



VIGILANTE ELECTRIC COOPERATIVE

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VIGILANTE ELECTRIC COOPERATIVE, INC.

Utilities find slow going on Columbia River Treaty

By Steven Johnson

National Rural Electric
Cooperative Association

For every day that goes by, electricity users in the Pacific Northwest pay more than they should, amounting to hundreds of millions of dollars a year.

But nearly 2-1/2 years after a negotiating team offered recommendations to modernize a treaty between the U.S. and Canada that could bring relief to those ratepayers, the State Department has yet to open talks with its neighbors to the north.

“Failure to act causes a significant potential loss to the Northwest region of approximately \$1 million every two to three days,” according to the Portland, Oregon-based Public Power Council.

Welcome to the complicated intersection of international diplomacy and river policy.

In 1964, the U.S. and Canada signed the Columbia River Treaty, controlling the flow of the powerful river to alleviate flooding and adding four dams to provide new hydropower for industrial expansion.

It calls on the U.S. to provide hydropower benefits to Canada — called the “Canadian Entitlement” — in connection with the construction of three dams and increased storage in that country.

The costs of that power — put at \$250 million to \$350

million a year — are paid by customers of Bonneville Power Administration, including electric cooperatives, and Mid-Columbia public utility districts (PUD).

The pact allowed either country to terminate some provisions of the treaty as early as September 2024 with 10 years advance notice, and some utilities say they’re ready to consider that option when it comes to the Canadian Entitlement.

“Since September 16, 2014, the United States has had the right to give notice under Article XIX of the Columbia River Treaty to terminate the Entitlement provisions of the Treaty, but has

elected not to issue such notice,” a group of PUDs wrote earlier this year to U.S. officials.

“The United States should not expect the region’s electric customers to continue payment of the Entitlement under the current terms after September 15, 2024, when the United States has full knowledge the payment is out of balance with the benefit received.”

The State Department has said only that it has the matter under review, two years after the entire Northwest congressional delegation first urged President Obama to initiate negotiations.

Sen. Maria Cantwell, D-

Wash., said after a meeting with Canadian Prime Minister Justin Trudeau that Canada is ready to move ahead with talks.

Disaster and Endangered Fish

Hydropower generation has become a major concern in any revised treaty, but utilities also want to make sure hydro power and a second purpose of the treaty — flood control — are not outweighed by new environmental approaches.

Initial treaty discussions picked up momentum in 1948, following Columbia River flooding that wiped out Oregon’s second-largest city.

On May 30, 1948, Ed Grohs, a deputy with the Multnomah County, Oregon, Sheriff’s Office, was in his patrol car with his partner as he witnessed the catastrophe.

“The ground seemed to tremble and melt,” Grohs recalled to a reporter 30 years later. “There was a sudden wave of swollen mud and then a torrent that frothed with debris and waves.”

Within 10 minutes after a dike broke, the raging Columbia River washed over Vanport, once home to 40,000 people, killing 15 people and leaving thousands more homeless. So complete was the damage that the federal and state government never rebuilt Vanport, originally designed as a massive wartime housing development outside of Portland.

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Four dams in the United States and Canada built to control flooding along the Columbia River are key parts of an international treaty up for reconsideration.

— Graphic by NRECA

Small Business LED Promotion

First Completed Project

By Rod Siring

In the August edition of *Rural Montana* magazine, I wrote about an energy-efficiency promotion being offered that encourages small businesses to adopt LED lighting technology. With LED technology, there can be significant energy savings without sacrificing the quality of lighting in the work areas. This is evident in our first completed project at Bausch Potato.

Bausch Potato is a family-owned business located in Waterloo, Montana, that has been farming the area since 1947. They farm, process, and deliver potatoes and potato products all over western and central Montana.

When Mark Bausch contacted me about potential incentives for LED lighting upgrades, the small-business promotion had just become available. Bausch Potato's processing plant had several high-bay fixtures and some standard fluorescent fixtures. Mark's inquiry into LED lighting was as much about improving the quality of the lighting as it was energy savings.

After an audit of the processing plant light, it was determined that the number of fixtures needed to be increased to provide the

appropriate amount of light. Some of this would include task-specific lighting over various work stations. I have to admit that I was a bit skeptical that we could add fixtures and still have enough energy savings to qualify for the incentive.

