

cooperative REVIEW

for members of Southern Maryland Electric Cooperative

INSIDE THIS ISSUE:

One dollar a month could help keep your neighbor warm 4

SMECO recognized as a great place to work and do business 5

Scholarships available for high school seniors 5

Plug into green 6

Around Town 6

SMECO's energy rates hit a four-year low 7

Watt an Idea! 8

Looking back on a year of conservation and expansion

A Year-End Message from President & CEO Austin J. Slater, Jr.

The economy has continued its sluggish march through 2010, prompting many to put an increased emphasis on conservation. The EmPOWER Maryland Energy Efficiency Act of 2008 generated many

2010

continued page 2

SMECO was recognized as a great place to work and do business in 2010 (page 5). One of the many reasons that SMECO is a great place to work is our commitment to the health of our employees. Local health administrators attended our employee health fair in October to promote healthy lifestyles for SMECO employees.



2010

CONTINUED

opportunities for SMECO's customer-members to make their homes more efficient so they could save energy and save money.

EmPOWER Maryland helps you save

The EmPOWER Maryland Act was passed to reduce energy consumption in Maryland by 15 percent by the year 2015. SMECO instituted many programs, most beginning in 2010, to help our customer-members find ways to reduce electricity use. These programs include lighting discounts, appliance rebates, an appliance recycling program, and rebates on water heaters, as well as programs that look at the overall efficiency of



An energy auditor installs a water heater blanket and pipe insulation to reduce the amount of energy used.

the home and offer solutions to existing energy wasters. SMECO filed for an EmPOWER Maryland surcharge to replace the demand-side management surcharge; the change took effect in January 2010.

AMI pilot to launch

Knowledge is power, and SMECO is in the process of implementing an Advanced Metering Infrastructure (AMI) that will allow customer-members to more accurately monitor and control their energy usage.

SMECO initially applied for funding 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, which was awarded to utilities throughout the U.S. Although SMECO did not receive stimulus grant funding, we remain dedicated to providing this technology to our customer-members.

SMECO selected Sensus as the technology provider for our AMI and smart metering pilot. Now that a vendor has been selected, SMECO can initiate the first phase of the AMI pilot project set to launch in the first quarter of 2011. SMECO will install 1,000 meters in homes and businesses in Waldorf, and 1,500 services at the Patuxent River Naval Air Station, Webster Field, and Solomons Recreation Center naval centers. This

first phase will allow us to quantify AMI capabilities and benefits, including the scope of reduced costs for meter reading, reduced customer visits, and improved efficiency.



SMECO intends to expand the trial to 10,000 homes in the

SMECO employee DeDe Pullen shows off the new smart meter.

next phase. The new meters will have digital displays, but more importantly, these meters will be capable of transmitting usage and cost data into the home. Communicating customer data is what sets these advanced meters apart.

AMI technology provides two-way communications with advanced meters that have capabilities standard meters do not, 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 respond more efficiently to power outages.

Rates are down

Thanks to diligent administration of our power portfolio and load management through CoolSentry on peak days, SMECO has been able to reduce the energy costs that are passed to our customer-members. Our primary goal is to provide the most reliable service at the lowest cost.

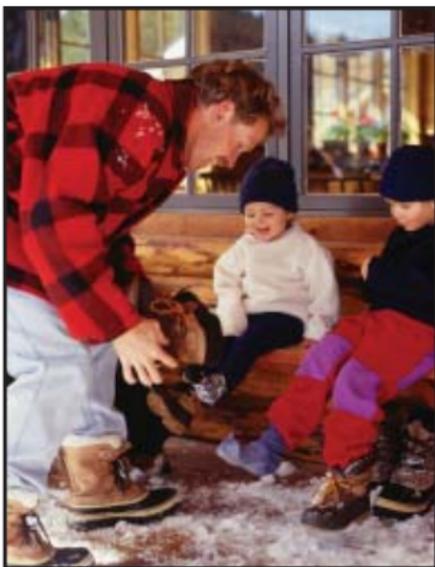
White Plains lobby closed to public

SMECO is streamlining and enhancing how we do business in order to serve our customer-members most cost effectively. As of Dec. 30, 2010, the White Plains lobby will close to the public and service personnel will move to our Hughesville campus.

Although the White Plains lobby is closing, providing convenient bill payment options is a priority for SMECO, and we have added two additional avenues for paying your electric bill. We now take the Discover card, in addition to MasterCard and Visa, and customers are now able to make their payments at participating Walmart stores and other convenient retail stores.

The team at SMECO looks forward to finding even more ways to ensure reliable service at the best rate for our customer-members in the coming year.

One dollar a month could help keep your neighbor warm



The economy has had a devastating effect on many families throughout the nation and at home. SMECO has introduced the Members Helping Members program, where customers in Southern Maryland can help their neighbors who are struggling to pay their electric bills throughout

the year. Customer-members who would like to contribute simply opt in to add \$1 to their electric bill each month, and SMECO will match customer donations up to \$25,000 in 2011.

Each month, donations will be sent to the Southern Maryland Tri-County Community Action Committee, which will administer the funds to those customer-members who seek aid and meet the qualifications.

