

Cumberland Electric Membership Corporation

CEMC Management and Staff

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Travis Akins,
District Operations Supervisor

Springfield office

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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.

AS I SEE IT

Manager's Viewpoint

Above and beyond

Electric co-op membership offers value far beyond affordable, reliable electricity

At Cumberland Electric Membership Corporation, we work hard to deliver safe, affordable and reliable electricity to our members every day. But we don't stop there. Because we're a cooperative, we strive to do much more, to find ways of providing real value to you and the communities we serve.

So what exactly does "real value" mean? Well, in some ways it's basic like connecting with a real, local person when you call our office, rather than just hearing a recording. It could be finding a copy of *The Tennessee Magazine* in your mailbox

every month to keep you informed about co-op business and goings-on in



*Jim Coode,
General Manager,
Cumberland
Electric Membership
Corporation*

Tennessee. Or it's getting the lights back on quicker after an ice storm, thanks to mutual-aid agreements that bring line crews in from other co-ops to help us restore power.

October marks National Cooperative Month, when we take time to celebrate co-ops and talk about why our not-for-profit, consumer-owned business model is special. Offering our members real value —

and working to improve the quality of life in the communities we serve — are ways we set ourselves apart.



Energy Efficiency

Tip of the Month

Keep wintry drafts out of your home by sealing cracks and gaps. Weather stripping around doors and windows works well between the frame and the wall or floor. Use caulk to seal around the frames where you see gaps. For more tips and tricks, visit TogetherWeSave.com

Source: TogetherWeSave.com

Annual financial statement

*Cumberland Electric Membership Corporation
maintains healthy financial condition*



The following information was distributed to those who attended the annual meeting of Cumberland Electric Membership Corporation Sept. 14 in Clarksville. It is published here for the benefit of those members who were not in attendance.

Financial Report

(for fiscal year ended June 30, 2013)

Total Operating Revenue	\$243,928,986.35
Cost of Power from the Tennessee Valley Authority	\$181,183,930.46
General Operating Cost (including payroll)	\$37,440,409.80
Depreciation	\$12,337,704.54
Total Operating Expenses	\$230,962,044.80
Other Deductions (interest)	\$4,975,521.97
Total Expenses	\$235,937,566.77
Net Income from Operations	\$7,991,419.58
Other Income	\$858,722.43
Net Income	\$8,850,142.01

During the past fiscal year, we increased the value of our total assets by \$6,962,582.76. At the end of the year, CEMC served 7,668 miles of line and had 90,864 members.

Our total assets are:

Plant (less depreciation)	\$251,597,865.96
Other Property and Investments	\$2,443,574.19
Current and Accrued Assets	\$39,325,819.89
Deferred Debits	\$8,423,675.69
Total	\$301,790,935.73

Our total long-term debt is \$117,885,764.63. Of this total, we owe the Rural Utilities Service \$101,928,942.40, Cooperative Finance Corporation \$9,259,797.47 and CoBank \$6,697,024.76. We also owe the Tennessee Valley Authority \$6,041,675.48 that has been advanced for heat pump loans.

Our Current and Accrued Liabilities are \$29,766,219.60. Members' Equity — or what you, the owners, have — is \$138,608,072.24.

The above statement was prepared in a condensed form from the TVA Annual Report for the fiscal year ended June 30, 2013. A copy of the annual audit report for the fiscal year is available upon request.

CEMC hosts summer externship

This past summer, Cumberland Electric Membership Corporation had the opportunity to participate in the Summer Teacher Externship Program offered by the Clarksville-Montgomery County

School System (CMCSS). Eight CMCSS teachers spent a week at the co-op, discovering ways to better understand the application of the subjects they teach our future workforce. The participants worked alongside CEMC employees in identifying challenges that translate into teachable lessons for their students.

The externship program was designed to bring the components of STEM (science, technology, engineering and math) into real-world, work-based scenarios for teachers to im-

prove classroom instruction. CEMC proved to be an excellent fit for the program. The teachers especially found relevance in energy efficiency, engineering and mapping applications.



CMCSS STEM Academy teachers Megan Pitts, Bridget Baron, Warren Everett and Lillie Davis visit with CEMC Engineering Department personnel to discuss transmission, engineering analysis and system planning and design. Also present for the session were Dale Rudolph, CMCSS STEM coordinator, and Dr. B.J. Worthington, director of schools.

“It was a pleasure working with these outstanding individuals who are leading students in our community,” said Stephanie Lobdell, CEMC public relations coordinator. “We hope the time they spent with our company was beneficial in developing their understanding of content and increasing their expertise in teaching the relevance of math and science. Partnerships such

as these help strengthen not only our schools and businesses but our community as a whole.”

Staff changes in Portland and Springfield offices

Three Cumberland Electric Membership Corporation employees have received new titles.



Akins

Travis Akins was selected to replace Homer Mayes as district operations supervisor in CEMC’s Portland office. Mayes, who previously held the position, retired July 15

following a nearly 36-year career with CEMC.

Akins previously served as district engineer in the Portland office. His appointment as district operations supervisor was effective Aug. 1.



Hesson

Replacing Akins as district engineer in Portland is Todd Hesson. Hesson’s previous title was engineering

technician in the Gallatin office. His new title became effective Aug. 16.

