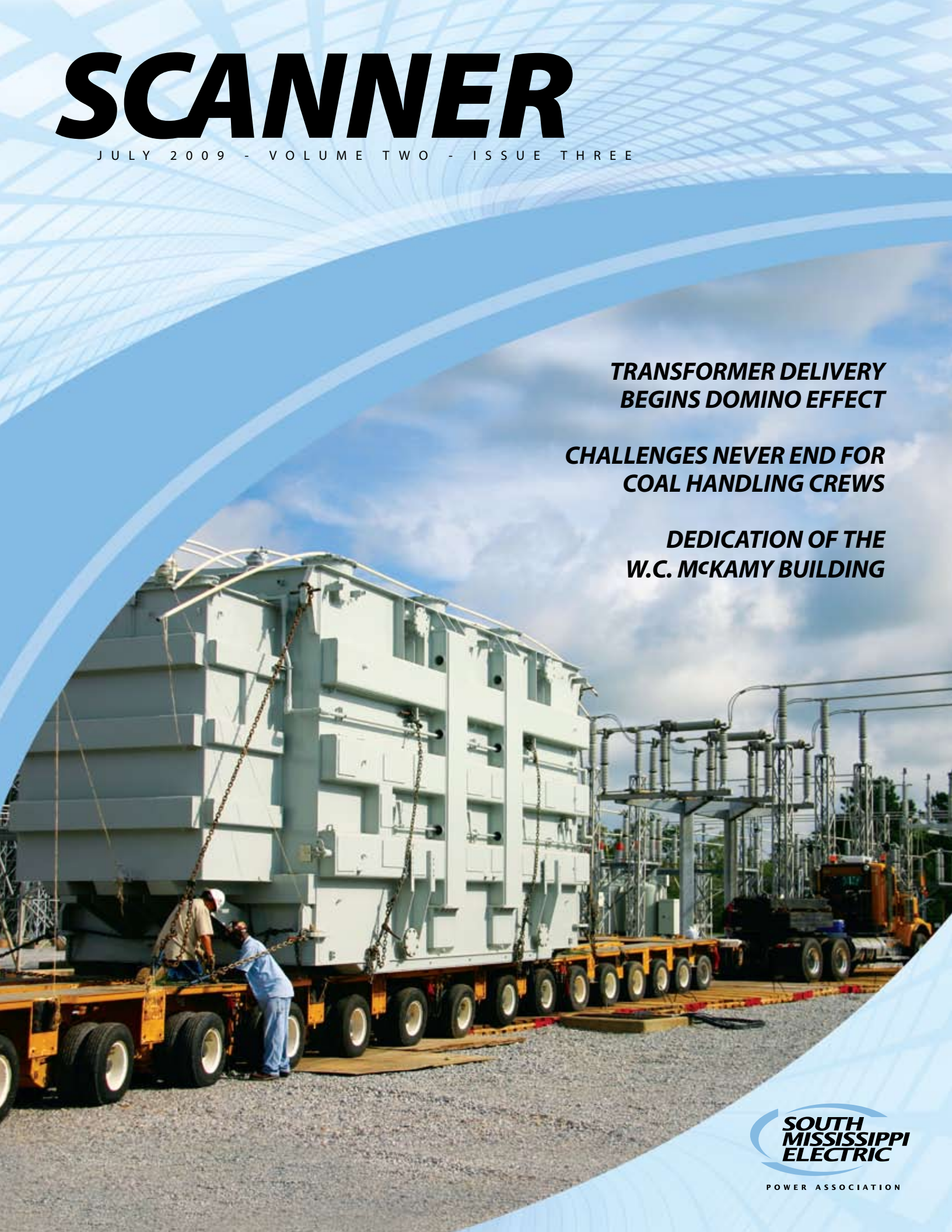
SCANNER

JULY 2009 - VOLUME TWO - ISSUE THREE



TRANSFORMER DELIVERY BEGINS DOMINO EFFECT

CHALLENGES NEVER END FOR COAL HANDLING CREWS

DEDICATION OF THE W.C. McKAMY BUILDING

SOUTH MISSISSIPPI ELECTRIC

POWER ASSOCIATION

SCANNER

JULY 2009 - VOLUME TWO - ISSUE THREE

TABLE OF CONTENTS

The Scanner Magazine is published quarterly for
employees and retirees of South Mississippi Electric
Editor: Kurt Brautigam, APR
Communications Coordinator: Nicole Ruhnke

Cover photo: A 448 MVA transformer is delivered to the Purvis Bulk 230/161kV substation.

A DIFFERENT WAY OF SELLING POWER

Jim Compton,
General Manager/CEO

Historically, the retail pricing of electric power is not consistent with hourly, daily or seasonal changes in the cost of production. As a result, the consumer has no incentive to use less power when the cost of production is high. Consequently, when peak usage keeps increasing, it becomes necessary to build or purchase new generation to keep up with demand. More importantly, the average cost of power to our Members keeps climbing. This needs to change, and we can make it happen.

When South Mississippi Electric purchases market power from neighboring generating resources, the difference between on-peak and off-peak power cost is at least $15 to $20/MWh. During periods of high demand, the pricing is higher, and that difference can translate to at least 1.5 to 2.5 cents per kWh at retail. Similarly, our own generation is dispatched in economic order, so peak retail usage causes us to utilize our more expensive generation to meet peak demand.

For several years, we have been exploring options for designing our system's wholesale and retail rates to reflect the economic realities of the varying costs of generating or purchasing power. The purpose is to send appropriate price signals that will enable the ultimate consumer to modify usage to the extent possible—and thus save money—if and when desired.