If you would like to donate just \$12 a year to help your neighbors keep their families safe and warm, you can sign up to be a member who helps members by calling 1-888-440-3311, visiting the website at www.smeco.coop/mhm or in person at one of the customer service counters at a SMECO location. If you would like to make a larger donation to MHM, you may send a check to Members Helping Members at P.O. Box 1937, Hughesville, MD 20637. Participants can opt out at any time.

MEMBER
helping
MEMBER \$

SMECO recognized as a great place to work and do business

SMECO was ranked 27th in the third annual Gazette of P&B (Politics & Business) Exceptional 53 awards, which is a list of the great places to work and do business in Maryland. Companies are judged based on organizational growth, innovation, and community service. The companies include private, public, profit, and non-profit companies, but they have to be based in Maryland and in business for at least three years. SMECO stood out for its dedication to promoting employee health and extensive community involvement.



Scholarships available for high school seniors

Southern Maryland Electric Cooperative is offering \$1,500 scholarships to four graduating high school seniors who live with parents or guardians who are SMECO customers. The deadline for all completed scholarship applications is **March 4, 2011**.

For more information or to obtain an application, visit www.smeco.coop, see your school career counselor, call SMECO at 1-888-440-3311, extension 4340, or visit any SMECO office. Completed application packages (all items must be submitted as one package) may be taken to any local SMECO office or mailed to SMECO Headquarters, P.O. Box 1937, Hughesville, MD, 20637, and Attention: Bernadette Lewis.

Applicants for Southern Maryland Electric Cooperative's scholarships shall be considered based on the cooperative's established guidelines without regard to race, color, religion, national origin, age, or handicap.



plug into Green

Keep your energy bill low and stay warm this winter.

- Keep draperies and shades on your south-facing windows open during the day to allow the sunlight to enter your home, and keep them closed at night.
- Set your thermostat as low as comfortable when you are home. (SMECO recommends 68 degrees during the winter months.)
- By resetting your programmable thermostat from 72 degrees to 65 degrees for eight hours a day, you can cut your heating bill by up to 10 percent.

Source: www.energy.gov/winter.htm

around **TOWN**

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

January 1

New Year's Day

SMECO offices closed
SMECO's Call Center
is open 24/7, at
1-888-440-3311.
Report outages: call
1-877-74-SMECO
(1-877-747-6326)

January 3

Pet Loss Candle Lighting Service

Sponsor: Creature Comfort
Program/Washington
Pastoral Counseling Service
8:15 p.m. new attendees,
service 8:30 to 9:00 p.m.
Calvary United
Methodist Church
3235 Leonardtown
Rd., Waldorf
Monthly candle
lighting service for those
experiencing pet loss.
Registration fee.
240-210-6073



January 17

Martin Luther King, Jr. Day

SMECO offices closed

January 21

Steak & Shrimp Dinner

Sponsor: American
Legion Post # 221
5 to 8 p.m.
21690 Colton Point
Rd., Avenue. Platters &
sandwiches are both
available. Eat in or
carryout service.
301-769-2220
301-769-4346
www.alpost221.webs.com

January 22

Concert

Sponsor: The 7:30 Club
7 p.m.
The 7:30 Club, Old Village
Rd., Mechanicsville
The concert is for ages
13 and older.
seventhyclub.webs.com

SMECO's energy rates hit a four-year low

SMECO's residential energy rates fell below nine cents per kilowatt-hour (kWh) for the first time in over four years.

Energy rates have declined steadily over the past year. The energy rate in November 2009 was 10.4 cents per kWh. The November 2010 Standard Offer Service (SOS) rate for residential customers was 8.8 cents per kWh, almost a 20 percent decrease.

That means someone who uses 1,000 kWh per month at home paid less than \$90 for energy. Our rates peaked in the summer of 2009 when that same customer would have paid almost \$130 in SOS charges.

During this tough economy, customers are saving wherever they can, and we're working to help them save. SMECO is offering rebates for customers who invest in energy-saving appliances as part of the state-wide EmPOWER Maryland initiative.

In addition to the rebates that are available, Cooperative employees work to educate customers on how to save energy. We strongly encourage our customers to read the information that comes in their bill and go to our website for helpful advice. When it comes to your monthly bill, the best way to save money is to save energy.

The cooperative's residential energy rate is more than a full cent lower than other regional electric utilities' rates. "On customer satisfaction surveys, SMECO's customer-members have consistently ranked the co-op higher than other utilities in the area," said Austin J. Slater, SMECO President and CEO. He then added, "We have a winning combination: lower energy rates, higher customer satisfaction rates, and a co-op that puts its members first."

Watt an Idea!



Amy W.

Amy is a long-time SMECO customer who makes little changes to effect a big difference. “In our overhead light fixtures that take four bulbs, we only use two 25-watt bulbs. Can’t really tell the difference, and the covers on the light fixtures make it unnoticeable.”

If you have an energy-saving tip that could help your neighbors save money on their electric bills, let us know!

E-mail us at jonna.jones@smeco.coop or call 301-274-4482.

Save up to \$12 on a multi-pack of CFLs!

Lighting can account for up to 20 percent of a home’s electric bill. By switching to more energy-efficient lighting, you can reduce these costs by 50 to 75 percent.

Visit www.smeco.coop/save for updates for retailers in our service area offering the SMECO discount on qualifying ENERGY STAR® compact fluorescent lights.

This program supports EmPOWER Maryland.