th Annual Cooperative Youth Conference held at the Alabama 4-H Center in Columbiana. This year's "Co-op Boot Camp" was a three-day action packed leadership and education conference sponsored by the Alabama Council of Cooperatives.

"This conference provides an opportunity for students to study about the cooperative form of business and its economic impact on society," Chellie Phillips, co-chair for the event said. "Students aren't taught the cooperative form of business until they reach the college level, and then, only depending on their curriculum."

Dr. John Adrian, chair of the Auburn University Department of Agriculture Economics, provided the students with a basic history of the cooperatives and how they operate.

"The cooperative form of business is the only form that is created by the people for the people," Dr. Adrian told the students. "When you are part of a cooperative, it is your responsibility to get involved, attend annual meetings and have a

voice in how your cooperative is run."

Participants in the conference gained insight in the decisions involved with managing a cooperative throughout the conference. Students formed their own co-op and learned about the day-to-day business decisions that could affect the financial outcomes of their business. Students brainstormed on types of cooperatives they could create. They created and made decisions for an energy cooperative, food cooperative and even a cupcake co-op.

In addition to learning business skills such as reading a balance sheet and understanding the difference between assets and liabilities, the students also spent time developing their decision making skills.

Darrin Mosley, with the Big Oak Girl's Ranch, spoke on decision making. He encouraged students to choose their friends carefully because their influence and help will play a large role in the decisions and direction their lives take. He also encouraged them to take responsibility for their choices in life.

Keynote speaker for this year's conference

was Grant Baldwin. Baldwin speaks to students across the United States each year and challenges them to think and act on relevant issues such as leadership, making a difference in their community and taking personal responsibility.

“Learning about leadership doesn’t have to be boring,” Baldwin said. “I use a mix of humor and a lot of real life experiences to capture student’s attention and really get them thinking about the direction they want their life to take.”

Author of Reality Check, Baldwin was really able to connect with this year’s attendees. One student wrote, “Grant rocks! I wish all our teachers were like him. He made me feel like he cared about me and what happens to me in the future.”

Students ended the conference with a visit from Auburn University’s Advisor to the Ag Ambassadors Deborah Solie. Solie provided students with information on how to choose a college and

where to find scholarships and to prepare for the college application process. She also answered questions about Auburn’s School of Agriculture.

In addition, the students received a visit from several co-op representatives: Alabama Farmers Cooperative’s Grace Smith who highlighted the diversity of products offered by the farm cooperative; Harold Kilpatrick and Andy Leslie with First South Farm Credit and Chuck Roberts with Alabama Farm Credit, provided students with information concerning their banking services and encouraged students to make wise credit decision.

Sponsors of this year’s conference included: Alabama Farmers Cooperative, Alabama Farm Credit, Alabama Ag Credit, Alabama Rural Electric Association, CoBank, Dairy Farmers of America, First South Farm Credit Association, Alabama Cooperative Extension Service and Auburn University. For more information about this conference, contact Chellie Phillips at 1-800-556-2060 (chelliep@southaec.com) or Laura Thornton at 1-800-264-7732. Find the conference on Facebook as Alabama Co-op Boot Camp.

Team building activities made for an exciting times and gave students a chance to get to know each other.





*Catch the
Holiday Spirit in
Brundidge*



**Annual
Christmas
Parade and
City Lighting
Tuesday, November 30th
6:00 PM • Main Street**

**Parade Participants still needed.
Call 334-735-2306 for information.**

- Entertainment provided at the Christmas Tree
- Mailbox for Letters to Santa
- Jingle Bell Walk for Kids