



VIGILANTE ELECTRIC COOPERATIVE

A Touchstone Energy® Cooperative 

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OWNED BY THOSE WE SERVE

A Message from Your General Manager

Updates on your cooperative



Rollic Miller
General Manager

Mid-Year Financials

We recently closed the books on the first half of the calendar year and although sales are down significantly from previous years, the bottom line margins are somewhat respectable. The reduction in sales is almost entirely due to irrigation sales, and a result of the cooler and wetter than normal May and June, but we are expecting the July numbers to make up for some of the reductions. With my general manager's hat on, it is nice to see the sales in electricity exceeding expectations. However, I agree it is very nice to see a wetter than normal June, which the farmers and ranchers — among others — greatly enjoy and appreciate. In any case, I am expecting our year-end numbers to be very close to budgeted amounts.

Key Ratio Trend Analysis (KRTA)

What in the heck is the KRTA? Well actually, it is put together and provided by one of our key capital lenders (Cooperative Finance Corporation) and it provides insight as to how we rate compared to other cooperatives on specified ratios. For instance, when compared to the 813 systems analyzed, our "residential revenue per kilowatt hour sold" came in at 806, or seventh lowest in the country. Incidentally, we were the lowest in the state of Montana for both residential and irrigation revenue per kilowatt hour sold. Some other notable statistics include: fifth lowest in the state in "O&M expenses per consumer," third lowest in the state in "Administration and General expenses per consumer", eighth lowest in the country for "power cost per KWH purchased" and lowest in the state for "total cost of electric service per consumer". We accomplish this with staffing levels scoring a rating of third-highest number of "consumers per employee" in Montana. One additional item we are very proud of as an organization is the third highest rating in the state for "average service availability index." The takeaway from this is that the staff does an outstanding job providing service to you, the members, with the numbers telling the story.

Projects

This year has been a very busy year for us in terms of the amount of line we have built and replaced. Some of the larger projects completed and/or being worked on now include: Tash project, 1 mile, replacing old copper wire with new; Anderson Lane, 4.5 miles, replacing old single-phase with three-phase and replacing old wire; Cemetery, 3 miles, replacing old copper wire with new; Rieber, 1.5 miles, replacing poles; and Grasshopper Valley, 10 miles, replacing old copper wire with new. The Whitehall outpost has

been very busy installing new services in the Three Forks area, and is doing a great job. Pole replacements and miscellaneous new services continue to dominate the work in the Townsend and Dillon areas. I am very proud of the guys and gals for the amount of work they get done.

What keeps me up at night?

I am asked that question every once in a while and although my primary answer typically is a reliable, affordable ongoing power supply source, we continue to be forced to hire consultants and attorneys to fight legal battles with extreme entities on various aspects of our power supply. For instance, earlier this year a judge in Oregon (Judge Michael Simon) ruled that Bonneville Power Administration (BPA) must "dump" water over the dams on the Columbia River to see if further improvements can be made in already record returns of salmon. This action alone is estimated to cost BPA approximately \$40 million in lost revenue. BPA has taken actions to reduce this number, but the ultimate outcome to us is unplanned costs, which adversely affect our net margins at the end of the year. In addition to the above "spill surcharge," our June power supply invoice included our portion of what is called oversupply costs, where BPA is required to pay the wind generators to shut off during high-water flow times. It just doesn't make much sense to me, but that is what we are left with to manage. The real problem, in my opinion, is that none of the entities fighting this really want to solve the problem and make it go away. Enough of my ranting. BPA is still a very good, low-cost (at this time) power supply source that we are contracted with for our needs until 2028. We need to continue to work hard to maintain a balance in addressing everyone's wishes, including ours, which is to provide you, the members, with reliable and affordable power.

We hope you enjoy your Labor Day holiday however that affects you.

If you need to contact me, you can reach me via email at rollie@vec.coop. You can also reach me in the office or on my mobile phone at 925-1085. Thank you for allowing us to serve you!

