

Big Skylights



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

A report from your Chief Executive Officer Dave Wheelihan

March 30, 20

Senate confirms co-op trustee to Coal Board

Congratulations to **Marianne Roose**, a board member at Lincoln Electric Cooperative, whose nomination by Gov. **Steve Bullock** to the Montana Coal Board recently was confirmed by the Senate.

Ravalli Electric manager reviews relocation plans

Presenting a report to members at the annual meeting of Ravalli County Electric Cooperative on March 18, General Manager **Mark Grotbo** reported the co-op had a good financial year. He attributed this success to the co-op's partnership with BPA and the fact that a vast percentage of their energy is renewable. He said the co-op will see a rate increase this spring, but member rates are still lower than the other utility provider in the valley.

He also said Ravalli Electric has gone 10 years without a lost-time accident. He talked about the co-op's commitment to community, noting \$12,000 in scholarships each year, sponsoring a student to the Youth Tour to D.C., and giving back \$124,000 to members through energy-efficiency programs.

Mr. Grotbo also reported on the board's recent strategic planning session. A focal point of that session was the need for the co-op to have larger headquarter facilities. He said the co-op is outgrowing its current facilities. The shop was built for 15 vehicles, but the co-op now has 29, meaning the co-op has a half million dollars in assets sitting outside, he observed. Mr. Grotbo also noted the co-op's internal offices are at capacity. He told members that if the co-op remains at its current location and expands, the Corvallis schools located on the adjoining property will be disrupted by the co-op and it would cause traffic issues. He said the board believes the best solution for co-op expansion is to relocate its operations. On Jan. 31, Ravalli Electric purchased property on the corner of Bell Crossing and Highway 93, and plans to build new facilities there within the next 3-5 years. He said the co-op will sell current facilities and land at fair market value — possibly to Corvallis schools.

In trustee elections, **Wayne Olson**, **Larry Trexler** and **Bob Popham** were all re-elected without opposition.

Flathead Electric hears about threats to hydro

A retiring trustee was honored and future challenges were discussed during Flathead Electric Cooperative's 80th Annual Meeting March 18 in Kalispell.

Longtime Trustee **Earl Messick** chose to not seek re-election this year, and retire from the board. His fellow board members and Manager **Mark Johnson** took a moment during the meeting to honor Mr. Messick.

In his manager's report, Mr. Johnson explained how the cooperative is billed for the power it purchases, and how the members are billed. He also addressed threats to power supply and affordable rates, including a movement to remove the dams on the Snake River, and what that would mean for Flathead Electric.

Guest speaker **Roger Gray**, CEO of Northwest Requirements Utilities, further explained the threats to low-cost federal hydropower, stressing that the Bonneville Power Administration must be successful in order for the co-op to continue its success.

In other business, ballots were cast for trustee in three districts, with results to be certified April 10.

Higher wholesale power costs crimp co-op budget

Continued escalation this year of wholesale power costs will likely necessitate a retail rate increase of about 5 percent, Missoula Electric General Manager **Mark Hayden** told his membership at the co-op's 81st annual meeting March 18 in Missoula.

Mr. Hayden pointed out retail residential rates have remain unchanged for the past three years.

Members also learned about the co-op's ongoing installation of new Two-Way Automatic Communication System (TWACs) advanced meters, replacing the Turtle system installed 23 years ago. Mr. Hayden said about 70 percent of the meters have now been replaced, and the co-op will have completed the project by year's end or early in 2018.

Mr. Hayden emphasized to members the co-op's efforts on cyber security, noting Missoula Electric is one of six co-ops selected by the federal Department of Energy to participate in a study of the cyber security challenges facing small electric utilities. "Cyber security is a core value of all we do," he stressed.

In other news, Mr. Hayden reported on Phase 2 of the co-op's community solar project, stating the co-op had partnered with the Frenchtown School District to install a rooftop solar array on a school building. "It is the first community solar partnership with a school in Montana," he said.

Also during the meeting, membership-approved bylaw changes were announced. One amendment authorizes the board by unanimous vote to remove a trustee with the condition the seat can only be filled by a vote of the membership, not by board appointment. The second amendment prohibits trustees from serving on the board if they have a conflict of interest.

In trustee elections, **Ray Cebulski** had no opposition and thus was automatically re-elected. **Peter Simonich**, who had been appointed to replace Doug Bardwell on his retirement, was elected.

MECA was pleased to be able to provide a legislative report at the co-op's annual meeting.

Lincoln Electric manager explains rate redesign

Lincoln Electric Cooperative General Manager **Ray Ellis** carefully explained to his members at their annual meeting March 25 why the co-op board had decided to add a demand charge.

