

LIVEWIRE

Sheridan Electric Cooperative - Medicine Lake, Mont.

406-789-2231

The evolution of rates within your cooperative

BY SCOTT WESTLUND

Recently, your cooperative was forced to pass on a rate increase to offset rising costs from our power supplier, Basin Electric Power Cooperative. A letter was sent to explain the increase, but we thought we would share information here also.

We receive electricity from two sources: hydropower from the Western Area Power Administration (Western) and Basin Electric, which has traditionally been from coal-fired power plants.

The rates are a combination of several items that keep your cooperative whole and serving you. The power costs are the costs that purchase the power for the system. This line item sees the most movement and is not as controllable as the equipment costs we control.

Basin faces three difficult issues that are driving up rates. First is the insatiable appetite of the current administration for renewable energy; second is the rapid growth in energy needs in the oil fields; and last is the constant barrage of emission requirements for the coal- and gas-fired generation coming from the Environmental Protection

Agency (EPA). This perfect storm has put unprecedented pressure on the electric rates.

The balance of the costs are to keep the poles and wires in place and functional. An initial cost is set to put them in place, but it is the maintenance and upkeep that keep them in place.

As also explained in the letter to the membership, your cooperative is not just sitting on its hands and not doing anything about these costs. On the contrary, we continually evaluate where to cut costs almost daily.

Items like inventory reduction, screened inventory ordering, and the amount of people to run the cooperative are constantly being evaluated to eliminate unnecessary spending. Streamlined processes and time expenditure trimming are always being evaluated for a continuous improvement environment that stimulates creative thinking for the best possible results.

During the next few years, we will still see rate increases from our power supplier to compensate for the environmental pressure. These are costs that we cannot absorb, but have to pass onto the consumer.

These environmental pressures are not going away soon, and, in most cases, are too steep for power suppliers to achieve. Thus, a different source of energy that is much more expensive to generate and purchase will be enacted. Not only are the environmental pressures being applied, but the green energy movement has also created expensive sources of energy. About 10 percent of the power we purchase from Basin Electric is renewable. "Renewables" are categorized as wind, solar, geothermal or bio-energy. All three of these categories are expensive versus cheap coal.

Our hopes are that "reason" will take the place of unnecessary pressures being placed on these entities so that rates can still be affordable.

Your cooperative will take the lead in combating unnecessary pressures being created by being part of any legislative process deemed necessary, and still find ways to streamline the entire operation to keep rates as low as we possibly can.

This is what we have hired on to do for you. ■

Washington, D.C., Youth Tour winning essays

BY SCOTT WESTLUND

2016 marks a change in the Washington, D.C., Youth Tour program at Sheridan Electric Cooperative.

This year, the board approved sending two individuals versus one in the previous years.

The board members recognize that these young folks are our future, with desires to learn outside of the areas in which they have grown up. This board also is constantly looking for programs to stimulate interest in the cooperative business model so we have capable young people to eventually replace us.

Ten individuals went through an extensive screening and interview process.

Jamie Ator, Andy Dethman and I conducted the screening and interview process, finding it a difficult process to complete. All of the individuals did an outstanding job on their essays and interviews.

The interview process is divided into two parts. One is the Washington, D.C., Youth Tour interview. The second part is feedback to strengthen interview skills when in the real world. We have found that the school administration welcomes this different level of training for the young people we contact.

Our two individuals representing Sheridan Electric Cooperative are Salina Carter, Fortuna, and Abby Ator, Medicine Lake.

We will see both of these individuals at the annual meeting in the fall describing their incredible once-in-a-lifetime experience, sponsored by you, the membership.

Here are their essays:

Salina Carter

Without thinking much about it, people use electricity every day of our lives. Electricity has become



Carter

something we cannot live without. Today, people rely on their local power cooperative to supply them with electricity, so they can go on with their daily lives. Sheridan Electric Cooperative provides care to their customers along with concern for their home life, experiences their customers have had in the past and how the environment is affected.

Ways that Sheridan Electric affects home life are that Sheridan Electric supplies the power to consumer houses and shops, which enables us to run our equipment and appliances. Without electricity, we wouldn't be able to run almost anything in our home. We depend on electricity to wash/dry our clothes, as well as run vacuum cleaners, televisions, heaters, lights, etc. Without electricity, surviving up in northeastern Montana and northwestern North Dakota would be very difficult, especially during the winter months.

