

# Big Skylights



An internal newsletter of the STATEWIDE ASSOCIATION OF MONTANA RURAL ELECTRIC COOPERATIVES

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A report from your Chief Executive Officer Dave Wheelihan

May 12, 2016

## Northern Lights sees strong growth in 2015

Northern Lights, Inc., (NLI) continues to experience strong growth, General Manager **Annie Terracciano** told members at their 81<sup>st</sup> annual meeting Saturday, May 7, in Sandpoint, Idaho.

Ms. Terracciano said the co-op, which serves both Idaho and northwest Montana, installed 275 new services in 2015, its highest growth rate in recent years. She also told members no rate increase is planned this year and that the co-op's rate – at 8 cents per kWh – is 40 percent less than the national average.

Despite the solid growth, 2015 was not without challenges, said Ms. Terracciano. She reminded members about two major storms that swept through the co-op's service area in November and December. Both storms caused widespread outages and damage.

The November storm saw wind gusts of up to 100 mph, she said, and the late December storm brought heavy, wet snow. The co-op was able to receive from FEMA a reimbursement for 75 percent of the cost of restoring the system, and received additional FEMA funds to mitigate for future damages by installing underground power lines in the hardest-hit areas, Ms. Terracciano told members.

Also during the annual meeting, board president **Steve Elgar** provided members with a pictorial slide show and clear summation of a major rebuild last year of one of the two turbines at the co-op's Lake Creek Dam near Troy, Mont. The 1 MW turbine was first installed in 1916. A second 5 MW-turbine was installed in 1947. NLI bought the run-of-the-river power-generation dam in 1995, at a cost of \$3.5 million. The cost of last year's turbine rebuild was \$1.5 million. Power from Lake Creek Dam supplies about 10 percent of NLI's electricity needs.

In trustee elections, **Mike Dolan** was elected to replace **Eric Anderson**, who was appointed to the Idaho Public Utilities Commission in December 2015. Re-elected to the NLI board unopposed were **Kennon McClintock** and **Jim Woodward**.

## Rates and infrastructure improvements top agenda at co-op's annual meeting

Glacier Electric Cooperative members learned where their power comes from, and how a large portion of their rate is determined, during the co-op's annual meeting on April 30 in Browning High School in Browning.

Manager **Matt Hudson** told members that the two key issues going forward would be rates and infrastructure. He said rates will not increase in 2016, but the future rates depend on the next Bonneville Power Administration (BPA) rate case. He also told members that a substation that has not been upgraded since it was built in 1965 would be rebuilt. The engineering phase will take place this year, and construction will follow in 2017.

Board President **Zita Bremner** also spoke to the members, sharing the story of losing a trustee election 25 years ago on a coin flip, and addressing members' concerns raised during recent community forums.

**Mike Normandeau**, customer account executive for BPA, gave an overview of where Glacier Electric's power comes from, and at what cost. Mr. Normandeau highlighted BPA's commitment to renewable energy sources. He also addressed the challenges of providing power, including that the average age of BPA's infrastructure system is more than 50 years, and it needs to be updated in the near future.

In trustee elections, incumbents **Bruce Bradley**, **Brian Elliott** and **Jim Newman** were re-elected without opposition.

### **Former Montanan picked for deputy BPA position**

A former Montanan has been named deputy administrator of the Bonneville Power Administration (BPA). BPA Administrator **Elliot Mainzer** on May 4 announced the appointment of **Dan James**, formerly of the regional utility cooperative PNGC Power, to the position.

As deputy administrator, Mr. James, who grew up in western Montana near Flathead Lake, will be responsible for leadership, strategic planning, financial management, and regulatory affairs as well as intergovernmental and public affairs oversight. He will oversee and provide direction and guidance for program execution and administration to executive vice presidents, vice presidents and managers of Corporate Strategy, Finance, Communications, Intergovernmental Affairs, the Ombudsman, and Compliance, Audit and Risk.

Mr. James comes to BPA from PNGC Power, where he has served as vice president of public affairs and marketing since 2007. Prior to his PNGC experience, Mr. James worked as a federal affairs representative at Pacific Northwest Waterways Association in Vancouver, Wash., and as a senior government relations specialist at Ball Janik LLP in Portland and Washington, D.C.

Mr. James is scheduled to start in the deputy administrator position within the next several weeks.

### **Condolences**

We were saddened to hear of the death of **Herb Chrudimsky**, a longtime trustee at Goldenwest Electric Cooperative.

Mr. Chrudimsky, who died Wednesday, April 13, in Glendive, served on the Goldenwest Electric board for 41 years, and on the board of Upper Missouri Power Cooperative. He and his wife, **Marian**, owned a beef cattle ranch and farm near Wibaux. Mrs. Chrudimsky continues to live on the family home north of Wibaux.

### **Condolences**

Robert Olmstead, Park Electric Trustee, passed away unexpectedly on April 28th. He joined the board at Park Electric in 2009 and was the former Secretary/Treasurer and currently held the position of Vice President. If you happened not to notice Robert walking into a room, it wouldn't take long to know he was there. He was a big man with a big voice and an even bigger heart. He was fondly called "He-Who-Takes-Long-Steps" by his wife, Lois. He loved telling stories, especially about his family and his time spent as the Engineering Manager for the Colstrip Project. His presence at Park Electric's Boardroom table will be greatly missed.

### **MECA sets voltage regular school for July**

MECA will hold a voltage regulator school July 19-20 in Corvallis. The school will be hosted by Ravalli County Electric Cooperative at the co-op's headquarters building. Instructor will be **Mike Dean**.

The school will begin at 8:30 a.m. on Tuesday, July 19. It will conclude by 4 p.m. on Wednesday, July 20. Lunch will be provided both days.

Attendance will be limited to the first 28 registered participants. It is strongly recommended that registrations be made by no later than July 1.

For more information, please contact **Lea Potoczny** of the MECA staff. Her email is [meca@mtco-ops.com](mailto:meca@mtco-ops.com). The phone number is (406) 761-8333.

## CALENDAR

### June

1	Lower Yellowstone REC Annual Meeting	Sidney, MT
3	McCone Electric Cooperative	Circle, MT
3	Southeast Electric Cooperative	Ekalaka, MT
11-17	Youth Tour to Washington, D.C.	Washington, D.C.
11	Fergus Electric Cooperative	Lewistown, MT
11	Fall River Electric Cooperative	Ashton, Idaho
14-15	MECA Managers' Group Summer Meeting	Great Falls, MT

### July

6-7	MECA Summer Meetings	Glasgow, MT
9	Tongue River Electric Cooperative Annual Meeting	Ashland, MT
14	Goldenwest Electric Cooperative Annual Meeting	Golva, ND
19-20	Regulator School	Corvallis, MT