Thanks for the Feedback

- "We love you guys at the REA"
- "A heartfelt thanks... We truly appreciate your generosity."
- "Thank you for choosing me for this scholarship. It means a lot and helps so much. I cannot wait to begin my education to become a veterinary technician. Once again, thanks."

VIGILANTE ELECTRIC COOPERATIVE, INC.

2018 Youth Tour to Washington, D.C.

Reflections for this year's participants

By Macie Martinell

I had the opportunity to apply for and be chosen to attend the Rural Electric Cooperatives' Youth Tour to Washington, D.C. Vigilante Electric Cooperative was generous enough to sponsor two students from our area to represent them in D.C. There were a total of 29 youth representing cooperatives all across Montana, and throughout most of the trip we traveled with North Dakota. I experienced seeing so many amazing sights, memorials and museums. Some of the highlights from my trip included touring the United States Marine Corps Museum, and taking pictures in front of the White House. We attended the Nationals vs. Giants baseball game, which I really enjoyed since I've never seen a baseball game before. I also went on nighttime tours of the WWII, Vietnam, Lincoln and Korean memorials. Somehow we all seemed to encounter blisters on our feet after touring all the Smithsonian Museums . . . but it was so worth it! The Potomac Riverboat cruise was one of my favorites, Georgia and Arizona also went with us, and we had a fun dance. We toured Mount Vernon, and got a private tour of the Washington Redskins Stadium. We were able to go and hangout in the locker rooms and be out on the field, pretending to be pro football players.

Congressman Greg Gianforte gave us a special nighttime tour of the beautiful Capitol, where we were able to look out across D.C. from the balcony at the top. I met with Senators Steve Daines and Jon Tester to discuss what's going on in Montana and the United States. All the states met up together one night to have a big dance and to meet one another. I learned lots about what other states are like, and the different ways they do things than we do here in Montana. We just happened to witness the national ceremony of the Army's birthday at the Arlington National Cemetery, watched the guards change at the Tomb of the Unknown Soldier, and toured the Newseum. The Holocaust Museum was one I'll always remember. We were able to ride a big ferris wheel over the National Harbor, went to the National Aquarium, and toured the U.S. Naval Academy while visiting with some of the football players who attend school there.

This was truly a trip of a lifetime, and I will never forget all the amazing experiences, along with all the wonderful people I met. I'll have long-term friendships with many of them, and I'll also remember and appreciate our great chaperones who put up with all of us. I want to encourage any sophomores or juniors to apply for this unforgettable trip, and I want to give a special thank you to Vigilante Electric for sponsoring me and allowing me to represent them.



By Blu Keim

The Montana Electric Cooperatives' Association Youth Tour was truly the trip of a lifetime. I have always had an interest in our country's history, but seeing it up close and personal gave me a whole new appreciation for our history and our culture. My favorite sight was the original American flag made by Betsy Ross. It was a lot bigger than I imagined it would be, and it was absolutely amazing to see. I also really enjoyed seeing all of the monuments and memorials. My favorites were the Washington Memorial, the Lincoln Memorial and the World War II Memorial.

We also ate at a lot of great places, including the Hard Rock Cafe' our first night in Baltimore, but my favorite was the historic Ben's Chili Bowl. The restaurant is located on U Street, and was established in 1958. It has seen many historic events, such as the 1968 riots, and has played a large part in the history of the neighborhood, including feeding and educating many Youth Tour participants throughout the years. It doesn't look like much from the outside, but inside the atmosphere was fun and cozy, and I ate the best chili dog I've ever had.

Another part of the tour I really enjoyed was attending the Nationals game and touring the Redskins' stadium. I had never been to a pro baseball game before, so it was really fun to get to experience that. The stadium tour was especially cool because we had the entire stadium to ourselves to explore and take it all in.

Overall, the Youth Tour was an incredible experience, from the places we visited to the food we ate. However, the most important thing I got from the tour was meeting all sorts of different people and making new lifelong friends.



Exceptional Rodeo — Exceptional People

Beaverhead County Fairgrounds hosted an event on June 14th that can best be described as a wonderful, feel-good story. Local cowboys and cowgirls came together to put on a rodeo where the participants were special-needs children. The event is appropriately named the Exceptional Rodeo.

