Cooperative
Review

AUGUST 2021

Union Power Cooperative
A Touchstone Energy® Cooperative

Affordable Electricity Powers Your Quality of Life

Most of us use electricity, either directly or indirectly, at almost all times of the day. Because electricity is so abundant and available with the simple flip of a switch, it's easy to take it for granted.

According to the Energy Information Agency (EIA), the typical U.S. household now uses more air conditioning, appliances, and consumer electronics than ever before. The average home also contains 10 or more internet-connected devices. Considering everything that is powered by electricity, it's no wonder we occasionally might wince at our monthly bill. But keep in mind, it's no longer just the "light bill."

Electricity powers your quality of life

From the infrastructure of your home (appliances, water heater, and HVAC system) to charging your smartphones, computers, TV and Wi-Fi router, your energy bill covers so much more than lighting.

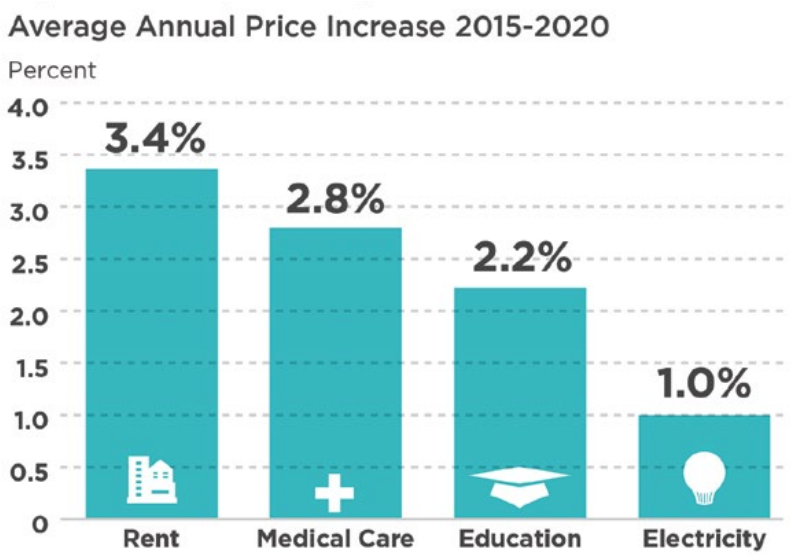
Today, there is more demand for electricity than ever before. At home, in schools and businesses, and commercial sectors such as transportation, the need for electricity is increasing. Typically when demand goes up, so does the price, as is the case with most goods or services, like cable, or even your favorite specialty coffee. However, that's not true with electricity.

Let's take a look at how the value of electricity compares to other common expenses.

Over the last five years, the cost of rent increased 3.4%, medical care increased 2.8%, and education increased 2.2%. But the cost of electricity only increased 1%. Considering all the ways we depend on electricity, it still remains a great value.

So, the next time you're enjoying your favorite podcast, TV series, or movie, consider the value of electricity and how it enhances your quality of life.

We care about you, the members we serve, and understand that electricity is more than a commodity—it's a necessity. That's why Union Power will continue working hard to power your life reliably and affordably.



The cost of powering your home rises slowly when compared to other common expenses. Looking at price increases over the last five years, it's easy to see electricity remains a good value!

Sources: U.S. Bureau of Labor Statistics Consumer Price Index

Notification and Assignment of Capital Credits for 2020

This is to certify that by virtue of its having received revenues in excess of expenses for the year ended December 31, 2020, each member of the cooperative during the year 2020 has been credited on the books of the Cooperative, at its principal office in Monroe, with having furnished the cooperative capital in an amount equal to the following percentage of each member's patronage during that year:

Source:	Allocation%
General Allocation (Co-op)	6.639%
Generation & Transmission Allocation (G&T)	2.080%

The allocation percent set forth above applies to amounts billed for electric service during the year, and represents the member's share of the allocable margin realized by the Cooperative during the year. The resulting amount has the same status as if it had been refunded to the member in cash and immediately returned by the member to the Cooperative as member-furnished capital.

Example:

Assume amounts billed to a member total $1,000 for 2020, the co-op capital credit allocation will be $66.39 ($1,000 x 0.06639) and the G&T capital credit allocation will be $20.80 ($1,000 x 0.02080).

A capital credit assignment is not cashable, and it cannot be used as a credit on the member's electric bill. It is issued subject to all the terms and conditions as contained in the Cooperative's bylaws, both as presently worded and as may hereafter be duly adopted or amended.

