

Power Lines



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PVREA Chief Executive Officer Brad Gaskill (left) and board member Rick Johnson (center) discuss energy issues with Rep. Mark Udall (D-Dist. 2) in Washington, D.C.

PVREA Representatives Carry Message to Washington, D.C.

BY BRAD GASKILL, CHIEF EXECUTIVE OFFICER

Several Poudre Valley Rural Electric Association board members, including Board President Keith Croonquist and I, were among the more than 80-member delegation from Colorado's rural electric cooperatives that carried a two-part message to our elected officials during a recent visit to Washington, D.C. The first was to alert our policy-makers to the fact that we are facing a crisis in baseload generating capacity and the second was a request for action on specific legislative items.

Surplus electric generation that was built in the late '70s and early '80s is almost gone. The Department of Energy forecasts that U.S. economic growth will drive a 17 percent increase in demand between now and 2020, requiring a capacity increase of 118,000 megawatts. By 2030 it is projected the needs will have increased 30 percent or 264,000 megawatts.

Overlaying this immediate need to build baseload generation and implement aggressive efficiency and conservation strategies is the environmental concern of climate change. Electric cooperatives



Brad Gaskill

must make power supply and efficiency investments to provide our growing consumer base with affordable, reliable electricity while meeting new environmental goals and standards.

There is no silver bullet solution that can solve this problem. We believe our energy future depends on

several technology solutions, including a diverse fuel mix (advanced clean coal with carbon capture and storage, natural gas and nuclear) and making full use of renewable resources and energy efficiency. Each has its advantages in terms of availability, reliability, cost and environmental impacts, but to meet expected demand in the next decade and beyond, we have to use all options and ensure we use them cost-effectively.

As a consumer-owned electric cooperative, we believe all energy and climate change legislation should be evaluated to determine its ultimate cost to consumers and its realistic contribution to environmental goals. In the end, we will support energy and climate legislation that helps keep the lights on, the economy strong and electric power [continued on page 10]

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NEXT BOARD MEETING

July 29





Powerless in the Path of the Storm

We saw the images on television. We heard the reports. On Thursday, May 22, at approximately noon, a category EF3 tornado swept through the town of Windsor, leaving a path of unbelievable destruction. Other tornados menaced areas east of Fort Collins, near the town of Wellington and even west toward Livermore. The weather conditions that day were ideal to create perfect storms.

While the damage to homes and other structures was terrifying, it was nothing compared to the loss of dreams and memories of those people affected most by the storms. We were also saddened at the death of one individual.

Poudre Valley REA experienced extensive damage caused by the storms. Here are a few statistics about the destruction:

- At the height of the storms, over 17,000 PVREA members were without power system-wide.
- Nearly 170 poles were damaged or snapped to the ground.
- Twelve PVREA substations were inoperative.
- One of PVREA's power providers, Western Area Power Administration, lent its assistance to replace 15 115-kilovolt H-frame transmission structures east of Windsor that served PVREA's industrial customers in that area, including



The devastation from the tornado is apparent throughout the town of Windsor. The category EF3 tornado swept through Windsor and other parts of Poudre Valley territory May 22.

Kodak; Owens-Illinois, Inc.; Front Range Energy; Vestas Blades of America and Reliant Processing, which collectively represent nearly 40 percent of PVREA's load. WAPA also experienced severe damage to its own transmission facilities in the area.

- The estimate to repair the storm damage to PVREA's facilities is over \$1.2 million.

PVREA line crews had power restored to nearly all PVREA's customers by Friday night, excluding the industrial accounts. By methodically finding damaged structures and creatively switching loads from one substation to another, PVREA crews were able to systematically restore power quickly to most of



The tornado damaged the Swift and Company building, as seen from the window of the State Farm Building, which was also damaged.

PVREA's affected customers.

The homes of two members of Poudre Valley REA's line crew had extensive damage due to the storm.

Poudre Valley REA would like to thank Morgan County Rural Electric Association for sending a crew to help, as well as Hamlin Electric, a contracting company that Poudre Valley employs frequently.

Changes in PVREA Tariffs, Rules and Regulations

The board of directors took action on the proposed changes to implement additional charges and late fees after the public hearing at the regularly scheduled May board meeting.

