### **Co-op**Connection

### Horry Electric Cooperative, Inc.

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Horry Electric Cooperative, Inc. is a non-profit, memberowned organization providing information and energyrelated services on a fair and equitable basis.

A Touchstone Energy" Cooperative

# It's that time of year

Annual Meeting 2015 next month

YOUR ANNUAL MEETING IS scheduled for Tuesday, May 12, on the campus of Coastal Carolina University. We say it

> is your meeting because it is one of the most important and best examples of the power of co-op membership. We proactively encourage

members to come to the Annual Meeting and try to make it as convenient and as

rewarding as possible for those who do. We have a quorum requirement, established by the South Carolina General Assembly, that must be met in order for business to be officially conducted at the meeting. In SC Code, Section 33-49-430, quorum is defined as five percent of all members. Registering and voting on cooperative business in person is part of South Carolina Code of Laws.

#### **Proven success**

Registration gifts that are sure to appeal to a large number of people, entertainment and prize drawings for registered members have proven to be successful methods for electric cooperatives to draw large crowds and achieve the quorum requirement. On top of that, we include a retired fleet vehicle as the GRAND PRIZE. This year, it is a 2007 Chevrolet Silverado.

As it has been for the past few years, the Registration Gift is an electric bill credit. The amount this year is \$15. Please remember that only members who register, in person, to participate in the Annual Meeting of Members between the hours of noon and 7 p.m. on May 12 are eligible to receive the Registration Gift.

Each member who registers, in person, at the meeting during the designated hours, will not only qualify to get the Registration Gift, but will also be automatically entered into the prize drawing. Registered members do not have to be present at the time of the drawing in order to win.

#### Stay tuned, more to come

Official Notice/Registration Postcards will be mailed to members prior to the meeting. Please be sure to put it in a safe place when it is delivered. You'll need to bring it, plus some form of photo identification, with you when you come to the meeting. Members who bring their Official Notice and their ID will be able to take advantage of the Speedy Pass lines at Registration.

Our plan for multiple locations for registration worked well last year, so we're doing the same this year. Shuttles will run in a continuous loop from the registation locations to The HTC Center, which is where the entertainment, business meeting and prize drawing will take place.

The May edition of *South Carolina Living* will be mailed at about the same time as the Official Notice. It is your guide to your Annual Meeting and includes all the details you'll need for the big day! We hope to see you there!

James P. HowlE

James P. "Pat" Howle Executive Vice President and CEO



# Horry News





### 37th Rural Lady of the Year

Frances Strickland was named the 37th Rural Lady of the Year at a luncheon March 6 at Horry Electric. State Sen. Greg Hembree (above, left) and state Rep. Jeff Johnson presented Strickland with framed legislative resolutions honoring her as the recipient of what is formally known as the Miss Leo G. Knauff Leadership Award. Guest speaker Lanie Hudson, Miss South Carolina 2014, also wowed the audience with her clogging skills.