Energy Efficiency Tip of the Month:

When shopping for new light bulbs, know the difference between lumens and watts. Lumens measure the amount of light produced by the bulb. Watts measure energy consumption. Energy-saving LEDs come in a variety of colors and brightness levels and last 15–25 times longer than incandescent bulbs.

Source: energy.gov

Annual Meeting to Be Held Virtually

Due to the lingering impacts of COVID-19, we will once again host a virtual annual meeting this year. In order to protect the safety of our members and employees and avoid the risk and uncertainty of hosting an in-person meeting, we will hold the business portion of the meeting virtually. While we are disappointed not to host a typical annual meeting this year, we are very excited about the opportunity to bring the business of the co-op directly to you in your home on Saturday, Oct. 9.

More information about the meeting and board election will be communicated by mail and in the newsletter in the months to come.

Your Opinion Matters

Union Power is Conducting Member Surveys

Picture this: The phone rings. You answer. The caller greets you, identifies him or herself with a research company on behalf of Union Power Cooperative, and asks to speak with the Union Power member living in the household. The caller wants you to participate in a survey about how satisfied you are with the co-op's performance as your electric service provider. With all the scammers out there, you may wonder if this is a legitimate call. Rest assured, in this case, it is!

Union Power is working to collect member feedback to help us identify areas in which the co-op is meeting your expectations, as well as areas where improvement is needed. Your responses also allow us to compare Union Power's performance with other participating cooperatives and leading corporations across the economic spectrum.

Thank You for Participating–We're Listening

We want to thank our members who have participated in previous surveys and ask that if you are a member who is contacted to take part in this survey, whether by phone or email, please consider doing so. Your feedback matters and helps us improve our services and add value to your membership.

Your opinions are very important to us, and we thank you in advance for taking the time to participate in this study.

Union Power will be utilizing Bellomy Research, a top marketing firm in the U.S., to conduct the survey. Survey calls will come from the following area codes, and callers will identify themselves with this company on behalf of Union Power Cooperative. Survey emails will come from one of the following two email addresses. If there are any questions about this survey, please contact us at 704-289-3145.

Here's what to look for

Company	Area Code	Email Address
Bellomy Research	704	cooperativesurvey@bellomyonline.com
	919	cooperativesurvey@bellomymail.com
	336	

Charging Options for Your Electric Vehicle

On average, U.S. car owners drive about 31 miles a day—a range that newer electric vehicles (EVs) can meet several times over on a single charge. According to the U.S. Department of Energy, over 80% of EV charging happens at home, where EV owners have set up their own chargers. Many drivers also fill up their batteries at their workplaces. As your energy provider, we want you to be comfortable and confident in knowing your options when it comes to charging your EV.

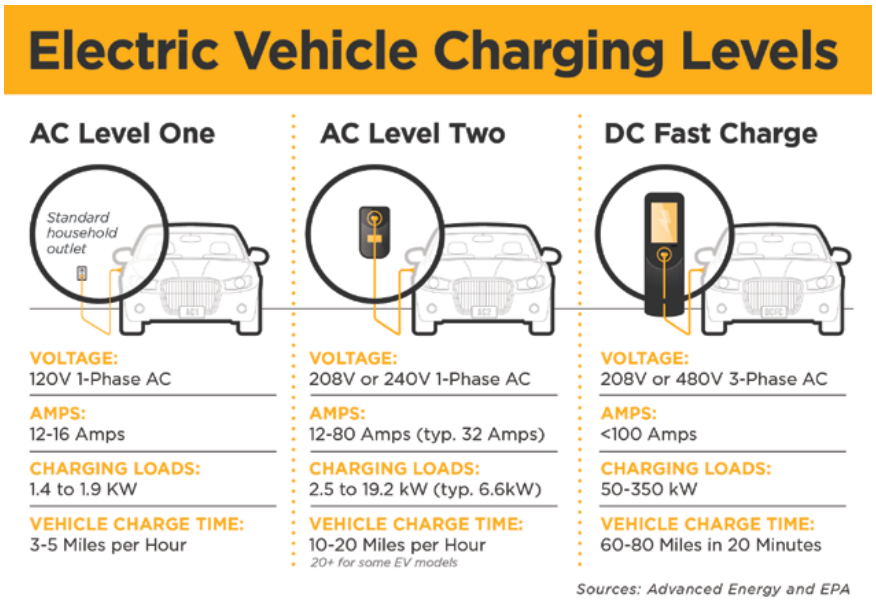
The first thing to know is that there are three common EV charging structures: Level One, Level Two, and DC Fast Chargers.