The conversion to LED lights at the Bausch facility included 10 high-bay fixtures, three fixtures for task lighting, three for storage fixtures and exchanging the tubes in six linear fixtures. In all, the total number of light fixtures increased by five. While the additional fixtures did eat into the potential savings, there was still a 55 percent energy savings.

In energy efficiency, there is always a learning curve and a little apprehension when transitioning from one technology to another. The quality of the technology used and the light produced from this project is impressive. I strongly encourage our small-business owners to look at potential LED upgrades and take advantage of this promotion while it is available.

Qualifying is simple: your business must be served by Vigilante Electric Cooperative and be less than 20,000 square feet. A review of the project specifications and business site is required



prior to any work being done, and only prequalified LED lights are eligible. This promotion will pay 100 percent of installed costs up to 23¢/kilowatt hour of the estimated first-year savings on qualified projects completed before March 15, 2017.

In my travels around our service territory, I have seen a lot of antiquated lighting,

much of which is no longer in production, and the availability is limited to what is left in the supply chain. There may not be a better opportunity to make this type of upgrade. For questions regarding this program or to have a free lighting audit of your business, call our Dillon office at 683-2327 or (800) 221-8271.



Serving Your Street, Not Wall Street

The best part about being a member of Vigilante Electric Cooperative is just that ... it's your energy cooperative. You have a say in how our co-op is run because membership also equals ownership. Being locally owned, operated and democratically run means you can trust us to focus on your needs, local priorities and decisions that are best for your community.

Electric cooperatives are organized around a strong commitment to make a difference and provide excellent service to our members.

Policy Update

Over the years, a recurring topic in these pages has been information about distributed generation. This information has addressed a variety of issues, including cost shifting and community solar. This month we would like to update you on another issue relating to distributed generation and a recent policy update regarding net metering.

Net metering is defined as the interconnection of member-owned generation from a renewable source to cooperative facilities, in which the generation output of energy not used at the service is netted against the energy delivered by the cooperative.

We have fielded numerous questions regarding net metering, many of which revolve around the banking of kilowatt hours and true up. Banking is a method of accounting, within a monthly billing period, for energy produced for export into the distribution system for later use at that customer's service. True up means excess member generation will be reset to zero at the end of the net-metering period.

That's why we invest time, money and expertise to build our local economy. We strive to improve members' quality of life by taking leadership roles in community development projects, educating youth, and generously donating time, energy and resources to schools, nonprofits and community events.

Over the years, we have answered the call to provide additional benefits and services because it is extremely important to us that our community thrives and prospers. This is why we offer the fol-

lowing, details of which can be found on our website at www.vec.coop:

- Agricultural, Commercial and Residential Rebates for Energy Efficiency
 - Alternative Renewable Energy
 - Co-op Connections Card
 - Convenient Payment Options
 - Home Energy Audits and Energy Advice
 - Low-Income Energy Assistance
 - Radio Help
 - Safety Demonstrations for Schools and Civic Organizations
 - Tree Trimming
 - Underground Line Locating
 - Youth Travel and Scholarship Opportunities
- Always remember that Vigilante Electric is committed to preserving your trust and, around here, there's more to trust than making sure your lights come on when you flip the switch. Whether it's energy-efficient rebates or member education, we are dedicated to being your reliable source of power and information, your trusted community partner — your cooperative.

Traditionally, Vigilante Electric has not banked excess energy produced, and true up was done monthly. However, as approved at a recent board of trustees meeting, true up will now be done on an annual basis. This update is largely due to member feedback and review of statewide cooperative practices. Vigilante Electric's guidelines for net-metered facilities now read as follows:

- The cooperative will not purchase energy produced by the member.
- Name-plate generating capacity shall not exceed 10 kW.
- Member generation is intended primarily to offset part or all of the member's own electrical requirements at the service.
- A bi-directional electronic meter will be used to measure power flow.
- Charges for energy delivered by the cooperative in excess of the energy flowed back onto the system shall be billed monthly at a retail rate.
- If member generation exceeds the amount delivered by the cooperative during any billing period,

the excess electricity will be transferred to the next billing period.

- The net-metering period will be January 1 to December 31. Any possible excess member generation will be reset to zero at the end of the net-metering period.
- Monthly net metering facilities charges will be assessed for cooperative costs and expenses, including distribution and transmission costs and expenses.
- The generator will be

required to sign an interconnection agreement and operating agreement with the cooperative.