The association will add a 1.5 percent finance charge on all balances that are overdue more than 30 days from the billing date.

The association may apply a 5 percent additional charge on deferred payment plans that are in arrears. The finance charge of 1.5 percent will be applied to these overdue arrangements.

Poudre Valley REA proposed tariff change

PVREA is proposing a change to its net metering tariff that is available to all customer-generators (CG) who install qualifying renewable energy generation sources.

The proposed changes include:

- Raising the size limit from 10 kilowatts to 25 kW
- Defining renewable resource types
- Specifying the terms of payment when a consumer terminates retail service with PVREA

The consumer and PVREA shall comply with the interconnection standards and the insurance requirements established in the rules promulgated by the Public Utilities Commission pursuant to section 40-2-124.

PVREA will hold a public forum open to all members, consumers and indirect users and the public concerning these proposed changes. The public forum will be at 2 p.m. July 29, in PVREA's office at 7649 REA Parkway in Fort Collins. At the conclusion of the public forum, the board of directors will consider and make final changes in the tariffs, rules and regulations.



USDA Offers 1% Loans to Low-Income Home Owners

If you have trouble making ends meet, you probably do not have the funds to repair or improve vital components of your home. If you find yourself in that predicament, you may be interested in a low-interest loan program made available through the U.S. Department of Agriculture.

Funds are available for anyone living in Larimer, Weld, Cheyenne, Elbert, Kit Carson, Lincoln, Logan, Morgan, Phillips, Sedgwick, Washington and Yuma counties, regardless of their electric supplier.

Repairs may be made to improve or modernize the home to make it more sanitary, safe or efficient. Homes repaired with these funds must be modest in size and design according to Section 504 of the program.

Authorized funds may be used for:

- Installation of sanitary and waste disposal systems, along with the related plumbing and fixtures, which meet local health department requirements
- Energy conservation that meets USDA efficiency standards, such as insulation and energy-efficient windows and doors
- Repair or replacement of the heating system
- Repair of the roof
- Replacement of deteriorating siding
- Repair or remodel of homes to make them handicap accessible

The maximum amount of the loan is \$20,000, and the maximum term of the loan is 20 years. Again, the interest rate is 1 percent.

Your annual income must not exceed the following for the listed household size:

	One	Two	Three	Four	Five
Larimer:	\$26,250	\$30,000	\$33,750	\$37,500	\$40,500
Weld:	\$22,400	\$25,600	\$28,800	\$32,000	\$34,550

Please contact the USDA at 970-332-3107 for more information and details on the program.

Poudre Valley REA Solar Rebate Program Declared a Success

It didn't take long. Within the first 12 days of accepting applications for the Solar Rebate Matching Grant program that Poudre Valley Rural Electric Association and the Governor's Energy Office jointly offered to PVREA consumers, 10 of the 13 rebates were awarded. In total, the rebates represent a commitment by the state and PVREA to support renewable energy on a residential level.

Poudre Valley REA committed \$25,000 for its contribution to this matching grant program. The Gover-

nor's Energy Office will match that contribution. Therefore, the total funding for the program for 2008 is \$50,000. To those selected, PVREA will pay \$1 per direct current-rated watt up to a maximum of \$2,000. The GEO will match this \$1 per DC-rated watt rebate. These rebates represent a maximum of \$4,000 per installed system.

While the funds have almost expired for the year, the success of the program will be analyzed by both PVREA and GEO for the possibility of offering similar programs in years to come.



PVREA CONTINUES TO SELL GREEN POWER

For those of you who are not aware, Poudre Valley Rural Electric Association has a program that allows consumers to support the generation of power from renewable resources. Poudre Valley REA, along with its power supplier Tri-State Generation and Transmission, has a program that allows members to purchase electricity generated from wind, solar and small-scale, low-head hydropower facilities.

The following is a detailed explanation of the Green Power program.

Availability: The Green Power program is available as a rate rider on the kilowatt-hour rate schedule for each rate class.

Rate rider per month: A charge of 50 cents per month will be added to each consumer's energy charge for each 100-kWh block purchased.

Maximum number of blocks: The maximum number of 100-kWh blocks a consumer may purchase monthly is unlimited. Many consumers purchase blocks to match their average monthly usage.