Level One Charging

Level One is the most basic charging level. If you choose this option, your EV will typically include an adapter that plugs into a typical 120-volt outlet. This is the easiest and cheapest charging solution, but it will take much longer to charge your EV.

Level Two Charging

Level Two is about three to five times faster than Level One, but this level of charging often requires separate purchases and installation. The EV is plugged into a 240-volt outlet, which is used for larger appliances, like a clothes dryer. Most homes do not include a 240-volt outlet in garages, so the outlet must be installed by a licensed professional. You typically see Level Two



charging stations at shopping malls, office buildings, and multi-family community spaces.

DC Fast Charging

DC Fast Charge stations are typically seen near high-traffic public areas, like gas stations or hotels. This is the fastest charging level, with the ability to charge an EV at 80% in approximately 30 minutes. As EVs continue to become more popular, you can expect to see more DC Fast Charge stations throughout North Carolina, which provides drivers with a peace of mind while traveling.

EV charging creates additional energy demand. The total charge time of an EV will depend on how much the battery is depleted, and can also vary based on the battery type used by the different vehicle manufacturers. The time of day you charge your EV can have an impact on the grid and your monthly energy costs. If you're charging an EV at home, please contact one of our energy specialists at 704-289-3145. By letting us know about your EV charging levels, we can help ensure your home is prepared for the additional energy consumption, and you can take advantage of our EV resources.

Bright Ideas EDUCATION GRANTS

Educators, the Bright Ideas Early Bird Deadline Is Aug. 16—Apply Now!

K–12 educators, don't miss this opportunity to win big! Submit your Bright Ideas grant application by Aug. 16 to be entered to win one of five $100 gift cards.

This year, Union Power is awarding up to $2,000 in grant funding to teachers with innovative, hands-on learning experiences that will enrich the lives of students. The final application deadline is Sept. 17.

To learn more and apply online, visit union-power.com/brightideas. Stay up to date with the Bright Ideas Education Grant program by following @NCBrightIdeas on Facebook!

The Power of Coordinated Energy Resources

As the peak of hurricane season in North Carolina approaches, Union Power remains focused on grid resiliency and preparedness efforts. This year-round effort to limit power outages and recover quickly from those that do occur includes conventional efforts like tree-trimming to keep limbs away from power lines, as well as more modern efforts that incorporate advanced technologies and support our commitment to power a brighter local future.

As technology evolves, we see new energy assets added throughout the electric system in households, businesses, substations, and elsewhere – often called "distributed energy resources" – as an exciting opportunity. These resources can be large enough to power several homes, like a microgrid or utility-scale solar farm, or as small as a smart thermostat inside your home.

By working with electric cooperatives statewide and other partners, Union Power is exploring opportunities to add flexible local resources to our energy toolbox and coordinate them to work together across the grid at scale. By integrating and synchronizing these assets, we can maximize the benefits to the grid and all cooperative members.

Resilience is one important benefit. Integrating grid resources closer to homes and communities provides local power options while also diversifying the resources we can call on to provide power. Statewide electric cooperatives have integrated five microgrids that can power local areas when needed and also support the grid as a whole. While new resources support resiliency, we are proud that the grid today is already very reliable. Our reliability rate is 99.9%, and we will continue working to maintain and improve reliability and resiliency even further.

Coordinating distributed energy resources also supports our sustainability goals. Take solar power: It can present a challenge because it is only available when the sun is shining, but our members need reliable power all the time. By pairing solar generation with flexible resources such as batteries, Union Power and our power supplier can make intermittent generation sources into stronger grid assets while also increasing sustainability.

Managing costs to keep them as low as possible is always part of Union Power's mission. As prices for new energy resources are coming down, the economics for implementation is improving. And, by deploying distributed resources in a coordinated way, Union Power can use the grid more efficiently and better manage energy flows. This helps us save, not only by reducing demand for power when energy consumption peaks and wholesale electricity is most expensive, but also by potentially delaying the need to invest in expensive new infrastructure, like substations. Because cooperatives like Union Power are not-for-profit and provide power at cost, savings directly benefit co-op members.

These technologies also have created opportunities for our members, like you, to partner with us to achieve shared value.

By adopting proven technologies and deploying distributed resources at scale, Union Power can provide many benefits to members: added resilience, enhanced sustainability through renewable generation, optimization of the grid, cost savings, and new services for members, to name a few. We see these benefits compounding over time, especially as more of our members, from large commercial businesses to residents interested in a smart thermostat, decide to participate with us in building the grid of the future.

