

WEC CO-OP CURRENTS



Vol. 65, No. 8

The newsletter of Washington Electric Cooperative, Inc., East Montpelier, Vermont.

December 2004

President's Message

2004: A Milestone Year For Your Co-op

Major Power Decisions Loom in the Near Future

by Barry Bernstein

The winter landscape is again blanketed with a white snow as another year comes to a close. 2004 has been an extremely full, busy and productive year for your electric cooperative.

Your Board of Directors, General Manager and staff have spent considerable time working on our Coventry

landfill methane gas-to-electric generating plant, and I am proud to announce that all the permits we needed to begin construction are in place and work began on the site on Monday, November 29. Footings and foundation work should be completed before Christmas, after which we will begin putting up the plant building. Construction of the 7.4-mile transmission line has also begun and poles are being

set in the ground.

We are awaiting final approval of the air quality permit, which is expected to be issued in January 2005. All of our equipment, including the generators and auxiliary equipment, is ready for shipment once the building is completed in February.

Unfortunately, delays in the permitting process that were related to the Coventry landfill's expansion, mean we

will incur increased construction expenses due to winter conditions, and set back the startup of the generating plant. We plan to begin generating power in the second quarter of 2005, but the actual startup date will depend on weather over the next several months.

On a positive note, once we begin producing our first kWh's from the plant

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With the necessary permits in hand, work has begun on WEC's new electric-generation plant fueled by methane at the Coventry landfill. At left, line-construction workers from Eastern Utilities Inc., of Greensboro, prepare a new transmission pole. At right, workmen from Tatro Brothers grade the foundation for a building that will house WEC's generators.



Inside

Rural electrification equals socialism? Few would see it that way now, but when co-ops were forming in the 1930s the charge was often heard. This month we pick up the story of rural electrification in the second of a two-part series (page 4), with the experiences of WEC founder E. Harmon Kelley on page 6.

40-percent methane! That will be the Co-op's power mix, at least for a while, as WEC renews its contract for landfill-gas power from Connecticut. Page 2.

A poor hunting season? Not for WEC's Bonnie Shadroui, who went south for a memorable experience and landed the big one. Page 3.



The "Four Horsemen of the Lines," a famous photo of workers spooling out power line in a mad dash to complete construction one day before the Brown-Atchison Electric Cooperative of Horton, Kansas was energized on March 31, 1938. Photo courtesy of the NRECA.

Washington Electric Cooperative

East Montpelier, VT 05651

WEC Signs Up For Another Year Of Green Power from Connecticut

Washington Electric Cooperative has negotiated a one-year renewal of its contract to purchase electricity generated from methane at a 75-acre landfill in New Milford, Connecticut.

The original three-year contract, which WEC signed with Bio Energy Partners in 2001, was scheduled to end on December 31 of this year. That contract was limited to three years because the New Milford landfill was an

aging facility (it stopped accepting trash in 1995), and while engineers were confident that the buried waste would continue to generate methane gas in sufficient quantities to enable power generation, the future beyond three years was uncertain. A provision of the contract gave WEC a right of first refusal to continue buying power at the same cost in 2005 if the landfill remained productive.

As it turns out, the landfill is still producing sufficient methane, although the volume is declining. Under the terms of the contract extension, WEC will purchase all the power available – expected to be just less than two megawatts – at a price that is slightly higher than before, but is still a good buy

for the Co-op. The income boost for will enable the plant operators to make needed improvements to their collection system.

“The system needs upgrading in order to run the engine efficiently,” said WEC General Manager Avram Patt. “The new contract will give them enough money to do that, and we will still be able to get power at a better price than

we would on the electricity market.” As contractors for that energy, WEC will qualify for green power certificates which the Co-op can sell to other electric utilities, enhancing the value of the deal.

WEC negotiated the original New Milford contract to replace nuclear power from Vermont Yankee with less-expensive, safer, methane-generated electricity. With the Co-op now building its own generation plant at a landfill in Coventry, Vermont – expected to begin operation in the spring – power from methane will account for roughly 40 percent of WEC’s portfolio through the remainder of 2005. Not bad!



