



VIGILANTE ELECTRIC COOPERATIVE

A Touchstone Energy® Cooperative 

P.O. Box 1049, Dillon, MT 59725-1049

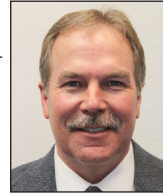
(406) 683-2327 or (800) 221-8271

Web site: www.vec.coop

E-mail: contact@vec.coop

OWNED BY THOSE WE SERVE

A Message from Your General Manager



Rollie Miller
General Manager

Detailing the 2017 budget

As I write this column, the Board of Trustees is considering the 2017 Capital and Operating Budget. They continually work hard to ensure we continue to have reliable and affordable rates. In addition to replacing some aged digger/bucket trucks and a couple of service trucks, there are some significant project items in the budget planned for 2017. Some of the items we plan on completing are:

1) Conversion of the Centennial Valley from 7.2 kilovolts (kV) to 14.4kV. We have been stressing the existing electrical plant in the valley serving those accounts, and this is a step to mitigate that stress. The project involves replacing most of the transformers in the valley and upgrading the insulators to the higher voltage. When finished, the area should see greater service reliability and reduced line losses caused by the lower voltage.

2) Petersen Canal Rebuild. The Petersen Canal rebuild is a conversion of an existing line to larger wire and includes pole replacements. This area is served by smaller copper wire that has outlived its useful life. We use this line as a tie between two substations, which also necessitates the need for more reliable equipment. Losses caused by the smaller wire will be reduced upon completion of this project.

3) Barretts Substation Three-Phase Feeder Rebuild. This line is being rebuilt for the same reasons as the previously mentioned project. Reliability, reduced losses and replacement of aging equipment are the driving factors.

4) Silver Star Substation Transformer Replacement. We are seeing the most growth in our service territory on a year-to-year basis in this area, and the substation transformer has reached its capacity. We will be replacing the existing substation trans-

former with a larger, new unit that will allow us to serve the area well into the future.

5) Bannack/Horse Prairie Three-Phase Conversion. This project involves replacing the existing single-phase line with three-phase to allow for more efficient diversity and phase balance. Improving efficiency and reliability are the driving forces for this project.

Another key component of the 2017 budget is the continuation of funding for scholarships for member dependents and for donations to worthy organizations in the communities we serve. Donations to the Broadwater Community Foundation, Montana 4H Foundation, University of Montana Western Foundation, and the 10 rural school districts in our service territory are greatly appreciated, wisely administered and are well entrenched in the rural philosophy of enhancement. We are also planning to sponsor two worthy member dependents on a one-week trip to our nation's capital. This trip is made possible through our national and statewide associations, and the attendees learn what an electric cooperative is all about. We also sponsor activities or donate to the rural fire departments in our service territory, the Whitehall Chamber of Commerce, the Dillon Jaycees, the Townsend Rodeo Club and the Bighole Watershed Committee, to name a few. The point is that we are fully supportive of the communities we live in, and we want them to thrive.

Still other components of the 2017 budget include the trade associations and partnerships we belong to. The National Rural Electric Cooperative Association (NRECA) is our national association that primarily represents us on federal legislative issues. Collectively, it represents more than 900 cooperatives across the country. The Montana Electric Cooperatives' Association

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Outage Notification Numbers

M-F 8 a.m. to 5 p.m.
**683-2327 or
(800) 221-8271**

Dillon

After Hours Mon. - Thurs.
Justin Bair925-1540
Charles Wharton ..660-1878
Gary Ferris.....683-6321

Weekends

**683-2327 or
(800) 221-8271**

Whitehall

After Hours and
Weekends

Marty Simons287-3950
Chuck Romerio491-5466
Zach
Maershbecker ...701-290-9265

Townsend

After Hours and
Weekends

John Moos266-3605
Chase White459-3892
Marty Simons287-3950

VIGILANTE ELECTRIC COOPERATIVE, INC.

budget

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(MECA) represents us at the statewide level. MECA also provides us with our safety and loss-control program, which administers safety training primarily to our operations staff. Other trade associations we support are Western Montana Electric G&T Cooperative, Northwest River Partners, Northwest Requirements Utilities/Northwest Irrigation Utilities, the Public Power Council and the Northwest Public Power Association. These entities strive to protect our interests with the Bonneville Power Administration (BPA), our wholesale power provider, in keeping our whole-

sale power rates reliable and affordable. Without this support, extremists would drive BPA's rates higher to accommodate their agendas. We are highly reliant on the irrigation rate discount and the low-density discount, to the tune of approximately \$1 million annually, and these entities work hard to protect and preserve these products within our wholesale power contract. We must have a voice at the table to protect our interests with BPA, and these entities are that voice.

Finally, our 2017 budget includes our participation and continued half ownership in the Montana Energy Alliance (MEA), a propane distribution company. MEA is a solidly operated, stand-alone company that we own with Rocky

Mountain Supply. It continues to provide unmatched customer service and low-cost propane to the Dillon, Townsend, Deer Lodge, Belgrade and Big Sky areas, to name a few, with great success. Without this partnership, our electric rates would be higher.

We have the lowest residential and irrigation rates in the state. We plan to continue to work as a cohesive team in 2017 and beyond in keeping it that way. The Vigilante Electric Cooperative team hopes you have an excellent 2017, and if you need to contact me for any reason, feel free to do so. I can be reached at the office at 683-2327, on my mobile phone at 925-1085, or via email at rollie@vec.coop.

