South Central Power Co.

A Touchstone Energy® Cooperative

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Keep This Number

When reporting an outage, an automated outage reporting system may answer your call. It may ask for your 12-digit account number to help locate the outage site. This number is found on your monthly bill. It's handy to write it down and keep it near the phone.

Suggestions

Please send your *Country Living* story ideas or comments to the attention of Lisa R. Hooker at South Central's Lancaster office.

Electricity issues must be part of climate change debate

Pressure is mounting in Congress to address climate change. And while political debates in Washington, DC may seem far away, the outcome will have a direct impact on South Central Power — and on you, as an electric consumer.

Articles in last month's *Country Living* outlined various aspects of climate change. More articles can be expected in the future, as various proposals are presented and debated.

It appears Congressional desire to quickly reduce greenhouse gas emissions and the growing consumer demand for power are on a collision course.

To the limit. Climate change is but one aspect of a looming energy crisis created by increasing electric use by Americans and decreasing electric capacity to meet their demand.

The Energy Information Administration projects electricity use will increase 30 percent by 2030. This is an amount equivalent to adding four more Californias.

Annual household electric use is up eight percent nationally in the last decade, despite efficiency gains in appliances and consumer conservation efforts.

Growth in consumer power use has the real potential to stretch our nation's electric system to its limits. A 2007 study by the North American Electric Reliability Council, the nation's official reliability monitor, found consumer demand for electricity will outstrip electric capacity in some regions of the country in the next few years unless new generation and transmission facilities are added or upgraded.

A real risk. Right now, Congress is hearing from a broad spectrum of interest groups, and much of the climate change debate is centered solely on the environment. While members of those various interest groups are well-versed in a particular area of expertise, they may not be aware of how their ideas and timelines would impact the electric industry and consumers' electric bills.

As lawmakers review the climate change proposals, they are not spending much time considering how to maintain an adequate energy supply for the American economy.

The U.S. Department of Energy forecasts U.S. economic growth will drive a 17 percent increase in electricity use between 2006 and 2020. That equates to an additional 118,000 megawatts of power.

The bottom line? The capacity to generate enough electricity to fuel economic growth and meet consumers' growing use is in jeopardy. This is true not only for Cooperative consumers, but also for all electric consumers.

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Electricity and climate change(—continued from page 33)

Electric Cooperatives also believe Congress is overlooking the economic impact the various proposals will have on customers' pocketbooks.

Because of how the proposals would affect electric utilities, the cost of climate change legislation will show up as significantly higher electric bills for customers at the end of the line.

The clock is ticking. Electric Cooperatives wholeheartedly support consumer conservation and energy efficiency measures. Both are topics we address regularly and knowledgeably with our consumers and communities.

We recognize renewable energy and alternative energy must be part of the nation's energy mix. South Central Power, Ohio Rural Electric Cooperatives, Inc. and electric Co-ops across the country are involved in a number of such initiatives.

Our Energy, Our Future
A Dialogue With America

What's missing from the debate, however, is a realistic view of renewable energy's contribution *in light of* the immediacy of growing consumer use and diminishing electric capacity.

Considering the decades-long time frame necessary to build a base load power plant or upgrade transmission capabilities, energy efficiency and renewable energy by themselves do not solve the immediate issues of increasing consumer electric use and shrinking capacity.

Governmental leadership needed. To avert an energy crisis, the federal government must exercise true leadership. We believe America needs a plan that addresses today's energy requirements *and* the environmental concerns associated with climate change.

Without a sound, responsible plan, our government is not only jeopardizing the reliability of our electric system, but also the ability of many Americans to afford electricity.

Every viewpoint has a right to be heard, but no one — except the electric industry — is talking about the impact the current proposals will have on electric consumers.

While some may dismiss our urgency and warnings, electric Cooperatives know we are ultimately responsible to those we serve, our members.

No matter how unpopular our position may be, we have a responsibility to alert our consumers to legislation that could harm their access to reliable electricity and their ability to afford it.

We're sounding the call and encouraging you, our members, to contact your elected officials. Now.

Starting a dialogue. It's not necessary to be an energy expert to ask questions. Asking hard questions is the only way to find realistic solutions to the challenge of balancing environmental concerns with keeping your lights on and your electric bills affordable.

Electric Cooperatives have developed a Web site, www.ourenergy.coop, that will send your legislators a pre-written e-mail on your behalf.

The e-mail asks your representatives in Washington a series of questions that Co-ops believe are worth asking and answering honestly:

1. Experts say that our nation's growing electric needs soon will go well beyond what renewables, conservation and efficiency alone can provide. What is your plan to make sure we have the electricity we'll need in the future?

2. What are you doing to fully fund the research required to make emissions-free electric plants an affordable reality?

3. Balancing electricity needs and environmental goals will be difficult. How much is all of this going to increase my electric bill and what will you do to make it affordable?

If you do not have e-mail, we encourage you to return the postcard that was inserted in last month's *Country Living*. If that postcard is no longer handy or you need additional ones for family and friends, visit your local South Central Power office.

We're in this together. It's been said that energy may be issue of the 21st century. It goes beyond Republican, Democrat and Independent labels. It affects conservatives, moderates and liberals alike.

South Central Power believes productive dialogue begins by asking tough questions and requiring straight answers from our elected officials. It is not unreasonable for lawmakers to have workable answers to these questions before *any* climate change law is passed now or in the future.

Help your electric Cooperative start this important dialogue with our elected officials. Send an e-mail or postcard today.

South Central joins Capitol Hill delegation

As energy topics continue to dominate the headlines, more than 3,000 electric Cooperative leaders worked the halls of Congress in May to keep electric Cooperative positions front and center in the ongoing debate about America's energy future.

