

Wilson recaps fiscal year 2008 in CEMC farewell address

Carl Wilson addressed the members of Cumberland Electric Membership Corporation for the last time as general manager at the cooperative's 70th annual meeting on Oct. 4, 2008. This is the text of his report, edited for space.

President Whitaker, members of the board, fellow employees, fellow members and honored guests: It is my privilege to welcome you to the 70th annual meeting of Cumberland Electric Membership Corporation. It's a cliché, I know, but CEMC has a proud past and a promising future. Thanks to all of you who care enough about CEMC to attend today's meeting.

I want to recognize four people who have just been re-elected to our board of directors:

Shela Williams, our at-large director from Stewart County,

Joe Whitaker of South Sumner County,

Carroll Poole of North Montgomery County and

Jerry Peacher from North Stewart County.

Congratulations and thank you for your service to CEMC. We're fortunate to have capable, dedicated people serving on the board, and they deserve a round of applause.

This morning I want to talk about what's going on with electric rates. I imagine many of you are wondering the same thing.

On Wednesday (Oct. 1), electric rates across the Valley increased by 20 percent, the largest increase by TVA in 34 years. As you know, the majority of the increase — 16.9 percent — is for TVA's first quarter fuel cost adjustment.

The cost of fuel used to generate electricity and power that TVA buys from suppliers has skyrocketed this year.

Like other utilities across the country, TVA is subject to the same increases that all of us are facing. In fact, since December, coal prices have more than doubled, and natural gas prices have increased by more than 58 percent.

Hydro production for the calendar year to date is 61 percent of normal. The severe drought in the Tennessee Valley has meant that TVA's cheapest source of power is in very short supply. This has forced TVA to buy even more expensive power from the market.

TVA uses the fuel cost adjustment to help recover these largely uncontrollable fuel and purchased power costs. The FCA is calculated every three months as costs rise and fall. It appears on your bill each month as a charge or credit for every kilowatt-hour used.

The remaining 3.1 percent of the increase is due to an increase in TVA's base rate. For CEMC members using 1,000 kilowatt-hours of electricity, this is an increase of \$14.10 per month. It's a lot of money. And I wish I could stand here and tell you it's going to get better. One day, maybe it will. But TVA's forecast is for higher prices next quarter.

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Carl Wilson reports to the membership during his final annual meeting as general manager.

CEMC Management and Staff

Jim Coode, General Manager
Randy Holt, Operations Division Manager
Lynne Wilson, Admin. Services Div. Manager
Chris Davis, Engineering Division Manager
Michael Batson, Financial Services Manager
Barbara Harper, Member Services Manager
Howard Whitaker, Eastern Regional Manager
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Terry Odom, District Manager

Gallatin office

Allan Cook, District Manager

Portland/White House offices

Homer Mayes, District Operations Supervisor

Springfield office

Larry Richardson, District Manager

CEMC Board of Directors

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President

Wesley H. Aymett, Cheatham County,
Vice President

Shela K. Williams, At Large,
Secretary-Treasurer

Jerry T. Peacher, Stewart County,
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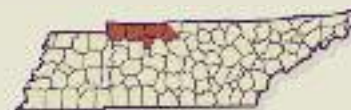
C. David Morgan, Montgomery County

Carrol O. Poole, Montgomery County

Tommy G. Whittaker, Sumner County

Mission Statement

Cumberland Electric Membership Corporation is committed to providing dependable, affordable electric service through the expertise and dedication of competent leadership and a well-trained and responsive workforce.



Cumberland Electric Membership Corporation

Serving Cheatham, Montgomery, Robertson, Stewart and Sumner counties.

Wilson calls for energy efficiency in farewell to CEMC members

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It may be small consolation to tell you that rising energy prices are not unique to the Tennessee Valley. The one silver lining that I see, even though it comes at the expense of folks outside Tennessee, is that, even with these increases, our rates are still below the national average.

We will continue to promote energy efficiency ideas and make them available to you. Our commitment to provide reliable service at the lowest possible cost remains the same.

