

Lumbee River

Electric Membership Corporation

MAY 2007 MEMBER NEWSLETTER

Your Touchstone Energy* Cooperative 



North Carolina Notes National Electrical Safety Month

Electricity surrounds us with the light from the lamp, warmth from a heater, and cool air in the peak of summertime. Electricity is also in constant contact with us as we flick the light switch to see, heat up our dinner in the microwave, dry our hair with the blow dryer, get that soft touch with an electric shaver, or surf the web on the computer with each stroke of the keyboard. We can even hold electricity in the palm of our hand with a cell phone, two-way pager, ipod, or the remote control as we watch television. Electricity is everywhere we are—at home, at school, and at work.

Electricity enables us to live more fuller and productive lives, however, as electricity enables us to live life with ease—it can take it away from us as well. According to the latest figures from the U.S Consumer Product Safety Commission (CPSC) in 2000 there were a total of 400 accidental

electrocutions. Of the total, 150 were due to consumer products. Twenty-nine were related to large appliances such as air conditioners, pumps, water heaters, furnaces, and clothes dryers. Seventeen involved small appliances such as microwave ovens, electric fans, extension cords and televisions; 15 involved power tools, 12 involved lighting equipment, and 10 involved contact with installed household wiring. Another 22 involved ladders that contacted power lines. Thirty involved sports and recreational equipment, lawn and garden equipment, antennas, pipes, poles, and fences.

The commission also indicates that there is an average of 165,380 electrical-related home structure fires that claim an additional 910 lives each year. If an individual is lucky enough to live, chances are that they are one of the 7,000 people each year that are severely injured. Electrical-related home structure fires cause nearly \$1.7 billion in property damage each year.

Just as electricity follows us from the home to work, so do electrical injuries. The Occupational Safety and Health Administration (OSHA) indicate that 285

people were electrocuted at work in 2001. As a result millions of dollars are lost in corporate and personal productivity, along with enormous costs associated with health insurance, workers compensation claims, and litigation.

Even though one fatal accident is one too many, the number of deaths caused by electrocutions in the United States has gone down. In 1990 the rate for consumer product-related electrocutions was 1.09 per million people in the nation. In 2000, the rate decreased 51% with 0.53 electrocutions per million. In 1999 there were 670 total electrocutions while in 2000 there were only 400 total electrocutions in the U.S.

North Carolina wants to keep the statistics going down by observing May as the National Electrical Safety Month. We encourage you to look around your home and work space for overloaded outlets, worn or damaged electrical cords, and appliances that spark. When you receive a new electrical product, always make sure to read and follow the operating instructions that come with it. Last, but certainly not least—always respect the power of electricity.

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Holiday Closing

Lumbee River EMC will be closed Monday, May 28, for Memorial Day.



Handle food safely when grilling outdoors

One of America's favorite summer pastimes is grilling, and it's not just for summer any more. Americans are discovering the art of grilling in milder climates, using handmade brick ovens or ceramic grills that heat up quickly and stay hotter longer. But most grill enthusiasts still favor large gas grills, or simple yet effective charcoal grills.

No matter the season or type of grill you use, grilling food starts with proper food handling. Below are a few simple guidelines for grilling food safely:

Wash away harmful bacteria—Avoid providing a hotbed for bacteria. Unwashed hands are a prime cause of food borne illness, also known as food poisoning, as are unwashed perishable foods such as meat, seafood, and peeled or cut fruits and vegetables.

Keep all perishable foods cold. If you'll be meeting up with friends away from your backyard grill, it's best to transport all perishables including raw meat, poultry, and seafood in an insulated cooler kept cold with ice or frozen gel packs. Throw away any perishable leftovers that have been out of a refrigerator or cooler for more than two hours, one hour if the temperature is above 90 degrees F.

Keep coolers out of direct sunlight and avoid opening them frequently, allowing the cold air to escape.