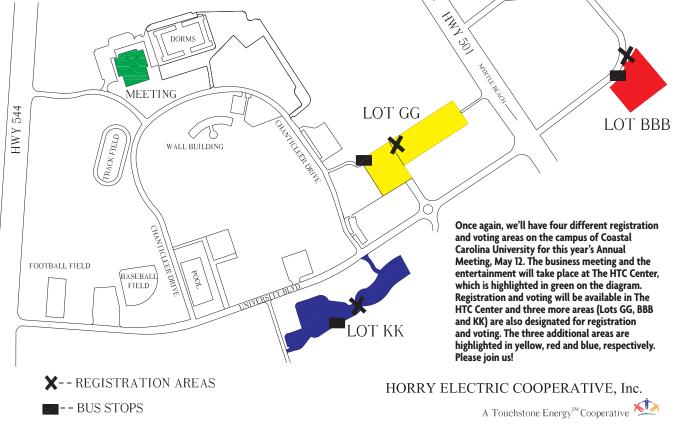
### Horry Extra

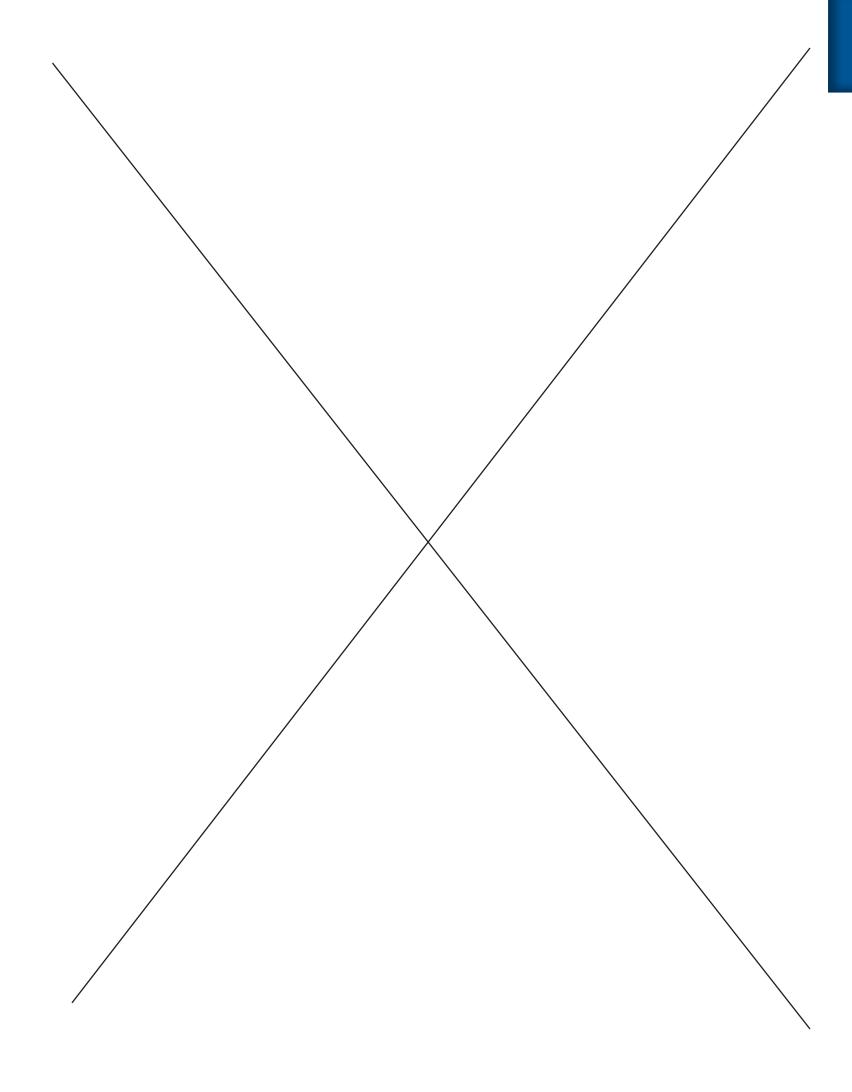
### Who's the greenest in the land?

With Earth Day returning April 22, we salute some of Horry Electric's biggest supporters of the Green Power renewable energy program. Turn to 20B.



## 2015 Annual Meeting, May 12 at CCU





# Horry Extra

### Get out and spread your wings—the Waccamaw River is calling

**SHAKE OFF** those winter blahs and get outside! Waccamaw River Rentals offers a refreshing Co-op Connections discount for members of Horry Electric and other Touchstone Energy Cooperatives.

Matt Varnadore started Waccamaw River Rentals last year with a new 18foot Bennington pontoon. It's docked at Kingston Pointe Marina about six months out of the year starting in April. You can rent the pontoon on your own or charter an outing with Varnadore, a Coast Guard-certified, licensed captain, at the helm. "I can take your family or group on the river on an excursion," he says.