While the Exceptional Rodeo may be unique, it is not new. In fact, the Exceptional Rodeo has a long, rich history, and is done across the county. The Professional Rodeo Cowboys Association (PRCA) created the event with the specific goal of helping special-needs children connect with cowboys and cowgirls for an event that brings a smile to everyone's face. It has been a staple at the Wrangler National Finals Rodeo for the past 35 years.

Ruth Dismuke-Blakely has led this program for the PRCA since its inception.

"There's a strong parallel between the cowboy culture and the culture of special-needs children," she stated in a press release. "Cowboys are taught to do the best that they can with the luck of the draw. You draw the best horse, or a horse not known to buck well, you go out and give it your all. That's what we teach the children. Just because you drew cerebral palsy or Down syndrome, you don't let special needs get in the way. You do the best you can. Cowboys and cowgirls understand that. That's part of the magic of the event."

The event premiered locally in August 2017, and was spearheaded by the Broere family, who are members of Vigilante Electric Cooperative. Earlier in 2017, Clint, Shanda, Kassidy and Shaylee traveled to Lebanon, Tennessee, for the National Junior High Rodeo Finals, where daughter Kassidy competed in goat-tying and ribbon roping. On the itinerary for the week was an event that they have never heard about: the Exceptional Rodeo. Moved by their experience, the Broeres' spent the drive back to Montana in thoughtful conversation on how they could host a similar event in Beaverhead County.

When the decision was made to move forward with the Exceptional Rodeo, the Broere family knew they were going to need help pulling it off. Their first call was to Vigilante Electric Trustee Cheyenne Garrison. After hearing about the Broere's plan, Cheyenne and her family were immediately on board. "In less than five weeks, with scratch notes and a list of potential sponsors, we went to work and hosted the first Exceptional Rodeo on August 10, 2017," said Shanda.

Success for the Exceptional Rodeo was not based on the number of participants or fans in attendance. Success here



Vigilante Electric trustee Cheyenne Garrison helping at this year's Exceptional Rodeo.

was based on the experience given to the participants and the impressions it left on the hearts of those that helped and the families who watched. This is best captured by the words of Shanda Broere.

"Our families set out to have a positive impact on local children with special needs, their families, sponsors and volunteers. What we did not know was the impact that the children and their families would have on us," she said.

Bringing a rodeo to these children and families has made us look at our lives with new eyes and helped bring an awareness to us about the daily joy and challenges that these families face. We are so grateful that they share their children with us for that day. Through the planning and hosting of this event, not only did we experience a positive impact on the community and our own families, we have met new friends. Our children are growing up together and each of them are unique and amazing.

"What has been created is an 'on-foot', casual rodeo environment where each contestant gets to be successful; there are times where we change gears to adapt to needs as the rodeo progresses. The animals brought in are therapeutic and provide sensory stimulation for the contestants. The stick-horse barrel racing and roping gives the child the chance to use their hand and eye coordination, and is at a speed of their choosing," Shanda said.

Determined to carry on their vision to make a difference, the Broere family started planning the 2018 rodeo. With Kassidy taking the lead, they applied for, and were awarded, the People Partner Grant through the Montana 4-H Foundation to assist with the expenses. Then, with the help of the Garrisons, the kids set out to visit sponsors and promote the event that was held June 14th.

This year, due to their efforts, each rodeo contestant received a custom felt back number, a Montana Silversmith All-Around Champion buckle, a stick horse and a contestant T-shirt. Everybody left with a smile on their face and a warm spot in their heart.

This event became a life lesson for all who witnessed it. Shanda summarized it this way, "we can all make a difference — if we just slow down and look around, give encouragement, a compliment or a kind word."

Portions of this article came from the Las Vegas-Journal.



Participants and crew of the 2018 Exceptional Rodeo.

Shining Light on Energy Savings

With LEDs, the future of bulbs is bright.

