

INTERVIEW STUDY GUIDE



Clarke-Washington Electric
Membership Corporation

WHAT IS A COOPERATIVE?

A cooperative is a business that belongs to the people who use it. A cooperative operates for the benefit of its members. The member-owners share equally in the control of their cooperative.

CLARKE-WASHINGTON EMC'S HISTORY

Imagine what it must have been like after dark in the farms, ranches and small towns of rural America 90 years ago before there was power and electricity. But that was all about to change and change it did. Farmers, ranchers and rural families banded together in hopes of shining a light on the need to turn the lights on in rural areas. The Clarke-Washington area was denied the conveniences of electricity. There was little prospect for industry because electricity was not available.

Things began to change in 1935 when President Franklin D. Roosevelt established the Rural Electrification Administration (REA). REA would lend power companies low interest money to erect poles, install transformers and extend lines into the rural areas. Power companies declined the offer because even with money at a low-interest rate, they claimed they could not make a profit for stockholders by supplying electricity to rural areas, where they would have fewer customers per mile of line.

People in the rural areas decided to form their own cooperative and borrowed money from REA to construct and operate their own distribution system. That happened right here in Clarke County in 1936. Clarke-Washington EMC was the first electric cooperative formed in Alabama. Clarke-Washington EMC was not built overnight. It took dedication, hard work and most of all courage of many to provide power for those in the Clarke-Washington area. This was not an easy task and without a force of people who believed in it, Clarke-Washington EMC might not be here today. CWEMC was organized on March 2, 1936 in Coffeetown, Ala. Incorporators included:

- Joe C. McCorquodale, Sr., of Salipta, President
- Ben Glover, of Leroy, Vice President
- C.R. Myrick, of Coffeetown, Secretary-Treasurer
- R.S. McNeil, of St. Stephens
- H.E. Langlois, of Suggsville

The first 79.2 miles of line constructed was energized in July of 1937. By Jan. 1938, there were 165 members receiving electricity from the co-op. The home of C.R. Myrick was used as the first office and there was only one lineman employed at that time. The board of trustees held a special meeting on June 1, 1938 and voted to move the office from Coffeetown to a rented building in Jackson because it was a more central location.

The co-op continued to grow. Construction of new power lines proceeded as rapidly as possible. By the end of 1941, the co-op was serving 731 members and built 333 miles of power lines. World War II brought a shortage of materials and the cooperative struggled to get material to build the many wanted lines. After the war ended, there was a tremendous demand for electricity in the rural areas. Materials were available again and a larger construction program was started to get electricity to the Clarke-Washington service area. By 1950, the co-op was serving 4,956 members with 1,683 miles of power lines.

Maintenance and operation problems grew with over 1600 miles of lines to be patrolled and cared for in 1950. There was a need for communication between members and management. The need was met by the installation of the two-way radio in May of 1950.

There was also a need for a larger office building with more records to be kept. April 30, 1952 was a happy and very busy day for office staff of CWEMC. It was the day they moved from the small, rented office to the spacious building on College Avenue. At that time, it was one of the most modern buildings in Jackson and it was thought to be on the outskirts of town.

After operating out of the office on College Avenue for 67 years, CWEMC Manager, Stan Wilson announced to the members at Annual Meeting in October of 2015, CWEMC was looking for a new facility to better serve the members. The building needed a complete reconstruction. It was decided to build a new facility on property the cooperative owned since the 1970s.

Construction began in late 2016 on property just north of Jackson. Every part of the new headquarters is focused on service. For the first time in over 67 years, Clarke-Washington EMC has been providing electricity to itself.

On February 15, 2019, Clarke-Washington EMC closed its doors at the office on College Avenue for the last time and to reopen on Tuesday, February 19, 2019, at the new headquarters.

What a long way we have come in nearly 90 years from those first 79.2 miles to our present 4,250 miles of lines. While some things have changed, our membership still elects board members to represent their interests every year and we are still a non-profit corporation.

