



# Powerlines

Your Delta-Montrose Electric Association Member Newsletter | August 2015

## FERC Rules in DMEA's Favor: What Now?

*Chief Executive Officer's Message to the Members*



Jasen Bronec  
CEO, DMEA

On June 18, the Federal Energy Regulatory Committee (FERC) unanimously ruled in DMEA's favor, allowing us to negotiate with local renewable energy producers who request connection to our system.

In February of this year, DMEA asked FERC to clarify three issues regarding DMEA's ability to purchase locally generated power. Those questions were:

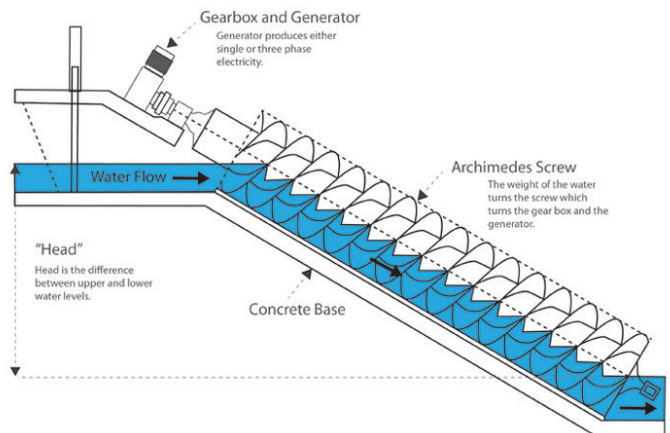
1. Is Tri-State subject to FERC jurisdiction?
2. Is DMEA obligated to purchase power from qualifying facilities in accordance with the Public Utilities Regulatory Policies Act of 1978, and does this obligation supersede our contract with Tri-State?
3. Does DMEA have the right to negotiate a purchase price with the qualifying facilities?

FERC ruled that although Tri-State is not subject to FERC jurisdiction, federal law and regulations require DMEA to purchase power from qualifying facilities regardless of the limitations set in the wholesale power contract. Furthermore, DMEA has the right to negotiate the purchase price with the qualifying facilities. Long story short: DMEA can now purchase energy from our local renewable energy producers who are qualifying facilities. We can also negotiate a price for that power that benefits our members and boosts renewable energy development and the local economy.

So what now? We're moving forward with negotiations with developers that have already contacted us. Percheron Power, LLC wants to develop a hydroelectric generator on the South Canal at Drop 2. Percheron is a qualifying facility, but until recently our ability to work with them was limited. Under the new ruling, DMEA can now negotiate a purchase price for the power Percheron's facility will produce.

*FERC Ruling continued on page 4*

Micro Hydro Screw Generator



The Archimedes Hydrodynamic Screw generator employs an auger-like mechanism where the weight of the water turns the screw, which rotates the gear box and generator. Percheron plans to use this technology in their Drop 2 project.

*Photo courtesy of greenbugenergy.com*

## Operation Round Up Helping Families Heal

Contessa Thatcher has battled chronic kidney problems since age three. By the time her sweet sixteen rolled around, she was on daily dialysis and doctors were recommending a kidney transplant. Fast-forward 10 years and that dream has finally come true.

On January 19, 2015, at 11:30pm, Contessa received the call that a kidney was available for her. She and her husband Ricky made the red-eye drive to Denver. Contessa received her kidney transplant the next day and said goodbye to the daily dialysis treatments.

"When I was younger I didn't think I needed the transplant because I just didn't think I was that bad. But as I've grown, and now have children of my own, I knew I needed to focus on my health. I needed to be healthy for them. Thanks to the transplant I am no longer on dialysis," said Contessa.

The back and forth travel to Denver for surgery and follow-up doctor visits were costly. The family faced additional financial hardship when Contessa's husband Ricky was forced to take a medical leave from his job due to an injury. Finances were more than tight, so the pair turned to DMEA's Operation Round Up program.

They applied for funds from DMEA's Operation Round Up Charitable Trust and were granted \$300 to help with travel and associated medical expenses. Contessa had received a \$500 donation two years prior for expenses related to a planned transplant that failed due to donor issues. In total, the Thatchers received \$800 from DMEA's Operation Round Up program.

"The Operation Round Up funds helped us with the overwhelming bills and the expenses that we didn't even realize would come along with my transplant. The back and forth travel, the stays in Denver – they were hard on our finances," said Contessa.

Contessa and Ricky are also participants in DMEA's Operation Round Up program. They hope to help others in similar situations through the program. Sign up for Operation Round Up online at [www.dmea.com](http://www.dmea.com) or call 1-877-687-3632 and speak with a customer service representative today.



Contessa and Ricky Thatcher found help in a time of need from DMEA's Operation Round Up program. They pay it forward by participating in the program.

## Board Reviews Broadband Business Opportunities

DMEA's Board of Directors reviewed an in-depth case study about broadband business opportunities on June 23. The study detailed three proposed business models:

- DMEA provides retail service to residential and commercial customers;
- DMEA provides wholesale service to independent internet service providers;
- DMEA provides a hybrid service of both retail and wholesale.

DMEA commissioned the case study from Celerity Networks, a consulting firm based in Spearfish, SD. As a result of the study, DMEA's board has amended their official broadband position statement. The statement is available online at [www.dmea.com](http://www.dmea.com).

Included in the statement is a synopsis of the board's position statements since beginning work on a fiber-optic network in January 2014. Also listed are the three objectives set by the board upon reviewing the business case.