Vigilante Community Solar (Update)

*By Rod Siring,
Member Services*

This past summer, Vigilante Electric Cooperative started studying the viability of a community solar project within our service territory. Community solar refers to a solar project built to allow people to own a stake or subscribe to its energy output and see their purchases reflected on their utility bills. One of the major steps in this study was to survey our membership to gauge not only interest, but support of such an endeavor.

The survey itself was quite basic. Two questions were posed: Would you support Vigilante Electric Co-op offering community solar?; and - Would you participate in a community solar program? So far, 730 members have responded to the survey. Of those responding, 557 members supported the idea of community solar and 460 members indicated an interest in participating.

On many of the surveys, members posed one basic question back to us: What will it cost? At this point, it is still a guess. We are currently working on some base elements that will have a big impact on the final cost. We are also in the process of securing a site for the solar array, requesting bids from installers and working with the U.S. Department of Agriculture and

Bonneville Environment Foundation on grants. Right now, our best estimate is that costs will be less than \$1,000 per panel.

Another item we are working on is the participation application and purchase agreement. In the near future, we will send this document to the 460 members that expressed interest in participating in our community solar project. This document spells out the terms and conditions for participation.

After reviewing the document, members interested in helping this project

move forward are asked to complete the application and send it and a deposit to reserve a panel(s). Participants will be billed for the balance once all panels have been reserved and prior to commencement of construction. If for any reason the project is not started, deposits will be refunded.

We strongly encourage those receiving the application and purchase agreement to review the document carefully. If there are any questions or concerns, please contact us at our Dillon office at 800-221-8271 or 683-2327.



Photo by Mike Radel, Flathead Electric Cooperative

Electric cooperatives are ready to work with elected officials

By Tracy Warren

As the nation prepares to welcome a new congress and administration, America's electric cooperatives are ready to welcome back old friends and introduce ourselves to newcomers.

The co-ops' message to elected officials, both old and new, Republican and Democrat, will be the same: We all need to work together to protect consumer access to safe, reliable and affordable electric service.

We have reason to believe this message will be well-received. After all, co-ops speak for more than 42 million electric consumers nationwide, a sizeable constituency by any measure.

Moreover, whatever you thought of the 2016 campaign, one message came through loud and clear: many people don't believe their concerns are being heard. For member-owned cooperatives, listening to people is at the heart of our business model, and we carry our members' concerns to public officials every day.

As co-ops reach out to engage with elected officials, they will build on the strength of Co-ops Vote, the grassroots initiative to reverse declining voter turnout in rural areas.

Co-ops Vote did more than register voters. This initiative sent a strong message to the country's elected officials

that rural electric consumers matter.

Co-ops will be reinforcing this message with a request that policymakers keep the needs of consumers front and center, such as: funding for infrastructure — especially transmission lines and access to natural gas; increasing the efficiency of the electric system, and determining the future of hydropower and nuclear energy. Elected officials will be making decisions affecting every aspect of the electric system.

Advocating for these issues is nothing new. We've been doing it for years, and we're ready to continue the fight on your behalf.

The time is now to reach out to all elected officials, new and returning.

Here at Vigilante Electric Cooperative, we will be reaching out to local, state and federal officials. In initial conversations with Representatives Ray Shaw (HD 71), and Tom Welch (HD 72), and Senators Terry Gauthier (SD 40) and Jeffery Welborn (SD 36), we explained the unique member-owned, not-for-profit co-op business model, and we will be reminding all politicians of our co-op's commitment to its members.

In Washington, D.C., our national trade association, the National Rural Electric Cooperative Association, will be conducting similar introductions, speaking with key agencies and departments within the new administration. It

is likely many of these new policymakers will know little or nothing of the co-op model.

Forging an energy future that serves rural consumers, and protecting access to safe, reliable and affordable electric power, will be a bipartisan effort. Electric co-ops are optimistic. As we work with our elected leaders, we hope to renew a spirit of cooperation in the nation's capital and in statehouses across the country.

After all, cooperation is what co-ops do best!



Prescription Discount Tracker	
Total Paid Claims	548
Total Savings.....	\$19,194.21
Total Savings Percentage.....	40.85%
Nov. Paid Claims.....	9
Nov. Savings	\$340.40
Nov. Savings Percentage	68.04%

2017 District Meetings

By Rod Siring,
Member Services

At Vigilante Electric Cooperative the start of a new year brings many things, including the start of our preparations for the annual meeting. This year's meeting will be held on March 3, 2017, on the campus of the University of Montana – Western. Prior to the annual meeting, Vigilante Electric will host a series of district meetings.

District meetings are where nominations are made for district trustee. Vigilante Electric's service territory is divided into nine districts. Each has an

elected representative on the board of trustees who serves a three-year term. Terms are staggered to maintain six experienced trustees at all times.

In 2017, the districts that have trustee positions up for nomination are District #3, serving the Townsend-Toston area; District #8, serving Dillon south; and District #9, serving Dell-Lima. At the time of this article, the dates, time and locations for this year's meetings have not been finalized. The actual election is held during the annual meeting.

Members residing within these districts will be notified by mail regarding the meeting for their district. If you

would like further information regarding the district meetings or running for district trustee, please call us at (800) 221-8271 or 683-2327.

District meetings also provide those unable to attend the annual meeting an opportunity to hear about the state of the cooperative from General Manager Rollie Miller. District meetings are less formal than the annual meeting and provide an excellent opportunity to interact with the manager and staff members who may be in attendance.

Rain or shine.
Hydro has your back.

While wind and solar power grows, it's hydropower from dams that remains the renewable backbone of the Northwest. Constant and reliable, hydro works in concert with other renewables that fluctuate with the forecast, helping keep our region's carbon footprint small.

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