

Fuel cost adjustment reduces electric rates in January

As we enter the new year, Pickwick Electric Cooperative is committed to providing our customers with reliable, affordable electricity. We continue to work with the Tennessee Valley Authority and are happy to announce a reduction in the fuel cost adjustment (FCA) rates, effective Jan. 1, 2009.

Because the fuel cost adjustment is a per-kilowatt-hour charge, amounts that consumers will save depend on the amount of energy they use. While savings will vary across the Tennessee Valley, residential consumers

can expect a decrease ranging from about \$4 to \$8 in their monthly power bills.

“We are glad for the relief this decrease will bring to rate-payers across the Valley,” said TVA Chief Financial Officer Kim Greene. “Recent reductions in purchased power and natural gas prices have helped reduce our actual costs and those forecast for the second quarter of 2009. Unfortunately, coal prices remain significantly higher than they were a year ago, and sustained drought conditions across the Tennessee Valley have cut TVA’s hydro generation by more than 50 percent, preventing TVA’s fuel costs from dropping further.”

About 60 percent of TVA’s power supply comes from fossil fuels — primarily coal, along with oil and natural gas. When fuel prices increase, TVA’s cost to produce electricity for the 9 mil-

lion consumers across the seven-state Valley region increases as well.

Overall, the decrease represents about a 6-percent reduction on total average wholesale rates and is a 25-percent reduction from the previous quarter’s FCA amount. The second-quarter FCA will decrease from 1.8 cents per kilowatt-hour to just more than 1.3 cents per kilowatt-hour.

TVA began using a fuel cost adjustment mechanism in October 2006 after experiencing a spike in fuel costs caused by Hurricanes Katrina and Rita. Utilities across

the country use such mechanisms to help recover the costs they must pay for fuel and purchased power. The adjustment is part of consumer power bills and can go up or down, depending on quarterly increases or decreases in these costs.

TVA is working with PEC and other local power distributors to develop new energy-efficiency products to help residents, businesses and large industries in the Valley save energy and money on power costs. In cooperation with participating power distributors, TVA will begin offering new initiatives within the next 12 months.

Energy conservation continues to be a real concern nationwide. We encourage you to make lifestyle changes that will benefit you and your family to help reduce the demand for electricity.

Pickwick Electric Cooperative belongs to the members, and we work for you.

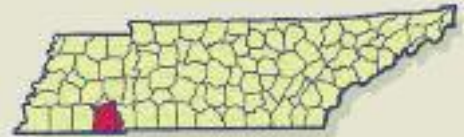


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These five pages contain local news and information for members of Pickwick Electric Cooperative.



Room-by-room energy-saving checklist

Use this checklist to learn simple ways to save big. Even those whose budgets are stretched too tightly already can implement several of these changes.

Challenge yourself. See how many of these no-cost or low-cost options you can implement this month. Then make a plan and budget for some of the more time- and labor-intensive energy-efficient upgrades.

In every room

Lighting

- Change incandescent light bulbs to compact fluorescent lamps; they use 75 percent less energy and last 10 times longer.
- Use only CFLs designated dimmable in dimmable fixtures.
- Use occupancy sensors and timers.
- Turn off lights when not in use.
- Decorate wall surfaces with light, reflective color.
- Keep fixtures and covers clean.

“Phantom” appliances

- Unplug when not in use and especially when you’re on vacation.

Computers

- Put all electronics on one power strip; turn it off when not in use.
- Turn off your computers overnight.

Electric heaters

- One 1,500-watt electric heater costs approximately 14 cents per hour to run.
- If you must use electric heaters, do so sparingly; costs add up quickly.

Kitchen

Electric range

- Fit pans to burner size.
- Use lids on pans to retain heat.
- Use small appliances like a slow cooker or microwave.
- Preheat oven for only five minutes.

Dishwasher

- Wash only full loads.
- Wash with energy-saver cycle.
- Dry with “no heat” cycle.

Refrigerator

- Keep $\frac{3}{4}$ to $\frac{7}{8}$ full for efficiency.
- Set the temperature at 36 to 39 degrees.
- Clean coils every three months.
- Locate away from heat sources.
- Remove and recycle your second refrigerator.
- Replace with an Energy Star-rated model.

