

COOPERATIVE REVIEW

Energy for Today, Power for Tomorrow



Calling All Teachers! Bright Ideas Application Deadline is Almost Here

Do you have a creative idea to spark your students' interest in learning? Do you have an innovative project for helping your students reach their full potential? Dream big, and apply for a Bright Ideas Educational Grant! In 2009, Union Power funded \$20,635 in Bright Ideas. Get those applications in by September 24 – you could be a winner!

Once again, Union Power is sponsoring educational grants for area teachers. September 24 is the application due date for the 2010–2011 school year. Teachers of grades K–12 are eligible to apply for Bright Ideas grants.

IN OUR COMMUNITY

Since 1994, North Carolina's electric cooperatives have granted over \$7.1 million to teachers for their innovative projects benefiting more than 1.2 million students. Union Power Cooperative's Bright Ideas Educational Grant Program has contributed more than \$208,100 to 231 teaching projects throughout our five-county regions.

APPLY NOW

Union Power Cooperative takes applications for Bright Ideas Grants beginning in April each year. Awards are given out during Bright Ideas Week in November. As always, an independent panel of judges will judge applications for this year's grant money. Teachers, get those applications in by September 24. More



Melissa LoPresto and Jacob Surratt, 2009 Bright Ideas grant winners, share their excitement with students at Sandy Ridge Elementary. Their project was *Wii Love Music and Physical Fitness*.

details and applications are available online at www.ncbrightideas.com or www.union-power.com under My Community, Bright Ideas grants. For more information email Carrie Cameron at carrie.cameron@union-power.com or call (704) 289-3145, ext. 3273.



We support education by rewarding innovative ideas that enhance learning!

IN THIS ISSUE:

