



VIGILANTE ELECTRIC COOPERATIVE

A Touchstone Energy® Cooperative 

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

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VIGILANTE ELECTRIC COOPERATIVE, INC.

A Message from Your Manager

Rates, Metering and the Holiday Season

First of all, I would like to wish you all a very Merry Christmas and a happy holiday season!

2014 Budget/Rates

As I last reported here, we have seen an average 8.6 percent increase in our wholesale rates from the Bonneville Power Administration (BPA), effective October 1st of this year, and extending until September 30, 2015. What that means is that we will need to increase retail rates accordingly or reduce our overall costs, or utilize a combination of the two, to find cost savings of approximately \$250,000 based on our 2014 sales projections and Budget. We submitted staff's draft recommendation to the Board at their October Board Meeting and by the time you read this we should have a formal plan in place for fiscal year 2014. Our proposal included utilizing cost saving measures combined with a nominal retail rate increase of approximately 4 percent. These rate changes will fall across all rate structures based on our Cost of Service Study which was recently completed. Our goal is to provide as much advance notice as possible with any rate changes, and hopefully you will have ample time to prepare for any rate impacts to you or your operation.

Automated Meter Reading (AMR) System

As you may know, we currently read the meters from the office utilizing the Hunt Technologies "Turtle TS1" AMR system. This system has been in place for approximately 15 years, and has served us very well during that period. However, we have been informed from Hunt that the "TS1" system will no

longer be supported as there are fewer and fewer of these systems across the country. What that means is that we will need to upgrade our Automated Meter Infrastructure (AMI) system over the next couple of years. We are currently evaluating three different vendors and options, including the upgraded system from Hunt Technologies, with cost, longevity, reliability and effectiveness as some of the deciding factors. This is a very significant decision that will be made by the board over the next couple of months. Key functions of the new system will be the ability to provide prepaid metering, remote disconnect and reconnect, and a more streamlined and efficient outage management system. We are excited about the potential benefits for the new metering system, but as stated, it is a significant long-term decision for the cooperative.

Tis the Season

During this special giving time of year I wanted to point out some of the donations, scholarships and gifts your cooperative has provided over the years. For instance, since 1993, the Cooperative has provided educational scholarships to members or member's dependents to the tune of \$173,153. In addition, each year your cooperative donates funds to organizations such as the rural volunteer fire departments, museums, rodeo associations, 4-H programs and Chambers of Commerce, all locally within our service territory. Energy Share of Montana also receives funds from the cooperative to help those

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Rollie Miller
General
Manager

Trustees

President

Dean Peterson

Vice President

Dean Hanson

Secretary/Treasurer

Sharon Lasich

Tom Helm

Andy Johnson

Don Jones

Allen Martinell

Jim Petersen

Norm Tebay

General Manager

Rollie Miller

Outage Notification Numbers

M-F 8 a.m. to 5 p.m.

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

Dillon

After Hours Mon. - Thurs.

Dan Snellman683-6222

Tim Myllymaki683-6369

Charles Wharton660-1878

Weekends

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

Whitehall

After Hours and Weekends

Marty Simons287-3950

John Moos266-3605

Justin Bair266-3351

Townsend

After Hours and Weekends

John Moos266-3605

Justin Bair266-3351

Marty Simons287-3950

ESTATE PLANNING: THE GREATEST GIFT OF ALL

By Doreen Friel

Remember the famous saying, “Nothing is certain except for death and taxes?” While many argue over whether Ben Franklin, Mark Twain, or someone else actually said it, one thing is clear — death and taxes are inevitable. And that’s why, for countless years, people have engaged in estate planning.

Once considered a tool only for the rich, estate planning historically revolves around the creation of a will. But today, it involves much more than that.

Begin thinking about the following as you consider your own estate plan:

1. Consider your assets. Estate planning documents — such as a will and trust — let you legally transfer your assets to loved ones more quickly and easily upon your death. They can also help save money on estate taxes by naming beneficiaries for certain assets that are not distributed through your will or trust, such as your retirement plan assets, annuities and life insurance policies.

2. Consider your family obligations. If you are a parent or legal guardian, estate planning can designate guardians of your minor children in the event of your death — which can help to avoid court battles.

3. Consider the “what ifs.” The future is unknown, but certain steps can provide protection nonetheless. Life insurance, which goes to a beneficiary in the event of your death, and long-term care insurance, which can help protect your assets should you need long-term care services at home or in a nursing home, are two examples.

Also, what if you were incapacitated and could not make your own medical or financial decisions? A durable power of attorney gives someone close to you the ability to handle your finances if you are unable. And a living will communicates what your wishes would be regarding medical care if you do become incapacitated.

