

This is what our President - CEO
of GRAYSON RECC thinks of
working people trying to pay electric
bills. We have a surcharge of about
8% added to our electric bills now
along with other things the surcharge
is never lowered or taken off
I guess I need to ~~tell~~^{tell} my boss
I need an 8% raise I would be
sent home. Maybe our CEO AND
BOARD MEMBERS CAN give everyone
a Recipe to make more money
She needs to put in next months
Co-op news a Recipe to eat less
so everyone can pay an electric bill
maybe 5 days a week 2 days
don't eat a one meal a day tell this
to your kids
GRAYSON RECC Customer


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PUBLIC SERVICE
COMMISSION



Co-op News

A Touchstone Energy Cooperative 

Straight Talk from the CEO



Carol Hall Fraley
President/CEO

“Recipe for a Rate Increase”

Easter is early this year. Good Friday is March 29 and Easter is the 31st. Every year in our family, it is the first big dinner celebration since Christmas. We also round it out with a couple of birthdays. A few weeks before Easter, I start looking through the cookbooks and magazines for recipes I want to try for Easter dinner.

But this year, I started thinking about our proposed rate increase and how we have arrived at that point. Is there a recipe for a rate increase? And if there is, what makes it happen?

As most of you know, we are asking the Kentucky Public Service Commission to approve an 8 percent rate increase. Each year I prepare a year-end report for our board and I thought that sharing a condensed version of it with our members might help you understand why a rate increase is needed.

In 2012, we had 1,083 people become members of the cooperative. However, 1,109 memberships were retired, a loss of 26 members and their families. We disconnected 853 members for nonpayment and only 418 paid and went back on service. Several of these members still owe an outstanding balance. Where did they go?

Eighty-nine energy audits were performed. We had 178 air conditioner and 239 water heater control switches installed. More than 4,200 school-aged children were treated to safety programs, career day programs, and energy programs. We had 16 houses upgraded on MACED/How\$mart and participated

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President & CEO
Carol Hall Fraley

Attorney
W. Jeffrey Scott

LAST DAY TO PAY
March 15

BOARD BRIEFS...

- Directors Billy E. (Eddie) Martin and Harold Dupuy will be unopposed this year, in accordance with GRECC bylaws
- Reaffirmed Board Policy 508, Safety.
- Discussed the state's requirements for electrical inspections.

Board of Directors

Roger Trent	Chairman
Donnie Crum	Vice President
Eddie Martin	Secretary/Treasurer

Kenneth Arrington
Harold Dupuy
William T. "Bill" Rice
Jimmy E. Whitt



member of
East Kentucky Power Cooperative
www.graysonrecc.com

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with Frontier Housing on several new housing starts.

We completed meter reading programs in compliance with the Ky. PSC on the Low Gap, Sandy Hook, and Newfoundland substations. We are in the process of having our members be able to text report outages, use prepaid metering that will eliminate the need for a security deposit, and we have added 100 remote controlled disconnect meters.

The H structure from Leon to Carter City has been completely rebuilt, benefiting members along a 14-mile corridor and lines feeding from it. We also rebuilt a line on Everman's Creek due to low voltage and the rebuilding of Three Prong is in progress. We have worked closely with Mountain Telephone as they install computer availability to homes in Elliott County and we have worked with the State Highway Department as they continue to widen and improve RT. 7. Robert Brown and Jonathan Moreland graduated to first-class linemen. Steven Burton was hired as a lineman apprentice and Mike Reynolds also started in the apprenticeship program. Willis Barker became the new mechanic in February 2012. We worked 87,604 hours in 2012 without a lost-time accident for a total of 268,519 hours since January 1, 2010. More than 600 miles of right-of-way were cut, sprayed, or bush hogged and our line loss held steady at a healthy average of about 5.5 percent.

We have also paid capital credits through 2011 in the amount of \$190,650 and we have performed a year-end inventory, year-end audit, and a sales tax audit. Add to this the high cost of fuel and there you have a perfect recipe for a rate increase. These don't even include the multitude of day-to-day tasks that are vital but hard to count, such as engineering new lines, rebuilding old outdated lines that are no longer reliable, service orders, billing, and accounting.

No one ever wants to have a rate increase, but from time to time a rate increase is necessary. The decision to go in for a rate increase is studied carefully by your board and cooperative staff. As a not-for-profit corporation, we make every effort to mitigate the impact of any rate increase on our members. That is why we deliberately and reasonably spread a rate increase over the different classifications of our members.

For the next few months, you will hear more about the proposed rate increase. Should you have questions or need more information, we are at your service. Please do not hesitate to contact us so that we can answer your questions.

Sincerely,

Carol Hall Fraley
President and CEO

Mission Statement—Grayson Rural Electric Cooperative Corporation exists to provide safe, efficient electricity and related services to our members, our communities, and others who may be affected by our actions and decisions.

SPRING STORMS

Remember, if you can hear thunder, lightning is a danger. Stay indoors and away from doors and windows. Avoid taking a shower or bath, and using the telephone during these times, and turn off or unplug appliances.

When heavy rain, thunder, lightning, or hail is approaching, listen for tornado watches and warnings. If there's a tornado warning, take cover in a basement or first-floor, interior room without windows. If you're in a mobile home, be especially alert in advance and seek shelter somewhere else. If you're outdoors, lie down in a ditch.

It's also helpful to understand that Grayson RECC is generally responsible for repairs up to your home's weatherhead (the conduit pipe attached to the side of your home). Homeowners are responsible to repair damages to the right of the dotted line. If the weatherhead or meter box is damaged or torn from the side of your home after a storm, you must have that repaired by an electrician before we can restore power. It's vital that you call Grayson RECC at (800) 562-3532 to disconnect live lines before an electrician reattaches a weatherhead or meter.