Page B:
Advanced Metering
Infrastructure

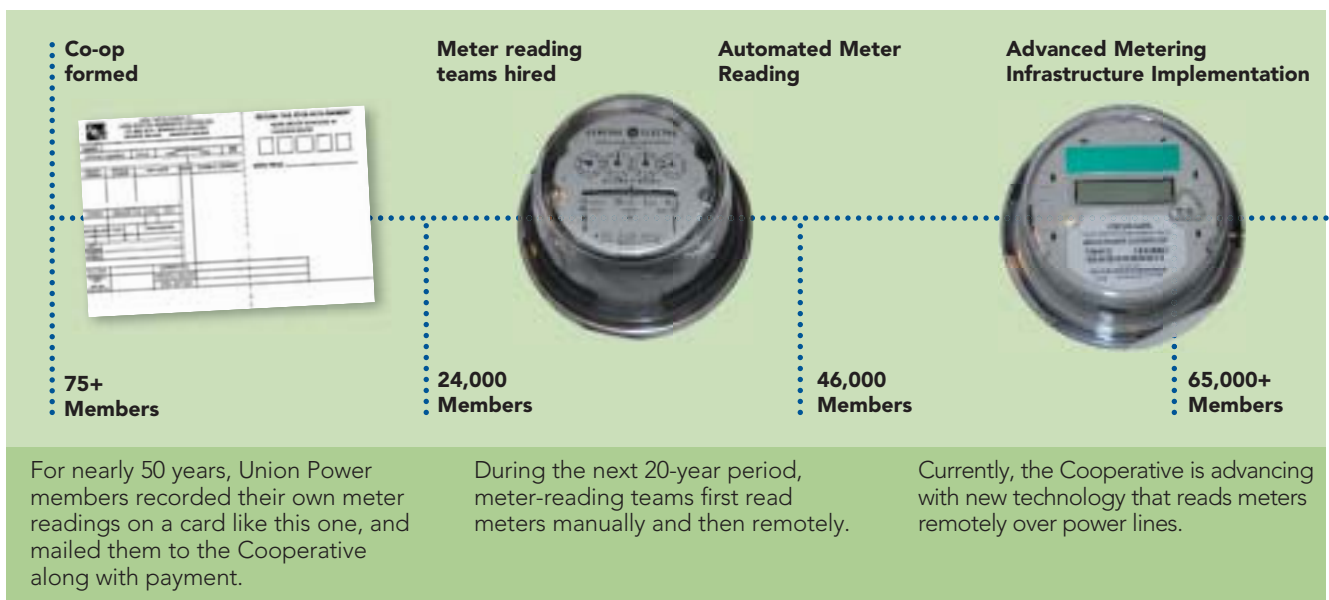
Page E:
Annual Meeting
Schedule

Page F:
Commitment to
Community

Page G:
Cooperative
Difference

ADVANCED METERING INFRASTRUCTURE: A "SMART" MOVE AHEAD

We've come a long way from the days of Union Power's inception in 1939, when members recorded their own meter readings once a month and mailed them to our billing department. Today, the electric grid serving most of the nation is aging. This century promises to bring challenges that require a faster, more efficient, and smarter grid that will keep up with advancing technology. Union Power continues to keep pace with smart technology by implementing Advanced Metering Infrastructure (AMI).



WHAT IS ADVANCED METERING INFRASTRUCTURE?

Advanced Metering Infrastructure (AMI) is the very foundation of Union Power's Smart Grid strategy. The Smart Grid is an electrical power distribution network that, in addition to providing electricity, includes two-way, digital communications between Union Power Cooperative and new advanced meters being installed system-wide. The short-term operational benefits are to reduce costs and enhance operational management.

The new advanced meters can be read remotely over our power lines, supplying a wealth of data that will significantly improve the services we provide to you. Benefits to the Cooperative and our members include better system management resulting in earlier detection, verification, and quicker restoration of outages. This will decrease the time and costs associated with outages. Other benefits are improved customer service and quicker high bill resolution. Once fully implemented, AMI will also open the door to more flexible billing options. Eventually, we plan to provide all our members access to our AMI data via the Web. This

will enable you to make more informed energy consumption choices and better manage your overall energy use.

BEING FISCALLY RESPONSIBLE

The implementation of AMI will not result in a rate increase. In fact, estimated savings are projected to be substantial. Reductions in power theft, meter reading expenses, and engineering and operational expenses will improve cash flow considerably. This demonstrates Union Power's commitment to being fiscally responsible.

DEPLOYMENT

AMI deployment began in June with a pilot project in the Mount Pleasant area of Cabarrus County. Full implementation is scheduled to be completed within four years. Estimated crew locations and a deployment schedule will be included on the back page of future issues of your Cooperative Review (see page H for this month's crew locations). This information and more can also be found at www.union-power.com, under Advanced Metering.



Benefits of AMI:

METER READINGS Real-time meter reading and the ability to tell if power is out from office

FASTER RESTORATION Quicker dispatching, improved response times and outage restoration

BILLING Quicker high bill resolution and more flexible billing options once fully implemented

REDUCED EXPENSES Reductions in power theft and reduced engineering and operational expenses