Our wholesale coincident peak rate (B-2) went into effect for all Member systems on June 1. With that rate, there is a Time-of-Use (TOU) Rider that is an option for each Member. As of June 1, five Member systems have elected to take service under the TOU Rider, which will enable those systems to develop and offer retail TOU rates that reflect the cost savings in our rates for moving off-peak. On-peak is the period from 3:00 p.m. to 8:00 p.m. throughout the year, as well as from 6:00 a.m. to 8:00 a.m. during the period November through April.

Several Member systems are using the TOU rate with retail customers. Singing River has had a TOU rate for years, even before there was a wholesale TOU rate. Twin County EPA has had a mandatory TOU rate for cotton gins for several years. Those who comply save significantly; the gins that do not pay higher costs. Twin County EPA also has an industrial customer using a TOU rate that became effective this year. Yazoo Valley EPA has had a pilot TOU rate program for commercial and industrial accounts electing to participate.

This year, Delta EPA implemented a voluntary TOU rate for agricultural customers, primarily irrigation loads. To the extent that the farmers operate fully off-peak, average savings are projected to be 16% or more below that provided by standard rates. Of course, some customers are more aggressive than others in moving energy use off-peak, and the less aggressive customers achieve lower savings.

Delta Electric also has a large commercial rate, with one catfish feed processing plant taking advantage of the TOU option. In the first month, by changing their work shifts so that the plant is not operated during peak hours, the plant saved 21% based upon projected power costs. Other large commercial customers are expected to move to this rate in the near future if work schedules can be adjusted.

SME has offered wholesale TOU rates to Member systems for use by certain larger power customers. Yazoo Valley EPA, Southern Pine EPA and Dixie EPA have successfully used the wholesale TOU rate to design and implement retail TOU rates for their larger industrial customers, such as the paper mills. These customers have on-site generation that can be utilized during on-peak periods. The retail TOU rates, like the wholesale TOU rates, are designed to encourage customers to utilize on-site generation during the on-peak periods defined in the rates to reduce overall costs. Making effective use of the TOU rates, these few customers have reduced their demand by as much as 25MW cumulatively during on-peak periods. During the recent hot spell in June, we also saw the mills reduce their usage and thus reduce our peak significantly.

Coast EPA is implementing the first voluntary residential TOU rate. This is a great challenge but also offers great rewards. Coast employees recently participated in a successful test program. To illustrate what can be saved with the rate, one employee achieved 82% off-peak usage in the pilot program by consciously moving electric usage to off-peak periods. The employee did not alter his HVAC system thermostat or electric stove usage, allowing home comfort and meal times to remain unaffected, but the change in off-peak usage reduced his power bill by 12%, or more than $30 for the month. Coast's residential TOU rate is now in place and will be marketed to the membership this fall. *(see chart below)*

Our Member systems are to be commended for their leadership in implementing retail TOU rates. I believe that TOU retail rates offer our Members the opportunity to partner with the G&T for the common purpose of keeping rates affordable. It also gives consumers control over their power costs if they are willing to alter their usage. I believe that this is an example of what sets us, as cooperatives, apart from for-profit companies and will help keep us competitive in the face of rising costs.

Coast EPA's New TOU Residential Rates
based on 1500 kWh

% Off-Peak	Standard Residential	New TOU	Difference TOU	% Difference TOU
50%	$ 175.09	$ 208.78	$ 33.69	19.240%
60%	$ 175.09	$ 190.75	$ 15.66	8.940%
70%	$ 175.09	$ 172.73	$ (2.36)	-1.350%
80%	$ 175.09	$ 154.70	$ (20.39)	-11.650%
90%	$ 175.09	$ 136.68	$ (38.41)	-21.940%

The Challenges Never End

Coal Handling Crews Provide 7-day Coverage to Feed Plant Morrow

Electric generating plants are designed to convert the potential energy stored in one physical source into electric energy to meet consumer demand. Energy can be released from coal, natural gas, wood or some other fuel through the heat generated by combustion. Energy can also come from harnessing controlled nuclear reactions, collecting heat from the sun, or by mechanically capturing the flow of water.

For a power plant that generates large amounts of electricity around the clock, a continuous supply of fuel is a necessity. No fuel means no electric output. Maintaining an uninterrupted supply of fuel requires planning, effort and coordination on a scale that the average consumer would probably not expect.

South Mississippi Electric purchases approximately one million tons of coal each year through contracts with suppliers in central Appalacia. Norfolk Southern delivers coal to Plant Morrow using two 105-car trains (SME owns the railcars) that run on separate four-day schedules. When a train arrives at the plant, 12,000 tons of coal are unloaded into the trestle. A two-man crew must be available whenever a train arrives to unload.

Depending on the time of year and how the plant is being dispatched, the coal crews have the responsibility of ensuring that Units 1 and 2 have the fuel needed to operate as demand grows throughout the day. Coal and Utility Foreman Roy Richardson coordinates continuously with the railroad, keeping track of when the trains will arrive and making arrangements for unloading upon arrival. Ideally, when the coal is released from a train, it can be transferred via conveyors to the sixth floor of the plant where it is distributed to six different storage bunkers that feed the two units.

"There is always coal to move in order to make way for the next delivery," said Richardson. "If the newly arrived coal cannot be routed from the trestle directly to the plant, we must move it to the stockpile."

As of mid-June, about 380,000 tons of coal were stockpiled. That amount varies during the year based on demand, natural gas prices, and other economic factors. During full summer operating conditions, the plant can easily use a trainload of coal in about three days, allowing it to go straight from the trestle to the bunkers. Unpredictable train schedules, however, require adjustments in the process. Naturally, if the trestle area is full, a second train cannot be unloaded until the coal is moved.