A wellhead at the New Milford, Connecticut, landfill.

The Vermont Public Service Board requires all electric utilities to publish this Herbicide Use Notification periodically. Members of Washington Electric Cooperative are reminded, however, that it has long been the Co-op’s policy not to use herbicides in power line rights-of-way. We do not use herbicides in our reclearing program or on members’ property. The Co-op does occasionally make limited use of herbicides to control weed growth within our own substations.

PUBLIC NOTICE

PUBLIC NOTICE

HERBICIDE USE NOTIFICATION

Vermont utilities maintain electric line rights-of-way with several methods, including the selective use of herbicides on trees and brush. They also encourage low-growing shrubs and trees which will crowd tall-growing species and, thus, minimize the use of herbicides. The application of herbicides may start as early as April 1. **Requests to utilities for notice by mail, however, must be made by February 15.**

The Public Service Board requires Vermont utilities to carry out vegetation management techniques which allow maintenance of electrical systems in a cost-efficient manner.

The types of herbicide treatment used to keep utility lines clear are: stump, injection, basal, soil and foliar. These are the common methods used, although they may not all be used by the utility in your town. Landowners have the options of requesting herbicide treatment on cut stumps only, or that no herbicide be used at all. In the latter case, an administrative fee would have to be paid to the utility. Only electric utility rights-of-way which have tall-growing tree species with the potential of threatening the electric utility system are treated.

Utilities advertise by radio and newspaper prior to herbicide applications on all lines. Lines usually are treated only once in a four-to-six year period depending on the specific management cycle of the utility. Please check with your utility regarding the cycle of a particular line.

Some utilities use metal letters and numbers on distribution and transmission line poles. Others use them only on transmission lines. The letters, such as V.E.C. (Vermont Electric Co-operative), or V.E.L.C.O. (Vermont Electric Power Company), are not found on every pole. A check of several poles on a line should aid you in determining whether poles are marked and which utility is the owner.

Persons owning or occupying land within 1,000 feet of a utility right-of-way may request in writing that the utility notify them individually by mail anytime, but at least 30 days prior to treatment of the line with herbicides. The landowner or resident is responsible for contacting the utility, in writing, to request placement on the mailing list. The utility should be provided with sufficient information as to the exact location of the residence and land. It is the duty of each landowner or resident to make the utility aware of the location of any potentially affected water supply, and any environmentally sensitive areas where herbicide application ought to be avoided.

CONTACT YOUR ELECTRIC UTILITY WITH QUESTIONS OR SUBMIT THE COUPON PROVIDED

If you have further questions or concerns contact:

Plant Industry Division, Agency of Agriculture
Phil Benedict, Director
116 State St., Montpelier, VT 05602
1-802-828-2431

Consumer Affairs & Public Information
Dept. of Public Service
112 State St., Montpelier, VT 05620
1-800-622-4496 or 1-802-828-2811

COUPON FOR PERSONAL REQUEST

Name	Town/City of Affected Property
Street Address	Telephone Number (Home)
Town	(Work)
State	O.K. to use Work Number: Yes <input type="checkbox"/> No <input type="checkbox"/>
Electric Account Number	Best Time to Call
Property of Concern: <input type="checkbox"/> Year Round Residence <input type="checkbox"/> Summer Residence <input type="checkbox"/> Commercial Property	
<input type="checkbox"/> Water Supply <input type="checkbox"/> Land <input type="checkbox"/> Other	
Line and Pole Identification: Utility Initials	Numbers
We need All of this information in order to determine if you qualify for personal notification. If information is unobtainable, please state why. Use an extra sheet of paper if you need more space.	
RETURN TO YOUR LOCAL UTILITY	
VELC05	

Co-op Currents

Co-op Currents (Publication No. USPS 711 -210 and ISSN No. 0746-8784) is published monthly except February, May, August and November by Washington Electric Cooperative, Inc., Route 14, P.O. Box 8, East Montpelier, Vermont 05651. The cost of this publication is \$.42, which is included in the basic monthly charge to each member. Periodical postage rates at East Montpelier and at additional offices. Postmaster: Send address changes to *Co-op Currents*, P.O. Box 8, East Montpelier, Vermont 05651.