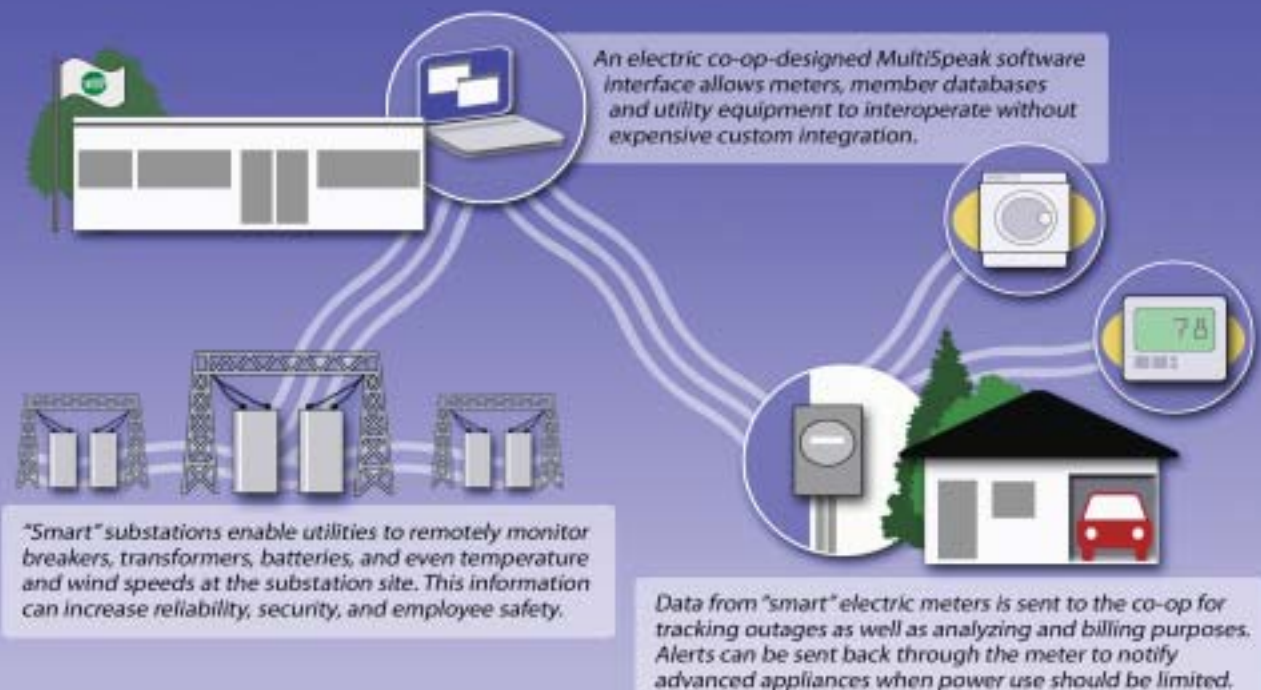
ENERGY MANAGEMENT Once implementation is complete, members will have access to data that will help them make better energy choices and manage energy use

For more information, visit www.union-power.com and click on Advanced Metering.

You may see our contract personnel changing out meters in your area. These personnel will carry cards identifying them as Union Power contract workers. All Union Power members will receive postcard notification prior to meter change outs and door cards once the new advanced meters have been installed. Interruption of power during meter change out should last less than a minute.

The Smart Grid

By enabling both new and existing electric grid components to communicate with each other, electric utilities can better monitor conditions, collect information, and remotely control devices over a distribution network. Often called the *Smart Grid*, this system can utilize various technologies, as shown here.



Source: National Rural Electric Cooperative Association

The Bylaws of Your Annual Meeting

Annual Meeting

The annual meeting of the members shall be held on a Saturday in September or October of each year as may be determined by the board of directors, at such place in the County of Union, State of North Carolina, as shall be designated in the notice of the meeting for the purpose of electing directors, passing upon reports covering the previous fiscal year, and transacting such other business as may come before the meeting.

Notice of Meetings

Written or printed notice stating the place, day, and hour of the meeting shall be delivered to members not less than seven days and not more than thirty days before the date of the meeting. The notice can be delivered by mail or in person. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Cooperative with postage thereon prepaid. If a member does not receive notice of an annual meeting, it will not invalidate any action of the members at that meeting.

Quorum

Not less than 1% of the total number of the members of the Cooperative, as determined to exist by the board of directors as of the August board meeting preceding the next scheduled annual membership meeting, must be present or represented by proxy to constitute a quorum for the purpose of voting in the election of directors. For all other transactions of business at all meetings of the members, a majority of the members (51%) in attendance shall constitute a quorum.

Voting

Each member shall be entitled to one (1) vote and no more upon each matter submitted to a vote at a meeting of the members. At all meetings of the members at which a quorum is present all questions shall be decided by a vote of the majority of the members voting thereon in person or proxy, except as otherwise provided by law, the articles of incorporation of the Cooperative, or these bylaws. A jointly held membership shall constitute one member for all purposes including voting and all other matters presented to the board and/or members. The vote of either or both shall constitute one vote.

