

cooperative REVIEW

for members of Southern Maryland Electric Cooperative

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Steve Maddox, Chief Lineman for SMECO, and Edward Tucker, Chief of Animal Control Services from La Plata, work together to save a juvenile bald eagle after it became caught on a utility line. See full article on page 4

SMECO moves forward after being denied AMI grant

Under the American Recovery and Reinvestment Act, the Department of Energy (DOE) awarded \$4.5 billion as part of the Smart Grid Investment Grant Program. The team at SMECO was surprised and disappointed to be turned down for the \$40.5 million

Grant
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GRANT CONTINUED

we requested to upgrade our systems, but SMECO is still moving forward on

the most cost-efficient portion of the plan without the additional funding.

Under the grant request, SMECO proposed a four-part plan that included Meter Data Management, Distribution Management, a Smart Grid Communications Network, and Advanced Metering Infrastructure (AMI).

Competition for the funding was fierce. Nationwide, only one out of every four applications was successful. The grant writers working with us and our SMECO team were confident, given the thoroughness of the application and the co-op structure of our utility.

“We felt that we made a very good application,” said Austin J. Slater, Jr., president and chief executive officer of SMECO. Beth Kennedy, SMECO’s energy procurement director, felt that we had really good cross-cutting technologies. “It came together really well,” said Kennedy. “I was pretty confident in what we had put together. It was a lot of work—a lot of effort—for everybody.”

SMECO also received local support in the application process. We included letters of recommendation from all levels of local government, including Maryland Senator Benjamin L. Cardin and Congressman Steny Hoyer. We also had letters from the Maryland Energy Administration and the Maryland Public Service Commission indicating their willingness to work with us to get filing approvals processed as quickly as possible once the grant money was awarded. The DOE received nearly 400 applications from around the country, and had a panel of economists, engineers, and many others reviewing the applications in a short timeframe.

What happens next? →

Advanced Metering Pilot

Although SMECO did not receive stimulus grant funding, we are moving forward with our Advanced Metering Infrastructure (AMI) pilot project. For the first phase, we plan to install 1,000 automated meters in homes and businesses in Waldorf over the next six months. This project will help us evaluate the operational capabilities and benefits of the system, including reduced costs for meter reading, fewer trips to customer premises, and improved efficiency of business processes.

SMECO has been evaluating manufacturers and the advanced meter equipment currently available to determine which units will be included in the pilot project. Customers who are selected to participate in the pilot will be notified by mail. Pilot project participants will not notice any difference in their homes or on their bills. The new meters will have digital displays, enabling customer-members to easily read their meter to determine usage.

Communicating customer data is what sets these advanced meters apart. AMI technology provides two-way communications with advanced meters that have capabilities standard meters are unable to provide, such as voltage monitoring, outage detection, and on-demand meter readings. The main benefits of AMI are to save money, provide customers with more

useful information regarding energy use, and to respond more efficiently to power outages.



← *Advanced meters will be solid state similar to the meter pictured at left. AMI will capture detailed kilowatt-hour usage information, enabling customers to manage energy usage.*

Quick Thinking Saves Eagle

Training, planning, and a commitment to our community saved a juvenile bald eagle from death on November 24.



On Route 6, near Blossom Point Road in Port Tobacco, a juvenile bald eagle became trapped on a utility pole, dangerously close to live wires carrying 13,900 volts of electricity. Chris Swann, Chief Lineman, and Jason Danielson, Journeyman Lineman, were en route to check on a feeder line in the area when Swann noticed the eagle and set into motion the actions that would save the eagle.

The Environmental Affairs team coordinated efforts to adhere to the Avian Protection Plan (APP), which was developed in conjunction with the Avian Power Line Interaction Committee (APLIC) in 1989. The electric utility industry and the U.S. Fish and Wildlife Service worked together under the APLIC to reduce avian electrocution and collision mortality.

Tom Russell, Environmental Affairs & Property Rights Manager for SMECO, contacted the Department of Natural Resources (DNR) and Charles County Animal Control Services. Current to the line was stopped and the Distribution Operations team shut down the feeder line to keep the bird from being electrocuted.

The crew was moving to ground the wires as a safety precaution when the bird untangled itself and tried to fly off. However, injured and worn out from its ordeal, the juvenile eagle was on a slow descent from take off and disappeared into nearby woods.

Steve Maddox, Chief Lineman, located the bird and directed Edward Tucker, Chief of Animal Control Services from La Plata, to its location. Together, Tucker and Maddox worked to subdue the bird and place it safely in a cage. Tucker said that the next step was to turn the bird over to DNR. They would make

the decision to take the eagle to one of their local vets or send it straight to the Baltimore Zoo, where it will be rehabilitated and either returned to the wild or kept safely on the preserve depending on the extent of its injuries and recovery.

Bald Eagles were considered an endangered species until June 28, 2007 and are still protected under The Bald and Golden Eagle Protection Act. The penalty for the “take” of an eagle may result in a fine of up to \$100,000 and/or imprisonment for up to a year. An electrocution due to negligence or the improper handling of the situation resulting in death would constitute a “take.” In total, 517 people were without power for only 25 minutes while the bird was protected and ultimately saved.