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The Board of Directors' regularly scheduled meetings are on the last Wednesday of each month, in the evening. Members are welcome to attend. Members who wish to discuss a matter with the Board should contact the president through WEC's office. Meeting dates and times are subject to change. For information about times and/or agenda, or to receive a copy of the minutes of past meetings, contact Administrative Assistant Deborah Brown, 802-223-5245.

'Very Primitive'

Co-op Bookkeeper Goes 'Gator Hunting'

People were leaving Florida in droves. Bonnie Shadroui was going the other way.

With Hurricane Francis already doing damage and the Weather Channel eyeing the next big storm, getting out of Florida struck a lot of people as a good idea. But Bonnie had signed up for an alligator hunt, and she wasn't about to miss her chance.

Bonnie, a bookkeeper in Washington Electric's finance department, is an outdoors enthusiast, and this was to be her first 'gator hunt. She arrived in Clearwater on September 4 to visit her father and planned to travel inland to Bartow for the hunt a week later. But with Hurricane Ivan approaching, the company called and said things were being moved up; she should be in Bartow, ready to embark, on Friday night, September 10.

It turns out you hunt 'gators in the dark.

The hunting refuge consists of 70,000 acres, in lakes and wetlands, south of Winter Haven. The operator, Bonnie explained, is licensed by the Florida Department of Fish & Game.

"It's alligator management," she said. "They count the eggs in nests, they count the alligators, and they give him a specific number of permits to cull the herd. Sometimes they go in and relocate nests to put them in areas where the herd is declining."

The area is beautiful, the water a deep aquamarine, and a haven for wildlife. On her brief expedition Bonnie spotted four bobcats, a pair of golden eagles and another pair of osprey, and two wild boars, as well as the host of exotic birds found in Florida.

At 9 p.m., by flashlight, the party of five stepped into the boat – a flat-bottomed, 18-footer, which was powered by an electric motor because silence is important (you gotta get something about electricity into a *Co-op Currents* article!). "The guides had to poke alligators away from the boat launch so



Bonnie Shadroui, with her record-setting alligator.

we could get in," Bonnie recalled.

Soon they were out in the water, the beam of light illuminating the red eyes of 'gators peering above the surface. Bonnie, who has hunted in the woods of Vermont since she was very young, had never had an experience like it.

"It's very primitive, very instinctive," she said. "It's almost Neanderthal. You're out there, hunting them on their turf, in their world. It feels like where it all started."

Florida alligator hunts do not allow firearms, Bonnie explained ("It's not sporting"). In some hunts, bows and crossbows are used. But on her expedition the technique was to advance close to the animal and use a spear with a detachable tip. The tip is connected by a long line to a buoy. If your strike is successful the tip will embed in the 'gator's back, and he (they avoid taking female alligators) will eventually tire from towing the buoy around. At that point the hunter is able to pull alongside the

animal and use a "pressure stick" with a .357 charge for the final kill.

It's a quick, humane ending, Bonnie said. And if the detachable tip doesn't stay in the animal he suffers only a small wound.

You don't run the risk of disabling the alligator and having him escape to die a slow, lingering death.

Hunting 'gators in the dark in a flat-bottomed boat isn't like shooting fish in a barrel. Their heads and back are thick with a sort of armor, which repels the spear tip. ("They brought

some baby alligators into the boat to show us how they're formed," Bonnie explained.) Nor do they simply wait patiently to be struck. At times, the eyes will look up from the water and then abruptly sink away as the 'gator takes his leave. Other times he will thrash and splash and get away.