Proxies

At all meetings of members, a member may vote by proxy executed in writing by the member. Such proxy shall be filed with the Secretary before or at the time of the meeting. No proxy shall be voted at any meeting of the members unless it shall designate the particular meeting at which it is to be voted,

and no proxy shall be voted at any meeting other than the one so designated or any adjournment of such meeting. No person shall vote as proxy for more than five (5) members at any meeting of the members and no proxy shall be valid after sixty (60) days from the date of its execution. A proxy shall designate one of the following to vote: President, Vice President, Secretary-Treasurer, Assistant Secretary-Treasurer, Executive Vice President & General Manager, or any board member or employee-member to be allotted and designated by the Board President. The presence of a member at a meeting of the members shall revoke a proxy theretofore executed by him and such member shall be entitled to vote at such meeting in the same manner and with the same effect as if he had not executed a proxy.

Tenure, Qualification, & Districts

At the annual meeting of the members, qualified candidates shall be elected by paper ballot if a directorship is lawfully contested, and if not, then by voice vote to fill those director positions that are eligible for election. Directors shall serve for three (3) years or until their successors are duly elected and qualify, subject to the provisions of these bylaws with respect to the eligibility and removal of directors.

No member shall be eligible to become or remain a director or hold any position of trust in the Cooperative who is not eighteen or more years of age, a bona fide resident in the area served by the Cooperative, or is any way employed by or has a substantial financial interest (more than 2%) in a competing enterprise or a business selling energy or supplies to the Cooperative, or in a business primarily engaged in selling electrical or plumbing appliances, fixtures or supplies to the members of the Cooperative, or who was employed by the Cooperative or its subsidiary within six (6) consecutive years before that person's candidacy for a directorship. When a membership is held jointly by a husband and wife, either, but not both, may serve as a director, provided, however, that neither shall be eligible to become or remain a director unless both shall meet the qualifications hereinabove set forth. To insure equitable representation of all members of the Cooperative on the board of directors, the service area is divided into six districts to have representation on the board as hereafter provided:

District I (which includes Rowan & Stanly Counties) shall be represented by three (3) directors;

District II (which includes that portion of Union County generally east of a line described as follows: beginning at the in-

tersection of Highway 601 with the northern boundary of Union County, hence south along Highway 601 to the intersection with Highway 74, hence west with Highway 74 to the intersection with Secret Short Cut Road, hence west along Secret Short Cut Road to the intersection with Rocky River Road, hence south along Rocky River Road to the intersection with Highway 75, hence west along Highway 75 to the Union County line) shall be represented by two (2) directors;

District III (which includes that portion of Union County generally west of a line described as follows: beginning at the intersection of Highway 16 and the Union County line, hence south along Highway 16 to the intersection with Highway 84, hence east along Highway 84 to the intersection with Rocky River Road, hence south along Rocky River Road to the intersection with Highway 75, hence west along Highway 75 to the Union County line) shall be represented by one (1) director;

District IV (which includes Mecklenburg County and that portion of Union County generally west of a line described as follows: beginning at the intersection of Highway 16 and the Union County line, hence south along Highway 16 to the intersection with Highway 84, hence east along Highway 84 to the intersection with Rocky River Road, hence north along Rocky River Road to the intersection with Secret Short Cut Road, hence west along Secret Short Cut Road to the intersection with Idlewild Road, hence west along Idlewild Road to the intersection with Stevens Mill Road, hence north along Stevens Mill Road to the intersection of Lawyers Road, hence west along Lawyers Road to the Mecklenburg County Line. District IV shall be represented by two (2) directors;

District V (which includes that portion of Union County generally west of a line described as follows: beginning at the intersection of Highway 601 with the northern boundary of Union County, hence south along Highway 601 to the intersection with Highway 74, hence west with Highway 74 to the intersection with Secret Short Cut Road, hence west along Secret Short Cut Road to the intersection with Idlewild Road, hence west along Idlewild Road to the Union County line) shall be represented by one (1) director;

District VI (which includes Cabarrus County) shall be represented by two (2) directors.

Nothing contained in this section shall affect in any manner whatsoever the validity of any action taken at any meeting of the board of directors.



