

Why Natural Gas is the Way to Go

Natural gas is Graham County Utility's fuel of choice for heating

Feel the Heat

"Because gas heating is a direct transfer process, gas heating provides faster initial warmth to a home," says Rex Anderson, director of communications for Goodman Global Group, Inc., one of the largest manufacturers of heating, ventilation and air conditioning products in North America. "Historically gas heating is presumed to be 'warmer' than heat generated from a heat pump."

In fact, warm air from a gas furnace is 20 to 30 degrees warmer than air from an electric heat pump; electric heat pumps deliver air at about 95 degrees, which is slightly cooler than your body temperature. Gas furnaces distribute air at around 120 degrees. According to the American Council for an Energy-Efficient Economy, gas furnaces are among the most energy-efficient sources

of heating available. When compared with systems that heat with electricity, gas systems cost less to operate.

Natural gas trumps electricity in a homeowner preference study. If you prefer natural gas over electric, you are not alone. According to a New Homeowner Energy Preference Survey conducted by the research and management consulting firm Woodland, O'Brien & Scott and Energy Solutions Center, more homeowners prefer natural gas—including those who don't presently have it. Among the study's more significant findings:

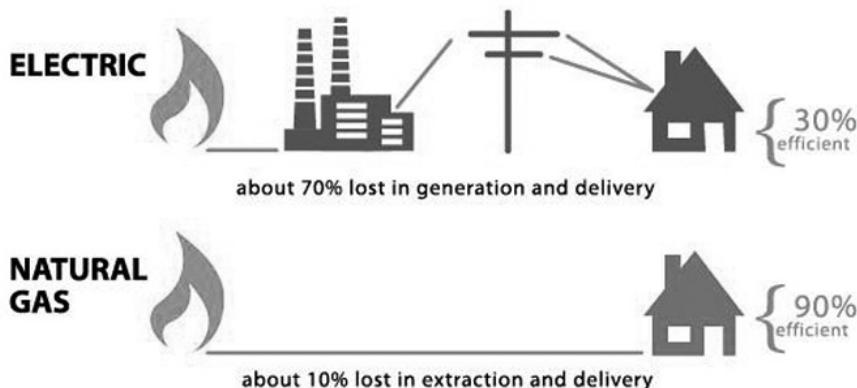
- Natural gas is the leading energy source for home heating and water heating.
- Natural gas is preferred more than it is currently used; while 74 percent of homeowners have at least one gas appliance, 82 percent say they would prefer at least one gas appliance.
- In the United States today, 54 percent of homes have fireplaces, and about half of them operate on natural gas.
- Of the survey participants, 74

percent would recommend natural gas to family and friends. Reasons cited for preferring natural gas include economics, dependability, warmer heat and quicker recovery for heating water.

Work With What You've Got

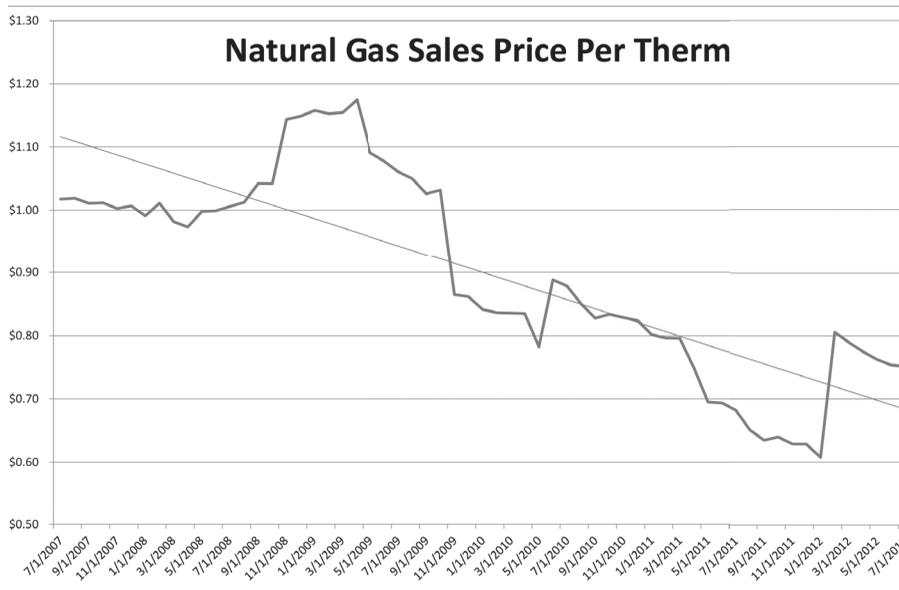
Natural gas is abundant. 98.5 percent of the natural gas we use in the United States comes from North America. This plentiful resource will meet our nation's needs for at least another 100 years. It is also predicted that the abundance of natural gas is so great our production will exceed demand around 2022. We can protect the environment while reducing our reliance on foreign imports with this energy resource available in our own backyard.