He told members the co-op's load profile has dramatically changed. Up until several years ago, the co-op's load was more than 50 percent industrial. Today, it is mostly residential. Industrial customers now comprise only six percent of the total load. As a result, the co-op's income is unpredictable, with Mr. Ellis stating, "The weather drives everything now." This, combined with lack of growth, makes it difficult for the co-op to meet its margins, he said.

Mr. Ellis told members that rates would be redesigned so they would have two options, a three-part rate or a two-part rate. The three-part rate would consist of a basic system maintenance charge, a kWh charge and a demand charge. The two-part rate would consist of the system maintenance charge and the kWh charge. He said the rate redesign actually returns the co-op to its "roots," when all members participated in paying fixed costs. The rate redesign will go a long way toward stabilizing co-op revenues, said Mr. Ellis.

In other business at the annual meeting, the membership approved seven bylaw changes. Revision 1 removes the requirement for the co-op to provide and track membership certificates. Revision 2 adds the option for the co-op to hold its annual meeting in April instead of restricting it only to March. Revision 3 makes it possible for the co-op to deliver notice of members' meetings via email, if a written request is made by the member. Revision 4 makes it a requirement for a member meeting to be adjourned if a quorum of members is not present. Revision 5 simplifies the description of trustee terms now that all trustee terms have been converted to three years. Revision 6 removes requirements for the co-op to report to or comply with the federal Rural Utilities Service (RUS) because the co-op no longer borrows from RUS. Revision 7 contains general housekeeping and language revisions with no effect on bylaw intent, but creates a more cohesive and uniform document.

In trustee elections, **Marianne Roose, Mike Workman, Myra Appel** and **Wes Loughman** were all re-elected.

Yellowstone Electric plans Round Up program

Yellowstone Valley Electric Cooperative members attending the annual meeting March 23 in Billings were briefed on the cooperative's growth and on a new program that will begin this summer.

Manager **Brandon Wittman** said the cooperative has been growing at a rate well above the average for electric cooperatives in Montana and across the country, and experienced healthy margins in 2016. He noted there were more than 400 new services last year, and nearly 18 miles of new line installed. Additionally, the cooperative is among the top 1 percent in the country for efficiency, in terms of the number of members per each employee.

Turning to the future, Mr. Wittman announced the cooperative is starting the Round Up program in July, in which members can elect to have their power bill rounded up to the nearest dollar each month. The money raised will be distributed to local non-profits in need of funding.

In elections, incumbents **Marlene Amen** and **Daniel Swartz** were both re-elected without opposition.

Mid-Yellowstone co-op ponders new rate design

Changes occurring in the last year and future rate structures were among the topics at Mid-Yellowstone Electric Cooperative's 78th Annual Meeting on March 21.

Board President **Joe Schiffer** told members that the board and management are working on a new rate structure, with reliability and safety being of the utmost importance. He also said he believed the co-op has been making strides since beginning the process of moving on from Southern Montana, and has a bright future. Mr. Schiffer also said the co-op had completed its trial year of a shared services agreement with Lower Yellowstone Rural Electric Cooperative, and had signed on for a second year.

Manager **Jason Brothen** briefed the members on several changes that have occurred or will occur in the near future. He discussed the cooperative's new logo, and the movement to NISC billing systems, which will eventually allow for credit card payments and auto debit options, and give the members the option of downloading the SmartHub app to better monitor their usage and bill.

Jeremy Maholwald provided an update on Upper Missouri Power Cooperative, and MECA was pleased to provide a legislative update.

In board elections, incumbents **Lee Howard, Arlo Jensen** and **Lance Moreland** were elected unanimously and without opposition.

MECA sets photography workshop for mid-April

The Education & Training Committee of Montana Electric Cooperatives' Association is sponsoring a two-day Rocky Mountain School of Photography Workshop on April 18-19 at the Rocky Mountain School of Photography located at 216 N. Higgins Ave., Missoula, MT.

The first day will cover composition and light as well as the basics of exposure and creative uses of aperture. The second day will be focused on the essentials of organizing and editing photos with Lightroom. You are encouraged to bring laptops with Lightroom CC installed (there is a trial version available from Adobe) so you can follow along in class. Or you are more than welcome to just watch the instructor demo the program.

There is no charge to those co-ops participating in the 2017 prepaid education & training program. The fee for those co-ops not enrolled is \$550 per participant.

For more information or to register, please contact Beckie Frediani at the statewide office via phone at (406) 761-8333 or via email at beckie@mtco-ops.com.

Glacier Electric to host NESC training May 16

MECA, in cooperation with Glacier Electric Cooperative, will hold a one-day NESC training at Glacier Electric Cooperative in Cut Bank on **May 16, 2017**.