Whitewater Bluegrass Company



"Eunice Tucker"

Nominations

It shall be the duty of the board of directors to appoint, not less than thirty (30) days nor more than seventy (70) days before the date of a meeting of the members at which directors are to be elected, a committee on nominations consisting of not less than five (5) nor more than eleven (11) members who shall be selected so as to give equitable representation on the committee to the geographical areas served or to be served by the Cooperative. No officer or member of the board of directors shall be appointed a member of such committee. The committee shall prepare and post at the principal office of the Cooperative at least twenty (20) days before the meeting a list of nominations for directors, but any group of members consisting of no less than three percent (3%) of the total membership of the Cooperative, as determined to exist by the board of directors as of the August board meeting preceding the next scheduled annual membership meeting, may make other nominations in writing by petition over their signature not less than fifteen (15) days prior to the meeting and the Secretary shall post such petition at the same place where the list of nominations made by the committee is posted. The Secretary shall mail with the notice of the meeting a statement of the number of directors to be elected and showing separately the nominations made by the committee on nominations and the nominations made by petition, if any. The nominations made by petition shall be in writing and include the following information:

- Petitioner's name and all persons signing such petition must be legibly printed; include a hand written signature; date; home address; and telephone number legibly printed.
- Account number with Union Power Cooperative for verification purposes.
- Candidate's name, district of candidate and director position sought.
- In accordance with the bylaws and the Cooperative's articles of incorporation, only one individual from a husband/wife joint membership may sign such petition.

Nominations shall not be considered from the floor at any meeting of the members. The members may at any meeting at which a director or directors shall be removed, as hereinbefore provided, elect a successor or successors thereto without compliance with the foregoing provisions with respect to nominations. Notwithstanding anything in this section contained, failure to comply with any of the provisions of this section shall not affect in any manner whatsoever the validity of any election of directors.

UNION POWER COOPERATIVE'S 71ST

Annual Membership Meeting

SATURDAY, OCTOBER 16, 2010—WINGATE UNIVERSITY

7:00 A.M.—NOON

Need your cholesterol or blood sugar level checked? Maybe get a the flu shot or have your blood pressure taken? Plan to join us at our Annual Meeting on Saturday, October 16. Our Health and Safety Fair will be held in Cuddy Arena at Wingate University from 7:00 a.m. until 10:00 a.m.

Several local organizations have volunteered to provide you with the latest in health care information and screenings. Flu shots will be available again this year for \$30. Please do not eat breakfast before you have your cholesterol checked and wear comfortable clothing so shots can be easily administered. Medicare patients must present their cards.

SCHEDULE OF EVENTS

7:00–10:00 a.m. Registration & Member Dividend Checks, Free Breakfast, Health & Safety Fair, and Marketing Exhibits

9:00–10:30 a.m. Musical Entertainment by Whitewater Bluegrass Company: **Old Time Radio Broadcast**, with special guest "Eunice Tucker." You don't want to miss a minute of this unique show!!

9:00 until Noon Kids Festival with entertainment by Pinky the Clown and DJ Jimmy Huntley

10:30 a.m. Director Elections, Business Meeting, \$2,500 in Cash Prizes

2010 HEALTH FAIR VENDORS

- | | |
|---|---|
| American Red Cross
Union and Anson Counties | Community Health Services of Union
County, Inc. — Flu Shots — \$30 |
| Brookdale Senior Living | Dove Internal Medicine |
| Carillon Assisted Living at Indian Trail | Gentiva Home Health |
| Carolina Country magazine | HealthQuest of Union County |
| Carolinas Digestive Health Associates | Hospice of Union County |
| Heartburn, Acid Reflux, & Colonoscopy | Hospice of Stanly County, Inc. |
| Carolinas Healthcare Urgent Care —
Monroe and Union West — Blood
Pressure | Monroe Aquatics and Fitness Center |
| Carolinas Medical Center — Cholesterol
Diabetes Center — Blood Sugar | Monroe Square Assisted Living |
| Imaging Services — Peripheral
Vascular Disease | Project STAR at Carolinas Rehabilitation |
| Rehabilitative Services — Back Safety
Wound Care | Southeast Pain — Monroe |
| Carolinas Rehabilitation | Superior Home Medical, Inc. |
| Carolinas Sleep Services | Touchstone Energy |
| Clare Bridge of Monroe | Union County Board of Elections |
| | Union EMS |
| | Union Family Practice |
| | United Family Services |
| | Union Park Assisted Living |
| | Union Surgical Associates |
| | Union Services |

In October's issue of Carolina Country magazine, be looking for:

- Official Notice of the Annual Meeting
- Annual Report
- Proxy Card — Members who can't attend can fill out card for a chance to win a \$100 credit on their electric bill. Cards must be received by the Cooperative no later than October 15, 2010.
- Registration Card — If you plan to attend the meeting, please bring your Registration Card for speedier check-in at our registration tables.