It is also economical. If you are looking to save on your energy bills, look no further. Natural gas provides the best energy value, costing less than electricity or propane. Your Graham County Utilities Board of Directors and the management team work hard to keep natural gas affordable.



Clean, Efficient Energy

Did you know that natural gas is the natural choice for the environment? In a world that is rapidly learning about "going green" and "carbon footprints," natural gas allows each of us to be environmentally responsible. It is considered the energy solution to secure a greener tomorrow for our children. Natural gas is the cleanest fossil fuel, emitting fewer greenhouse gases than coal or oil. In addition to having a smaller carbon footprint, it also addresses a number of environmental concerns like smog and acid



This graph shows the price of natural gas per therm from July 2007 to July 2012. The thicker, dark line shows the exact cost of natural gas on a monthly basis, while the thinner, lighter line shows the overall trend of gas prices.

rain. Imagine this, when measured at the source, natural gas appliances can lower a home's carbon footprint by 43 percent over electric appliances. It is a reliable fuel source combined with solar, wind, and other renewable energies.

Natural gas is a high-density energy that works harder with less waste. Consider this fact: Out of every 100 units of energy used to generate electricity, only about 30 of those units actually are delivered to your home. In comparison, more than 90 percent of the natural gas produced from the gas well is delivered directly to your house compared to only 30 percent of source energy that goes into generating electricity.

Right Product, Right Price

Natural gas is versatile. Natural gas heats our homes, cooks our meals, provides 24 percent of the nation's electricity, powers vehicles and fuels industrial facilities. The natural gas industry supports more than 2.8 million American jobs and adds more than \$385 billion to the national economy.

Installing natural gas in your home is a wise investment. According to a

2010 report prepared by the National Association of Home Builders, new single-family homes with natural gas heating and other natural gas appliances sell on average with 6 percent higher pricing than homes built with the same electric appliances. The report also shows an overwhelming majority of builders agree new homes with natural gas equipment generally sell quicker than a new home without.

As you can see there are many reasons to be a member/owner of Graham County Utilities and have natural gas in your home so you can enjoy many years of more comfortable living and better hold on to your hard-earned dollars.

Thank you for supporting Graham County Utilities Inc. We look forward to continuing to bring safe, reliable natural gas into your homes and businesses. We also hope you join us in supporting natural gas as a premier energy source for our country. It is the cleanest burning fossil fuel, can help us to achieve energy security and to build a more competitive economy. ■

Adapted from articles that appeared on Southwest Gas's website, www.swgas.com.

Good For You and Good for Our Community; We Believe in the Cooperative Difference

Graham County Utilities is one of approximately 1000 public gas systems serving more than five million customers across the U.S. These public gas utilities are not-for-profit retail distribution entities owned by and accountable to the citizens they serve. They include municipal gas distribution systems, public utility districts, county districts and public agencies with natural gas distribution facilities.

Having a cooperative-owned natural gas utility in the Gila Valley gives residents the option to choose an environmentally friendly, clean, reliable and affordable energy source.

The community also benefits:

- ▶ **Local Control:** Having a public gas system gives community members control over the way gas is provided to homes and businesses. Decisions are made by local citizens who understand local issues and rank service over profits.
- ▶ **Competitive Costs:** To offer fair and competitive rates, public gas systems operate as a not-for-profit. Public gas systems do not face pressure to pay dividends to stockholders.
- ▶ **Economic Benefits:** As a public gas system, we play a valuable role in helping our communities broaden their tax base and, in turn, improve the local economy and increase jobs. Public gas systems ensure local dollars stay at home.
- ▶ **Customer Service:** As a not-for-profit utility, we focus on service, rather than profits. Public gas systems are an integral part of a community. We maintain a close relationship with our customers and as a result are successful in meeting our customers' needs.

