Moving forward, reaching new goals, requires leaving one’s comfort zone. As President Franklin D. Roosevelt said, “To reach a port, we must sail — sail, not tie at anchor — sail, not drift.”

That can be a difficult journey at times. But keeping the best interests of distribution members and their end-users remains PowerSouth’s North Star.

“One of the biggest challenges PowerSouth faces is the October 2020 closing of the Lowman Plant,” said Executive Vice President and Chief Operating Officer Damon Morgan. Because of environmental reasons, primarily the EPA’s Coal Combustion Residuals (CCR) ruling, the cooperative decided in 2018 to retire the coal-fired units.

A combined-cycle natural gas power plant will be built on the Lowman site and should be online by the summer of 2023. Upcoming work includes bidding for new equipment, securing environmental approvals and obtaining financing for the replacement unit.

Once the existing Lowman plant shuts down and work on the new plant begins, the cooperative will need to purchase additional energy on the wholesale market to ensure continued reliability to serve system loads during construction. Negotiating necessary purchased power agreements for this “bridge capacity” is another crucial responsibility for PowerSouth personnel.

**Key negotiations**

Multiple interconnected transmission lines and power agreements currently benefit PowerSouth members. The most important of those have been its interconnection and operating agreements with Southern Company. Last year Southern Company announced the sale of Gulf Power to NextEra Energy. That means PowerSouth staff will be busy implementing new network integration transmission service and operating agreements in 2019.

“That those new agreements will impact how we deliver energy to about 10 percent of PowerSouth’s load, which is connected to Gulf Power, now NextEra, lines,” said Morgan.

**Solar on the horizon**

PowerSouth will soon see the dawn of utility-scale solar. After sending out a request for proposals last fall, PowerSouth expects to award a contract by this summer. The project will provide members with up to 80 megawatts of solar power. This is yet another way to satisfy end-use consumers’ increasing appetite for renewables.

**Telecom Master Plan**

The 10-year Telecom Master Plan reaches full stride this year. The telecommunications system upgrades and expansion will provide a more robust, up-to-date infrastructure. It will also enhance reliability and improve system monitoring and response capabilities.

**Keeping an eye on Vogtle**

Rather than putting all its eggs in one basket, the Board believes in a diverse mix of generation resources. This has been a long-term strategic objective of PowerSouth. In 2008, PowerSouth entered into a purchased power agreement (PPA) for nuclear power from two new nuclear units under construction in Georgia.

PowerSouth personnel are monitoring the construction of Vogtle units 3 and 4, which are expected to come online in late 2021 and 2022, respectively. The emission-free electricity generated will power about half a million homes and businesses. PowerSouth’s portion is approximately 5 percent of the total output of units 3 and 4.

Vogtle’s electricity will be critical for distribution members given the current demand for carbon-free energy sources.

“There are certainly challenges ahead for us,” said Morgan. “There are great opportunities, as well.”
PowerSouth’s Finance and Accounting Department balances more than just the books. They balance serious responsibilities with encouragement and humor.

“We’re a happy bunch,” said Administrative Clerk Kim Springer. “We are co-workers but most importantly, we’re friends,” added Administrative Clerk Larecia Fowler.

In accounts payable, Senior Administrative Clerk Charlee Dunn verifies that invoices are ready for payment. Then, Administrative Clerks Fowler and Springer enter the invoices into the system, check “remit to” addresses and determine due dates and tax codes.

Financial reports provide information to key personnel, including the professional service analysis report that is shared with the Board each month.

General Accountant Kim Hopkins said, “Accounts receivable keeps track of the money owed and received, processing about 100 invoices per month.”

In addition to weekly payroll, “We process other checks, such as service and safety awards, medical and dental buybacks and other miscellaneous items,” said General Accountant Tabitha Wiggins.

Along with daily tasks, the team also prioritizes urgent needs. Senior Accountant Heather Anderson said, “It helps that we’re a very flexible structured group.”