Trey White was selected to fill the position of district engineer in the Ashland

City office. White previously worked out of the Springfield office as engineering technician. He was appointed district engineer effective July 16.



White

Project Help warms homes of those in need

Unfortunately, there are people in our area whose circumstances are such that they will have to choose this month which bills they cannot afford to pay. Cumberland Electric Membership Corporation, in cooperation with local energy assistance agencies, provides a way to offer some relief to those individuals through the Project Help program.

Project Help is a voluntary program that allows members to pay an additional \$1 or more on their electric bills each month to help pay the utility bills of the elderly, disabled and/or those who are not economically self-sufficient. The money collected from the program is sent to local energy assistance agencies, which determine how these special funds are distributed.

By donating to Project Help, you can make a difference for families in need this winter. Please join us in warming the homes of our neighbors. You can make a difference today.

Here's how the Project Help program works:

Who is eligible to receive Project Help funds?

To qualify, Project Help recipients must contact their local energy assistance agency. They will be required to provide proof that they are unable to bear the cost of heating their home and that they do not exceed the annual income limit established for the assistance program.

How are the funds administered?

When CEMC receives your Project Help donation, 100 percent of the money goes directly to the assistance agency that administers the program in your county. The agency distributes the assistance based on qualifying needs.

Who contributes to Project Help?

Everyone can contribute to CEMC's Project Help program. The minimum donation is \$1 per month, but you are certainly welcome to donate more.

How long do I donate to Project Help?

You are billed each month on your CEMC statement for the amount you wish to donate. You will continue to be billed each month until you notify CEMC that you would like to discontinue your donation.

How will I know I am donating each month?

Check your monthly CEMC bill statement. You will see a separate line added to show your Project Help donation.

How do I sign up?

If you would like to donate \$1 or more each month to Project Help, you can do so by indicating that you wish to donate on your bill (simply mark the box on the bill stub and then complete the Project Help section on the back of the bill) or by contacting CEMC Customer Service via phone at 800-987-2362 or live chat on www.cemc.org.

Join us in warming the homes of our neighbors in need this winter. It only takes \$1 a month to make a difference.

CEMC shows concern for community through annual food drive

Cumberland Electric Membership Corporation is partnering once again with elementary schools throughout its service area to bring food to the tables of those in need.

Throughout the month of October, participating schools will collect nonperishable food items to be distributed to the needy through local food banks such as Urban Ministries (Clarksville), The Bethesda Center (Ashland City), Good Samaritans (Dover), Hendersonville Samaritan Association, Portland Cares, White House Hope Center, Robertson County Food Bank and United Ministries (Springfield.)

"Getting the students involved has brought so much energy to our food drive," says Barbara Harper, CEMC members services manager. "The competition between classes to see who can collect the most items makes it fun for them, and they enjoy knowing they have helped make a difference."



Last year's food drive was an enormous success, bringing in more than 12,000 food items. Above, students from Portland Gateview Elementary proudly display the items they contributed to the campaign's total.

CEMC employees will also participate in an in-house company food drive throughout the month.

Take the chill out of winter bills

By Amber Bentley

Between holiday house-guests and shorter, colder days, electric bills tend to climb in the winter. Read on for ways to save energy when the temperature drops.

Lower your thermostat to 68 degrees (or lower): If you decrease the temperature by just 1 degree, you can save up to 5 percent on heating costs. Consider a programmable thermostat that you can set to lower the temperature when away from home and increase it before you come back.

Adjust blinds and curtains: Keep them open to let in sunlight during the day, and close them at night to keep heat inside and protect from drafts.

Reduce hot water temperatures: Heating water accounts for 12 percent of the average home's energy use. Set your water heater's thermostat to 120 degrees or lower — that's usually sufficient for a household's hot-water needs. Also, if you've had your water heater for more than 12 years, you might want to consider replacing it with a more energy-efficient model.

Seal and insulate: This is the best way to keep heat in and cold air out. Areas that may need sealing include corners, cracks, door frames and windows.

Consider replacing old appliances, doors and windows with ENERGY STAR-rated models: You can save about 15 percent of your normal energy use with these appliances and get better insulation on doors and windows for the price you pay. ENERGY STAR-rated items meet special efficiency standards set by the federal government.

Free your vents: HVAC (heating, ventilation and air conditioning) systems will have to work twice as hard if vents are blocked by rugs, furniture or doors. Keep vents clear for proper airflow.

Keep food cool: Don't make your fridge work too hard. A temperature set between 34 and 37 degrees Fahrenheit is usually sufficient.

A special holiday tip: Use LED lights to decorate. They're up to 75 percent more energy-efficient than traditional incandescent lights and last much longer — but check for an ENERGY STAR rating before you buy. Cheaper LEDs tend not to last as long or be as durable.

Visit TogetherWeSave.com for more ways to save.



Sealing cracks and gaps around doors and windows is a great way to keep winter drafts at bay. Source: Touchstone Energy® Cooperatives

Amber Bentley writes on consumer and cooperative affairs for the National Rural Electric Cooperative Association, the Arlington, Va.-based service arm of the nation's 900-plus consumer-owned, not-for-profit electric cooperatives.



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