"The crews try to move coal to and from the pile as strategically as possible," said Richardson. "They must find a balance between having the unloading area ready to receive new loads and pushing coal off the pile when the need arises."

Heavy equipment operators use massive bulldozers to push the coal from one place to another. It takes two operators about 48 to 72 hours to move a full trainload from the trestle to the stockpile. On the other hand, it takes about three to four hours to push enough coal from the stockpile back to the conveyors that feed the bunkers. Under full load, the bunkers are filled an average of six different times per day, so depending on the conditions and timing, crews might be manning the dozers many hours of the day.

"The amount of coal that is handled on a daily basis is remarkable," said Trevor Cameron, coal and utility supervisor. "Our main responsibility is to keep the plant fueled, and that takes around-the-clock moving and handling of literally tons of coal. By the year's end, one million tons of coal will have been handled in some way by the workers in the coal yard.

"The guys in the coal yard are responsible for so much," Cameron added. "From moving the coal from place to place, to cleaning and maintaining the equipment, this is definitely not the most glamorous department, but they keep everything moving regardless of the challenges."

Not only do the crews handle the fresh coal, they are also responsible for disposing of the byproducts from burning the coal (fly ash and bottom ash) as well as byproduct from the scrubber process. "The coal yard is a vital part of plant operations," said Richardson. "We ensure that the initial product arrives in the plant properly, and we follow all of the regulations for disposing what is left after it is burned."

Fly ash is collected from the boiler exhaust gases by electrostatic precipitators and transferred to silos on the plant site. It is marketed by Separation Technologies, Inc. (STI) as an ingredient in concrete products. Nearly all of the fly ash is sold, while some high carbon ash remains onsite and is deposited in the landfill. Bottom ash is also sold and used in manufacturing concrete blocks. The limestone solid that is recovered from the scrubbing process is also landfilled and must eventually be covered with clay, dirt, and grass.

Another important part of the coal handling department is the railcar maintenance group, which services all 230 railcars owned by SME. Railcars are rotated into and out of the trains at the plant so that the three mechanics can perform continual maintenance according to standards set by the American Association of Railcars. Norfolk Southern also performs mechanical inspections on the railcars at various locations along the rail route; if a car does not meet the standards, it must be pulled from the train and repaired at a high cost to the Association.

"Plant Morrow runs two 105-car trains, giving us a leeway of twenty railcars," said Joey Ward, environmental and fuels manager. "When a train arrives at the plant, the crews are given four hours to unload the coal, inspect the cars, pull the ones that need repairs and replace them with maintenance cars. The railcar maintenance crew does an exceptional job of servicing the railcars and reducing the likelihood of our cars having to be pulled while in transit."

Transporting and Preparing Coal Is a Complicated Process

Overall, Plant Morrow has well over a mile of conveyors—a total of 6,500 feet (13,000 feet of belt)—that carry coal and byproducts around the plant site. The distance from the trestle to the sixth-floor bunkers is 2,250 feet.

Coal yard crews control the series of belts from a touch-screen control monitor. Conveyor 1 runs the length of the trestle and works with a rotary plow to move the coal to Conveyor 2, which comes from underground and loads Conveyor 3A. Conveyor 3A serves as the main conveyor for feeding the plant, while 3B works as a backup conveyor.

If the coal is to be stockpiled rather than sent to the plant, it is routed to Conveyor 6, which dumps the coal at the base of the pile. From there, the heavy equipment operators push the coal up on the pile until the need arises to push it back and onto the main conveyor.

Coal transported to the plant remains on Conveyor 3A until it is distributed to either Conveyors 4 (A, B, or C) or Conveyors 5 (A, B, or C) that feed the three bunkers for Units 1 and 2, respectively. (*picture below)*

From the bunkers located near the top of the plant, the coal drops to gravimetric feeders, which control the rate and weight of the coal flow. The coal is then dried, crushed, and sent to the ball tube mills on the ground floor, where it is pulverized into a fine powder.

Heated air is used to transport the pulverized coal upward from the ball tube mills through classifiers, which sort the particles. Larger particles are sent back to the ball tube mills for further crushing, while the powder-sized particles are blown through tubes to the fourth-floor burner deck and then into both sides of the boiler furnace.

MAJOR TRANSFORMER MOVES BEGIN DOMINO EFFECT

The Purvis Bulk 230/161kV substation, South Mississippi Electric's only interconnection with Mississippi Power, is undergoing a major transition. The station's two 168 MVA transformers are being replaced by two 448 MVA transformers in order to increase the transfer capability between SME and Mississippi Power. The first 448 MVA transformer was delivered in June after a two-year journey.

The 680,845-pound transformer (360,000 pounds shipping weight) was previously in service at the Waynesboro 230/161kV substation, until an internal fault damaged the unit in July 2007. After an attempt to repair the transformer on site at the substation, factory personnel determined that the damaged area was not accessible, so the transformer was shipped to the factory in Canonsburg, Pennsylvania, near Pittsburgh.

As one might imagine, transporting a 180-ton load is not an easy task. A railcar with sufficient strength to carry the transformer was not available until March 2008. After multiple complications with railroad routes, the transformer began its 950-mile journey north in May 2008. Once the factory received the transformer, the 12-month repair process involved disassembling the internal windings, analyzing the failure, developing a repair plan, completing the repairs, and testing the completed transformer.

"When this transformer was purchased, SME was looking ahead to the point where we are now," said John Gilbertson, substation and communications manager. "We knew that increased capacity at the Purvis Bulk substation would eventually be needed, so a larger transformer was purchased in March 2005 for the Waynesboro substation, with plans for it to eventually be moved to Purvis Bulk. With the railroad issues that we had previously faced in the Waynesboro area, as well as the growing need for additional capacity at Purvis Bulk, we decided to go ahead and place the repaired unit in service at Purvis Bulk, rather than transporting it back to Waynesboro."