COMMUNITY

Union Power Sponsors 4-H Youth for Citizenship Focus

At Union Power, one of our guiding principles is to invest in the communities we serve. Recently, we proudly sponsored three Union County 4-H youth to attend the North Carolina Citizenship Focus, held in Raleigh.

North Carolina Focus is a three-day conference for 4-H youth to gain firsthand insights into the legislative process at the state level. Youth delegates participate in workshops designed and taught by government officials, public policy specialists, lobbyists, and judges.

This year's Union County 4-H youth delegates were Catherine DeBerry, Jordan Purser, and Jamee Hailey. On June 14–16, they joined more than 100 other youth from across the state to learn about action planning, implementing, and working with state legislatures. While there, Union County youth delegates presented a project that will have a positive impact on their local communities. The project, which began in August, involves teamwork between Union County 4-H'ers and Union Power. To

promote energy efficiency, the Cooperative donated water heater wraps and showerhead kits that 4-H youth are installing in a number of local homes where there is a need.

On the last day of the conference, youth delegates joined with members from both the NC Senate and NC House of Representatives for a breakfast and then at the Legislative Building to discuss pressing issues on the minds of young people in North Carolina.

“One of the core missions of 4-H is to develop citizenship and leadership in the lives of young people,” said State 4-H leader Dr. Marshall Stewart. “These youth are being equipped to serve as civically responsible adults who are involved in the democratic process.”



Pictured from left to right: Youth delegates Catherine DeBerry and Jordan Purser, NC Representative Justin Burr, Union County 4-H Youth Development Extension Agent Laura Byrd, and youth delegate Jamee Hailey.

MONEY BACK TO YOU: THAT'S THE COOPERATIVE DIFFERENCE

Member Dividends

When you purchase electricity from Union Power Cooperative, you become a member and an owner. That's one difference between a cooperative and an investor-owned utility. Another is that co-ops issue member dividends, also known as capital credits, to their members. Being a member of an electric cooperative entitles you to a share of the capital that remains at the end of each year.

Member dividends are the member's share of the co-op's net margins, which is calculated by revenue minus all expenses. Each member's share is figured as a percentage of how much electricity the member purchased in a given year. Margins are retained to provide working capital for new construction

and system improvements. They are used to fund these projects so money will not have to be borrowed. This saves our members money in terms of receiving lower rates.

Members who have lived on our lines 20 years or more will receive checks, as they have in the past. As always, checks will be given out at our Annual Membership meeting, being held this year at Wingate University on October 16. If a member is not able to pick up their check at that time, the check will be mailed the week following the meeting.

Distributing member dividends is a way to ensure that each generation of members pays its own way by providing its own equity. That's the cooperative difference.



Calling All Veterans and Active Duty!

Union Power wants to recognize you at our annual membership meeting in October. We would like to picture our veterans and active duty service personnel along with their military service information on our "Wall of Honor." If you are a member of Union Power and are currently serving or are a veteran of any branch of our armed forces, send a picture of yourself in uniform & the info below to the mailing address listed or via email to rhonda.smith@union-power.com.

Union Power Cooperative
Attn: Rhonda Smith
1525 Rocky River Road North
Monroe, NC 28110

*Pictures sent via mail will not be returned. Please send copy.