Policies are set by the board and management to define the operations of our organization. We continually review them to ensure that they are relevant for the times, and are in the best interest of our cooperative. If you have any questions or comments regarding this issue, please feel free to contact us at our Dillon office at (800) 221-8271 or 683-2327.

Treaty

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"There will be no more flooding of the Lower Columbia, as happened at Vanport in 1948," U.S. Sens. Warren Magnuson and Henry Jackson, both Washington Democrats, said in 1964, when the treaty was signed.

Now, there are concerns that the treaty could be expanded to a third primary function — ecosystem issues, particularly the survival rate of endangered juvenile salmon, a sensitive subject in the Northwest.

The Public Power Council has noted that extensive efforts to promote fish and wildlife are already underway in the Columbia River Basin.

"It is critical that ecosystem measures discussed in the Treaty context are limited to issues truly international in scope. As with other regional efforts, ecosystem measures must be based on sound science, be subject to cost and benefit analysis, provide practicable, measurable outcomes, and not adversely impact electric system reliability or irrigation needs," the council said.

This November, let your voice be heard

By Meghaan Evans

Low voter turnout has been a topic of conversation for the last several election cycles. Since the 1960s, voter turnout during presidential elections has seen a steady decline — with the occasional uptick here and there. In the 2016 primary election cycle, voter turnout in most states was only 21 to 30 percent, and this was a record year for primary voter turnout! In Montana, we saw a voter turnout percentage of 45.25 percent.

Some speculate the reason for the decline is because the average American is not as engaged in politics as in the past. And who can blame us really? Oftentimes, we may feel like candidates are not speaking to the issues we care about. Or perhaps we don't feel like we understand enough about the candidates' stances on the issues, or even the issues themselves. But we

can change this.

Here at Vigilante Electric Cooperative, we want to see civic engagement in our rural communities increase. We want to give you what you need to make informed decisions about candidates at all levels of government, not just the presidential race. And we want you to know more about the issues that could impact our local communities.

America's electric cooperatives are doing their part by informing co-op staff and members through Co-ops Vote, a non-partisan campaign with one simple goal: increase voter turnout at the polls this November. By visiting vote.coop, you can learn about your candidates, access voter registration information and more.

The future of rural economies depends on their ability to keep up with today's global economy, which is why access to broadband Internet is a key

topic of discussion this election season. Just 55 percent of rural Americans have broadband at home. Quick access to information is crucial in finding a job, getting a better education and even gathering the information needed to make major health decisions. But there is a barrier: expensive costs.

With the right state and federal policies, broadband technology can become available to all rural Americans, allowing families and businesses to communi-

cate in new and faster ways.

Electric cooperatives are already committed to providing affordable electricity to our communities, so helping provide affordable broadband access is a natural next step.

We encourage you to visit vote.coop and take the pledge to learn more about the issues that impact us locally. Let's work together to improve our communities by increasing voter turnout and changing our country, one vote at a time.



Capital Credits

Vigilante Electric Cooperative is currently trying to locate the following individuals for payment of capital credits. If you have any information regarding names on this list, please contact us.

Smith, Jim / Allison Cuba City WI	Stibbs, James Anaconda MT	Tietz, Norman Belgrade MT	Watkins, Donald /Shawn Green Valley AZ
Smith, John / Angel Missoula MT	Stiefvater, Sadie Dillon MT	Tinsley, Dale / Tina Longmont CO	Weaver, Henry Dillon MT
Solomon, Zane Dillon MT	Stipe, Harold / Diane Fairbanks AK	Tother, Steve Butte MT	Wells, Hazel Toston MT
Southwick, Judy Dillon MT	Stockton, Chad Richmond MO	Van Hoek, Jeanne Rocker MT	West, Lynda J Dillon MT
Staker, Renee Carson ND	Streadwick, Debra Harpwell ME	Vonderau, Kim Missoula MT	Wheeler, Laura Douglas City CA
Starks, Leonard Estate Dillon MT	Swift, Art Miles City MT	Vulk, Amy Helena MT	Wick, Lemoine / Yvonne Whitehall MT
Stein, Richard / Linda Buckley WA	Synoground, Duane Glenrock WY	Ward, Michael / Donna Absarokee MT	Woods, Ronald N Palm Beach FL
Stewart, Jeff / Carla Helena MT	Thomas, Daniel / Kathy Aurora CO	Ward, Robert Dillon MT	Yoder, Tom Dillon MT