

cooperative **REVIEW**

for members of Southern Maryland Electric Cooperative



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Reliability project completed on time and under budget

SMECO completed the Southern Maryland Reliability Project on November 3, when the under-river portion of the 230,000-volt line that creates a transmission loop through the cooperative's service area was energized.

"The entire loop, which has been built in sections, has been a part of SMECO's vision since the early 1970s. In 1973, SMECO started the process of applying for the necessary permits, and the first section of the 230-kilovolt (kV) line from Ryceville to Lexington Park was energized in 1990. As the population and the demand for electricity increased, the necessity for a complete 230-kV loop increased," said Ken Capps, Senior Vice President of Engineering and Operations and Chief Operating Officer for SMECO. "We had a 69,000-volt line feeding Calvert County and lower St. Mary's for a number of years. When the submarine portion of that line failed on a very cold day in January 2005, the crucial importance of upgrading the line became obvious."

SMECO's announcement for plans to upgrade the line to



Sonja Cox, Senior Vice President of Financial, Economic & Employee Services and CFO (pictured second from left) accepts the Electric Cooperative of the Year Award for SMECO. Read more on page 5.

include 230,000-volt circuits officially began in 2008 at a meeting of the Calvert County commissioners on April 15 and St. Mary's County commissioners on April 22. After holding a series of open houses for the public and receiving customer-member comments about the project, the cooperative applied to the Maryland Public Service Commission for a Certificate of Public Convenience and Necessity (CPCN) on Nov. 21, 2008, and the Commission granted the CPCN on Sept. 9, 2009.

"During the course of this seven-year, \$108 million project, we built switching stations in Aquasco and Sollers Wharf, and we expanded the switching station in Holland Cliff.

To make efficient use of existing resources, we moved transformers from our Hawkins Gate and Hewitt Road stations and

"We expect this new line to provide enough capacity to see us through the next 50 years," Slater said.

replaced them with new, larger transformers to increase capacity where it was needed most," said Capps. The culmination of the project was crossing under the southern portion of the Patuxent River from the Navy Recreation Center in Solomons to Town Creek in St. Mary's County. During October, construction was completed and the line was tested before it was energized and put into service on November 3.

SMECO President and CEO Austin J. Slater, Jr., said, "We cannot overstate the importance of this project to the reliability of our system. Electric utilities are obligated to maintain the highest standard of reliable service and provide the most up-to-date technology to improve economic and operational efficiency. By completing this 230,000-volt loop through our service area, customer-members are assured of improved reliability."

Although the project greatly enhances reliability for all of the cooperative's customers, it is vitally important to Calvert County and lower St. Mary's County, including Naval Air Station Patuxent River.

“We faced considerable challenges associated with engineering the river crossing. A year ago, we used a horizontal directional drilling technique to bore under the riverbed, and then pulled two bundles of five fusible PVC pipes through the bored holes. This was a first for the industry; no previous installations using fusible PVC come close to the length and complexity of this project. In October 2014, we completed the under-river crossing when we pulled cable through the conduit,” said Capps.

“We used existing right-of-way and we worked with customers along the route to minimize the impact of this line,” Slater added. “When we started, we said we would do the Southern Maryland Reliability Project the right way, and we’ve received accolades from environmental and permitting agencies that held this project up as an excellent example, the standard to follow.”

“Our previous peak demand record was set on January 17, 2009, at 848.8 megawatts (MW). In January, when the polar vortex brought us unusually cold weather, we surpassed that peak on six different days, and we set a new peak of 941.3 MW. We expect this new line to provide enough capacity to see us through the next 50 years,” Slater said. “I am immensely proud of the creative and gifted engineering, project management, and skilled execution exercised by our team in delivering this critical component of our electric system. And I am delighted that it was completed on time and under budget.”

Construction highlights

- 25.5 miles of PVC conduit and 6.9 miles of cable were used to complete the crossing under the river.
- 19,543 cubic yards of concrete were used for the foundations of 291 steel poles, replacing 430 poles used for the previous 69-kV line.
- 15.5 miles of roads were graded along the right-of-way and for construction access.
- 15 helicopter flights were used to install 181 of the 197 miles of conductor for 28 miles of overhead spans.