Riding around quietly in the dark Florida lake, Bonnie tried unsuccessfully three times to make a strike. A few other alligators were taken by her companions. Finally, at 1 a.m., she drove the spear home and the tip embedded in a large, scaly back.

Her guides knew instantly that this was no ordinary alligator. It disappeared under the water for a long time, taking the buoy down with it. When the buoy surfaced the boat followed it

around, but this alligator was not going quietly. Bonnie was able to strike it again, and it pulled two buoys under the water ("It was like the movie, 'Jaws,'" she said.)

The end finally came at 2:30 a.m. The crew then struggled to load the alligator into the boat and made for home, the craft listing under the weight of the unusually large animal.

When they got back to shore they used a winch to haul the alligators out of the boat, then hung and measured them. Bonnie's alligator was 12 feet long and weighed 525 pounds.


"John (who owns and operates the hunting business) said usually if they get an alligator nine feet long that's considered good," said Bonnie.

He told her he would submit details of the catch to state officials and she might hear from them. As it turns out, Bonnie Shadroui's alligator was the fifth largest on record in Florida. It qualified her for entry into the Safari Club, with an official plaque!

Plus, it provided plenty of meat. Bonnie said alligator meat is found commonly in Florida in stores and restaurants. She describes

it as a white meat, similar in taste and consistency to scallops; it makes a good dinner, and it's great with eggs in the morning. Her alligator dressed out at 205 pounds. She kept about 40 pounds of meat, and planned to sell the rest back to the processor to cover the cost of mounting the head – certainly an unusual trophy in a Vermonter's home.

But then, nothing about the experience was ordinary.

"It felt like going back to the time when men and women hunted with spears to survive," Bonnie said. "No fancy equipment. Very basic. I think everybody who hunts should do it sometime. It was a unique experience." 

"It was like the movie 'Jaws'"

– Bonnie Shadroui

Integrated Resource Plan Public Hearing

A hearing was hosted by the Vermont Public Service Board (PSB) on November 15, 2004, at the East Montpelier Elementary School, for the purpose of receiving public comment on WEC's Integrated Resource Plan. Attending were the PSB hearing officer, counsel for the Vermont Department of Public Service (DPS), a court reporter, WEC attorney Josh Diamond, and representatives of the Co-op's management staff (Bill Powell, Dan Weston and General Manager Avram Patt). No members of the public chose to attend. The hearing was announced on the record, and then adjourned.

A notice of the hearing was published in the October issue of *Co-op Currents*.

All Vermont utilities are required periodically to submit an Integrated Resource Plan (IRP). An IRP describes in significant detail the utility's sources of power, its infrastructure for delivering power to its customers or members, and steps to promote energy efficiency and control costs in power usage and delivery.

WEC is now awaiting further review by state regulators, and expects the plan to be approved.

Marketplace

FOR SALE: As I have too many vehicles, I would like to sell a 1990 Ford Ranger truck. Has 4-wheel drive, and has always started good in the winter. It's a very good winter truck. If interested, give me a call. 802-439-6150 (from 7:00 to 8:30 p.m.).

How Rural Electric Co-ops Transformed The Countryside

Part II: TVA, The CCC and The REA

In our October issue of Co-op Currents, in celebration of National Co-op Month, we published the first half of a two-part story on the development of rural electric cooperatives in the early years of the 20th century. This month we complete the story.



Despite the romantic images Americans have always associated with country living, life for most rural Americans at the turn of the 20th century was a hardscrabble, nearly desperate existence. Electricity – or rather, the lack of it in rural areas – had much to do with the situation. The commercial electric companies that sold power to those who lived in cities and villages were not interested in building their costly systems out into the sparsely settled countryside.

So farm families continued to spend their days at needlessly tedious toil, and their nights around the dim light of tallow candles and coal oil lamps. A Grange speaker, observing the widening gulf in

living standards between urban and rural Americans, compared the condition of rural families to slavery.