Bathroom

- Install low-flow fixtures.
- Repair leaky faucets promptly.
- Take showers; they use 50 percent less water than baths.

Utility Room

Electric water heater

- Set water heater to 120 degrees.
- Wrap water heater and pipes.
- Once a year, drain about one gallon of water from your water heater to remove sediment.

Electric dryer

- Dry full loads.
- Do multiple loads at a time.
- Clean lint screen.

- Choose a model with a moisture sensor.
- Air-dry when possible.

Washing machine

- Wash with cold water.
- Presoak heavily soiled loads.

Freezer

- Defrost whenever a quarter inch of ice builds up.
- Set thermostat at zero to 5 degrees.

Major appliances

- Maintain your appliances; well-maintained appliances operate more efficiently.
- Replace aging appliances with Energy Star-rated models.

Heating and cooling system

- Turn down your heating system’s thermostat to 68 degrees in the winter. Turn it down even lower if no one is home for several days.
- Have seasonal tune-ups.
- Have your ductwork inspected.
- Install a programmable thermostat.

Additional savings

- Insulate and weatherize your home.
- Install light switch and electrical outlet seals on exterior walls.
- Make sure the fireplace damper is closed when not in use.
- In the winter, keep curtains or blinds open on the south-facing side of the house and closed on the north side during the day.

Local elementary school students learn energy-saving tips

Live theater teaches students about energy, renewables and water conservation

Rows and rows of smiling faces and eager ears filled local elementary schools during the month of November to meet “The Energized Guyz,” a 25-minute play written especially to teach young children about the importance of saving energy.

Pickwick Electric Cooperative and the Tennessee Valley Authority brought this thrilling performance to area children in an effort to educate them about current energy issues.

“Our children are great ambassadors of wise energy use,” says PEC’s Bobby Barnes, director of member relations. “What they learn from this program will be used in homes all over the area.”

Performed by actors on tour from the Minnesota-based National Theatre for Children, “The Energized Guyz,” provides not only interactive entertainment for kids in kindergarten through sixth grade but also educates them about energy issues that Pickwick Electric Cooperative and TVA are facing.

“If we can teach youngsters about the need to conserve energy, not only will they go home and encourage their families to become more diligent, but they also will be more likely to practice what they’ve learned in their adult lives,” says PEC President Karl Dudley.

“The Energized Guyz” story revolves around a hero, Nikki Neutron, and a villain, the Sneaker, who’s been wasting energy. It’s up to Nikki to find the Sneaker and catch him! Not knowing much about electricity or



Patty Kiddy’s first-grade class at Selmer Elementary School poses with the actors from the National Theatre for Children.

energy, Nikki enlists the help of her friends, Thunderstorm and Bert the Dirt Expert. They teach Nikki what energy and electricity are and how we can use them efficiently. Finally, it’s time to face the Sneaker. Will Nikki find him? Has Nikki learned enough to keep the world safe from the Sneaker?

By shouting, “Open your eyes, be energy-wise,” the students are able to halt the Sneaker’s dastardly plans.

“It’s our goal that this educational program will provide our youth with the information they need to improve the environment and preserve resources for future generations,” says Dudley.

Area schools that did not sign up for the fall performance will have an opportunity to schedule the show for this spring.



The Sneaker is on the prowl ...



... so Nikki Neutron is called to help save the day.

Be wary of electric space heaters that claim to save money

Many electric space heaters advertise that they can slash your electric bill, but what they don't advertise is that they can also cause that bill to increase significantly.

Whether it's a standard electric space heater you see at Lowe's or Wal-Mart or a "ruby quartz" or "infrared" model advertised in a newspaper flyer, the thing you need to be concerned about is how much power the unit consumes. This is most commonly given in watts. If you can't find this information on the package or heater itself, be sure to ask the retailer before making a purchase.

Many electric space heaters are rated at 1,500 watts. This rating is how much power the space heater uses. You are billed for each kilowatt-hour of electricity you consume. A thousand watts is equal to one kilowatt, so 1,500 watts is equal to 1.5 kilowatts.