The best way for you to fight rising electric rates is to use energy as wisely and efficiently as possible. And I believe "Living the Green Life" should be a family project. We need to encourage everyone to turn off lights and small appliances that aren't being used.

Familiarize your family with "phantom energy." Many of the electronic devices in your home stay on, even when they're "off." Chargers for cell phones, digital cameras, TVs, computers, DVD players and other gadgets draw energy even when they're not in use. All together, "phantom energy" accounts for about 5 percent of an individual home's electricity use. On a \$200 light bill, that could be a \$10 savings each month.



And be on the lookout for drafts around windows, doors and even wall outlets. All of these drafts can be stopped at little cost to you, either by applying a little caulk or adding insulation. There are many, MANY energy-saving tips on our Web site, cemc.org, so do yourself a favor and take advantage of them.

Our co-op continues to grow at a healthy pace. At the end of June, CEMC had 88,973 members. That is 2,266 more than last year and is on target with our projections.

We are providing service over 8,523 miles of line, which is an increase of 136 miles from last year.

During the last session of the Tennessee Legislature, we tried to get approval to offer telecommunications services, primarily broadband Internet service. Our telecommunications bill is off the table for now while another bill, backed by AT&T, has been approved. Some, but not all, of our service area will be included in AT&T's future plans.

Last April, we switched to a new software program that affects every meter and every member we serve. For the most



part, it was a smooth and seamless transition, and you probably wouldn't have noticed it if I hadn't brought it up. But there were a few problems, as there ALWAYS are when companies change software, and we are working them out, making apologies where necessary. Our employees have all gone through extensive training, and our vendor is working with us to get the bugs out. I am confident that we will be able to serve you better as a result of this change.

Finally, my retirement date of Oct. 15 is less than two weeks away. After 35 years at CEMC, it is with a mixture of excitement and regret that I leave — excitement for the new life ahead with Rita and our family and regret over any issues left unresolved.

It has been my privilege to serve as general manager for the past 11 years. The opportunity to meet and become friends with so many of you is a memory that I will cherish as the years pass.

Your new general manager, Jim Coode, is someone who knows Cumberland Electric from the inside out. Jim has been here 31 years, and he has a proven record of progress and professionalism. The co-op is in good hands with Jim at the helm.

The board of directors and employees of CEMC are capable, hard-working and dedicated to providing you with the best service possible. I know that as the years pass and challenges arise they will continue to provide you with the service that you deserve and expect. I'll still be a CEMC member, and I look forward to seeing you again.

Again, thank you for coming today, thanks for your business and thanks for your interest in keeping Cumberland Electric one of the great consumer-owned businesses in America.

Huge crowd attends '08 CEMC annual meeting

The Rossview High School choral group Golden Rhapsody provided the songs and dances, but the standing-room-only crowd of co-op members was like music to the ears of the organizers of Cumberland Electric Membership Corporation's 70th annual meeting.

"The auditorium where the business session took place was completely full, and the lecture room next door was, too," says Barbara Harper, CEMC member services manager. "We are absolutely thrilled and grateful that so many members invested their time in their co-op on Oct. 4."

Highlights of the business session included the re-election of four board members (see photo below) and the farewell address by Carl Wilson, who retired in October after 11 years as CEMC general manager.

There were also plenty of prizes. Photos of the major prize winners are on the next page. Many others won electric bill credits ranging from \$50 to \$250 and free heating and air conditioning system tune-ups.



Homer Mayes, right, of CEMC's Portland District office welcomes a family to the annual meeting in Clarksville.



Having your face painted is one of the highlights of the youth corner, which also had inflatables to play on.



Ruby Johns votes early in Ashland City as Tammy Head of CEMC looks on.



Rossvie High School's Golden Rhapsody performed many wonderful song and dance routines.



Directors re-elected to new terms are, from left, Joe Whitaker, Jerry Peacher, Carrol Poole and Shela Williams.

Congratulations to these prize winners!