Accounting Supervisor Alex Mount is proud of the team. “They handle their tasks exceptionally well. Personnel are also cross-trained, so nothing is left undone if someone is out.”

PowerSouth’s relationship with vendors proved valuable in the aftermath of Hurricane Michael, when there was an immediate demand for supplies to rebuild. “Because of great relationships with our vendors, there’s such a trust there. That’s a great benefit in times of crisis,” said General Accountant Rita Kelley.

The group spends time together after work, too. Wiggins said she cherishes the support and encouragement of her co-workers. “When Rita, Charlee and I participated in the Christmas parade, our accounting team members were our biggest cheerleaders.”

This “family” is creative and stays busy with their own families, too. Kelley lives on a small farm with her husband, who is a teacher, coach and bi-vocational pastor. Springer enjoys camping trips with her family. Dunn and Fowler actively facilitate events in their churches. These two ladies — along with Kelley — are proud grandmothers and love comparing notes about their grandchildren’s antics. Hopkins, a fitness instructor, teaches circuit training and dance classes, while Wiggins enjoys decorating and organizing events. Anderson, a talented woodworker, creates customized signs and furniture. Mount and his wife enjoy traveling.

This team truly enjoys working together — the perfect balance of abilities, skills and personalities.

Maintaining balance at PowerSouth

Back row (left to right): Kim Hopkins, Tabitha Wiggins, Kim Springer, Heather Anderson, Alex Mount. Front row (left to right): Larecia Fowler, Charlee Dunn, Rita Kelley

8 EMPLOYEES

Process each month:

- 2,000 accounts payable vouchers
- 200 credit card statements
- 1,700 direct deposits & payroll checks
- 200 insurance bill statements for retirees and directors
Steve Sheffield of Jackson, Ala., has been elected to represent Clarke-Washington EMC on PowerSouth's Board of Trustees. His appointment was approved at PowerSouth's October Board meeting.

Sheffield is General Manager of Clarke-Washington EMC. He has served the cooperative for more than 24 years, previously serving as Communications Specialist, Customer Service Manager and Manager of Operations. He earned a Bachelor of Science in Business Administration in Management and Accounting from Livingston University.

He completed economic development courses at Auburn University and Georgia Institute of Technology, and has completed 50 hours of graduate course work.

Sheffield is an active member of the Rotary Club of Jackson, having formerly served as President, Vice President and Secretary/Treasurer and earning multiple Paul Harris Awards. He is a past member of the Clarke Washington Fair Board, United Way of Southwest Alabama, Clarke County Community Development Foundation Board and former PTA President.

He and his wife, Fortune, are members of Jackson First United Methodist Church, where he serves on the Nominating Committee, as an Usher and a past Trustee. They have two children, Mary Kay Foxhall and Tanner Sheffield.

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HOLIDAY SCHEDULE

If a holiday falls on a Saturday, the preceding Friday will be observed as the holiday.

For holidays falling on Sunday, the following Monday will be observed.

**HOLIDAYS**

- New Year............ Jan. 1
- Good Friday....... Apr. 19
- Memorial Day.....  May 27
- 4th of July.......... July 4
- Labor Day.......... Sept. 2
- Thanksgiving..... Nov. 28
- Christmas Eve.... Dec. 24
- Christmas Day... Dec. 25
- Two Floating Holidays
- One Birthday Holiday

* Bargaining Unit only

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2019 RESOLUTION
PowerSouth Energy • Run For Life

5K Resolution Run/Walk

Saturday, January 12, 2019
9:00 a.m. • Andalusia City Hall

Register at www.active.com
Supporting those most in need

It’s been said there is always someone more in need than ourselves. The Covington County United Fund is helping fund local agencies that help those less fortunate.

From giving shelter to abused women and children or helping an unborn baby, to giving comfort to an older person who has worked long and well, but is now in need of help, there are more than 18 organizations the Fund supports. Those include the American Red Cross, Boy Scouts, Meals on Wheels, public libraries and Sav-A-Life Pregnancy Center.