Relocating the two existing Purvis Bulk units to Waynesboro will increase the reliability of the interconnection there with PowerSouth Energy Cooperative by adding redundancy – having two transformers in service instead of just one. Using the repaired 448 MVA unit at Purvis Bulk and ordering a second sister unit also allows SME to save money by not having to purchase two new 448 MVA units at current prices. This decision resulted in nearly $2 million in savings.

"Because shipping the transformer to the factory took over a month, we looked at several options for expediting the process of getting it back," Gilbertson said. "We secured a rider—a man who drove from switchyard to switchyard monitoring the transformer on its route. Having the rider follow the transformer made a tremendous difference in the transport time because he advanced the transformer through the various switchyards. The rider was able to reduce the shipping time by two weeks."

The transformer arrived at Plant Morrow on May 29 and was unloaded from the railcar. Two weeks later, H. Brown, Inc., a Louisiana-based contractor that specializes in moving heavy loads and has transported several SME transformers in the past, prepared the repaired transformer for the final leg of its journey. Crews used a 144-wheel trailer designed for extremely heavy loads to make the four-mile trek to the substation. Because of the transformer's size and weight, a second truck was called in to assist in the transport.

More than twelve hours after the transformer left Plant Morrow, it arrived at the Purvis Bulk Substation. At 9 a.m. on June 11, system operators coordinated a short outage of the interconnection so that the repaired transformer could be moved into the substation. H. Brown then began the tedious work of slowly but carefully unloading the transformer from the transport trailer to the transformer foundation.

"It takes a combined effort from several departments at SME to bring these units online," said Matt Tillman, design engineer. "This process began several years ago when it was forecasted that SME would have increased generation responsibilities. Several sections of the bulk power operations department and most sections of the engineering department had a hand in making this happen."

Construction Supervisor Bob McCaskill was heavily involved in working with the contractors making the modifications needed at the Purvis Bulk substation in order to utilize the full ratings of the two new transformers. These modifications include the replacement of two 230kV circuit switchers, two 161kV circuit switchers, twelve 161kV disconnect switches, and modifications to the electrical bus surrounding the transformers to accept the larger units. The project also involved six different contractors to handle the substation modifications, transformer transportation, and final assembly.

In order to make room for the repaired transformer at Purvis Bulk, one of that substation's 168 MVA transformers was removed from service in June and transported to Waynesboro where it will be installed later this summer. The second 448 MVA transformer has been ordered for Purvis and will be placed in service in late 2009. At that time, the second 168 MVA unit at Purvis will be moved to Waynesboro.

At Waynesboro, the 448 MVA transformer originally replaced a 150 MVA transformer that was scheduled to be installed at the newly built Southeast Greene 230/161/69kV substation in late 2007, a move that was delayed. Since the 150 MVA transformer was kept onsite at Waynesboro, it was able to be returned to service while the 448 MVA transformer was repaired. Once the repaired unit is in service at Purvis Bulk and the 168 MVA unit is installed at Waynesboro, the 150 MVA transformer will be relocated to Southeast Greene.

Ceremony Held to Dedicate McKamy Building

W.C. McKamy, Jr.

South Mississippi Electric honored former Board President W.C. "Buddy" McKamy on June 9 with the dedication of the new office building at the Headquarters facility. Nearly 100 people, including members of the McKamy family, SME Board members and employees, and other guests were in attendance for the ceremony.

In 1958, Mr. McKamy was elected to the Twin County Electric Power Association Board of Directors, ultimately serving as its President. In 1980 he was elected to the SME Board of Directors and became Board President in 1986. He served in that capacity until his death in October 2003.

During the dedication, General Manager/CEO Jim Compton spoke of SME's many accomplishments under Mr. McKamy's leadership. In the seventeen years that he was Board president, the Association gained more than 125,000 consumers and 26 additional delivery points were added to the transmission system. In addition, revenues from Member sales nearly doubled during Mr. McKamy's tenure.

Former General Manager Henry Thomas spoke about his memories of Mr. McKamy, noting his unique leadership and ability to address difficult decisions, as well as his passion for rural electric cooperatives and dedication to South Mississippi Electric.

Charlotte McKamy, Brucie Mintz McKamy, Charley McKamy

Assistant General Manager Marcus Ware completed the short program by providing details of the construction and renovation projects associated with the year-long construction effort. The ceremony ended with the McKamy family unveiling a framed resolution and portrait of their father in the lobby and helping to cut a customary blue ribbon on the building steps.

"This building is for public access to our facility," said Compton, "so we wanted to recognize the contributions of our Member systems that serve the public and also provide board governance. Mr. McKamy provided sound leadership for many years and was well respected in the industry."

Cutting the ceremonial blue ribbon to officially open the building were (left to right) Assistant General Manager Marcus Ware, Board President Henry C. Waterer, Jr., Charlotte McKamy, Brucie McKamy Mintz, Charley McKamy, former General Manager Henry Thomas, and General Manager/CEO Jim Compton.

Directors' Update Meeting Provides Timely Information

National energy legislation. Demand side management. Energy efficiency for consumers' homes and businesses. The state of the G&T.

Our industry has more than its fair share of issues, and all of the above topics and several others were discussed at South Mississippi Electric's third annual Directors' Update Meeting, held June 10 at the Lake Terrace Convention Center in Hattiesburg. More than 160 people attended the update, including directors from all eleven Members and other invited employees and guests.