This storm season and beyond, as part of our Brighter Future vision, you can count on Union Power to continue to take steps to enhance grid resiliency and deploy resources that bring real benefits to members.

Hot Water Savings for Summer

Hot water is essential to daily life, from washing your hands, cleaning dishes, to showering, so it should come as no surprise that water heating is typically the second-largest energy expense in your home (depending on if your water is electric or gas)—accounting for about 18% of energy bills, right after heating and cooling. With hot water being used so frequently, it's pretty easy to see how quickly it can add to your electric bill. By becoming more aware of how you use your heated water and by making a few small adjustments, you can not only conserve hot water, but also save on water heating costs.

Check out these energy-efficient tips and start saving today:

- **Check the size of your water heater.** Make sure that your water heater is sized appropriately for the size of your family. Most homes come with a standard 40-gallon tank, but if you have four or more family members living in your home, you may need to upsize the size of the tank. Upsizing to a larger tank may also require additional electrical work as well. Your plumber should be able to inform you if any additional work will be required if you decide to upsize.
- **Use Less Hot Water.** Try not to run hot water excessively. Take shorter showers. Wash clothes in cold water instead of hot unless absolutely necessary. Purchase energy-efficient dishwashers and clothes washers. Turn off your water heater when you're on vacation.
- **Turn Down the Thermostat on Your Water Heater.** For most households, 120 degrees F is sufficient. For those with higher thermostat settings, remember with each 10-degree reduction, you can save up to 5% on your water heating costs.
- **Insulate Your Water Heater.** Insulate your electric water heater tank and pipes, but be careful not to cover the thermostat. This reduces heat losses at the tank and along pipes leading to faucets. You also won't have to wait as long for the water to get hot when you turn on the faucet. If you own a gas water heater, be sure to consult with your gas company for suggestions on insulating those types of units.
- **Consider Buying a New, More Efficient Water Heater.** It may cost more initially, but the energy savings will continue during the lifetime of the appliance. It's best to do your research and know the condition of your unit. On average, a water heater will last about 8-12 years, but this can vary based on the type of water heater, the quality of the unit, and how well it has been maintained.

Union Power's promise is to provide exceptional service to its members. That includes looking out for you by helping you save on your monthly energy bill. That's the Cooperative difference!

Check Out Our Water Heating Calculator

Our Water Heater Calculator can help you estimate your annual water heater savings based on the number of people in your home and your fuel rates. Access this tool by visiting union-power.com/energysavingscalculators and selecting the "Water Heater Calculator" icon!

Right-of-Way Clearing

During the next month, you may see our tree-trimming crews in your neighborhood: ABC Professional Tree Services and Lewis Tree Service.

Mecklenburg County: Allen Munn Ln, Ardlwy Park Way, Clear Crossing Ln, Cornflower Commons Dr, Davis Rd, Lake Rd, Surface Hill Rd, Tompkins Rd, Truelight Church Rd, Truewood Dr, Versage Dr, Wexford Dr, Willow Bend Ln, Wilson Grove Rd, Woodhollow Rd

Stanly County: Big Lick Rd, Churchill Rd, Coyle Rd, Fiji Ct, Griffin Greene Blvd, Harvell Rd, Hatley-Burris Rd, Island Creek Rd, Lee-Griffin Rd, NC Hwy 200 S, Rustic Ln, St Johns Dr, St Simon Ct, St Thomas Dr, Sunset Lake Rd, Travis Rd, Wayfield Dr

Union County: Bernard Simpson Rd, Brookstone Terrace, Brown Ln, Chaney Rd, Chinkapin Ln, Concord Hwy, Duncan Keziah Rd, E Independence Blvd, E Unionville Indian Trail Rd, East CJ Thomas Rd, Fowler Rd, Granite Ct, Hillcrest Church Rd, Maness Dr, Pennigar Rd, Perrette Rd, Plyler Rd, Price Dairy Rd, Ridge Rd, Roanoke Church Rd, Rocky Meadow Way, Rose Dr, Technology Dr, Tyson Rd, Vineyard Dr, W Unionville Indian Trail Rd, West CJ Thomas Rd, Winchester Rd, Woodhaven Ln, Woodlawn Ln, Younts Rd

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) and Carrie Lorenz-Efird (ext. 3291). Visit union-power.com for monthly right-of-way clearing updates.

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The Cooperative Review newsletter is published monthly for the members and friends of Union Power Cooperative.

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