

THE PERQUIMANS WEEKLY

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Consumers Irked

Electricity Cost Up; No Easing In Sight

The energy crisis and the resulting unprecedented high prices for fuels which has resulted in a "fuel charge" by electric utilities is hitting customers' pocketbooks hard—both the retail customers of power companies like VEPCO and wholesale purchasers of power like electric cooperative and municipal systems.

And according to Edward E. Brown, Jr., general manager of Albemarle Electric Membership Corporation headquartered in Hertford, the situation may get worse before it's better.

"I don't think the general public really understands all the forces at work when there is talk of a so-called fuel charge," said Brown. "Generally, people just know that their power bill is increasing, and you can't expect them to be happy about that, or to view the charge with much credibility. Right or wrong, many people don't view the price of gasoline as being quite aboveboard either."

Albemarle EMC buys some 90 per cent of its power wholesale from VEPCO. Since the beginning of 1973, the EMC has paid the power company a "fuel charge.. for each KWH of power it has purchased from it. The EMC is a distribution system serving some 5,000 member-owners in Chowan, Perquimans, Pasquotank, Camden and Currituck counties.

In 1973 the EMC paid VEPCO roughly \$25,000 in fuel charges. But already in 1974 through April, the Cooperative had paid the company \$35,000, and nearly \$15,000 of that amount came in April alone.

"Our projections for the year are that, at the present rate and based on VEPCO's estimated costs, we will pay \$198,000 in fuel charges in 1974," said Brown. "Naturally, we cannot absorb that kind of increase in our operating costs."

"I would have to say that any utility that can indeed bear that kind of unpredicted financial burden for a sustained period has an excessive rate to begin with. We certainly didn't budget for that kind of expense and our present rate structure will not generate the needed revenue to enable us to stay in business. It's as simple as that from our standpoint."

The fuel charge in effect by VEPCO

was approved by the Federal Power Commission which authorized power companies, like VEPCO, to charge its customers the additional prices they are having to pay for fossil fuels to operate their generating plants. An article in last week's Perquimans Weekly pointed out the tremendous increase in the cost of oil and coal to operate generating plants.

"I really can't defend or accuse as being unfair the fuel charge we are getting," said Brown. "I am aware, like everyone else that the cost of fuels is up considerable, and it is the duty and jurisdiction of the FPC to determine the fairness and validity of the fuel charges."

The fuel charge cost the EMC .124 cents per KWH in January. In March the charge was up to .353 cents per KWH. And in May the charge was still higher at .636 cents per KWH.

"It's easy to see the effect of such charges on our operation," offered Brown. "Only two years ago we were paying only .8 cents per KWH for power. Today, the fuel charge alone is approaching that figure. The day of one-cent electricity is apparently a thing of the past."

"Last month we paid VEPCO 1.57 cents for each KWH we purchased," he added. "We are selling electricity in our low block for 1.3 cents. It doesn't take an astute businessman to know that you can't sell your goods for less than what you pay for them and succeed."

Projections given the EMC by VEPCO show that the fuel charge will not decrease in the months ahead. In fact, they are expected to stay around the .6 cents figure, or over one-half cents per KWH. That figure translated into the some 4,200,000 KWHs the EMC purchases in a peak demand month means an additional cost of some \$25,000 to the EMC for that month.

Albemarle EMC has already sent its members two letters dealing with the fuel charge. The first pointed out that the Cooperative must take action to absorb the charge and will begin with its May billing to collect from its members a fuel charge based on the average of the charge during the three preceding months. In May that figure will be .46 cents, although the actual charge for the month of May it paid VEPCO was .636 cents.

Futher, the EMC has pointed out that such a charge will not be sufficient to recover sufficient revenue to offset the expenses, and that another rate adjustment will be necessary later this year. Another letter explained that the EMC would have to change its billing system because of the fuel charge and its effects on the Cooperative.

"We have a very unique billing system in that our members bill themselves," said Brown. "They read their own meters, compute their own bills, and send in payment. This system is one that we are proud of and we are one of only two electric cooperatives in the nation to my knowledge that have such a system."