Advocates from across the country joined together to make the voice of 40 million electric Co-op members heard at the National Rural Electric Cooperative Association (NRECA) Legislative Conference.

About 60 Ohioans were among those who trekked to Capitol Hill. Representing South Central Power were Director of Communications and Government Relations Lisa Hooker and Director of Community Development Brad Markwood.

Ohio Co-op leaders visited all of the state's Congressional representatives. Hooker and Markwood visited the offices of U.S. Representatives Dave Hobson, Deborah Pryce, Jean Schmidt, Zack Space, Mike Turner and Charlie Wilson. Combined, they represent consumers across South Central Power's service territory. U.S. Senators Sherrod Brown and George Voinovich received visits from the Ohio delegation, too.

Lawmakers have come to expect a large contingent of Co-op leaders to visit their offices and weigh in on issues important to Cooperatives, their members and the industry.

Electricity shortage. Cooperatives asked legislators to consider not only the environmental aspect of various climate change proposals, but also the immediate and fundamental need for more electricity to fuel American's growing use of power in the face of diminishing generating capacity. (See related story on page 33)

Clean coal technology. Cooperatives rely heavily on coal to fuel more than 75 percent of their power generation. Ohio's Cooperatives receive a similar percentage of their power from the coal-burning Cardinal Generating Station in Brilliant, Ohio.

Attempts to curtail carbon emissions will have a significant economic impact on electric Cooperatives. As not-for-profit entities, Co-ops pass through any and all cost increases to their consumers.

Two commonly cited elements in the climate change proposals — increased use of nuclear power and commercially viable carbon capture and storage technology — will not be available prior to the various mandated timelines for compliance with greenhouse gas emission reductions.

Electric Cooperatives encouraged Congress to invest $2 billion a year in research and development of new energy technologies, including clean coal technology.

South Central Power's Lisa Hooker and Brad Markwood (second from right in back) were among those who visited Rep. Charlie Wilson's office.

Wholesale power costs increase

The environmental controls being installed at the Cardinal Plant in Brilliant, Ohio will make the coal-fired plant one of the cleanest in the nation, but the improvements come with a price tag.

Buckeye Power, Inc., the electric supplier for South Central Power and Ohio's other electric Co-ops, has completed installation of the scrubber on Cardinal Unit 2. It reduces emissions from the plant.

As a result, the wholesale cost of power rate will increase in July.

The average South Central Power residential consumer will see an increase of about 2.5 percent in their monthly bill.

This increase will be reflected in the Power Cost Adjustment portion of Rider A for consumer electric bills sent out in July 2008.

Construction of the scrubber on Cardinal's Unit 3 is underway, so additional rate increases can be expected when the work is completed.

Buckeye Power projects wholesale power costs will increase an average of five percent per year for the next five to 10 years.

The ongoing increases are attributed to government-mandated installation of pollution controls at power plants, the rising cost of coal and natural gas, and overall increases in labor and materials.

To learn more about the Cardinal Plant improvements, visit www.buckeyepower.com

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News Currents

Cool kids and pets

At 93 degrees outside, the temperature inside a closed car can reach 125 degrees in just 20 minutes, even with a window left open a crack.

Never leave a child in an unattended car, no matter how hurried the schedule or brief the moment.

Remember, too, curious youngsters could lock themselves in a car while playing.

Lock your car while at home and keep keys out of reach. Ask your automobile dealer about retrofitting your trunk with an internal release mechanism, should a child become trapped.

Do not leave your dog in a hot car or tied up outside in the heat all day. Dogs don't sweat, so they get hot and stay hot. Make sure your pet has access to shade and plenty of clean water.

Air conditioning tips

Save money and energy by setting the air conditioning thermostat as high as possible while still maintaining your family's comfort.

The less difference between the indoor and outdoor temperatures, the lower your overall cooling costs will be.

Don't crank the air conditioner setting to a really cold temperature in an attempt to cool your house faster. It doesn't work, you'll waste a lot of energy — and money.

On cool summer evenings, nights and mornings, consider opening a window or two. A fresh breeze can be a refreshing moneysaver, but close the window before the heat of the day.

Family reunion season

Family reunions are a way to connect with the past and build bonds for the future.

From one-day picnics to three-day weekends, family baseball teams to cross-country trips, family reunions come in all shapes and sizes. No matter how simple or involved, reunions can be pleasant and memorable with some advance planning.

Here are some tips for a successful get-together.

Plan ahead. Offer several dates to choose from. Give everyone enough time to schedule vacations and make travel arrangements.

Stick to the basics. Arrange for an appropriate facility. If necessary, reserve the reunion site early to assure its availability. Plan plentiful food for all tastes and diets. Worry less about commemorative items or decorations.

Activities. Leave time to socialize and play. Plan some activities for young and young-at-heart to encourage interaction. Everyone should be able to participate if they choose. However, also take advantage of the time together to advance the documentation of your family tree.

Use technology. Staying in touch with e-mail and family Web sites is easy and affordable. Designate someone to update family members without online access.

Keep perspective. Reacquaint yourself with the those family members you don't know that well. Introduce, or reintroduce, yourself with a warm smile and genuine greeting.

And remember, most families have a colorful relative or two. Try to grin and bear it, and realize they're part of the family, too.

ASK YOUR ENERGY ADVISOR

Another energy savings tip

Ditch the old fridge

If you're like a third of homeowners, chances are your old refrigerator is in the garage keeping beverages cold.

But did you know it's slurping up to three times as much energy as your new refrigerator?

In the end, saving that old fridge likely is costing you energy and money.

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