This year's theme for the meeting was "Where Energy and Politics Meet."

"It is essential for everyone associated with running our business to be aware of these many issues," said Jim Compton, general manager/CEO. "We face a time that is unprecedented, in terms of the number of issues that can now affect our industry. Our challenge is not only to understand and work through each item, but to effectively communicate the potential consequences to all of our Members and their members."

Compton updated meeting participants about new rates and programs, power supply needs and transmission related matters. He also discussed how national legislation regarding renewable standards will affect the Association, noting that SME has hired a consultant to identify opportunities for adding viable renewable sources of generation. Depending on how Congress votes, energy providers may be required to have renewables make up 20% of their energy supply by 2020.

"That is why demand side management options are important," Compton said. "If we can work with our Members to reduce our highest peak loads, we can be more effective in finding options that best fit our system needs. Other G&Ts across the nation are working to reduce demand at the consumer level."

Jeff Rud, power supply specialist for East River Electric Power Cooperative in South Dakota, talked about his organization's 20-year effort to implement load management. East River's 25 member systems offer programs that now control 103 MW, including more than 44,000 residential water heaters and 16,000 air conditioning units, as well as irrigation and industrial loads. The system's ability to control and reduce loads at peak times has saved the cooperative $110 million since the program's inception.

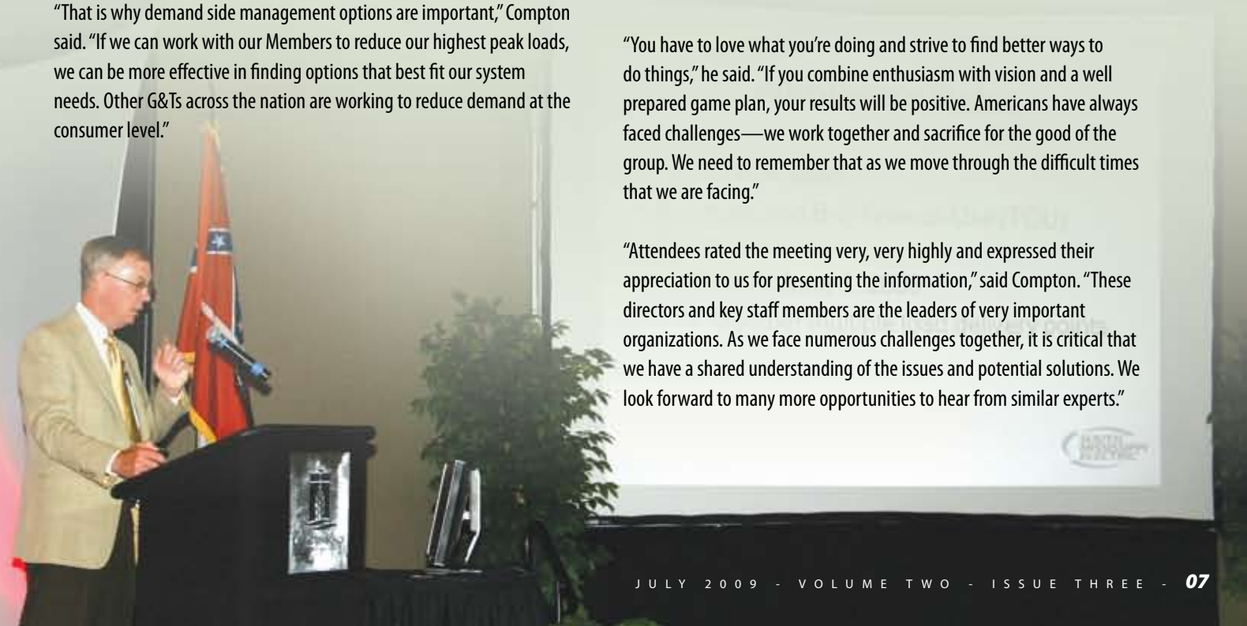
The meeting attendees also heard from NRECA's Vice President of Environmental Policy Kirk Johnson, who made his presentation via phone because of his need to stay close to the developing Congressional energy policy proceedings in Washington. Johnson discussed the controversial proposals to develop a cap and trade program for carbon dioxide (CO_2) emissions, noting that cooperatives had not been given a fair share of allowances based on the most recent draft of legislation. Regardless of how allowances are allocated, however, he noted that all electric consumers will ultimately be paying more for their service in the future if the bill is passed.

Well-known energy efficiency expert Doug Rye provided a humorous yet serious look at misperceptions about energy savings. He suggested that a house does not need to "breathe," as any air infiltration affects its HVAC system. Caulking and insulation are still the most valuable ways to keep a house air-tight, he said, suggesting that cellulose insulation can be the best value for the money a consumer spends. Rye also talked at length about the efficiency of geothermal HVAC systems and praised SME for using the technology on its new FOC and Headquarters projects.

Motivational humorist Bryan Townsend was the event's final speaker. His topic, "Hitching up a Winning Team," pointed out the common traits of any successful undertaking, including teamwork, dedication, planning and commitment.

"You have to love what you're doing and strive to find better ways to do things," he said. "If you combine enthusiasm with vision and a well prepared game plan, your results will be positive. Americans have always faced challenges—we work together and sacrifice for the good of the group. We need to remember that as we move through the difficult times that we are facing."

"Attendees rated the meeting very, very highly and expressed their appreciation to us for presenting the information," said Compton. "These directors and key staff members are the leaders of very important organizations. As we face numerous challenges together, it is critical that we have a shared understanding of the issues and potential solutions. We look forward to many more opportunities to hear from similar experts."