“It is not honorable, it is not a trait of true nobility,” he said, “to bring up children to this thankless, unrequited labor.”

Relieving the hardship and backwardness of rural existence became a cause for some of the era’s political, social and technological leaders. During the first decade of the 20th century President Theodore Roosevelt and Chief Forester Gifford Pinchot expanded the national park system with a vision of creating vast hydroelectric stations to generate power for rural Americans. A little later on, two state governors – Pinchot (elected Pennsylvania’s governor in 1923) and New York’s Franklin Delano Roosevelt – commissioned in-depth studies and bold proposals for extending electricity to their rural constituents.

Any such proposal, by necessity, involved serious investments of cash, whether by government or corporations. After the stock market crash of 1929, “investment” was an unappetizing concept for frightened bankers and public officials.

‘Emancipation’

Amid the worst economic and social calamity in the country’s history, Franklin D. Roosevelt was elected president in 1932. Said Roosevelt, at his inauguration the following March, “This nation asks for action, and action now. Our primary task is to put people to work. I shall ask Congress for the one remaining instrument to meet the crisis – broad executive power to wage a war against the emergency, as great as the power that would be given me if we were in fact invaded by a foreign foe.”

In the legendary “First 100 Days” of the Roosevelt Administration the government did develop a uniformed “corps,” but not of soldiers – of workers, the CCC



President Franklin D. Roosevelt signing the Tennessee Valley Authority (TVA) Act, May 18, 1933. The Act established a ‘preference’ that the sale of power from federal installations be given in part to ‘cooperative organizations of citizens or farmers, not organized . . . for profit but primarily for the purpose of supplying electricity to own citizens or members.’

(Civilian Conservation Corps). This Corps needed jobs to do, and Congress and the administration provided a big one with the Tennessee Valley Authority Act of 1933. The CCC began a decades-long project on the Tennessee River, transforming a rural, destitute area of the Volunteer State by building a series of hydroelectric dams, flood-control and irrigation systems, and electric transmission lines.

Teddy Roosevelt and Gifford Pinchot, those early, ardent advocates for public benefits from natural resources, would have been proud!

Significantly, the TVA Act also declared that preference in the sale of power would be given to “states, counties, municipalities and **cooperative organizations of citizens or farmers, not organized or doing business for profit, but primarily for the purpose of supplying electricity to . . . citizens or members**” (emphasis added).

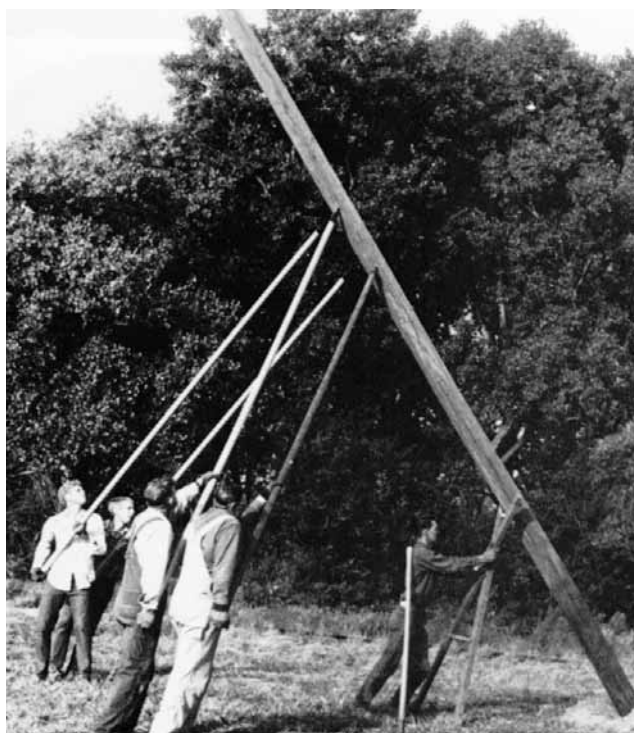
For a while, though, federal assistance for rural electricity didn’t extend beyond TVA. The government had a lot on its plate battling the ravages of the Depression. However, Morris Llewellyn Cooke, who had been the engineer behind Pennsylvania’s Giant Power and New York’s PASNY proposals – neither of which had come to fruition – was awaiting his chance.