"Moreover, it is an integral part of the cooperative philosophy which we operate on—of member ownership and participation," he added. "It is unfortunate indeed that we have to abandon it but there is simple no feasible way to charge a different amount each month for a fuel charge and have the members compute it themselves. I wish there were."

So, effective June 1, the EMC has been forced to give up its billing system which was inaugurated with the beginning of the system in 1946 and will begin using computer billing.

"Computer billing will give us the flexibility we must have to deal with the fuel charge," said Brown. "Naturally, computer billing will cost us more money than self-billing, but then nothing compares cost wise to self-billing, and we really had no choice."

"The self-billing system used by the EMC is one of the few things that has stood the test of time the past 28 years," he said, "and it worked well. But it worked when things were simple. The fuel charge and other inflationary problems are getting awfully complex and, unfortunately, it takes a more complex system to deal with complex problems."

"A couple of years ago some quote experts were predicting that the cost of electricity would increase some 40 per cent in the next two years," Brown concluded. "And I truthfully didn't believe it. But it has already come to pass right here in North Carolina and neither I nor the experts know where it all will end."



ORCHESTRA IN CONCERT — It looks as though the man atop the courthouse annex is leading a group of "musicians" in Mozart's fifth movement. Actually the "conductor" is guiding a crane in the background, as progress continues on the building. (Francine Sawyer Photo)

Pine Beetles Eating Trees; Destruction

"The southern pine bark beetle has been a growing problem to woodland owners in the south for several years," according to Perquimans County Forest Ranger Lewis Stallings. "In North Carolina, the southern pine beetle population has almost literally exploded during the past year, and there were several spots of infested trees in Perquimans County during the last survey."

"Strong healthy trees are

better able to resist attack from pine beetles, while old or weak trees are more susceptible to infestation. Natural disasters, such as hurricanes, tornadoes, and hailstorms have long been associated with outbreaks of southern pine beetles," County Ranger Stallings said. Like people who are weakened by accident or illness, trees are more likely to acquire diseases or infestations when they are weakened by storm,

physical damage or lack of growth.

County Ranger Stallings said a study was made by the Southern Forest Experiment Station of the U.S. Forest Service to determine management measures which can decrease the chances of southern pine beetle infestations. The study recommends four things the woodland owner can do to reduce the chance of beetle infestation: 1) Increase the resistance of forests by keeping the trees growing rapidly, which can be done through periodic thinning; 2) Avoid unnecessary site and stand disturbances; 3) Utilize lightning-struck trees, where practical, as beetle traps and dispose of them before the beetles emerge; and 4) Provide good surface drainage on bottom land and flatwood sites to relieve soil-moisture stress.

Trees which have been damaged by construction, or erosion, trees which have been struck by lightning or have matured and stopped growing, should be removed. These weakened trees are more likely to attract pine beetles, and once they are attacked, they can pass the insect to the surrounding trees.

County Forest Ranger Lewis Stallings said that bark beetles have been a problem in the forests of Germany, Scandinavia, and other European countries which had problems similar to those of ours today. The conclusion reached by forestry people in those countries and the ones in the United States is the same: "Good forest management provides protection against insects."

County Ranger Stallings said that the N.C. Forest Service will help land-owners develop a forest management plan for their woodlands, and at no cost. "Like our name implies," County Ranger Stallings said, "we are a service organization."

SAMPLE BALLOT Official Democratic Ballot For District Court Judge

INSTRUCTIONS

1. To vote for a candidate on the ballot make a cross (X) mark in the square at the left of his name.
2. If you tear or deface or wrongly mark this ballot, return it to the registrar and get another.

FOR JUDGE DISTRICT COURT FIRST JUDICIAL DISTRICT

(You May Vote For One)

- ☐ O. C. ABBOTT
- ☐ GRAFTON G. BEAMAN

PRIMARY ELECTION, JUNE 4, 1974.