A Lasting Legacy—SME Generations (Part II)

The previous edition of the Scanner featured five South Mississippi Electric employees whose relatives previously worked for the Association. The following article highlights five more second- and third-generation relatives of former SME employees.

Pattie Lowery recalls visiting her father, Harold, in the evenings as he worked in the control room at Plant Moselle. Harold Lowery worked as Plant Supervisor until his retirement in 1999.

Harold would drive Pattie around the plant in a golf cart, showing her the different equipment and systems and explaining how power was generated and then transmitted to their home. It is a nostalgic feeling for Pattie, who now works as a laborer at the facility. "It can be a little overwhelming walking around out here," Pattie said. "He knew every square inch of this plant. This place meant the world to him, and I am proud to serve the Association in his footsteps."

The sense of familiarity is part of what encouraged Pattie to apply for the laborer position last year, as well as the challenge.

"My dad told me I would not be able to handle it. That was all the more reason I wanted the job—I wanted to prove to him that I could work as hard as he had for so many years. Because of South Mississippi Electric, my dad was able to provide a good life for my family and we will always be grateful for that."

Lori Bond

Lori Bond, materials clerk at Plant Morrow, is the daughter of Roy Lott, a former maintenance foreman at Plant Morrow.

Roy Lott

"Dad was hired as a laborer in 1978," Bond said. "He would come home tired and dirty, and as a child I never understood what he did. Since I have worked at the plant, my eyes have been opened to how hard he worked. The benefits available to our family were unmatched, and we never went without. The Association was good to him while he worked and is still good to him in retirement. Our family owes so much to SME for the good life that we were given.

"My brother and I were always excited to hear stories about his co-workers. To us, those stories were the highlight of the night. Now, those 'crazy co-workers' of Dad's are now my co-workers, and they are still just as crazy."

(Photo above) Harold Lowery
(Photo above left) Pattie Lowery and her cousin Bill Massey, an operator at Plant Moselle, who is Harold Lowery's nephew.

Brian Carter

Brian Carter, recently hired as a laborer in the vehicle maintenance group, is the son of the late Hugh Carter, who began working at SME in 1970. He retired in 1996 as a construction inspector.

"My dad wanted more than anything for me to work here," Brian said. "So when the opportunity became available, I knew it was right.

"I have heard his hiring story countless times—Mom told him that a job was available at SME and that he should check it out. He left his nine sons out splitting wood in the yard while he drove to the headquarters, walked in and said, 'I'm Hugh Carter, when do you want me to start?' They gave him a starting date, and he worked hard until his retirement in 1996. The Association presented him with a Winchester 270 as a retirement gift, and that's the gun that I now use."

Hugh Carter

That same determination has become important to Brian as he works alongside his father's former coworkers. "I enjoy meeting people who knew and worked with my dad. He knew how to work hard and get the job done."

Jason Walker

Transmission Inspector Mike Pearce, hired in 1968 as a drafter, was part of the original SME cornerstone team. His son-in-law, Jason Walker, now works as an operator at Plant Morrow. "My father-in-law and I still talk about his memories of SME," Walker said. "He loved the fish fries and the picnics."

Mike Pearce

Mike worked for SME until 2005 and, while he continues to battle with Parkinson's disease, his family remains grateful for the compassion shown to him over the past several years. "He has been treated with the utmost respect while working through his disability," Walker said. "It is hard to find a company like this, and I'm blessed to be a part of it."

Matt Howell

Matt Howell, also an operator at Plant Morrow, is the grandson of Earl Knight. Earl worked for a contractor at Moselle when the plant was being constructed and was subsequently hired by SME as a laborer after the station began operation. He advanced into the mechanical maintenance group and retired while working in that capacity.

"I was very young when my grandfather passed away, but several people remember him," Matt said. "I know that my grandfather would be proud of me for working at SME, and it is great to work for a team that my grandfather was so proud to be a part of."

Earl Knight

New Employees

Damion Cuevas began working as a planning engineer in BPO on April 22. He is a graduate of Hancock High School, Pearl River Community College and Mississippi State University. Damion previously worked at Entergy Mississippi and was a student co-op at Mississippi Power and Coast EPA. He enjoys all sports, especially saltwater fishing and golf. He is engaged to Holly Williams of Mendenhall.

Vehicle Maintenance Laborer **Brian Carter** began work on April 28. He is a graduate of Perry Central High School and Jones County Junior College with an associate's degree in automotive technology. Brian worked with Rowan Drilling Companies in Dallas for eight years. He enjoys fishing and spending time with his wife, Wendy, and two children, Rayna and Hugh.

Rob Huggins returned to SME as the senior business intelligence analyst on May 20. He holds bachelor's degrees in business administration and computer information management, from Southern Miss and the College of St. Mary in Omaha, Neb., respectively. Born and raised in Gulfport, Rob most recently worked for Ranzal & Associates, a consulting firm that specializes in Hyperion implementations. In 1994 he worked for SME as a system analyst. He also served in the United States Air Force for nine years. He has two children and two grandchildren.

Instrument and Electronics Technician **Jacob Clingon** began working at Plant Moselle on June 1. He graduated from Purvis High School and Pearl River Community College with an applied science degree. Jacob enjoys team roping and recently placed fifth out of 400 teams at a local competition.

Alex Howard was hired as the results engineer at Plant Moselle on June 1. A native of Petal, Alex served in the U. S. Navy and participated in Operation Enduring Freedom after 9/11 while stationed at Pearl Harbor, Hawaii. Alex holds a mechanical engineering degree from Mississippi State University and earned a mechanical operating degree from the Naval Nuclear Power School in Orlando. Most recently he worked at Grand Gulf Nuclear Station in Port Gibson. He and his wife, Whitney, live in Petal with their son, Parker.