The course will focus on the major changes in the 2017 NESC and provide a general overview of each part of the NESC. A full course description has been sent to line superintendents and line foremen. The registration deadline for this training is Monday, May 1.

For those participants needing overnight accommodations, area hotels include the Super 8 in Cut Bank (406) 873-5662; the Glacier Gateway Plaza in Cut Bank (406) 873-5544; the Comfort Inn in Shelby (406) 434-2212; and, the Best Western Shelby Inn and Suites (406) 424-4560.

If you have any questions, including questions about registration, please contact **Lea Potoczny** at meca@mtco-ops.com or (406) 761-8333.

Condolences

We were saddened to hear of the recent death of **Harry LaFriniere**, former trustee at Missoula Electric Cooperative. Mr. LaFriniere was a dedicated member of our cooperative family and will be greatly missed. He served 26 years on the Missoula Electric board. He and his wife, **Jean**, were always a warm and welcoming couple in their participation in statewide association activities.

Job Market

Journeyman Lineman

Goldenwest Electric Cooperative in Wibaux, Mont., is seeking a full-time journeyman lineman.

Responsibilities include construction and maintenance of overhead and underground distribution lines, along with maintenance of transmission lines and substations. A valid Montana or North Dakota CDL is required for this position. Applicants must be certified in climbing and working in all aspects of the lineman trade. The person in this position will be required to lift up to 100 pounds, work in all weather conditions, be on-call and work long hours when required.

Goldenwest Electric Cooperative offers an excellent wage and benefit package in a non-union environment. Qualified applicants can send a resume with at least three references to **John Sokoloski**, General Manager, Goldenwest Electric Cooperative, PO Box 177, Wibaux, MT 59353. This information can also be emailed to gwec@midrivers.com. Questions should be directed to Mr. Sokoloski at (406) 796-2423 or emailed to gwec@midrivers.com. The submission deadline is March 31, 2017.

Master Electrician

McCone Electric Cooperative in Circle, Montana, is seeking a highly motivated Master Electrician or Journeyman Electrician who could test for a Master Electrician License. This is a position for a qualified professional. Applicants should have a working knowledge of the National Electrical Code (NEC) and the National Electric Safety Code (NESC). The successful candidate must have the ability to handle a variety of diverse tasks and organize work to meet deadlines; have proficient communications skills, both written and oral; must be organized, a problem solver, and future-oriented; and must be able to climb, lift and operate a variety of equipment. McCone Electric Cooperative offers an excellent wage and benefit package. McCone Electric is committed to having a strong safety program, and safety is the co-op's first priority. McCone Electric Cooperative delivers electric power to more than 5,000 meters in 14,400 square miles of eastern Montana. McCone Electric's member-owners have relied on low-cost, reliable electric service for 70 years. McCone Electric employs 24 dedicated team members and has annual revenues in excess of \$7 million.

Applications can be downloaded at www.mcconeelectric.coop or picked up in the Circle office. All inquiries or email applications can be sent to **Scot Brown** at sbrown@mcconeelectric.coop or mailed to: McCone Electric, PO Box 368, Circle, MT 59215. Applications will be accepted until the position is filled.

CALENDAR

March

30	Central MT Electric Power Cooperative Annual Meeting	Great Falls, MT
31	Sun River Electric Cooperative Annual Meeting	Fairfield, MT

April

1-4	Directors Conference	Tampa, FL
3	Directors Course 921.1 – Board Leadership Certification	Great Falls, MT
4-5	MECA Spring Committee & Board Meetings	Great Falls, MT
6	Upper Missouri Power Cooperative Annual Meeting	Sidney, MT
11-13	New CEO Orientation	Arlington, VA
12	Glacier Electric Cooperative Annual Meeting	Cut Bank, MT
14	Marias River Electric Cooperative Annual Meeting	Shelby, MT
23-25	NRECA Legislative Conference	Washington, D.C.

May

2-5	NRECA Connect Conference	Tampa, FL
6	Northern Lights, Inc. Annual Meeting	Sagle, ID
7-10	NWPPA Annual Meeting	Sunriver, OR
9-10	MECA Line Superintendents' Group Spring Meeting	Lewistown, MT
9-11	Gettysburg Leadership Experience for Co-op Leaders	Gettysburg, PA
9-11	New Director Orientation	Arlington, VA
16	National Electric Safety Code (NESC) Training	Cut Bank, MT
17-19	New CFO Orientation	Dulles, VA
13	Hill County Electric Cooperative Annual Meeting	Havre, MT
23-24	Accounting for Non-Accountants Workshop	Great Falls, MT