"I've grown up on the river," Varnadore notes. "We always fished it





Matt Varnadore, a licensed river pilot, grew up on the Waccamaw.

and swam it and played on that river. We're avid boaters, my family. We love to fish and travel by the water."

A Waccamaw trip connects newcomers to Horry County's natural beauty. "Conway prides itself on being called River Town," Varnadore says. "I think folks getting on the river would see exactly why we say that. It's beautiful. They're going to see wildlife from eagles to alligators. You'll see all sorts of things."

A river trip can reconnect local natives, too. "We rented the boat to several families last year," he says. "The pleasant thing was they were mostly locals who didn't have

### Local discount

15% off rentals 4 hours or more

Where: Waccamaw River Rentals 1027 3rd Ave., Conway Phone: (843) 504-1012 Email: waccamawriverrentals@yahoo.com Hours: Daily 9 a.m.-6 p.m. Co-op Connections® Card



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a boat and wanted to experience the Waccamaw and hadn't had an opportunity to do so."

Varnadore adds, "There's plenty to do out there on the river!" 🕄

Guided excursions from now until May are \$50 an hour with a six-passenger maximum capacity. Call (843) 504-1012 to book a trip. Mention Co-op Connections for a 15-percent discount on rentals of four hours or more.



# Horry Extra

## MEET THE STARS OF TEAM GREEN

WITH EARTH DAY coming around again on April 22, *South Carolina Living* sought out HEC's top Green Power supporters. These members have bought multiple 100 kilowatt-hour blocks of Green Power for years—some since fall 2001, when Horry Electric and Santee Cooper introduced the program in response to increased interest in renewable energy and concern for the environment.

### The efficient environmentalist

HTC retiree Mark Durst (below) buys four blocks a month. Concerned about global warming, he's been environmentally aware since 1974,



when he got his driver's license—just as an oil embargo focused America's attention on energy issues. "Energy efficiency was a big thing then, too," notes Durst, who recoups his \$12-a-month Green Power investment by using energy wisely.

### Leaving the world a better place

Erin Laware (right) has purchased three blocks of Green Power each month since she bought her home seven years ago. "I want to leave the planet a better place than I found it," Laware says. She hopes more Green Power generating facilities will be added.



### They like it here

Coastal Carolina professors Craig and Sharon Gilman (above) also purchase three blocks monthly. An associate biology professor, Sharon says, "We only have this one planet to live on. We need to stop using it up! I like it here." Craig, who teaches environmental science, adds, "One of the things I teach is that using fossil fuels is one of the most damaging things we can do to the planet." Buying Green Power is a great way to support the development of alternative energy sources, they say. **G** 

Get on the Green Team! Green Power is electricity generated from renewable resources such as solar or wind power or naturally occurring methane gas collected at landfills across the state. Learn more at HorryElectric.com. Look under My Energy for the Renewable Energy page.



## He's the man inside th

**THEY CAME TO WORK** on Feb. 20 at the Green Power Generating Station at the Horry County Landfill at 5 a.m. The coldest air mass to invade the state in more than two decades was creating record demands for power.

Horry Electric member Arthur Chadwick, one of two maintenance mechanics manning the station for Santee Cooper, knew the three methane-fueled GE Jenbacher engines were running smoothly. He and his co-worker Derrick Chestnut had come in at 4 a.m. the previous morning to make double-sure of it.

Even though co-op members and Santee Cooper customers across South Carolina set a demand record of 5,869 megawatts (MW) that morning, there were no service disruptions. Santee Cooper's generation fleet was running at full force—including the Horry County Green Power station and five other landfill generation plants around S.C.

The Green Power plants produce 28 MW, a relatively small but still important output, Chestnut notes: "It's critical that these three units keep running," he says. "They're part of

the fleet, like any other power plant." The Horry station can produce 3.3 megawatts, roughly enough power to keep

1,000 co-op homes toasty in an Arctic blast—or cool in a summer heat wave.