Human Resources Coordinator Dawn Carnley and Support Services Coordinator Wanda Woods serve on the Board of Directors of the United Fund. They have encouraged PowerSouth employees and the cooperative to donate funds that strengthen the community, as well as help guide the effort to raise funds for member agencies.

Their efforts have borne good fruit. In 2018, PowerSouth employees donated $2,919 and PowerSouth contributed $8,000, for a total contribution of $10,919 to strengthen local communities.
Lowman People

When I started work at Alabama Electric Cooperative in 1989, all of our generation resources were coal-fired. We had the McWilliams Plant, a small plant built in the 1950s. We also had the Lowman Plant on the Tombigbee River, which consisted of three units. Unit #1 was completed in 1969, and Units #2 and #3 were completed in 1979 and 1980, respectively. The McWilliams Plant was converted to natural gas in the early 1990s, but the Lowman Plant is still prominent in our generation portfolio today.

Most coal plants, especially those built in the 1960s, 1970s and 1980s, use water to move coal ash from the boiler bottoms to coal ash holding ponds. The ponds allow the ash to settle out of the water and, as the ponds fill, the ash is moved to long-term storage areas.

At the time the Lowman Plant was built, unlined coal ash holding ponds were the norm. Lowman's ash holding ponds were lined with 6 feet of compacted clay, which provides a barrier between the pond and groundwater. Today, however, they are considered unlined ponds.

The Lowman Plant was constructed and has been operated in accordance with all federal and state environmental regulations and permits, but things change, and the view of coal ash holding ponds has changed. The Coal Combustion Residual (CCR) Rule, implemented by the Obama EPA, changes how coal ash is handled and stored. The rule continues to be litigated, and changes have been made by the Trump EPA.

The CCR Rule prohibits the deposit of coal ash into unlined coal ash ponds after October 31, 2020. The deadline continues to be litigated, and recent rulings indicate the current deadline will stand, if not become accelerated. Because we will not be able to move coal ash to our ponds after October 2020, we are left few choices other than to close the Lowman Plant and obtain additional generation resources to replace the coal-fired generation.

With additional uncertainty surrounding the Effluent Limitations Guideline rule and other environmental regulations, we decided to cease operations at the Lowman Plant at the end of October 2020, cap and close the ash holding ponds, demolish the Lowman Plant and construct a natural gas combined cycle unit on the site to replace the Lowman generation capacity.

With closure of the Lowman Plant, we lose the diversity of coal-fired generation as a natural hedge against higher natural gas prices, and we are more dependent upon natural gas as a generation fuel. (The Lowman Plant has been economically dispatched ahead of our most efficient natural gas units for the past four weeks because of higher-priced natural gas.) However, the greater loss is the loss of a number of our people employed at Lowman.

We currently employ 150 people at Lowman. After replacing the Lowman coal-fired plants with a natural gas combined cycle unit, we will only require 35 employees. A number of our Lowman employees are eligible for retirement, and more will be eligible by October 2020. Unfortunately, we will not be able to maintain some of our current Lowman employees with the operation of the natural gas plant, and they will have to find other employment.

Our Lowman employees have worked around the clock, on holidays we enjoyed with our families, through storms and other disruptions to keep your electricity on. They learned to ramp the coal units to follow load changes and implement innovative repairs to keep the Lowman units online at higher availability rates than those of other utilities. They have been remarkable and have done what needed to be done to provide affordable and reliable electric service for PowerSouth's members.

It is sad and disheartening that environmental activists, politicians, bureaucrats and others have allowed environmental and climate change movements to close coal-fired units and cost good, hardworking people their jobs and livelihoods. The real victims are the hopes and dreams of Lowman employees, people with families, lives and needs that were met with their employment at the Lowman Plant, not the abstract climate threats to public health. Maybe one day our leaders will understand the real damage they have done.

I usually end by wishing you a good month. It is difficult for me to end on a happy note knowing that good people will soon be looking for new jobs because of extremist environmental ideologies.