Contract period: There is no minimum contract period.

Green Power: Green Power shall be defined as energy produced from renewable resources such as wind, solar and small-scale hydroelectric facilities, either by Tri-State or through a purchase contract between Tri-State and a third-party resource provider.

If you are interested in supporting these Green Power technologies, please contact PVREA's office at 970-226-1234 or 800-432-1012 and ask to sign up for the Green Power program or to receive additional information.

FROM THE BOARD

Cooperation at Heart of Co-op Principles

BY KEITH CROONQUIST, BOARD PRESIDENT

The sixth cooperative principle is cooperation among cooperatives. Poudre Valley Rural Electric Association adheres strongly to this principle and is associated with several other co-ops in an attempt to provide safe, reliable, cost-based energy while being environmentally responsible.

PVREA belongs to the Colorado Rural Electric Association. This cooperative organization has four major emphases. CREA provides PVREA's employees with up-to-date news concerning the electric industry through classes and workshops. Another of CREA's important charges is its loss control department, where safety is a major emphasis. CREA also lobbies at the state level for legislation that will keep reliable, cost-effective energy available to its representative co-ops. Finally, CREA publishes the magazine that contains this article. (Win* Jon W. Flack)

PVREA buys your electricity from Tri-State Generation and Transmission Association, Inc. Forty co-ops have joined together to form this co-op.



Keith Croonquist

PVREA buys the majority of its wire, transformers, poles and other materials to construct new lines or repair outages from the cooperative Western United Electric Supply Corporation.

PVREA borrows money from the Cooperative Finance Corporation. It also has access to new research through the Cooperative Research Network. In addition, Tri-State has joined the newly formed National Renewable Energy Co-op, whose aim is to research cost-effective renewable resources.

At the national level, PVREA is a member of the National Rural Electric Cooperative Association. NRECA provides classes for employees, staff and board members. In addition, PVREA has its health and retirement programs for employees through NRECA. NRECA also lobbies for co-ops in Washington, D.C.

Finally, do not forget that the Touchstone Energy ads you hear and see are from the Touchstone Energy cooperative, another co-op in which PVREA has a membership.

These are just a few of the ways PVREA upholds and adheres to the sixth cooperative principle.

PVREA Sends Messengers to Washington, D.C.

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affordable to our consumers.

We have to ask our elected officials to take action now that includes cutting through the red tape on nuclear power, providing energy efficiency credits for low-income families, upgrading hydropower systems and making a federal commitment of \$2 billion annually for research and development to meet proposed carbon targets and electricity demand.

We pushed for congressional action to make changes in the Lieberman-Warner climate change bill to minimize the use of auctioning carbon allowances to the highest bidder, to help keep the program affordable (to include an "economic safety valve" that caps carbon allowances prices to give cooperatives planning certainty and limit costs), and to include reduction levels and time lines consistent with the availability of technology to reduce carbon dioxide emissions. We also encouraged our legislators to keep Rural Utilities Service 2008 loan funds for the nation's rural electric cooperatives at 2007

levels of \$6.6 billion and to reform America's railroad policy, enabling rail customer access to competitive rail service.

Again, I ask you to join us in forming a partnership between the people and government. Working together, we can find solutions to strike the right balance between the objectives of climate change and making certain we keep the lights on and the electric bill affordable. Please become involved and speak out on the crucial issues your member-owned electric cooperative is facing. As electric consumers, you will be affected by any federal action. You have to begin a dialogue with your members of Congress regarding their plans for America's energy future. A conversation with your U.S. senators and representatives will help make them aware of the crisis we face. To start the discussion, join our national grassroots campaign called "Our Energy, Our Future" by going to www.ourenergy.coop to contact your elected officials.

I look forward to visiting with you again.

ENERGY TIP

Relocate your refrigerator if it's near the stove, dishwasher or heat vents. Vacuum the coils every three months to eliminate dirt buildup that reduces efficiency. Check the door gaskets for air leaks.



Are You a Winner?

If you see your account name in pages 7-10 of *Colorado Country Life*, you have until the last day of the month that the magazine is dated to claim your reward by calling PVREA at 970-226-1234. More than ever, it pays to keep informed about your electric utility.