4. Gather the troops. You should consider consulting several individuals as you create your estate plan, including your attorney, life insurance representative and/or financial professional, and accountant or tax adviser.

5. Communicate your plans. At the very least, the individual whom you have designated as your executor should know how to reach your attorney in the event of your death or disability. Informing your loved ones of your wishes can ensure there are no surprises later.

6. Update your plan regularly. Life is all about change. So at times, changes might need to be made to your estate plan, such as updating your will or changing a beneficiary. Be sure to review your estate plan at least once a year.

Estate planning may sound expensive, but think about it: The price you pay today could save your loved ones substantial time, stress and money when you are no longer here. What better gift could you give them?

Doreen Friel is a marketing communications consultant who produces employee benefits-related materials for the Employee Benefits Communications section of the National Rural Electric Cooperative Association, the Arlington, Va.-based service arm of the nation’s 900-plus consumer-owned, not-for-profit electric cooperatives.

EXTENSION CORD SAFETY TIPS

By Rod Siring, Member Services

With the holiday season closing in, we would like to bring a safety issue to your attention. It is estimated that there are 3,300 residential fires annually attributable to the improper usage of extension cords. These fires account for an average of 50 fatalities and 270 injuries annually. It may be hard to believe that something as small as one-quarter inch in diameter can be the primer of catastrophe, but it is true.

The Consumer Product Safety Commission estimates that overloaded extension cords cause half of these fires. Current flowing through a conductor generates heat, and extension cords are rated for a specific maximum current. Overloaded extension cords can create enough heat to melt the protective insulated cover exposing the metal wire. When this happens, arcing can occur, potentially igniting a flammable

material that is in close proximity.

Even if an extension cord is not overloaded, heat can still be an issue. A common practice is to run an extension cord under a rug to keep people from tripping over it. And why not, 2,000 people a year are treated in hospitals for injuries from tripping on extension cords. However, the rug acts like a heat trap. Heat produced by the cord is not allowed to dissipate properly, and you can have a situation similar to overloading.

Alterations to a cord also can create a fire hazard. For example, extension cords being spliced together to plug in multiple items or to make one long cord is not a good idea. In fact, it is highly recommended that cords that are damaged or frayed be replaced — not used.



I could go on and on about the hazards involving the use of extensions cords, but hopefully I made my point. If you remember to use your extension cords the way they were intended to be used, use the right extension cord for the job and take proper care of them, you will get years of safe use out of them.

Programs and Services

By Rod Siring, Member Services

Cooperatives such as Vigilante Electric Cooperative (VEC) are different than most organizations. We are not motivated by profit or operated to benefit shareholders. Vigilante Electric is in business solely for the benefit of our members. With this in mind, Vigilante Electric has a series of programs that promote energy efficiency, safety and education. Plus some of our programs will help you save money.

The following provides a brief description of each:

AGRICULTURAL/COMMERCIAL/RESIDENTIAL REBATES —

VEC has a variety of opportunities available for members to receive rebates on the energy-efficient upgrades they make.

ALTERNATIVE RENEWABLE ENERGY —

VEC understands the importance of renewable generation and has worked with Bonneville Power Administration to expand its usage. Members can participate in this effort through our Alternative Renewable Energy (ARE) program. Purchases of ARE can be made for an additional 1.1 cents over our existing rate.

CO-OP CONNECTIONS CARD —

Developed by Touchstone Energy, the Co-op Connections Card is a program that helps save money on everyday items such as prescription drugs, a broad array of shopping and even groceries. All these savings opportunities are available to you because you are a member of Vigilante Electric Cooperative.

HOME ENERGY AUDITS AND ENERGY ADVICE —

As a special service to our members we offer free home energy audits. Upon request, a trained employee will audit your home and offer advice on ways to improve the efficiency of your energy usage and work with you on what incentives are available for upgrades.

LOW INCOME ENERGY ASSISTANCE —

In the fall of each year, VEC offers energy assistance to households meeting low-income guidelines. This program helps qualified individuals with their heating needs for the upcoming winter. Applications are usually available between October 1 and November 1 each year.



RADIO HELP —

Radio Help is a community service program designed to provide an instant link between emergency assistance and the scene of an accident, fire or life-threatening situation. All our employees are part of a communitywide effort to help make our neighborhoods safe. If our crews see something suspicious, they will report into our office, which will in turn prompt a call to the local authorities.

SAFETY PROGRAMS FOR SCHOOLS AND CIVIC ORGANIZATIONS —

VEC will provide electrical safety demonstrations for schools, civic organizations and emergency services personnel upon request.