THE CANDIDATES — Perquimans County voters have the opportunity to go back to the polls June 4, to cast one ballot in a runoff for district court judge. This is the only issue to be voted on in the special election. Polling time and place is the same as in the May primary.

Receives Degree From Chowan

Sara Millicent White of Belvidere received the one year secretarial science diploma from Chowan College during graduation exercises May 23.

President Bruce E. Whitaker conferred the degree as the Baptist, coeducational, two-year college closed its 120th year.

Featured were messages from the pastor of the First Baptist Church of Washington, D. C., Dr. Charles A. Trentham, for baccalaureate, and Dr. Colgate W. Darden, Jr., former governor of Virginia, for graduation.

Miss White is a graduate of Perquimans County High School.

Jones Comments On REA's Future

By CONG. WALTER
B. JONES

Of interest to many who are concerned about the future of the Rural Electrification program, I am happy to report that the House successfully considered amendments concerning REA loan guarantees. The first change adds language to section 306 to expressly authorize the assignment of REA guarantees because

the absence of an express provision has raised doubts as to whether any assignment or pledge of guarantees is authorized. It may prove impossible for REA-approved lenders to borrow in the capital market at the rates contemplated by the REA Act if such doubts continue in the financial community. The second change clarifies section 308, which provides for REA contracts of insurance and guarantee to be

supported by the full faith and credit of the United States except under conditions of fraud or misrepresentation. The proposed amendment makes clear that an assignee's vulnerability to defenses of fraud or misrepresentation arises only if he had actual knowledge of the fraud or misrepresentation when becoming a holder of the guarantee. Questions have been raised as to whether the law might now be misconstrued to bar enforcement of an REA guarantee to a holder who discovered fraud after acquiring the guarantee in good faith.

Once again in an effort to deal with the energy crisis the House refused to approve legislation which would roll back prices and reiterate the President's authority to ration gasoline. This is the same type legislation which has been considered by both the House and Senate since last December. I am of the opinion that some legislation is needed in the event that we once again find ourselves victims of the long lines that formerly existed.

College of The Albemarle's Mini-Lab in Perquimans County will be located in the Perquimans County Office Building on the Hertford-Edenton Highway during the months of June, July and August. The Lab was formerly held in

the Perquimans High School Vocational Center.

The mini-Lab will be open from 7 to 10 p.m. Tuesday and Thursday nights beginning May 28.

The purpose of the lab is to give the interested adult, regardless of how much education he has, a chance to study on his own and prepare for the High School Equivalency Tests (GED).

A person must be 18 years of age to enroll in the mini-lab and not presently enrolled in the public schools. There is no charge for attending the mini-lab. For more information, call Doug Sawyer, COA Adult Education Division in Elizabeth City.

Clean-Up Date Set

Perquimans County Tourist & Recreation committee met Monday at the chamber office with various civic organizations.

A clean up date was set for June 15, concerning the park on U.S. 17.

The Perquimans County Jaycees along with the Lions Club, American Legion, and Ruritan Club agreed to furnish the manpower.

The group will begin the clean-up at 1 p.m. Ann Young is chairman of the committee.

Winslow Blanchard Ford, Hollowell Chevrolet, and Midway Chevrolet will donate picnic tables to the park.

Council Gets \$\$

The Economic Improvement Council, Inc. is the recipient agency for a Special Emergency Foods Services Grant - \$40,000 effective April 3, 1974, according to Wilbur G. Pierce, Executive Director. Pierce says that EIC was one of only two agencies in North Carolina receiving such grants.

The project will allow low-income residents to participate fully in the individual family-community garden concept being implemented throughout Region "R". Said funds may

be used to purchase seed, fertilizer, plants, rent or lease equipment, jars, freezer bags, and demonstration materials.

EIC will join hands with the Extension Services and as a part of the Community Development Program sponsored by the Albemarle Area Development Association.

A coordinating planning meeting will be announced immediately with representatives of each County Extension Service Department, Vocational Agriculture, and EIC.