The winner of a new Maytag washer and dryer was Carolyn Blossmore of Big Rock, seen here with CEMC District Manager Terry Odom, left, and then-General Manager Carl Wilson.



Lawanna Bowers of Woodlawn was the winner of the Cool Springs Retreat.



Walter Haynes of Clarksville won the Backyard Barbecue Package.



Lisa Rivenburg of Clarksville won the Pigeon Forge Vacation.



Sonya Davis of Springfield, with baby Garrett, won the Front Porch Haven prize package.



Billy P. Head of Springfield won the Christmas Package.



Ernest Eichner of Dover won the Gatlinburg Getaway.



Judy Ellis of Cedar Hill was the winner of the Pick Tennessee Products Package.



Scholarship winners were, from left, Belinda Winters of Chapmansboro, Alberta George of Big Rock, Faye Sullivan of Pleasant View, Gwen Groves of Portland, Jackie Wilkerson of Cedar Hill and Carmela Davis of Clarksville.



Pearl Adkins of Pleasant View won the Opryland Extravaganza.



Mary Russell Rigbsy of Springfield won the Home Entertainment Package.



Bicycle winners were, from left, David Taylor, Stacia Gupton, Bianca Robinson and Izabella Feigo-Everett.



Cold-weather gear to decorate trees of giving

Your local office of Cumberland Electric Membership Corporation is collecting new hats, gloves, scarves and other cold-weather clothing gear this Christmas season. The items will be used to decorate the "Trees of Giving," which will be on display in CEMC office lobbies from Dec. 1 through Dec. 19.

At the conclusion of the clothing drive, the goods will be delivered to participating agencies in each community for distribution to citizens in need. Nonperishable foods are also being collected. All items will be distributed free of charge by Christmas Day.

Participating agencies are The Bethesda Center (Ashland City), Urban Ministries (Clarksville), Good Samaritans (Dover), Gallatin Cares, Portland Cares, White House Hope Center and COPE (Springfield.)

This is the second year for CEMC's "Trees of Giving" clothing drive. Last year, scores of generous CEMC members donated enough cold-weather items to fill several large boxes, which made for a very successful and very heartwarming community service project.



Jo Lewis adds a gift to the "Tree of Giving" in CEMC's Dover District office.

Tower lights holiday nights in Clarksville

One of the most spectacular visions in Clarksville is Cumberland Electric Membership Corporation's communications tower, all lit up like a gigantic Christmas tree. At 240 feet, it is the tallest decoration in town.

Several years ago, some fifth-grade students at Barksdale



Elementary School, located next door to CEMC's Clarksville headquarters building, undertook a class project to write letters thanking CEMC for the tower lights. While those students are now probably in high school, we have long been touched by their letters and wanted to share the students' enthusiasm with our readers. Enjoy!

"I see that you have decorated your Christmas tree for the holidays. It looks great. It is very special to have it near us. Thank you very much." — **Tara**

"Thank you for lighting up the multicolor tree. I can see it from far away. I enjoy looking at it. It spreads Christmas joy." — **Stevie**

"I enjoy the way that you put the lights up every year and that it is so decorative in this time of year. At night they look beautiful." — **Tyrone**

"You guys spread Christmas joy to everyone. Thanks for setting it up next to our school!" — **Michael**

"When I see the lights it makes me feel Christmasey because I know I have nice people right beside me at school." — **Alexa**

"How long have y'all been doing this? Well, how ever long yall've been doing this I really think it's a family tradition for all of you." — **Taylor**

"It really comforts me and puts me in Christmas cheer when I see the lights. It's kind of special to us because it's right next to our school. Please don't stop putting up the lights every year." — **Cody**

"Thank you for putting up the multicolor tree. I really pits my in the good Christmas feeling when I'm lowed down. It really looks beautiful on the tall hill in New Providence. Well ya'll still do it in 10 years from now?" — **James**

"Thank you for putting up the multi color Christmas tree lights up. It spreads the joy of Christmas. How long have you been doing this. My family sure loves seeing from the house it is a marvolous view from the house. Thank you once again."

— **Drew**