Gary Smith
PowerSouth President and CEO
Service anniversaries

Sam Sullivan  
Lowman  
40 years, Jan. 30

Mike Blocker  
Telecom Services  
39 years, Jan. 2

Kenny Weaver  
Lowman  
38 years, Jan. 2

Darrell Lathan  
McIntosh  
38 years, Jan. 13

Wayne Phillips  
Lowman  
38 years, Jan. 19

Fred Bryant  
Lowman  
38 years, Jan. 24

Tommy Deas  
Bulk-Power Services  
36 years, Jan. 26

Jill Jones  
T&D Technical Services  
33 years, Jan. 20

Dewayne Foshee  
T&D Eng. & Const.  
31 years, Jan. 25

Tim Hattaway  
Energy Services  
30 years, Jan. 9

David McDuffie  
T&D Eng. & Const.  
29 years, Jan. 3

Casey Thompson  
Central Generation  
30 years, Jan. 9

Sam Phillips  
Lowman  
29 years, Jan. 15

Tim Sullivan  
Lowman  
29 years, Jan. 15

Wanda Woods  
Communications  
29 years, Jan. 29

Danny Taylor  
Lowman  
28 years, Jan. 7

John Goldman  
Lowman  
28 years, Jan. 28

Brian Fleming  
Comp. Info. Services  
27 years, Jan. 6

Horace Horn  
External Affairs  
19 years, Jan. 3

Michael Hardage  
Central Generation  
19 years, Jan. 10

Joe Boyd  
Central Generation  
19 years, Jan. 17

Phil Bush  
Energy Services  
19 years, Jan. 24

Chad Chandler  
Energy Services  
19 years, Jan. 31

Steve Ballard  
Central Generation  
18 years, Jan. 29

Rickey Cochran  
Central Generation  
18 years, Jan. 29

Jill Jones  
Bulk-Power Services  
18 years, Jan. 29

Johnny Mack  
Central Generation  
18 years, Jan. 29

Stephen Erdy  
Central Generation  
18 years, Jan. 29

Joe Jones  
Central Generation  
18 years, Jan. 29

Johnny King  
Central Generation  
18 years, Jan. 29

Craig Wilson  
Central Generation  
18 years, Jan. 29

Anthony Whitman  
Central Generation  
17 years, Jan. 2

Brian Salter  
Central Generation  
16 years, Jan. 1

Christi Scruggs  
Communications  
15 years, Jan. 26

Jody Jackson  
Energy Services  
14 years, Jan. 3

Jason Kelley  
Energy Services  
14 years, Jan. 3

Justin Williams  
Lowman  
13 years, Jan. 16

Bert Pettis  
Lowman  
13 years, Jan. 23

Angela Crittenden  
Safety Services  
9 years, Jan. 19

Ginny Grimes  
Legal Affairs & Comp.  
6 years, Jan. 3

Nick Cleland  
Transmission O&M  
6 years, Jan. 7

Chris Clements  
Lowman  
6 years, Jan. 7

Stephanie Williams  
Lowman  
6 years, Jan. 18

Chris Harwell  
Planning, Reg. & Comp.  
4 years, Jan. 5

DeLana Henagan  
T&D Operations  
4 years, Jan. 5

Brent Hinds  
T&D Eng. & Const.  
4 years, Jan. 5

Tiffany Johnson  
Telecom Services  
4 years, Jan. 5

Tina Little  
T&D Operations  
4 years, Jan. 5

Wes Scott  
T&D Technical Services  
4 years, Jan. 5

Lanie Sells  
Substation O&M  
4 years, Jan. 5

Travis Thomas  
Planning, Reg. & Comp.  
4 years, Jan. 5

Amy Turner  
Computer Info. Svcs.  
4 years, Jan. 5

Lisa Dodd  
Finance & Accounting  
4 years, Jan. 19

Drew Wilson  
Substation O&M  
4 years, Jan. 19

Michael Smith  
Telecom Services  
4 years, Jan. 30

Dilan Manning  
Environmental Services  
3 years, Jan. 18

Alex Payne  
Engineering  
2 years, Jan. 3

Whitni Young  
Telecom Services  
2 years, Jan. 23

POWERSOUTH Monthly Board Meeting
January 25 Board meeting will take place at Trustee Update.
Comings and goings ———

**Promotions**

David Norris was promoted to T&D Construction Coordinator I from T&D Construction Coordinator II in T&D Engineering and Construction, effective Nov. 5.