By Derrill Holly

When it comes to lighting, the potential for energy efficiency is just too great to ignore. Around the home, changing bulbs can change your electric bills, and the monthly savings can add up quickly.

“Lighting efficiency upgrades have long been the poster child of energy efficiency,” said Alan Shedd, director of energy solutions for Touchstone Energy Cooperatives.

That’s because consumers regularly use dozens of bulbs in fixtures out of necessity and convenience. According to the U.S. Department of Energy’s Energy Information Administration, nearly 130 billion kilowatt hours of electricity are consumed by residential lighting each year, representing about 9 percent of all home energy use.

As light-emitting diode (LED) design options increase, prices are coming down, and more consumers see LEDs as an alternative to carbon filament incandescent bulbs first popularized by Thomas Edison in the 1880s.

“The economics make sense,” said Shedd. “When LED lamp products were \$20, it was a tough sell, now for a couple of bucks you can get a lamp that saves energy and lasts 10 times longer.”

To get an idea of your potential for energy savings, complete a home inventory. Don’t just count fixtures — count bulbs, checking wattage, and whether they are dimmable, three-way or require special bases. Also note the type of bulb now in use: incandescent, halogen, compact florescent lights, or straight or circular florescent tubes.

There’s a good chance your total bulb count for the average single-family home will be between 50 and 75, including hallways, garages and storage areas.

Savings add up

In 2009, 58 percent of U.S. households had at least one energy-efficient bulb indoors. By the spring of 2016, 86 percent of all households used at least one CFL or LED bulb, and nearly 20 percent of all households had completely abandoned incandescent bulb use.

Since passage of the Energy Independence Act of 2007, electric cooperatives and public power districts, including Vigilante Electric Cooperative, have promoted energy efficiency in lighting by sharing information on potential savings.

The federal law mandating a 25-percent increase in lighting efficiency led many U.S. manufacturers to phase out incandescent bulbs of 100 watts or more.

In recent years, manufacturers have focused more research on lighting efficacy, energy efficiency and cycle longevity. That’s led to major increases in the projected hours of use and lower failure rates.

Many consumers don’t like the lighting quality offered by compact florescent light bulbs, which can also be prone to failure due to heat buildup when used in closed lighting fixtures.

While LED lighting was initially expensive and limited to warm white or a few color temperatures and designs, mar-

ket acceptance and continued research have forced prices down, and led to an expanded variety of products.

Lumens not watts

Cashing in on lighting efficiency can get easier if we rethink the way we buy and use lighting products.

Many consumers resist switching from ounces to grams, miles to kilometers or Fahrenheit to Celsius when discussing measurements and temperatures. But, when it comes to lighting, thinking lumens instead of watts makes sense — because it could save you dollars and cents.

Cool white, soft white, dimmable, decorative, three-way, decorative and color are now among the options, with LEDs taking up an increasing share of shelf space in the lighting sections of hardware, discount and home-improvement stores.

“The wide range of products is the biggest challenge — used to be a lamp was a lamp — you pretty much knew what you were getting,” said Touchstone Energy’s Shedd. “Now, the shelves are packed with a dizzying array of choices.”

According to Shedd, education — or re-education — is the key. Once a consumer knows that lumens are a measurement of the amount of light given off by a bulb, they understand that the lower the lumens, the dimmer the light.

“Sure lumens can be confusing — we didn’t grow up with that,” said Shedd. “But showing that a 1,000-lumen lamp is equivalent to a 60-Watt incandescent bulb is a short-term fix.”

While replacing compact florescent light bulbs with LEDs saves less energy, consumer preferences have driven a shift away from CFLs, in part because of color and lighting quality.

“The energy savings and life expectancy of an LED is incrementally better,” said Shedd. “The early CFLs did not offer good color, they took a long time to reach full brightness, particularly in cold environments, and some failed prematurely — especially if they were used in enclosed fixtures.”



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Vigilante Safety Roundup Tracker

Participating members: 132
Total Contributions: \$1,132.08

To apply contact our office at
(800) 221-8271 or 683-2327. An online
application is available at www.vec.coop.