

RURAL POWER CAMPAIGN



Northern Plains Resource Council's campaign to ensure that rural electric cooperatives work openly with members to achieve affordable power by adopting cleaner, cheaper, faster energy solutions.

Over the last few decades, rural electric cooperatives have become less innovative and open to member participation. Co-ops were the pioneering leaders behind the electrification and modernization of rural America beginning in 1935. They were founded on the cooperative principle of democratic member control, which makes them unique in that their customers are also their member-owners. Montana electric co-ops are falling behind in development of efficiency and renewable programs. Opportunities for democratic member participation have also become limited. Our co-ops must return to the principles on which they were founded and support rural economic progress by promoting clean energy.

Why change?

1. Coal is no longer the least cost power

The economics of energy are rapidly changing. Coal was the cheapest energy source of the last century, but natural gas fired-electricity is now less costly than coal. Moreover, NorthWestern Energy's own filings with the Public Service Commission show that coal is the most costly energy source in its portfolio, while wind farms like Judith Gap are the least costly. Many cooperatives are largely coal dependent; we need decisive action by the co-ops to secure affordable energy alternatives for their members.

2. Cleaner, cheaper, faster energy solutions are available

With the installed price of solar dropping over 50% since 2008, rooftop solar has now reached "grid parity." By installing a solar array on your home, you can lock in your price of power for 25 plus years, save money on your electric bill, and become more energy independent. Many farmers and ranchers are also taking advantage of solar for stock-water pumping and powering center-pivot irrigation systems.

Montana co-ops need policies that enable members to pursue their own small-scale generation, while also finding ways to invest in their own renewable generation.



Photo courtesy of: Solar Montana

Finally, the cheapest energy is the energy we don't use. Investing in energy efficiency measures for homes and businesses helps co-ops reduce rates and their energy load for the long term.

3. Solar is driving job growth

Technological progress has propelled distributed renewable energy forward, adding it to a long list of recent technological paradigm shifts: from the horse and buggy to the automobile, or landlines to cell phones.

Nationally, the burgeoning solar industry already out-employs both coal¹ and oil extraction.² Solar employs over 208,000 people and employment has been growing 20% year over year. Developing Montana's great solar and wind potential is a forward-thinking economic development strategy.

1. Bureau of Labor Statistics, May 2014. 2. 2015 Solar Jobs Census, The Solar Foundation.

Keep the principles behind the co-op

A better way

The good news is that a handful of forward-looking electric co-ops have already set a precedent for smarter and cleaner energy. We can look to these cooperatives to learn how to apply clean energy programs in a rural setting:

Flathead Electric (Montana)
Delta Montrose Electric (Colorado)
Farmers Electric (Iowa)
Kit Carson Electric (New Mexico)

In doing so, these co-ops have brought multiple long-term benefits to their communities: sustainable jobs and small businesses, lower energy bills, keeping money in the community, reduced energy loads, greater energy independence, and cleaner air.

Is your co-op living up to its principles?

1. Voluntary and open membership
2. Democratic member control
3. Members economic participation
4. Autonomy and independence
5. Education, training, and information
6. Cooperation among cooperatives
7. Concern for community

– National Rural Electric Cooperative Association

Montana co-ops and their structure

The stated mission of rural electric co-ops is to provide electricity in rural areas at affordable prices. They are governed by a board of directors that is elected by the membership. The board sets policies and procedures that are implemented by the cooperative's staff.

Montana has 25 distribution co-ops that deliver energy in all 56 counties and provide power to over 400,000 members. They are represented on the state level by the Montana Electric Cooperative Association, which lobbies the legislature, provides co-op trainings, and controls co-op public messaging. The National Rural Electric Cooperative Association performs similar functions for all co-ops on the national level.

The distribution co-ops rely on other sources for their power generation, including private utilities such as PPL Montana, the generation and transmission (G&T) co-op power supplier Basin Electric, or federal power administrations such as Bonneville Power Administration and the Western Area Power Administration. Most distribution co-ops are members of intermediate G&T co-ops, such as Central Montana G&T. They do not actually generate energy but function as middlemen between the power supply and the distribution co-ops.

Rural Electric Cooperative 2016 Annual Meetings

March

- Vigilante Electric Co-op (Feb-March)
- Sun River Electric Co-op
- Flathead Electric Co-op
- Lincoln Electric Co-op
- Missoula Electric Co-op
- Mid-Yellowstone Electric Co-op
- Yellowstone Valley Electric Co-op

April

- Glacier Electric Co-op
- Marias River Electric Co-op

May

- McCone Electric Co-op
- Hill County Electric Co-op
- Northern Lights, Inc.

June

- McCone Electric Co-op
- Lower Yellowstone REA
- Fergus Electric Co-op
- Southeast Electric Co-op
- Ravalli County Electric Co-op

July

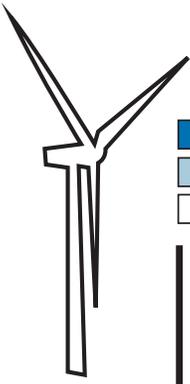
- Goldenwest Electric Co-op
- Tongue River Electric Co-op

September

- Beartooth Electric Co-op

October

- Park Electric Co-op
- Big Flat Electric Co-op
- Sheridan Electric Co-op
- NorVal Electric Co-op



YES
 LIMITED INFO.
 NO

REPORT CARD

HOW IS YOUR CO-OP DOING?