Sheridan Electric shows care and concern to their customers' home life by making sure the electricity stays on and keeping up-to-date on all electrical advances. The cooperative keeps its customers updated with the best technological equipment to keep its customers satisfied.

Any customer of Sheridan Electric Cooperative can tell you about a past experience they have had with their cooperative. These experiences may be job shadowing, volunteer work, internships, education and scholarships the co-op provides to the community, and the career opportunities that follow high school. Sheridan Electric

does a very good job being involved in the community. Job shadowing allows younger members of the community to experience being an electrician, for example. It is like me job shadowing at a hospital to pursue my career in nursing. Job shadowing gives people an idea if they want to pursue a career in that field.

Keeping the community and members of the cooperative educated is also very important for the care and concern toward the consumers of the cooperative. Cooperatives provide education and training for their active member so they can contribute to the development of their cooperative (fifth principle). Cooperatives hold annual meetings, publish newsletters and keep the public aware of current events to keep the public informed. Sheridan Electric also gives people the opportunity to pursue their dream because of the many areas of employment offered.

Many people today do not realize the harm we humans do to our environment. Many people across the world are finding a way to cut down on pollution to keep our environment cleaner. Our local electric cooperative should be "hands on" with these types of projects to meet the concern of some of their customers. Wind, solar, geothermal and hydro energy are becoming very popular forms of energy today that do less harm to our environment.

With some members wanting cheaper, greener forms of energy, Sheridan Electric Cooperative needs to come up with newer, cheaper ways to meet the concern of their customers. Windmills, solar panels, using heat from the earth and using the power of moving water found in rivers are eco-friendly ways to meet

the concern of the customers who want greener forms of energy.

Using electricity is something we use every day without giving it much thought or notice. Luckily, we have a reliable power company that meets the cares and concerns of their customers and members. Sheridan Electric Cooperative does a wonderful job at always being there for its community and being very involved in the community.



Abby Ator

I believe that electricity is the most consumed resource in today's society. The actions of our cooperative portray the care

they have for the community on a daily basis. They strive to supply a widely used resource around the clock to several customers in the area. In addition, they give support to the community in many other ways. When one thinks about it, trying to live without the cooperatives helping hand would bring many challenges.

To begin with, life would be very difficult without having the cooperative as a major factor. The most obvious difficulty would be trying to do everyday activities; electricity is needed for laundry machines, vacuum cleaners and even television to watch Sunday night football. During Montana weather storms, mishaps are very likely to happen, such as a power outage. Without the cooperative, we would have to bear the harsh weather without electricity. Also, taking out the donations from the cooperative could decrease the availability of several community events. The last factor that the cooperative affects is the favorable prices for the resource.

Foremost, providing electricity is the biggest way our cooperative shows that they care. The majority of the community spends the money to receive the resource daily. With that, customers rely on the cooperative to purchase good power contracts; these generally result in better rates for the customer. To keep the power functioning means to have consistent and quality maintenance checks. However, weather issues are fairly common

and there is always a chance for an outage. When these outages occur, the cooperative is good about sending linemen out to help fix the problem as soon as possible.

In addition, our cooperative lends general support to the community. The biggest support is providing the most widely used resource. Aside from that, the cooperative helps put on different activities for people of all ages to participate in. In fact, the cooperative donates money to numerous town events. Finally, when neighboring cooperatives experience an outage, the other cooperatives can send linemen to assist with the problem.

To restate, our electric cooperative is a very supportive member of the community. They continually provide a major resource and make sure it is available during cold weather. They are also a large supporter for events and I believe our community would have many challenges to face without the help. As a young member of the cooperative, I am grateful to have access to the electricity the cooperative gladly offers. ■

Net metering arriving

Net metering is on the horizon. Net metering is where the consumer generates electricity from his own resources, like wind turbines or solar, uses what he needs and sells back the excess.

You may think this is a simple process, but there is quite a bit involved. A video explains in better detail the entire process from beginning to end.