Congratulations Recent Graduates!

Racheal Noel Barnes, daughter of Michael and Kimberly Barnes, graduated from Petal High School. She was part of the community-based program in which she volunteered her services at the Petal Rotary Club, Mom and Dad's Restaurant, Adams Nursery, and Corner Market. She also participated with the varsity cheerleading squad. In the fall, Racheal will volunteer her time at Sacred Heart Catholic School and Church.

Ali Marie Butler, daughter of Dennis and Stacey Butler, graduated as Salutatorian of her class at South Jones High School. Ali was inducted into the school's Hall of Fame and was a Mississippi Scholar. She was also an all-district soccer player for five years. Ali plans to attend the University of Mississippi to seek a degree in pharmacy.

Ethan Chancellor, son of Greg and Phyllis Chancellor, is a recent home-school graduate. He is a current summer worker at SME and also enjoys playing the guitar. He plans to attend Jones County Junior College in the fall and pursue a degree in business administration.

Eric Thomas Cooper, son of Joe and Bonita Cooper, graduated from Sumrall High School. He graduated with special honors and was named a Mississippi Scholar and the Lindy Callahan Scholar Athlete. Along with being inducted into his school's Hall of Fame, Eric was also voted Most Likely to Succeed. He plans to attend Jones County Junior College on an Academic Excellence Scholarship before transferring to Mississippi State University to major in agriculture education and coaching.

Kendall Leigh McCrary, daughter of Mike and Carol McCrary, graduated from Oak Grove High School. She served as Captain of the OGHS Golden Spirits Dance Team and was selected as a Universal Dance Association All-Star Dancer. Kendall also competed with the Hub City Dance Ensemble and the Pine Belt Ballet Company. She participated in several campus organizations and received the Pride of Oak Grove Award. She plans to attend the University of Southern Mississippi as a Lucky Day Scholar and pursue a degree in public relations.

Samantha Kelly McElhaney, daughter of Steve McElhaney, graduated with honors from the New York University Tisch School of the Arts. She received a bachelor of fine arts degree in film and television and plans to work in children's television.

Fiona Carlin McSwain, daughter of Carl and Anita McSwain, graduated from Petal High School as a Mississippi Scholar. She was a member of the Color Guard in the Petal High School Band and volunteered with the Center for Families and Children. Fiona also participated in the Delta Sigma scholarship program. She will begin the nursing program at Jones County Junior College in the fall.

Austin Taylor Morgan is the son of Michael and Carol Morgan. He graduated with honors from Purvis High School, where he played on the varsity football team and was involved in Beta Club, Math Club and First Priority. Austin plans to attend Pearl River Community College in the fall.

Jonathan Richard Pace, son of Debbie Woullard, graduated from Hattiesburg High School as a Major in the JROTC. Jonathan was involved with the yearbook staff, principal's club, and was affiliated with the Kappa League fraternity. He received an Electric Power Associations of Mississippi Scholarship and plans to attend Pearl River Community College to pursue a degree in electronics technology.

Raphael Duane Peters is the son of Roy and Victoria Peters. He graduated from Oak Grove High School as a Mississippi Scholar. Raphael received the Alpha Kappa Phi and Martin Luther King Athletic Awards. He plans to attend Mississippi Gulf Coast Community College in the fall.

Natalie Kate Rogers is the daughter of Bruce and Rosa Rogers. She graduated from Seminary High School, where she was the President of Beta Club and Fellowship of Christian Athletes. Natalie was inducted into her school's Hall of Fame, and was named Miss Seminary High School, Homecoming Queen and Most School Spirit. She received several scholarships, including the Mississippi Council of Cooperatives scholarship, and plans to attend Jones County Junior College to pursue a degree in nursing.

Brianna Christine Tally is the daughter of Sidney and Lori Tally and the niece of Camille Daglio. She graduated from Sylva-Bay Academy in Bay Springs as Salutatorian of her class. She held several leadership positions, including Student Body President, Senior Class Reporter and Yearbook Editor. She was also selected as Homecoming Queen and Miss Sylva-Bay Academy. She will attend Jones County Junior College in the fall.

Jennifer Leigh Ward, daughter of Joey and Susan Ward, graduated from Mississippi State University with a bachelor of science degree in secondary language education. Jennifer was a President's Scholar and a member of Kappa Delta Pi Honor Society. She is engaged to marry Jon Goldman this summer.

Rebecca Lynn Ward is the daughter of Joey and Susan Ward. She graduated from Oak Grove High School as an honor graduate and Mississippi Scholar. Rebecca was also involved in the Beta Club. She plans to attend Mississippi State University in the fall and pursue a degree in accounting.

Brandon Lyle Wolfe, son of Brad and Marguerite Wolfe, graduated as Star Student from Laurel Christian High School. Brandon won the Citizenship and Geometry awards and placed first in the state FBLA competition in Desktop Publishing. He also won first place in the District Academic Betterment Competition in Advanced Math. Brandon will attend the University of Southern Mississippi as a Presidential Scholar in the Honors program and pursue a degree in computer science.

Systems Operations Manager **Gary Hutson** (left), and Generation Planner **Jason Goar** both graduated from William Carey University with Master's degrees in Business Administration.

New Directors Join Board

South Mississippi Electric recently welcomed two new members to its Board of Directors.

Charles A. (Chuck) Lopez became Coast Electric Power's new representative at the June meeting, replacing James (Jim) Baldree. Mr. Lopez also serves as Chairman of Coast's board.

Joe Shelton,III replaced Lavell Bond as Pearl River Valley's representative in March.