	BYLAWS ONLINE	BOARD MEETING MINUTES ONLINE	BOARD VOTING BY MAIL	ANNUAL MEETING DATE ONLINE	NET METERING POLICY ONLINE	ALLOWS NET METERING >10 KW	MEMBER CHOICE FOR NET METERING TRUE-UP DATE	AGGREGATE NET METERING	OPPORTUNITY FOR COMMUNITY SOLAR	ON-BILL FINANCING FOR ENERGY EFFICIENCY
BEARTOOTH ELECTRIC	YES	YES	YES	YES	YES	YES	YES	NO	LIMITED INFO.	NO
BIG HORN ELECTRIC	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO
FERGUS ELECTRIC	NO	YES	NO	YES	YES	YES	LIMITED INFO.	LIMITED INFO.	NO	NO
FLATHEAD ELECTRIC	LIMITED INFO.	YES	YES	YES	YES	NO	LIMITED INFO.	NO	YES	YES
MCCONE ELECTRIC	YES	NO	YES	YES	NO	NO	NO	NO	NO	NO
MISSOULA ELECTRIC	YES	NO	YES	YES	YES	NO	NO	NO	YES	NO
PARK ELECTRIC	YES	NO	NO	YES	YES	NO	YES	NO	NO	NO
RAVALLI ELECTRIC	YES	YES	NO	YES	LIMITED INFO.	NO	NO	NO	YES	NO
SOUTHEAST ELECTRIC	YES	NO	NO	YES	NO	NO	NO	NO	NO	NO
SUN RIVER ELECTRIC	YES	NO	NO	YES	YES	NO	LIMITED INFO.	NO	NO	NO
TONGUE RIVER ELECTRIC	YES	NO	YES	NO	NO	NO	NO	NO	NO	NO
YELLOWSTONE VALLEY ELECTRIC	NO	NO	NO	YES	NO	NO	NO	NO	NO	NO

Open and democratic governance

Issue: Rural electric co-ops have strayed from their original foundations of democratic member control, and it is often difficult for members to access important and basic information, participate in elections and meetings, and make their voices heard by co-op boards.

Solutions:

- Increase co-op openness and the ability of members to participate democratically as owners of their co-ops.
- A fair and open nomination and election process.

Energy efficiency and renewable energy

Issue: Montana co-ops are falling behind in implementing energy efficiency programs and renewable power from sources such as wind and sun, that will save their members money.

Solutions:

- Encourage co-ops to:
- Set achievable clean energy goals and follow through with them.
 - Promote energy efficiency programs, reduce energy load, and save money.
 - Promote renewable energy where it makes sense.

Progress is being made!

Montana electric co-ops launch community solar programs

In late 2015, the first-ever community solar programs were announced in Montana. It was rural electric cooperatives, listening to the wishes of their member-owners, who led the way with not just one, but three community solar projects:

- Flathead Electric Co-op, 100-kilowatt (kW) array, located north of Kalispell;
- Missoula Electric Co-op, 50 kW system, next to its Lolo substation;
- Ravalli Electric Co-op, 25 kW system.

The first two community solar arrays are operational, while Ravalli will begin installation in March 2016.



Flathead Electric's community solar array was the first-ever in Montana.
Photo courtesy of: Flathead Electric.

Beartooth Electric Co-op reduces rates for first time in decade

Beartooth Electric Co-op members saw a 5% rate decrease in August 2015, their first in a decade. BEC members now pay 17 cents per kWh vs. the state average for co-ops of 10.9 cents.

The rate decrease came after Beartooth was able to successfully exit the Southern Electric Generation and Transmission Cooperative (Southern G&T), which went bankrupt after the failed Highwood Generation Station.

Highwood was sold in fall 2015 for parts, as no one was interested in purchasing and running it.

Beartooth was the only cooperative to leave Southern G&T as part of the bankruptcy settlement. Other ongoing Southern G&T members include Fergus Electric, Tongue River Electric, and Mid-Yellowstone Electric.

Northern Plains members played a key role in achieving this long-term change. In 2010, members of Stillwater Protective Association and Carbon County Resource Council proposed bylaw revisions after the bad management decisions involved with Highwood were exposed. Those same Northern Plains members populated the by-law revision committee and encouraged more transparent governance through vote-by-mail. New officers were brought onto the board, and through their hard work, Beartooth Co-op is now one of the most transparent and member-responsive co-ops in the state.

Keep informed! Take action! Join →

Northern Plains Resource Council is a grassroots conservation and family agriculture group that organizes Montana citizens to protect our water quality, family farms and ranches, and our unique quality of life.

**220 S. 27th St.
Suite A
Billings, MT 59101
Tel: 406.248.1154**

Visit our website at
www.northernplains.org



I want to be a monthly donor: (Also for membership; credit/debit card withdrawal available)

\$50/month \$25/month \$20/month \$15/month \$10/month Other__

A one-time membership donation is better for me right now:

Rider of the Big Sky \$500+ Bottom Line Rider \$200+ Rough Rider \$100+

Range Rider \$50+ General \$40 Living Lightly \$15-39

I'm paying by: Check (payable to Northern Plains) Credit/Debit Card

Card Type _____ Card # _____ Code _____

Expires _____ Name on Card _____ Signature _____

Withdraw from my Bank Account (please include VOIDED check and sign above)

NAME _____

ADDRESS _____

CITY, STATE, ZIP _____

PHONE _____ EMAIL _____