Graham County Electric Partners With Ace Hardware for CFL Program

There are five pieces to the Electric Energy Efficiency Implementation Plan for 2012 and 2013 that Graham County Electric Co-op was required to file with the Arizona Corporation Commission. To implement the Compact Fluorescent Lamps Program, the Co-op has partnered with Ace Hardware to offer CFLs at a significantly discounted price.

The co-op was required to submit an energy efficiency plan to comply with Arizona Administrative Code R14-2-2418. In March 2012, all GCEC members received a notice on their utility bills that the energy efficiency plan had been filed with the ACC and a demand side management related surcharge equal to \$0.0007 per kilowatt hour was proposed to fund the programs. After hearing and evaluating the plan, the ACC issued Decision No. 73257 on July 30, 2012, approving the plan and authorizing the surcharge of \$0.0007 per kWh. As a result, the average residential customer using 903 kWh during the summer and 669 kWh during the winter will see a monthly bill increase of \$0.63 and \$0.47 respectively.

The energy efficiency plan includes several new programs available to co-op members designed to help reduce their electric energy usage and ultimately their utility bills. Programs currently available are the CFL Lighting and Residential

Time-of-Use programs. The others are being developed and some will be available later this year. All programs are subject to available funding and include the following:

- CFL Lighting Program
 - Residential Time-of-Use Program
 - Refrigerator/Freezer Appliance Recycling Program
 - Residential Low Income Weatherization Program
 - Residential Conservation Behavior Program
- Look for more information on these programs in future consumer notices and editions of Currents.

Residential TOU Program:

The purpose of this program is to provide co-op members with a way to save money on a voluntary TOU rate plan while helping the co-op achieve critical peak load reduction. The TOU program received ACC approval in Decision No. 71701 and became effective, July 1, 2010. TOU rates provide residential customers with a lower off-peak rate. To save money on this program, participating members should shift a significant percentage of their use to the off-peak hours.

To take advantage of the great discounts on CFLs, visit your Safford Ace Hardware. For more information regarding these programs, please call (928) 485-2451 or visit the office. ■

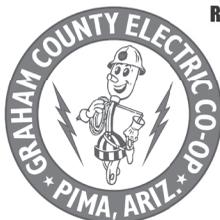


Instant Savings Courtesy of Graham County Electric Co-Op

5 Pack of 13 Watt CFL Bulbs

ONLY \$5.00

Regularly \$11.99



SKU 3285947



SAVE \$6.99

Instant Savings Courtesy of Graham County Electric Co-Op

10 Pack of 13 Watt CFL Bulbs

ONLY \$10.00

Regularly \$22.99



SKU 3253515



SAVE \$12.99



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ACRE: Make Your Voice Heard

As I write this, the democratic process is in full swing. The nonstop rhetoric we hear from the candidates vying for our votes can be mind-boggling. If we are to believe all that is claimed by opposing candidates, we could be asking ourselves if anyone out there is qualified for the job or worthy of our vote. How do we decide which candidates who “approve this message” we can believe?

It is hard to decipher who stands for what when all we hear is the noise and accusations between candidates. With so much riding on these elections, as responsible citizens, it is important to get past the noise and find out the direction the candidates intend to lead us. Looking out for the best interests of the utility cooperatives, with a vested interest in everything that affects our industry, can be a daunting responsibility.

Rural electric cooperatives serve 80 percent of the land mass in the United States and yet their members only represent 12 percent of the population. So how can such a small group make our voices heard in Congress? It takes a grassroots effort. One of our greatest avenues for this is the Action Committee for Rural Electrification.



Steve Lines

ACRE was formed in 1966 with the mission of making the voice of rural electric cooperative consumers heard in Congress. ACRE is among the top 100 largest political action committees in the nation with nearly 30,000 people making an average contribution of \$44, making it a truly grassroots PAC. More than 6,200 of its members are co-op member-owners who have joined the ACRE Co-op Owners for Political Action Committee.

The primary purpose of ACRE is to advance the legislative goals of electric cooperatives across the country. ACRE makes campaign contributions to candidates for Congress who support electric cooperative goals, share electric cooperative values and want our electric cooperatives to be successful. The program offers an opportunity for our co-op members to become more involved in the political process and is a way to support your co-op.

Your participation in ACRE is a logical step in ensuring that the voice of rural electrification remains loud and clear in helping shape the electric co-op agenda. ACRE supports candidates based on their support of that agenda regardless of their political party. I hope you will consider adding your support to those who support us. For more information on the ACRE program or eligibility, contact me at (928) 485-8664 or slines@gce.coop.



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