Board officers were also elected at the June meeting. The slate remains the same, with Henry C. Waterer, Jr. serving as president; William H. (Billy) Hardin as vice-president; Mack J. Mauldin as secretary-treasurer; Donald Jordan was reappointed acting secretary-treasurer.

Scanner Wins National Award

The *Scanner*, SME's employee magazine, was recognized as Best Internal Newsletter or Newspaper/Magazine in the 2009 Spotlight on Excellence Awards, sponsored by the Council of Rural Electric Communicators and NRECA.

The quarterly publication won against entries from other G&Ts. The competition was judged by journalism professionals from the University of Missouri–Columbia and the University of North Carolina–Chapel Hill.

The magazine format was launched by Lydia Walters in January 2008. It is produced now by Nicole Ruhnke and Kurt Brautigam.

Safety Means So Many Things

By Don Ganas
Security & Safety Coordinator

Writing a safety column should not be overly difficult, but this one did not come easily for me. I've been writing columns and articles for years and there is no shortage of topics. My goal is always to try to present a subject that our employees and their families may actually make use of for their summer safety. This time I speak from personal experience.

On March 5th of this year my wife had surgery requiring five units of blood. She has required three more units since that surgery. I also know that one of our own friends and fellow employees required four units of blood during a surgery this spring.

Now, I have always enjoyed giving blood. I feel better for doing it. Possibly the six months I spent in the Ft. Sam Houston Medical School or the eleven months of active duty in Vietnam made me more aware of the need for blood. I had been blessed that none of my immediate family or circle of friends had ever needed a transfusion until this year. I now understand firsthand the importance of having the proper blood available. Please make a blood donation this summer. But this is not the July "Safety" topic. Consider those thoughts a helpful reminder to perform a very rewarding deed.

This year, the Blood Mobile would not accept my donation. I had a four inch wound on the top of my head where a skin cancer had been surgically removed one week earlier. Working on dairy farms as a youngster and going to college in Tucson where the sun shines every day had taken its toll. When I was younger I did not wear hats—probably did not even own one. Now, many years later and for the first time ever, I was not allowed to donate blood!

And so, that afternoon at 4:00 P.M, I had my topic—the importance of protecting our skin from dangerous UV radiation and the early detection and treatment of lesions that may lead to skin cancer.

The world lately has been anxious about the possibility of a novel H1N1 flu pandemic. Individuals, companies and countries have taken extreme measures to prevent spreading this disease. But more than one million new cases of skin cancer will be diagnosed in the United States this year. Compared to the swine flu, skin cancer could be more expensive to treat, may be a greater threat to your life, and is more easily prevented.

UV radiation is the major cause of skin cancer. It is the result of unprotected exposure to the sun or tanning bulbs. The effect is cumulative, so that it is now projected that 40-50% of all Americans will have some form of skin cancer by age 65. My own treatment began more than fifteen years ago.

Our society has come to believe that a tan is healthy. We associate a tanned body with beauty. Unfortunately, there is no healthy tan, and sun exposure leads to early aging of the skin. So what measures should one take for protection?

- *Wear clothing that prevents your skin's exposure to sun*
- *Do not use sun lamps or tanning beds*
- *Use a sunscreen with a minimum SPF (Sun Protection Factor) of 30*
- *Apply sunscreen frequently, especially when in the water or when heavily perspiring*
- *Wear a hat!*
- *Take advantage of shade and reduce exposure during the most intense period of the sun's rays (10:00 a.m. to 4:00 p.m.)*
- *Wear sunglasses that protect from UV rays, which will also reduce the chance of cataracts later in life*
- *Protect children with proper clothing and sunscreen, and train them to develop good habits of UV protection*

Even the most aggressive forms of skin cancer have a 97% cure rate, so early detection and treatment are critical. Self examination is the key. MD Anderson Cancer Center provides the ABCDEF's of mole examination.

Asymmetry: Does one half of the mole (or other pigmented skin spot) look different from the other half?
Border: Is the border of the mole irregular or ill defined?
Color: Is the color uneven or has it changed over time?
Diameter: Is the mole larger than a pencil eraser?
Elevation: Has the surface of the mole changed? If it was smooth and flat before, is it now elevated (raised)?
Feeling: Has the sensation (feeling) around the mole changed? Does it itch? Is it painful?

Perform a skin examination every month and schedule an appointment with your dermatologist annually. If you have had precancerous lesions or cancers in the past, follow your doctor's recommendation for the frequency of your visits. Early diagnosis usually results in a simple same-day procedure that leaves little or no scarring.

Your family history, skin tone, profession, leisure activities and past injuries might cause you to be more at risk. Consider your risk factors and protect yourself accordingly. You may find that you look good in a hat, and that the latest sunscreens are easy to apply and comfortable to wear.

Editor's note: Sadly, Don's wife, Sue, lost her battle with cancer on June 16. Don graciously agreed to leave his column intact.

The Power of 12

SOUTH MISSISSIPPI ELECTRIC

GROWING MISSISSIPPI

Our Mission:

Deliver the South's best value for safe and reliable electric energy and serve as a common resource for our Member-owners.

Our Competitive Strengths:

- An experienced, skilled work force
- A commitment to employee safety and system reliability
- A long-term contractual relationship with our Member systems
- Financial health, including that of our Members
- Sustained load growth in our Members' service territories
- Long range planning for cost-effective generation resources
- Fuel diversity in generation resources
- Environmental stewardship

Stop Blowing Your Money

Following simple tips around your home can help keep your energy costs down. From changing your air filters regularly to programming your thermostat, we make saving energy a breeze. Conserving today means saving tomorrow.

Fact:
Central heating and cooling systems can account for more than half of your overall power costs.

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