New EmPOWER MD charge

SMECO filed an EmPOWER Maryland cost-recovery rider with the Public Service Commission (PSC) on November 20, 2009. The proposed rate will be either .079 cents per kWh (\$0.79 per 1,000 hours) based on a five-year recovery of program costs or .194 cents per kWh (\$1.94 per 1,000 kWh) based on a one-year recovery of the program costs. The PSC will determine which rate we will charge to recover our 2009 incurred costs and 2010 projected costs for the mandated energy-efficiency programs. Pending approval, it will become effective as of January 1, 2010.

The EmPOWER Maryland Energy Efficiency Act of 2008 was passed to reduce energy consumption in Maryland by 15 percent by the year 2015.

The EmPOWER Maryland Surcharge will absorb the demand-side management surcharge, which was a charge previously authorized by the PSC to cover the cost of energy conservation programs. Customer-members are encouraged to take advantage of our EmPOWER Maryland programs to save energy and save money. See the back page for ways you can save.



An ENERGY STAR qualified compact fluorescent light bulb (CFL) will save about \$30 over its lifetime and pay for itself in about 6 months. It uses 75 percent less energy and lasts about 10 times longer than an incandescent bulb.

Source: www.energystar.gov

aroundTOWN

Visit smeco.coop/community/aroundtown for more events.

February 2

Safe Boating Course

Sponsor: Patuxent River Sail and Power Squadron

7 pm

Trinity Lutheran Church
Shangri La Drive
Lexington Park

Registration and other information available

301 475-3883



February 15

SMECO Offices Closed President's Day



February 14

American Legion Bluegrass

Sponsor: Sons of the American Legion

Doors open at noon
Show begins at 2 p.m.
American Legion
Post 238, Hughesville
Pricing information is available.

301-737-3004

February 20

Basket Bingo

Sponsor: St. Mary's
Bryantown School
6 to 11 p.m.
St. Mary's School
13735 Notre Dame
Place, Bryantown
Reservations required.

301-870-1868

Rates to decrease in March

SMECO has filed a request with the Maryland Public Service Commission (PSC) to lower our Standard Offer Service rate (SOS), which includes the Energy Charge and the Power Cost Adjustment (PCA). These charges combined represent SMECO's price for electric supply—our price to compare.*

The Standard Offer Service (SOS) rate for energy is based on signed contracts and projected costs up to a year in advance. The PCA changes each month to account for any difference in projected costs and actual costs, and it can be a charge or a credit.

The PCA has been a credit on your bill every month since February 2009 and this credit reflects the reduction in overall energy costs that SMECO has been experiencing in the marketplace. If the PCA is more than five percent of the SOS Energy Charge for three months in a row, SMECO must adjust and restate the Energy Charge to best reflect the price to compare. We reached our five percent threshold in October, November, and December. More good news is that our SOS rate will go down once the filing is approved. If approved, the new rate will appear on your March 2010 bills for costs forecast from March 2010 to February 2011. Projected costs are down 16 percent since the last rate change in December 2008. These lower rates are based on lower fuel costs in the marketplace.

As a non-profit cooperative, SMECO is committed to delivering electricity at the lowest possible price.

The current residential base SOS rates as of November 1, 2009 were \$0.1259 per kWh for summer (June–October) and \$0.1124 per kWh for winter (November–May). The new rates would be \$0.0937 per kWh for summer and \$0.0911 per kWh for winter. General service rates will also decrease.

** All utilities are required to compute a price to compare to serve as a guideline for customers to make comparisons between the utility's rate and prices for electricity offered by suppliers. This price is an average rate per kWh of electricity generation and transmission. Actual amounts vary depending on rate class and seasonal usage.*

Save with EmPOWER Maryland programs

Save on Lighting: By switching to more energy efficient lighting, you can reduce lighting costs by 50 to 75 percent. SMECO is offering discounts on qualifying ENERGY STAR compact fluorescent lights (CFLs) at participating retailers in our service area. No coupons or rebate forms are needed. For a list of retailers, please visit www.smeco.coop/save for updates.

Save on HVAC Equipment and Services: Save when you install a new central air conditioner or heat pump. A new high-efficiency unit can help you conserve energy, save money, and protect the environment. To be eligible for a rebate, units must be installed by participating contractors. To find a list of participating contractors, go to www.smeco.coop/save/heatcool.

Build an ENERGY STAR Home: SMECO has joined with the Environmental Protection Agency (EPA) to offer energy-efficient home construction in Southern Maryland. Under ENERGY STAR, SMECO will work with you and your builders to ensure that homes are built to strict energy efficiency standards with cutting-edge technology. An ENERGY STAR Home is built to use 30 percent less energy than a home built to the standards of the current national Model Energy Code. For more information on building an ENERGY STAR home, visit www.smeco.coop/energy/energystar.

If you have an energy-saving tip that could help your neighbors save money on their electric bills, e-mail us at jonna.jones@smeco.coop or call 301-274-4482.