SMECO VP inducted into Hall of Fame

Rose Pickeral-Brown, customer care vice president for SMECO, was inducted into the 2014 Hall of Fame for the Morgan State University Southern Maryland Alumni Chapter (MSUSMAC). The group honored six Morgan State alumni at its ninth annual Blue and Orange Scholarship Dinner Dance and Awards Banquet on September 13 at the Waldorf Jaycees Community Center.



Rose Pickeral-Brown

The Southern Maryland Chapter of MSU alumni was established on Oct. 16, 2004, and chartered at Morgan State University on May 14, 2005. MSUSMAC members are heavily committed to community service in Southern Maryland, especially as it relates to health awareness and how those issues affect the African American community. Proceeds from the awards banquet go to provide scholarships for deserving students who plan to attend Morgan State University, as well as to help the group continue to engage in their community service projects. The alumni that comprise the Southern Maryland chapter are talented individuals who bring great value to both their local communities and their employers.

SMECO's Contact Center has grown from 23 employees handling 15,300 calls monthly to 57 employees handling 32,000 calls each month under Pickeral-Brown's leadership.

"Rose helps our Contact Center team to maintain a delicate balance between helping our members when they need assistance and providing service to as many customers as possible, as quickly as possible. One of Rose's great gifts is her ability to bring out the best in the people with whom she works," said Austin J. Slater, Jr., SMECO President and CEO.

SMECO named electric cooperative utility of the year by SEPA

On October 21, 2014, SMECO was named Electric Cooperative of the Year by the Solar Electric Power Association (SEPA) at the 10th annual awards luncheon held in Las Vegas.

SEPA is an educational nonprofit focused on helping utilities integrate solar electric power into their energy portfolios. They recognize organizations and individuals advancing utility innovation, industry collaboration, and leadership in the solar energy sector through their award program.

“SMECO leveraged one of the advantages offered by solar—as well as being true to its co-op mission to bring value to the community it serves—when it chose to build solar within the co-op service area rather than purchase renewable credits from a distant resource,” said Julia Hamm, president and CEO of SEPA. “The co-op also gained valuable hands-on experience with a new resource, inspiring a commitment to continue to expand its investment in solar.”

SMECO earned the 2014 award as a result of its leadership and commitment to meeting Maryland’s renewable energy targets with locally generated solar power.

“As an electric cooperative, SMECO is obligated to maintain the highest standard of reliable service while keeping its costs as low as possible, and making efficient use of solar energy allows us to cost-effectively fulfill state-mandated renewable energy requirements,” said SMECO President and CEO Austin J. Slater, Jr. “Solar panels are showing up everywhere. Industry experts estimate that one new solar installation went up every four minutes in 2013, and that rate is accelerating. This year we held three solar workshops to provide our customer-members with information on metering and renewable energy credits. Our customers are embracing this technology, and we are proud to receive recognition for our accomplishments from the Solar Electric Power Association.”

Awareness is key for safe online bill payment

Many convenient payment options make the task of paying your bills easier and less time consuming, but it's important to be careful because scams are prevalent. When you are paying your bill online, ensure that you are using a secure and protected site. Some sites that appear to be the SMECO bill payment site are actually third-party sites that will charge a fee. SMECO does not charge a fee for online payments.

When making an online bill payment, confirm that you are using the official SMECO.coop bill payment page before entering any personal financial information. You can determine this through several key factors. The first step is to check the URL (the web address) and ensure you are on SMECO's page. Make sure the browser says https:// and not just http://.

Safe SMECO URLs related to bill payment:

- <https://www.smeco.coop/index.aspx>
- <https://smeco.mysecuredservices.com/>
- <https://smeco.secured-server.biz/smeco/paynow.html>

Another step you can take is to click on the padlock at the top of the browser window to view the security certificate. The certificate will show the web address of the site you are using.

Awareness is key when paying bills online.