*Broadband Study continued on page 4*

## Refinance Saves Millions

Last month DMEA refinanced \$21,493,156 of Rural Utilities Service (RUS) debt with CoBank, saving the cooperative and its members more than \$4.5 million over the next twenty years. The refinance dropped DMEA's interest rate from 4.74% to 3.7%.

The RUS was originally established as the Rural Electrification Administration in 1935 to provide low interest loans for rural electric cooperatives. Since then, it has morphed into a resource for rural communities to develop and improve their basic infrastructure. This includes electric, telecommunications, water, and wastewater systems.

Electric cooperatives, DMEA included, still access affordable financing from RUS for construction and grid-improvement projects. But it's not the only option. DMEA also borrows money from CoBank, a Denver-based cooperative bank. Like DMEA, CoBank is a member-owned cooperative and governed by an elected board of directors. As a member of CoBank, DMEA receives all the benefits of cooperative membership, including capital credits. The Cooperative Finance Corporation also serves as a funding resource for DMEA.



CoBank is a national cooperative bank serving vital industries across rural America. The bank provides loans, leases, export financing, and other financial services to agribusinesses and rural power, water, and communications providers in all 50 states. Learn more at [www.cobank.com](http://www.cobank.com).

## LED Lighting Rebates

DMEA offers a variety of energy efficiency rebates to help members offset the cost of improving the efficiency of their homes or businesses. LED lighting rebates were added to our list of programs a few years ago and have quickly become popular.

LEDs have been widely deployed since the 1970s in such things as signs, radios, and appliance indicator lights, but have only recently become a standard option for household lighting. They are now available for all general lighting applications. But, they do come at a slightly higher cost than their efficiency predecessor, the CFL (compact fluorescent light bulb).

To help reduce the cost of LEDs, DMEA offers the following rebates:

- LED residential bulbs**  
50% of the bulb cost up to \$10, max 50 bulbs
- LED residential fixtures**  
50% of fixture cost up to \$10
- LED refrigerated case lighting**
- LED street & parking lot lighting**
- LED tube lights**

DMEA's energy services department is available to help you determine what LED options will work best for your home or business. Contact us at 1-877-687-3632.



LEDs come in a variety of sizes, shapes, and colors and are available at all major home improvement stores and hardware stores.



# Broadband Study

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The objectives are as follows:

- **Bring forward recommendations for an organization structure for a potential broadband service provider entity.**
- **Meet with franchised cities to discuss plans and opportunities for cooperation.**
- **Investigate funding options.**

The board continues to make progress toward determining DMEA's role in bring broadband to our communities.

# FERC Ruling

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We have signed a memorandum of understanding with Percheron and are moving forward. Percheron plans to install an Archimedes Hydrodynamic Screw generating unit. This is a new technology for the United States that allows for power generation on waterways with little elevation drop.

The U.S. Department of Energy awarded Percheron a grant to install this technology to serve as a demonstration for other hydro producers. The South Canal Drop 2 is a 990kW project, and it is estimated the facility could produce as much as 4 million kilowatt hours annually. That is enough electricity to power roughly 400 homes.

The FERC ruling has made projects like Percheron possible in DMEA's territory. Renewable energy developers now have a reason to relocate to the area and take advantage of the abundant resources in Delta and Montrose counties.

## Home Cookin'

### No Bake Pizza Salad - Sheila Cole, Montrose

#### Ingredients:

- 8 oz. spinach dip
- 1 (10 oz. ) thin crust Italian bread shell
- 1 cup chopped broccoli
- 1 cup cubed cooked chicken or turkey
- 1/3 cup sliced green onions
- 1 small tomato, seeded, chopped

#### Directions:

Spread spinach dip evenly over bread shell to within 1/2 inch of edge. Top with remaining ingredients. To serve, cut into wedges. Serves 8.

Visit [www.valleyfoodpartnership.org](http://www.valleyfoodpartnership.org) for this recipe's locally-grown ingredients.

## Energy Outreach Colorado Backs My Choice



DMEA's recently launched prepay program, My Choice, has received the support of Energy Outreach Colorado. The statewide non-profit focused on providing energy assistance to low-income Coloradoans has committed \$100,000 to the program.

These funds are available for needy DMEA members to help reduce past due balances when transitioning to My Choice. The money can also be used for the purchase of an in-home-display. The in-home-displays provides daily consumption information for program participants.

Funds are granted based on need. Members must sign up in person in order to apply for assistance.

Learn more about My Choice at [www.dmea.com](http://www.dmea.com).

#### Contact:

1-877-OUR-DMEA

P.O. Box 910  
Montrose, CO 81402

[www.dmea.com](http://www.dmea.com)

#### Locations:

11925 6300 Road, Montrose  
21191 H75 Road, Delta

#### DMEA Board Of Directors:

Bill Patterson, *District 1*  
Kyle Martinez, *District 2*  
Olen Lund, *District 3*  
Jim Elder, *District 4*  
Marshall Collins, *District 5*  
Terry Brown, *District 6*  
Mark Eckhart, *District 7*  
Tony Prendergast, *South Region*  
John Gavan, *North Region*

DMEA board meetings are open to all members. They are generally held on the 4<sup>th</sup> Tuesday of each month beginning at 3pm with the public comment period at 5pm. Call 240-1212 to confirm specific dates, times, and locations.

**DMEA is an equal opportunity provider and employer.**

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html) or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W. Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at [program.intake@usda.gov](mailto:program.intake@usda.gov).



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