### **Green Power's Horry roots**

Now statewide, the Green Power program began in 2001 with a renewable energy partnership between the Horry County Solid Waste Authority (SWA) and Santee Cooper, the state-owned utility that generates most of the electricity that co-ops like HEC distribute to members.

Electricity is generated from the methane gas naturally produced at



## le the green machine

the landfill, which otherwise would have to be flared off. Santee Cooper owns and operates the generating equipment, which runs 24 hours a day, seven days a week. The SWA owns and operates the landfill and the gas collection system and sells the methane to Santee Cooper. Horry Electric and a statewide co-op power supply aggregator, Central Electric Power Cooperative, supply power lines to get the Green Power onto the grid.



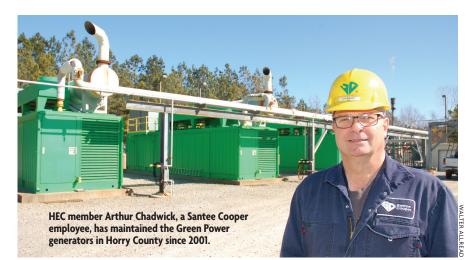
Chadwick has been there all along, keeping the 1,400-horsepower Jenbachers humming at 1,800 rpms almost constantly for 14 years. Initially, he notes, there were two 1.1 MW generators; in January 2003, another 1.1 MW generator came online.

#### Learn here, apply everywhere

Every Green Power landfill generation site in the state has applied lessons learned at Conway, he says. They've found methods, for example, to maximize engine efficiency and to improve methane filtration.

From day one, Chadwick says, the SWA's gas wells—there are now 75 to 80—have produced a steady supply of gas from naturally biodegrading matter. "I just call it good trash! It produces awesome methane," says Chadwick, who credits the Grand Strand's many restaurants for the steady flow of fuel. "There's so much food waste," he notes.

He relates the way the engines are



run to automobiles: "It would be like you taking your personal vehicle and putting about 500,000 miles on it a year," Chadwick says. "It's just like an endless highway and an endless supply of gas in your car. You get in it and you drive 80 mph and you set the cruise—and it just runs, day after day. And two, you would actually be going uphill. That's kind of how these engines run: Once the generator breaker closes and you sync with the grid, you put a load on the engines. It's like driving 80 mph and with a trailer hooked behind you.

"Think of the maintenance that you'd have to do on a vehicle with that many miles. These engines, we run them day and night. Naturally, there's a good bit of maintenance."

Each Jenbacher has 20 cylinders, with 10 spark plugs on each side,

13 air filters—and a *lot* of oil to change. "The engines will hold 179 gallons of oil. When we change the oil, we have a waste tank that we pump it into. The Santee Cooper GOFER (Give Oil For Energy Recovery) truck comes and gets it. They carry it to another plant, where it's burned at the boiler—so it makes energy again!"

Chadwick, Chestnut and the Jenbachers keep Horry County's only homegrown power coming. "When the engine comes up to speed, 1,800 rpms, and levels off, once it synchronizes with the grid and that generator breaker's in place, the power's transferred to the step-up transformer. When it leaves the switchgear, it's fed right into the Horry Electric system."

In other words, the renewable energy effort in Horry County is one lean, mean, efficiently *green* machine! ©

### Pitch in, keep Horry green

The Horry County Solid Waste Authority's landfill occupies 727 acres including a Recycling Convenience Center. The

authority also manages 24 recycling center





recycling centers around the county, where it's not hard to find Horry Electric members doing their part to keep the county green. We met co-op member Ruth Smith (above) pitching in at the McDowell Shortcut center. We found SWA employee and HEC member Brittany Gillaspie "wo-manning" equipment on Scipio Lane. Good job, everyone! Recycling extends landfill life, saving space for the biodegradable waste that makes the methane that keeps those Green Power generators humming!

