



CENTRAL ELECTRIC COOPERATIVE, INC.

President's Quarterly Newsletter

July 2010

After more than a year of research and planning, Central Electric Cooperative (CEC) has launched a three-year effort to convert from mechanical electric meters to new meters using electronic technology. These meter replacements will benefit you, our members, by boosting the efficiency and reliability of our operations. Not only will these new meters ensure the highest quality usage monitoring possible, they will produce the ability to access real-time usage data.

This will give you the ability to monitor your usage on a secure website, leading to a greater understanding of how your activities shape your consumption and will enable you to use electricity as efficiently as possible. For CEC, access to real-time data from across our system will allow our operations personnel to identify and fix problems more quickly and efficiently than ever. The technology will enhance our billing and accounting efficiency and eliminate the need to read meters in the field thus reducing our carbon footprint by lowering vehicle usage. We will also be better equipped to quickly identify instances of electricity theft.

To date, about 70 percent of electric co-ops nationwide have automated meter reading technology in place. An additional 11 percent, including CEC, are moving forward with the new technology according to a recent survey by the National Rural Electric Cooperative Association.

Installation of the 32,000 meters will take about three years. During this time we will be regularly testing our new equipment to ensure the meters are providing accurate, reliable usage data.

This project is a major undertaking. Advanced metering technology has become the standard among electric utilities. Smart meters are an integral part of what's been called the "smart grid," a key component of a national effort to use electricity more efficiently. Fortunately, a federal grant from the U.S. Department of Energy will pay half of the project's \$9.3 million cost. The project demands a high degree of technical expertise. Central Electric's team of metering technicians, operations and engineering, information technology and customer service personnel are committed to putting our members' interests first.

As the project moves forward we will keep you informed with the most current information which will be available on our website at www.cec.coop. It is our commitment to implement this project as efficiently and cost effectively as possible.



Dave Markham
President/CEO