

THE ELECTRIC GRID (AND YOUR HOME) SOON WILL BE GETTING SMARTER

Today we're in the early stages of a huge, exciting transition in the electric industry, one that will make energy use far more efficient and give you greater control to manage your monthly bills.

This new technology is often referred to as the "smart grid." But that's a bit misleading, because the smart grid will not affect just "the grid" (the system of power plants, wires and substations that moves electricity from state to state, city to city and house to house). It also will change the ways people use clothes dryers, microwave ovens and other appliances.

Some of the technology remains in the development stage, but a lot of it could be available as early as 2012. Over the next few years, we are going to see the evolution of next generation technology, where automated meters, appliances and other electronic devices will be more integrated and will exchange much more information.

Nolin will receive more detailed and timely information about the flow of power through our service area, allowing us to make quicker and more informed decisions when there's a problem such as a power outage.

The new tools will enable us to assist those wanting help with managing energy consumption more cost-effectively.

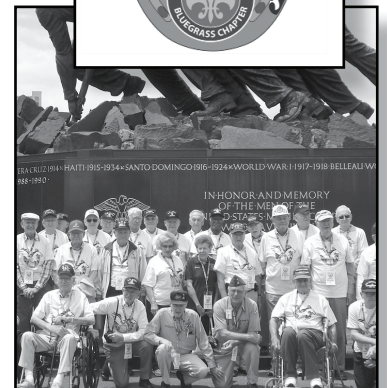
For instance, improved technology will allow us to electronically read your electric meter every few minutes, and, if you choose, forward that information to your home computer, mobile phone or other device.

This, in turn, will tell you how much energy you're using during the day. You can readjust your habits in an effort to reduce energy consumption.

Meanwhile, new "smart" appliances will be programmable, enabling them to operate automatically during times of reduced electric demand on Nolin's system. Smart refrigerators will give you readouts showing how much energy they're using.

Smart appliances will be vital both in lowering demand on the larger grid and in better managing your bills, because household appliances (heating and cooling systems, refrigerators, electronics, hair dryers) account for 60 to 90 percent of U.S. residential electricity consumption.

OVER



Mickey Miller
President & CEO

NOLIN
Rural Electric Cooperative Corporation

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Your home's electronics will be capable of becoming a more intelligent, integrated, high-feedback system.

Technology is creating new ways of doing business in the electric industry, as it is in most other areas of life. And as always, Nolin will be here to work with you to make the transition easier. We can be your partner as the smart grid develops. Our goal is always to provide you affordable, reliable power and excellent service.

KENTUCKY'S TOUCHSTONE ENERGY COOPERATIVES SPONSOR WWII HONOR FLIGHT



Nolin, along with 15 other Kentucky rural electric cooperatives served by East Kentucky Power Cooperative, proudly announces the Touchstone Energy WWII Honor Flight. Each co-op is sharing the costs of sending 35 WWII veterans from various armed services on the Honor Flight which will take place October 22, 2011.

If you are a member of Nolin RECC and served in the armed forces during WWII, you may apply for a seat on this special non-stop flight from Louisville to Washington, D.C. Nolin will sponsor one veteran and their guardian on this complimentary trip.

A complete story about the Honor Flight program appeared in your May 2011 *Kentucky Living* magazine. It is an amazing trip and a great opportunity for our Kentucky veterans.

If you are a Nolin member and a veteran of WWII and feel like you are physically able to make this one-day trip, please contact Patsy Whitehead at 270-765-6153 to place your name in a random drawing. Look for more information about this terrific opportunity in your upcoming *Nolin News*.

Sincerely,

Michael L. "Mickey" Miller
President and CEO

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