Miles Hammac was promoted to ECC Engineer from Engineer I in Energy Services, effective Nov. 5.

**Retirements**

Best wishes to Kent Ikner, who retired Nov. 17 after 40 years of service. His most recent position was Operating Technician at McIntosh.

Congratulations to David Tarpley, who retired Nov. 23 after 34 years of service. His most recent position was Bulk Power Services Manager.

**Goodbye and Good Luck**

Tyler Jaynes, Work Study in Member Services, effective Nov. 2.

**Happy Birthday!**

January 2 ................. James Pugh
Carl Sherrouse
Jerrold Syphrit

January 3 ................. Heath Mills
Anna Stephens

January 4 ................. Jacob King
Kelly King

January 5 ................. Land Sikes

January 7 ................. Jonas Latham

January 8 ................. Neal Floyd

January 9 ................. Eric Copeland

January 10 .............. William Holley
Russell Rigdon

January 11 .............. Michelle Stokes

January 12 .............. Charlie Etheridge
Scottie McBride

January 15 .............. A.J. Johnson
Ronnie Moore
Bert Pettis
Keith Stephens
Justin Williams

January 16 .............. Ira Bryant

January 17 .............. Mike Majors
Matthew McIntyre
Christi Scruggs
Wes Thomasson
Vickey Weeks

January 18 .............. Tracey Bennett
Gabe Cartee
Chuck Dutton

January 19 .............. Golden Coleman
Marlin O’Guynn

January 20 .............. Jason Renner

January 21 .............. Daryl Batley
Amber Dearmon

January 24 .............. Danny Dees
Tim Whatley
Lamar Williamson

January 25 .............. Merrill Davis
David Norris
Barry Orso

January 26 .............. Andrew Jones
Bruce Monk

January 27 .............. Steve Griffin
Eddie Howell

January 28 .............. Caleb Williams

January 29 .............. Vann Bumpers
Craig Kilpatrick

January 30 .............. Jamey Reeves
Ceil Smith

January 31 .............. Russ Dowling
Dylan Hopper
Mike Murphy

**Congratulation**

Congratulations to Kayla Mitchell, daughter of Michael (Telecom Services) and Joyce Mitchell, who was crowned Miss Troy University 2019. Kayla competed in interview, swimsuit, talent and onstage question competitions. She will now represent Troy University and her platform, the American Heart Association, as she plans to compete for the title of Miss Alabama in June 2019.

**New Arrival**

Congratulations to Dewayne Foshee (T&D Engineering & Construction) on the birth of his first grandchild, Mixon Case Connor on Oct. 5, 2018. Mixon is the son of Mitch & Brooke (Foshee) Connor.

**Key financial dates**

from Human Resources

- Medical and Dental Buyback Check Distribution........... January 16 – 19
- Current Leave Checks (over 300 hours) ......................... January 22 – 26
- W2 distribution................................................................. January 30 – 31
January photo contest winner: **Kim Arrington**

Congratulations to **Kim Arrington** (Fuels & Energy Resources) for winning this month’s photo contest. January’s photo contest theme was “Something New.”

February’s photo contest theme is **“Loving Life.”**

**IMPORTANT:** When sending photos taken with a mobile device (cellphone), be sure to send the highest quality possible.

The submission deadline for the January contest is January 15.

Send entries to Christi Scruggs at christi.scruggs@powersouth.com or via interoffice mail.