At this point, your cooperative has two net metering points in the service territory. These folks follow strict protocols to bring power back onto the grid and ensure the safety of our lineworkers who work on the



infrastructure of your cooperative.

Below is the link to the video for a better explanation to the process. And as always, call if you need any questions answered.

Link: <https://vimeo.com/142928376> ■

Lighting to be given away

In the spirit of efficiency, Sheridan Electric Cooperative is giving away compact fluorescent lights (CFLs) each month. Each month's winner will receive 24 new CFL bulbs. A CFL produces the same amount of light for less than half the cost. The bulbs also produce about 75 percent less heat, so they are safer to operate. They can also last up to 10 times longer than the standard incandescent bulb. You could save \$80 a year by switching to CFLs throughout your home!

So this month, take a moment to complete and mail the coupon. Maybe you'll be this month's lucky winner and save on your energy costs. Good luck! ■

Name: _____

Address: _____

Phone number: _____

Account number: _____

*Congratulations to **La Grange Olson Farms** for winning this month's light giveaway..*

Sheridan Electric Cooperative statistical report



| | December 2014 | December 2015 |
|---------------------------------------|---------------|---------------|
| Total miles of line | TBD | 2,548 |
| Consumers billed | TBD | 2,765 |
| Kilowatt-hours purchased | TBD | 13,469,211 |
| Kilowatt-hours sold | TBD | 12,771,665 |
| Average KWH per residential consumer | TBD | 2,080 |
| Average bill per residential consumer | TBD | \$161.93 |
| Cost of purchased power | TBD | \$579,482 |
| Margins year to date | TBD | \$1,906,871 |

LINE DEPARTMENT STATS

| | December 2014 | December 2015 |
|----------------------|---------------|---------------|
| Weather | 5 | 7 |
| Age or deterioration | 0 | 0 |
| Animals and public | 1 | 3 |
| Power supplier | 0 | 0 |
| Equipment | 8 | 4 |

SUMMARY OF WORK COMPLETED

| | December 2014 | December 2015 | Year to date |
|--------------------|---------------|---------------|--------------|
| Pole installations | 9 | 6 | 182 |
| New construction | 44,682 ft. | TBD | TBD |
| Miles driven | 21,324 | 23,688 | 288,923 |
| New accounts | 6 | 3 | 77 |
| Accounts retired | 0 | 8 | 8 |

SHERIDAN ELECTRIC CO-OP

Medicine Lake, Mont. 59247
406-789-2231

TRUSTEES

Wayne Deubner, President..... Brockton, Mont.
Rod Smith V. President..... Dagmar, Mont.
Rob Rust, Sec. Alkabo, N.D.
Kerrey Heppner, Treas. Plentywood, Mont
Alan Danelson, Trustee Scobey, Mont.
Andrew Dethman, Trustee Brockton, Mont.
Rick A. Hansen Trustee Froid, Mont.
Warren Overgaard Trustee Westby, Mont.
Harlan Skillingberg Plentywood, Mont.

EMPLOYEES

Rick Knick Manager
Riley Tommerup Office Mgr./Accountant
Scott Westlund Marketing/Member Service Manager
Pam Lund Billing Supervisor
Doris Vivholm Bookkeeper/Billing Specialist
Jamie Ator Accountant
Lisa Salvevold Office Assistant
Casey Brunsvold Cashier/Receptionist
Torie Waller Work Order Clerk
Max Beach Line Superintendent
Kory Opp Staking Engineer
Tim Ereth Operator/Utilityman
Josh Johnson Electrical General Foreman
Tom Hinds Electrical Foreman
Jeff Carbonneau Journeyman Electrician
Travis Benton Apprentice Electrician
Tristen Ereth Apprentice Electrician
Will Mozingo Line Foreman
Ronnie Gillett Journeyman Lineman
Dan Roeder Journeyman Lineman
Shawn Sansaver Journeyman Lineman
Josh Marottek Apprentice Lineman
Bill Baillie Apprentice Lineman
Josh Ming Apprentice Lineman
Jim Bakken Material Specialist
Vicky Haddix Custodian

OUTAGES • CALL 24 HOURS A DAY
406-789-2231

OFFICE HOURS: 7 a.m. to 5:30 p.m.
Monday through Friday

Your Touchstone Energy® Cooperative