Cooke had accompanied Roosevelt

to Washington, where he worked on a variety of projects. He made his move with a carefully composed document titled “Why Rural Electrification is Important,” and drew the busy president’s attention to it with an eye-catching cover featuring the words, “THIS REPORT CAN BE READ IN 12 MINUTES.”



The Co-op Shoppers entertained in the Dakotas and Minnesota from the early 1940s to the 1960s. The band exemplified the variety of marketing tactics used by rural electric co-ops.



Farmers joined with utility workers to erect the first power lines. Holes were dug by hand, and the poles were then raised into place by a gang of men using pike poles.

The now-famous “12-Minute Memo” was nothing less than a detailed business proposal on how, and why, the federal government ought to enter the power business as part of the administration’s New Deal relief programs.

1. The memo contained sociological arguments: “Agriculture . . . must evolve toward the status of a dignified and self-sustaining sector of our social life, (and therefore) demands all the pertinent production and comfort facilities now available to industry.”
2. It provided data: “Of the six million farms in the United States over 800,000 are ‘electrified.’ But only about 650,000 have ‘high line’ service (from power lines). The balance have individual Delco plants, expensive to operate and limited as to use. Over 5,000,000 farms are entirely without electric service.”
3. In detail, the engineer provided a recipe for rural electricity: a minimum density (three customers per mile of line); programs that would promote high usage of electricity rather than sparing usage (as Washington Electric Cooperative urges today), in order to reduce unit costs; generating stations using diesel engines (estimate: \$262,000 per generator, servicing 1,500 farms each); a system of federally supported banks to finance the projects.

In some locations, Cooke noted, “the plan might be put into effect through farmers’ mutuals, operating without profit.” That is, co-ops.

The timing was perfect. Cooke’s 12-Minute Memo caught Roosevelt’s attention just when the American Farm Bureau Federation and the National Grange were lobbying heavily for lights and power in the countryside. So in May 1935, Roosevelt created the Rural Electrification Administration – the REA, initials that came to be revered and trusted by a generation of rural Americans because the agency changed their lives dramatically for the better.

But not at first. The REA was beset by problems, such as the requirement that, as a Relief program, 90 percent of REA labor must come from the roles of the unemployed. Building rural electric systems was specialized work.

At Cooke’s urging, Roosevelt removed the REA from Relief and made it a lending agency. Cooke went out to sell the concept to the private utility companies, but was angered by their response. They proposed to take the government’s money to cherry pick – that is, to hook up only the largest, most economically secure farms, closest to town. These would barely make a dent in the 5 million farms, struggling without electricity, that Cooke wanted to help.

Nor was Congress completely aboard. A number of representatives and senators argued that the REA was a



All over rural America, volunteers visited neighboring farmers to urge them to sign petitions to form local co-ops to bring power to their areas. Women frequently played an important role in the rural electrification movement.

socialist agency, and intruded upon the turf of private businesses. Defenders of the REA from rural states shot back.

“As long as we look at the matter of rural electrification in the light of economic greed, private profit, and speculation, nothing will ever be done for the farmer,” said Rep. Murray Maverick of Texas, in 1936.

The majority agreed with him. In 1936, Congress recreated the REA, making it a permanent government agency with regular appropriations. Sen. George W. Norris, from rural Nebraska, was a co-sponsor of the second Rural Electrification Act. The struggles of his youth, and particularly the hardships of farm women, were in his mind as he championed the bill.



REA created an ideological battle in Congress. This drawing depicts a heated exchange between Rep. Schuyler Merritt of Connecticut (left), who called the REA ‘socialistic,’ and Rep. John Rankin of Mississippi (right), who countered that the U.S. lagged behind other countries the world over, which had extended electricity to their rural citizens.