* **Deadline for submissions: 9/27/10**

Name (please print): _____

No. Years Served by Union Power: _____ County of Residence: _____

Branch of Military: _____ Length of Military Service Time: _____

CLEARING



During the next month, you may see our tree-trimming crews in your neighborhood. ABC Tree Professionals and Carolina Tree Care will be working in the following areas of Union and Stanly Counties:

Union County - Weddington - Beulah Church Road, Antioch Church Road, Huntington Drive, Waxhaw-Indian Trail Road, Underwood Road, Potter Road South, Weddington Road, Price Point Drive, Wesley Chapel Road, Jim Parker Road, Will Helms Road, Cedar Hill Drive, Wesley Downs Road, Goldmine Road, Pilgrim Forest Drive, Houston Drive, Beulah Church Road, Avery Court, Shagbark Lane, Bromley Drive, Weddington-Matthews Road, Birchaven Drive, Providence Road, Weddington Road, Hunting Creek Drive, and Cox Road.

Hemby Bridge - Idlewild Road, Hillcrest Circle, Bridle Terrace, Wynnview Road, Hembywood Drive, Rockwell Drive, Woodvine Court, Stoney Ridge Drive, Wildflower Place, Beacon Hills Road, Maple Leaf Drive, Mill Grove Road, Clearwater Drive, Teakwood Drive, Tranquil Place, Hembywood Drive, Fox Hunt Road, Tuckaway Court, Beacon Hills Road, Marcus Lane, Lighthouse

Way, Red Lantern Road, and Gail Drive.

Monroe - Love Road, Carson Street, Old Charlotte Highway, Secrest Price Road, Fowler Secrest Road, Kempster Lane, Rocky River Road, Haigler Gin Road, Morgan Mill Road, Zebulon Williams Road, Love Mill Road, Grassy Lane, Piedmont School Road, Old Camden Road, Tom Boyd Road, New Hope Church Road, Morgan Mill Road, Haigler Road, Love Mill Road, Carriker Road, Brief Road, Highway 218, Greene Road, Santa Clause Road, Alexander Farm Road, Hawk Valley Drive, Summerfield Drive, Sikes Mill Road, Old Fish Road, Crooked Creek Church Road, Old Ferry Road, Carriker Williams Road, Unionville Brief Road, Roy Kindley Road, Huntley Acres Court, Martin Tucker Road, Little Road, Biggers Cemetery Road, Hopewell Church Road, and Old Dutch Road.

Stanly County - Hopewell Church Road, Tines Drive, Drake Road, Libby Lane, Kiser Road, and Whitley Road.

For more information about Union Power's vegetation management program or tree trimming practices, please call (704) 289-3145 and speak with Wil Ortiz (ext. 3323) or Carrie Lorenz (ext. 3291). For monthly right-of-way clearing updates, visit www.union-power.com.

ADVANCED METERING

INFRASTRUCTURE



ESTIMATED DEPLOYMENT SCHEDULE

Crew Locations: Southwestern Stanly County and Richfield areas

For more information about Union Power's AMI program, please call our Engineering and Operations department at (704) 289-9141 or you may visit www.union-power.com and click on Advanced Metering from our home page.

AMI Deployment by Quarter	
Residential Meters	
■	3rd Quarter 2010
■	4th Quarter 2010
■	Completed July 2010

Cooperative Review is published monthly by



A Touchstone Energy® Cooperative

Union Power Cooperative provides safe and reliable power with exceptional value to more than 65,000 members in Union, Stanly, Cabarrus, Mecklenburg, and Rowan counties.

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24-Hour Outage Reporting Service and Account Information
1-800-794-4423

Call Before Dig
NC One Call Center—Dial 811



SERVICE CHARGES:

- Security Deposit**-charges vary
\$0, \$175, \$375
- Connection Fee**
\$25
- Late Payment Charge**
\$5 or 1.5% of past due balance, if greater
- Returned Check Fee**
\$25
- Meter Test**
\$75 (refunded if not accurate)
- Dual Meter Comparison**
\$50 (refunded if not accurate)
- Trip Charge**
\$25 (checks or money orders only, no cash)

RECONNECT CHARGES:

- (collected in advance)
- Normal Hours**
\$50 (if called in *before* 4:00 p.m.)
- After Hours**
\$100 (if called in *after* 4:00 p.m.)
- Weekends and Holidays**
\$100