# Horry Extra

### Co-op returning \$2.6 million in capital credits to members

**THIS MONTH**, Horry Electric Cooperative will return approximately \$2.6 million to members who had co-op accounts in 1991, 1992 and/or 2014.

The payments reflect a unique feature of cooperative businesses capital credits. When finances allow, co-ops like Horry Electric use capital credits to return to members any funds left over after the co-op has paid its expenses for a given year. This spring, members who had co-op accounts in 1991, 1992 and/or 2014 will receive payments based on how much electricity they bought during those years.

Jodi Braziel, office manager for Horry Electric, says the co-op refunds capital credits below \$10 to an active member's account in order to reduce the expense of processing and issuing checks. "Individuals who were members in 1991, 1992 and/or 2014 who don't get a check, will see a credit on their electric bill," she notes.

Capital credit checks are expected to be delivered to members by the end of April.

"It's an exciting time for us around here," she adds. "Being able to return capital credits is a direct reflection on the financial strength and stability of your cooperative. We can all take pride in this accomplishment."

This year's payments extend a well-established record for Horry Electric. "Last year, the cooperative disbursed \$1,625,000 from the capital credit account," said Braziel. 👁

The chart below is designed to help members calculate and estimate what their capital credit check might be. Questions about capital credits? Call the co-op at (843) 369-2211.

### Capital credit disbursement 2015

This year, members will be receiving a portion of the capital credits assignment for 1991, 1992 and 2014. The allowable retirement this year is \$2,648,549.28 less \$400,000 in estate payments. The total amount being distributed is \$2,248,549.28, which includes the \$841,449.67 balance of 1991; the 1,107,099.61 balance of 1992 and \$300,000 of 2014.

If you were a member in 2014, you will receive 2.3% of your 2014 assignment. If you were a member in 1991 and/or 1992, you will receive the remaining unretired balance of your assignment for that year.

#### Example of 2014 allocation and retirement

You can calculate the approximate amount of your 2014 allocation and disbursement by using this example. Capital credit disbursements are made by the end of April.

If your 2014 electric bills totaled:	\$1,000	\$1,500	\$2,000	\$2,500
The 2014 assignment percent is: (multiply the percentage times your bills)	8%	8%	8%	8%
Your capital credit assignment for 2014 would be:	\$80	\$120	\$160	\$200
The 2014 retirement percentage will be 2.3% of your capital credit assignment.	2.3%	2.3%	2.3%	2.3%
Your general retirement refund for 2014 would be approximately:	\$1.84	\$2.76	\$3.68	\$4.60

### It pays to be a member!

Not many businesses pay you for buying something you wouldn't want to live without—but electric cooperatives do.

Unlike other types of companies, cooperatives do not have shareholders, who expect to make money from the company's profits. Co-ops are not-for-profit businesses that exist solely to provide their members with a particular service, such as electricity. In a cooperative like Horry Electric, members are stakeholders.

"In a co-op, the net margins don't belong to the company; they belong to the consumers who paid their monthly electric bills," explains Jodi Braziel, office manager for Horry Electric.

When the co-op takes in more money than is needed to run the business, the owners are entitled to a portion of those margins. It's an example of the Cooperative Principle of Member Economic Participation.

Each year, money is allocated to each member's account, according to the amount of electricity the member bought, notes Ashley Anderson, secretary and treasurer of Horry Electric's Board of Trustees. "The more electricity purchased, the higher their share of equity. The co-op sets up a credit account that shows on the books the share of the year's net margins belonging to each member," Anderson says.

Generally, members don't receive a check the year they earned the capital credits. "That's because electric cooperatives use their members' equity to fund system improvements," he says.

Braziel adds, "If we couldn't get the operating capital from member payments, we'd have to borrow from the bank or some other source, which would cause electric rates to go up."