Marinate safely—Marinated meats should be stored immediately in a refrigerator or cooler, not on the kitchen counter or outside next to the grill. As long as a marinade is stored in a cool environment, it can remain there for several hours or days. Do not use marinade from the raw meat/marinade mixture as a sauce on the cooked meat, unless you first cook the sauce to a boil destroying harmful bacteria.

Grilling shortcuts—Pre-cooking food partially indoors before putting it on a pre-heated grill will give you quick results when your friends are hungry, or your grill is slow or small. Conversely, flame-grill meat for a smoky, char-grilled flavor then bake in an oven until it's cooked properly.

Cook thoroughly and use a meat thermometer—It's best to cook food to the safe minimum internal temperature to destroy harmful bacteria. On the grill, meat and poultry will brown quickly, but the inside might be cooked partially. To be sure the food has reached a safe minimum internal temperature use a meat thermometer.

Fortunately, most people seldom get sick from contaminated food, and consumers can feel safe knowing that with proper refrigeration and thorough cooking, harmful food-borne illnesses can be avoided.

Safe minimum internal temperatures (F):

Chicken breasts:	165 degrees
Beef hamburgers:	160 degrees
Beef, veal and lamb (steaks, roasts and chops):	
Medium rare:	145 degrees
Medium:	160 degrees
All Pork:	160 degrees

Lumbee River EMC to begin accepting 2007–2008 Bright Ideas Applications



BRIGHT IDEAS

Starting May 1, Lumbee River EMC is accepting Bright Ideas applications for the 2007-2008 school year. The grants will be given to K-12 teachers for funding of innovative and imaginative classroom projects. Teachers can apply for a Bright Ideas education grant at www.ncbrightideas.com.

All certified K-12 North Carolina teachers are eligible for a Bright Ideas grant. Since the program began 14 years ago, North Carolina's Touchstone Energy cooperatives have financed a variety of hands-on projects, including adventures in music, art, history, language, reading, science, career-planning and information technologies. In 2006, the co-ops awarded more than \$550,000 to teachers for classroom projects and winning teachers have reported exciting stories about the inspiration their projects have generated among their students.

Since 1994, the Bright Ideas program has awarded more than \$4.5 million in grant money to North Carolina's teachers, has sponsored 5,000 projects and taught more than 900,000 students.

We look forward to another record-breaking Bright Ideas year to further demonstrate North Carolina's Touchstone Energy cooperatives' commitment to community.



Call before you dig: 811 number set to launch on May 1

Whether you are planning to do it yourself or hire a professional, smart digging means calling 811 before each job.

Homeowners often make risky assumptions about whether or not they should get their utility lines marked, but every digging job requires a call—even small projects like planting trees and shrubs.

The new 811 one-call number connects you with the North Carolina One-Call Center, Inc. Call (800) 632-4949 or (336) 855-5760.

If you hit an underground utility line while digging, you can harm yourself or those around you, disrupt service to an entire neighborhood and potentially be responsible for fines and repair costs.

For more information, visit the Web site at www.call811.com or the NC One-Call Center site at www.ncocc.org



**Know what's below.
Call before you dig.**

Air conditioners are more efficient than ever

Air conditioners consume a lot of electricity, and are the largest summer utility expense for many families. Fortunately, recent design improvements have reduced the consumption of this hungry appliance. Two of the most important improvements are the two-stage compressor and multi-speed condenser fan.

During the hottest weather, you may need the full capacity of your air conditioner to keep your home comfortable. During this full-time operation, standard air conditioners run at their maximum efficiency. But during moderate weather, old-fashioned air conditioners will cycle on and off to keep from over-cooling your home. This stop-and-go operation is inherently inefficient, since a lot of energy is wasted during the start-up and shut-down part of each cycle.

Air-conditioning units with a two-stage compressor and a multi-speed outdoor condenser fan operate at lower capacity during moderate weather. This results in longer cycles and improved efficiency. It also allows your system to remove more humidity from the air. When the weather is truly hot, they step up to full-speed operation to assure your comfort.

Variable-capacity air conditioners are all more efficient than older units, but they work in different ways:

Some two-stage systems have two small compressors side-by-side. The first compressor operates alone during moderate weather. The second compressor kicks in only when needed during hot weather.