TREE TRIMMING —

If you have a tree(s) growing up near or into our power lines, we will work with you to mitigate the problem.

UNDERGROUND LINE LOCATIONS —

VEC belongs to Utilities Underground Location Center, UULC. Before starting any project that requires digging, call (800) 424-5555, 48-hour notice is required. Location of buried utilities is done free of charge.

Please note that Vigilante Electric only locates the wire between our distribution facilities and the service meter. Locating wire between the service meter and the member's service panel is the responsibility of the owner, and will require an electrician.

YOUTH TRAVEL AND SCHOLARSHIP OPPORTUNITIES —

VEC believes that education not only comes from what is learned in the classroom but what can be experienced. That is why we provide an array of educational opportunities to students in our service territory.

Scholarships — VEC provides scholarship opportunities to help qualified students with post-secondary expenses. Information about these scholarships is available on our website or through the guidance office at area high schools.

Travel Opportunities — Each year we select a student who is in their sophomore or junior year in high school to represent us at the Youth Tour to Washington, D.C. During this weeklong event, participants tour the city and many of its historical treasures, visit with their state's congressional delegation, and participate in youth rallies and socials.

The Capital Connection Youth Tour occurs during the Montana legislative session. For this program, we send students and a parent/guardian to Helena. While there, participants will take part in historic tours, watch the Legislature and Supreme Court in action, and learn more about electric cooperatives and the values they fight for in the legislative arena.

As you can see, we provide much more to our members and our communities than just electricity. Plus, in the future, we hope to be able to provide other cost-effective programs and services. If you have any questions regarding these programs, please feel free to contact our Dillon office.

New meter system

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less fortunate pay their electric bills. During June of each year, a youth member dependent gets an all-expenses paid trip to Washington, D.C., with other youth from across the country. My point is we are a family here a Vigilante Electric, and family looks out for family — especially this time of year. If you need to contact me, feel free to call me at the office or on my mobile at (406) 925-1085. You can also reach me via email at rollie@vec.coop. Again, I hope you have a Merry Christmas and a Happy New Year!



Prescription Discount Tracker

Total Paid Claims YTD	140
Total Savings YTD.....	\$3,771.66
Total Savings Percentage	35.76%
Sept. 2013 paid claims	17
Sept. Savings	\$495.47
Sept. Savings Percentage	44.88%



Portable Space Heaters

Some Things to Consider

By Rod Siring, Member Services

As winter closes in and temperatures fall, you are bound to see advertisements for portable space heaters. Space heaters are small, versatile and generally good at warming a room. Unfortunately, there are those that would make you believe that there are serious energy savings to be had by using their product.

Space heaters are designed to be used as supplemental heat, and are only capable of warming small spaces. Most space heaters use between 600 and 1,500 watts of electricity. If a homeowner uses a 1,000-watt space heater for eight hours a day for a month, the heater would consume an additional 240 kilowatts, costing \$16.80.

According to research, to save money you would have to turn the thermostat of your central heating system down considerably (as low as 50 degrees in some cases), place the space heater in the room that you occupy and then close that room off from the rest of the house. This type of “zone heating” could save some energy.

Even if you could pull this off, there are other things to consider. If you currently heat electrically, remember a kilowatt hour is a kilowatt hour. There is no savings from going from one electric source to another. If you have a gas forced-air system, any savings depends on the cost of the fuel, the efficiency of the furnace and the effectiveness of the delivery system.

While it may be technically possible to cut your energy bill using a space heater, it is impractical for most people. We recommend a holistic or whole-house approach to saving energy in your home, and would be glad to help

you explore better options.

Another issue to consider when using a space heater to add warmth to a room is safety. According to the National Fire Prevention Association (NFPA), portable space heaters are the leading cause of home fires during the months of December, January and February, and account for an estimated 21,650 home fires and 1,512 fire-related injuries and deaths each year. If you intend to supplement your heat this winter with a portable space heater, please consider the following:

- When buying, look for a safety-certification label from an independent testing organization, such as the UL mark from Underwriters Laboratories, the ETL label from Intertek or certification from CSA International.
- Check the power cord for cracks, fraying, loose connections and broken plugs; repair or replace the heater if you find any damage.
- Most manufacturers recommend against using extension cords with space heaters.
- Keep children, pets and flammable items at least three feet from the heater.
- Don't use heaters on uneven surfaces, near foot traffic or in children's rooms.
- Never leave a heater on unattended or while you're sleeping.

Portable space heaters have their place and if used and maintained properly they can be a great source of supplemental heat.

