

September 2014

Customers Get CashBack

Just in time to help with back-to-school expenses, the NOVEC board of directors approved another special CashBack return. A retirement of approximately \$3.05 million will occur this month, with current customers (who were on the NOVEC system anytime between 1993 and 2013) receiving a CashBack credit on their September 2014 bills.



What is CashBack?

As a not-for-profit business, NOVEC allocates to customers any revenue that is received over and above the cost of doing business.

Since 1994, a total of nearly \$322 million in CashBack has been returned to customers.

NOVEC holds extra revenue, or margins, in a CashBack account for each customer. NOVEC retains some of these margins to fund expansion and maintenance of the system, and for extreme emergency-service restoration such as after Hurricane Sandy.

The board of directors approves CashBack returns as financial conditions permit.

Energy Star and WaterSense Sales Tax Holiday in October

Save energy and money when you purchase qualified products during Virginia's Energy Star and WaterSense Sales Tax Holiday over the Columbus Day weekend, Oct. 10-13, 2014. You will save the Commonwealth of Virginia's 6 percent sales tax. And you will save energy because products with the Energy Star label use 20 to 30 percent less energy than their counterparts.



For the tax-free holiday, products must be priced at \$2,500 or less. In addition, they must be purchased for a non-commercial home or for personal use. Energy-Star-qualified products include air conditioners, ceiling fans, compact fluorescent light bulbs, and more. WaterSense-products include sink faucets, showerheads, and more.

For more information about the Energy Star/WaterSense Sales Tax Holiday, visit www.tax.virginia.gov/site.cfm?alias=stholiday.

EZ-Pay Ready to Go

This month, NOVEC's Speedpay payment option will be replaced by a new system called EZ-Pay. Like Speedpay, the new system allows customers to make one-time payments using a credit card, debit card, checking, or savings account. The new EZ-Pay system is fast and easy to use, and you don't need to register an account.



Online or on Your Mobile Device

- From the NOVEC website, simply select the EZ-Pay option and enter your account information.
 - Enter the amount and your payment information.
- That's it! You will receive email confirmation of your payment.

By Phone

- Call NOVEC at 703-335-0500 or toll free 1-888-335-0500.
- Select option 2 to pay your bill and then press 2 for EZ-Pay.
- Follow the prompts to enter your account number and zip code.
- Follow the prompts to enter your payment information.

EZ-Pay is available in both English and Spanish and will accept either ATM/Debit (STAR, NYCE, PULSE, ACCEL, MasterCard, or Visa) or credit cards (MasterCard, Visa, Discover, or Diners Club). As with Speedpay, the same fee of \$2.45 per transaction will be charged by KUBRA — NOVEC's bill processor — for use of this service. There is a \$2,000 maximum per transaction. Any payments greater than \$2,000 will require multiple transactions and the \$2.45 fee will apply to each transaction.



2014 NOVEC Annual Meeting

Wednesday, September 17

Dinner: 6 p.m. ~ Business Meeting: 7:30 p.m.
Battlefield High School: 15000 Graduation Drive
Haymarket, VA 20169

(Inclement weather date: October 15)

Company Update • Door Prizes • Election of Board Directors

Information: www.novec.com



TODAY'S FORECAST: INCREASED CHANCE OF SAVINGS

Sign up for NOVEC's Load Management Program and help hold down power costs. Participants have already helped save more than \$25 million over the past decade. NOVEC passes savings on to customers through the power-cost-adjustment on monthly bills. Join today at www.novec.com/loadmanagement or call 703-335-0500.

Because lower bills brighten everyone's day.



www.novec.com/loadmanagement
NOVEC is an equal opportunity provider and employer.

NOVEC Employees Working in Your Neighborhood

NOVEC employees and contractors work throughout our service territory year round. They trim trees and remove brush from Co-op rights of way and easements. They may sometimes need to cross your private property and driveways to ensure reliable power for you and your neighbors.

You may see NOVEC employees or contractors:

- Making routine repairs or restoring power during outages
- Replacing meters
- Maintaining vegetation in rights of way
- Locating buried utilities for construction and digging projects
- Working to upgrade poles, wires, transformers and equipment
- Inspecting lines, power poles, transformer boxes and equipment

This field work is normally conducted from 7:30 a.m. to 4 p.m., Monday through Friday, but may be performed off hours when power outages occur.

NOVEC makes every effort to avoid damage and unnecessary intrusions. Please make our job easier and don't block access to NOVEC equipment and right-of-way areas.



If you have concerns about our work on your property, contact NOVEC's customer service center at 703-335-0500 or 1-888-335-0500, or send an email by going to www.novec.com and selecting "Contact Us."

Power Cost Adjustment Credit Update

In Virginia, NOVEC and other electric utilities regulated by the State Corporation Commission are only allowed to earn a margin or profit on infrastructure, and not on the electricity produced or delivered through the infrastructure. Simply stated, that means for NOVEC's expense associated with the wholesale power the Co-op purchases or generates, there is no mark-up allowed. As a result of the outstanding job done by NOVEC's power supply team, the Power Cost Adjustment has been a credit for customers in 2014.

For the past three years NOVEC customers have been getting the PCA credit on their monthly bills.

Why the PCA Credit is Less Now Than it was Earlier in 2014

NOVEC sets a month-by-month power-cost budget in advance of the calendar year, based on the best available pricing information and the anticipated energy consumption of its customers. NOVEC contracts to purchase most of its projected energy needs in advance. Despite advanced computer modeling and fixed-price contracts, temperature extremes and the response of customers to such conditions make power-demand estimating a challenge. For example, a sustained heat wave or cold snap — such as the polar vortices last winter — cause an increase in electricity demand, which may cause actual power purchases to exceed the budget.

Although month-by-month results vary, the overall target is to buy power at or below projected costs for the year. The PCA for the remainder of 2014 will continue to be just over a half-cent credit for every kilowatt-hour purchased by NOVEC customers.

Thanks to improved operating efficiencies and the power supply team's success, customers have been paying about 14.5 percent less for the power they consume than they were paying before NOVEC assumed full responsibility for power-supply purchases in 2009.

Heat up Winter



Heat up your winter by choosing NOVEC Energy Solutions as your natural gas provider. NES pricing allows homeowners to enjoy the same deals that large businesses receive.

Lock-in a low natural gas rate today before winter rates increase.



Learn more at www.novecenergysolutions.com | nes@novec.com | 1-888-627-SAVE (7283)

NOVEC is an equal opportunity provider and employer.