This means for each hour the space heater is running, it consumes 1.5 kilowatt-hours of electricity, an amount that costs about 14 cents.

Doesn't sound like much, does it? But running that heater nonstop is a sure-fire way to increase your bill.

If you ran one 1,500-watt space heater for 24 hours a day for a single month, it would cost about \$100. That's on top of your normal bill.



So where are the savings that are often touted on such items?

An electric space heater can save money, but only if you reduce the running time of your electric furnace or other primary heating system.

A space heater could reduce your electric bill, for instance, if you lowered the thermostat on your electric furnace or heat pump from 72 degrees to 66 degrees and used the space heater to heat a single occupied room up to a comfortable temperature.

If, however, you're using the space heater to heat an area of your home normally not heated such as an enclosed garage, then the space heater is simply an additional cost.

Also, keep in mind that if you're using an electric space heater to supplement a propane furnace, then you may see a drop in the amount of

propane you use, but your electric bill will still increase.

Electric space heaters can provide an effective and simple means of heating that cold, unconditioned tool shed, bedroom or other relatively small space. But they should never be allowed to run 24 hours a day, and you should always keep in mind the cost of operating such a piece of equipment.

Keeping warm with window treatments

Window treatments and coverings aren't just for decoration — they can also go a long way in saving energy. Some carefully selected window treatments such as draperies and insulating panels can keep heat from escaping through window panes in winter.

A drapery's ability to reduce heat loss and gain depends on several factors, including fabric type (closed or open weave) and color. Although it's difficult to generalize about energy performance, most conventional draperies, when drawn during cold weather, can reduce heat loss from a warm room up to 10 percent. In winter, you should keep draperies that don't receive direct sunlight closed during the day and close all draperies at night.

Draperies should be hung as close to windows as possible to reduce heat exchange and should fall onto a windowsill or floor. For maximum effectiveness, install a cornice at the top of a drapery or place the drapery against the ceiling. Then seal the

drapery at both sides with Velcro or magnetic tape, and overlap it in the center. Such snug window treatments can reduce heat loss by up to 25 percent.

An inexpensive insulating window panel or pop-in shutter, typically made of a core of rigid foam insulation, also reduces heat loss. The panels are made so that their edges seal tightly against the window frame, and they can be pushed or clipped into the interior of a window. No hardware such as hinges or latches is required.

Of course, window treatments aren't effective at reducing air leakage or infiltration — caulk and weatherstrip around windows to reduce drafts. Also, draperies work best for winter weather. Window blinds are more effective at reducing summer heat gain than winter heat loss.

For more information, visit eere.energy.gov.

Source: U.S. Department of Energy Office of Energy Efficiency and Renewable Energy

Protect your older home from electrical hazards

According to the Electrical Safety Foundation International (ESFI), half of all homes in the United States were built before the advent of automatic coffeemakers or garage door openers, and a third were built before hair dryers or electric can openers. Add to that computers, cell phones and other electrical devices, and you have a great many residences with potential electric wiring problems.

Research from ESFI shows that faulty or overloaded wiring accounts for an estimated 67,800 fires, 500 deaths and more than 2,000 injuries each year and a whopping \$868 million in property damage. By educating yourself about common hazards in older homes and installing lifesaving electrical safety devices, these risks can be reduced greatly.

The lifesaving technology available includes:

- AFCIs — an outlet that recognizes fire hazards and immediately shuts off power.



- GFCIs — an outlet that senses when water comes into contact and cuts out to prevent electrocution.
- Tamper-resistant outlets — designed to protect children from inserting small objects into them.

In addition to installing the technology above, here are some additional safety tips:

- Make sure functioning smoke alarms are installed on every floor and in every sleeping area.
- Look for telltale signs of electrical problems such as dimming lights, frequent circuit breaker trips or blown fuses.
- Limit use of extension cords, particularly cords used to power room space heaters.
- Use light bulbs that are the proper wattage for a fixture; higher-wattage bulbs can degrade wires.

Sources: ESFI; Consumer Product Safety Commission

Happy New Year
from
Pickwick Electric
Cooperative

The Pickwick Electric
Cooperative office will be
closed on Monday, Jan. 19,
in observance of
Martin Luther King Jr.
Day