The screenshot shows the SMECO website homepage. At the top, there is a navigation bar with links for Customer Choice, Careers, Contact Us, Newsletter, Energy Suppliers, and Vendors. Below this is a search bar and a 'Go' button. The main content area is divided into several sections:

- Your Cooperative:** Southern Maryland Electric Cooperative.
- Your Account:** A sidebar menu with options like 'Paying Electric Bills', 'Online Bill Payments', 'About the SMECO Bill', 'About Your Meter', 'AutoPay', 'Average Temperatures', 'Disconnect Service', 'e-Services', 'Electric Service Tariff', 'Even Monthly Payment Plan', 'SMECO Billing Dates', 'New Services (construction)', 'Sign Up For Service', 'Standard Offer Service', 'Stay Informed by E-mail', 'Residential Bill Calculator', and 'Rights & Responsibilities'.
- Your Account:** A central section with a heading 'Your Account' and a paragraph stating SMECO's commitment to service. It includes a 'Help With Energy Bills' section with a checkmark icon and a 'Stay Informed by E-mail' section with a checkmark icon.
- Log In or Pay My Bill:** A section on the right with a heading 'Log In or Pay My Bill' and a paragraph about downloading the SMECO 24/7 mobile app. It also includes a 'Report an Outage' section with a checkmark icon and a 'Members Helping Members' section with a paragraph about rebates on CFLs and LEDs.

Secure SMECO payment options

- **Pay Automatically**

Have your bills deducted automatically from your bank or credit union checking account, or charge your bills to your Visa, Discover, or MasterCard with SMECO's AutoPay program.

- **Pay Online**

SMECO's online payment system is available 24 hours a day. Go to www.smeco.coop, then "Pay My Bill" to make a quick, easy payment with no login. Or click "Log into my account" and use your account number to enroll.

- **Pay By Phone**

Pay with a check, Visa, Discover, or MasterCard by calling Direct Pay at 1-866-528-7757. You can also download the SMECO 24/7 mobile app to pay using your iPhone or Android smart phone.

- **Pay By Mail**

Mail your check or money order to SMECO P.O. Box 743002, Atlanta, GA 30374-3002. Be sure to include your bill stub, and write your account number on your check or money order.

- **Pay In Person**

Take your payment to any SMECO office. Cashiers will accept your payment during regular business hours.

Any Walmart or local Global Express retail location will also accept a payment. Just take a copy of your bill with you and pay a small fee.

aroundTOWN

January 1

New Year's Day

SMECO offices closed. Our Contact Center is available 24/7.

1-888-440-3311

www.smeco.coop

(kids nine and younger are free). Participants receive a commemorative T-shirt. Post-race awards ceremony with hot soup. Registration begins at 8 a.m., or you can register on active.com.

410-535-4787

somednetwork.org

5K Resolution Race

Sponsor: Southern Maryland Community Network

9 a.m. to Noon. 305 Prince Frederick Boulevard, Prince Frederick. Annual 5K fundraiser to benefit the network's mental health programs. Entry fee

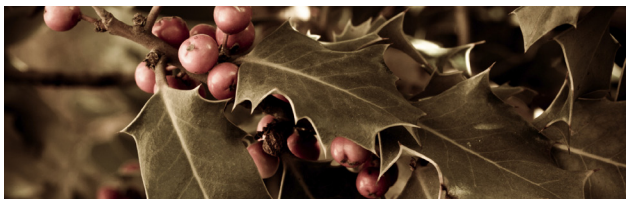
January 19

Martin Luther King, Jr. Day

SMECO offices closed. Our Contact Center is available 24/7.

1-888-440-3311

www.smeco.coop



Cold temperatures increase energy usage and bills

Mid-November brought a return of the dreaded polar vortex, reminding Southern Marylanders that winter is almost here. Many customer-members faced higher bills last winter as extreme cold weather drove usage to an all-time high with multiple system peaks in the cooperative's service territory. Signs point to another winter of extremely low temperatures and wintry precipitation.

Heating and cooling costs are usually the biggest part of your electric bill, accounting for up to two-thirds of your usage. When it gets cold, energy usage increases. When energy usage increases, electric bills go up.

To save energy this winter, visit www.smeco.coop/yourEnergy.aspx for tips on the many things you can do.

One of the most important things you can do is have your heat pump serviced regularly to keep it operating most efficiently.

Remember that energy use varies based on many factors, including the amount of insulation and the type of heating system in the home, as well as the type of appliances you use. Adjusting your energy use on cold weather days can help control winter electric bills.