SEVEN COOPERATIVE PRINCIPLES



**VOLUNTARY
AND OPEN
MEMBERSHIP**



**DEMOCRATIC
MEMBER
CONTROL**



**MEMBER
ECONOMIC
PARTICIPATION**



**AUTONOMY AND
INDEPENDENCE**



**EDUCATION,
TRAINING, AND
INFORMATION**



**COOPERATION
AMONG
COOPERATIVES**



**CONCERN FOR
COMMUNITY**

WHO ARE WE TODAY?

Clarke-Washington EMC is a distribution cooperative headquartered in Jackson, AL. As it celebrates 90 years of service, CWEMC serves approximately 20,500 meters on some 4,250 miles of line in Clarke and Washington counties and portions of Wilcox and Monroe counties.

HOW ARE WE GOVERNED?

Clarke-Washington EMC is governed by a board of 9 directors made up of cooperative member-owners. The board of directors is voted on and elected by the members. 3 directors are elected each year from different districts at Annual Meeting for a 3-year term.

DISTRICT 1
D.R.
STALLWORTH

DISTRICT 2
HOWARD
DAUGHTERY

DISTRICT 3
RODNEY
HARRISON

DISTRICT 4
VALERIE
CREAGH

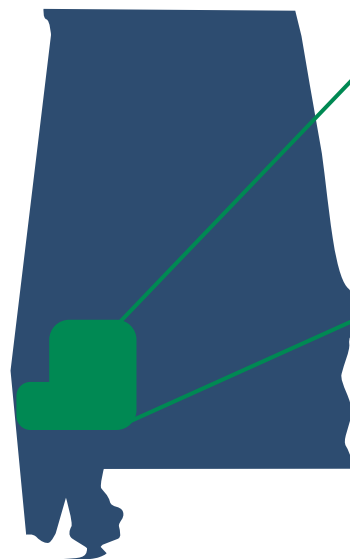
DISTRICT 5
GEORGE
MCINTYRE

DISTRICT 6
JESSICA
ROSS

DISTRICT 7
CAROLYN B.
TAITE

DISTRICT 8
DAVID
BATLEY

DISTRICT 9
SUSAN
DAVIS



COUNTIES IN SERVICE AREA

- WASHINGTON
- CLARKE
- PART OF MONROE
- PART OF WILCOX

QUICK NOTES:

- What is the cooperative difference?**
a. *The cooperative is owned by those it serves.*
- How many meters does Clarke-Washington EMC serve?**
a. *About 20,500*
- Where are Clarke-Washington EMC's offices?**
a. *Jackson and Chatom*
- Who is the current General Manager of Clarke-Washington EMC?**
a. *Steve Sheffield*
- How much is membership?**
a. *\$5*
- Who owns Clarke-Washington EMC?**
a. *member-owners*

NOT-FOR-PROFIT & TAXES

We are not-for-profit because any money that is left over after all expenses have been paid is returned to the members. The money that is left over is called **capital credits**. The capital credits are credited to members' capital credit accounts based on the purchases from their cooperative. This money is used by the cooperative for a period of time and may be returned to the members.

Electric cooperatives pay taxes like other businesses. Because they operate on a not-for-profit basis, they do not pay income tax on margins returned to members.



Alabama Rural Electric
Association of Cooperatives

- The Alabama Rural Electric Association of Cooperatives (AREA) is a member-owned federation of 22 electric distribution cooperatives.
- They provide training and educational opportunities for cooperative employees and trustees, coordinate statewide safety programs, advocate for electric cooperative interests with legislators and agencies, lead the Youth Tour program, and help produce Alabama Living magazine.



PowerSouth®

CWEMC purchases its power from PowerSouth in Andalusia, AL.

PowerSouth is a generation and transmission cooperative that serves 16 distribution cooperatives and 4 municipalities in central Alabama and northwest Florida.