The two-piston compressors run in one-piston mode during moderate weather and two-piston mode during hot weather.

The multi-speed compressors actually turn at two different speeds to match the cooling load.

You can learn more about air conditioners at the Energy Star® web site:

www.energystar.gov

For more free energy-saving tips, visit the Saturn Resource Management Web site at www.srmi.biz



—By energy-efficiency expert Chris Dorsi

Financial Statement

Assets/Deferred Charges

	2005	2006
Net Utility	\$121,372,987	\$131,872,000
Investments	5,965,433	5,999,034
Cash	831,064	1,448,256
Notes & Accts. Receivable	17,253,624	17,605,861
Materials & Supplies	425,428	555,648
Other Current & Accrued Assets	196,044	258,733
Deferred Charges	29,200	2,556
Total Assets	\$146,073,780	\$157,742,088

Liabilities/Members' Equity

	2005	2006
Membership	\$421,646	\$436,201
Equities & Margins	58,787,447	59,908,717
Long Term Debt	62,109,461	69,101,061
Accounts Payable	11,961,916	12,461,478
Other Cur. & Accrued Liabilities	12,760,348	15,801,468
Deferred Credits	32,962	33,163
Total Liabilities	\$146,073,780	\$157,742,088

MONIES WE COLLECTED

Revenues

	2005	2006
Sales of Electric Power	\$86,262,132	\$93,827,775
Miscellaneous Elec. Revenue	1,487,602	1,612,034
Total Electric Revenues	\$87,749,734	\$95,439,809

COST OF PROVIDING SERVICE

Expenses

	2005	2006
Purchased Power	\$58,427,900	\$64,602,558
Oper. & Maintenance	4,317,966	4,537,507
Consumer Accounting	4,060,190	4,270,702
Admin. & General Expense	6,259,908	5,997,506
Depreciation	4,895,264	5,302,533
Taxes	4,029,371	4,397,110
Interest	3,222,277	3,646,026
Other Deductions	86,087	120,813
Total Liabilities	\$85,298,963	\$92,874,755

WHAT WE HAD LEFT

Margins

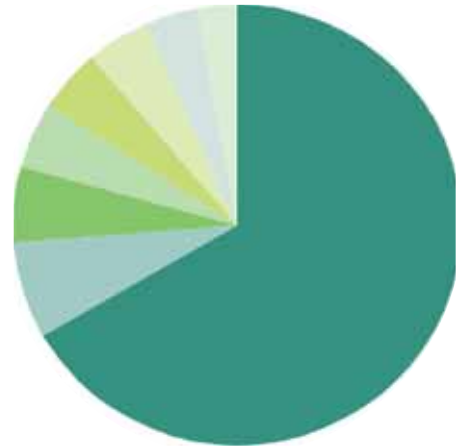
	2005	2006
Operating Margins	\$2,450,771	\$2,565,055
Other Margins	521,906	\$436,757
Non-Operating Margins	150,089	191,545
Extraordinary Items	0	527,278
Income (Loss)	(62,701)	873,365
Total Margins Assigned	\$3,060,065	\$4,594,000

Statement Of Audit

The accounting firm of James F. Baker, CPA PA, Raeford, NC, conducted an audit of the balance sheet and related statements of revenues and patronage capital and cash flows as of December 31, 2005 and 2006. This audit was conducted in accordance with generally accepted auditing standards, including examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presented.

In the opinion of the auditor, the financial statements of Lumbee River EMC present fairly, in all material respects, the financial position of Lumbee River Electric Membership Corporation as of December 31, 2005, and 2006, and the results of its operations and its cash flows for the years then ended to be in conformity with generally accepted accounting principles.

How Was Your Revenue Dollar Allocated in 2006?



Purchased Power	67.7%
Admin. & General Expense	6.3%
Depreciation	5.6%
Operations & Maintenance	4.8%
Taxes	4.6%
Consumer Accounting	4.5%
Interest	3.8%
Other	2.7%



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