“Why shouldn’t I have been interested in the emancipation of hundreds of thousands of farm women?” he asked.

Getting started

As Congress dithered and the private utilities balked, another force was developing. The REA loan program was attracting local groups of farmers, organized into cooperatives to share the challenges, costs and liabilities – but most of all, the exciting promise – of obtaining electric power.

The government didn’t need to solicit the established power companies’ interest; America’s farmers and rural residents weren’t going to let this chance go by. All across the country they organized, propelled by local leaders

who envisioned a new future for their families and communities, liberated from the worst of the backbreaking toil, the inefficiencies and poor productivity of old-style farming — a future in which young people would stay at home because rural life could be comfortable, and agriculture rewarding.


In what spare time they had, these local leaders went calling on their neighbors, collecting signatures and the connection fees that would legitimize their co-ops and make an REA loan feasible. (For an account of WEC’s founding in 1939, see “Memories of E. Harmon Kelley,” page 6.)

Radios, irons and jobs

By 1940, REA co-ops had energized 180,000 miles of power line, and thousands more miles were under construction. The average mile of rural electric line cost around \$825 to build – less than half the \$2,000 projected earlier by the reluctant utilities.

Most importantly, rural life was changing. People could read at night by the bright light of an electric bulb, or gather around a radio to listen to news, stories and music. Families bought appliances (electric irons were the most popular item) and installed bathrooms; farmers purchased milk coolers, seed separators, barn machinery and water pumps. Rural and small-town economies blossomed as merchants — and often co-ops themselves — stocked up to supply these farm and home labor-saving devices. New jobs were created in the farm-services sector.

Today, some 930 rural electric co-ops like Washington Electric Cooperative serve 37 million people in 47 states. They still operate at an economic disadvantage compared to urban, investor-owned utilities, because even with rural development, houses are more scattered in the countryside, and there are fewer industries (large power users) on co-op lines to absorb overhead costs.

But the essential qualities that make a co-op a co-op are intact. Rural electric cooperatives are democratic institutions owned by their customers (“members”), and their purpose is to provide the best electric service possible in hard-to-serve rural areas, not to make a profit for stockholders. The future foreseen 100 years ago, at least in dim outline, by visionaries such as Theodore Roosevelt, Gifford Pinchot and Morris Cooke is alive and well in 2004. 

Co-op Currents wishes to thank the National Rural Electric Cooperative Association, and particularly Frank Gallant, editor of RE Magazine, for their assistance in providing research materials for this article.

All photos are taken from “The Next Greatest Thing,” (pub. 1984) and used with the explicit permission of the National Rural Electric Cooperative Association.

Memories of WEC's Founding and the Role of E. Harmon Kelley

By Nat Frothingham

This story is excerpted from a longer version that appeared in *The Montpelier Bridge*, August 20, 2004. We thank *The Bridge* for its permission to reprint the article as a companion piece to our two-part series on the history of rural electric co-ops (see page 4).

As a girl growing up in the 1920s and '30s, Co-op member Barbara Nelson of Middlesex remembers what life was like without electricity. You would take a kerosene lamp upstairs to bed at night. As a kid, you took a bath in the washtub in front of the woodstove. "We had a great big kettle in the kitchen," Nelson said.

The Kelley family had a cow. But there were no refrigerators. So in the summer, one of the kids' chores was putting the milk in a two-quart metal can and taking it down to a nearby spring each morning.

"We put our milk in a neighbor's spring," Nelson said. "The water was



Gov. George Aiken, at a ceremony for WEC's first power pole on October 12, 1939. 'You folks don't know what you've started,' he said. 'I wouldn't be surprised if you had 1,000 members some day.'

always coming out of the ground and was always cold."

For years, Nelson remembers, their house on the County Road (in East Montpelier) was lit by kerosene lamps, and after she and her sister and brothers had finished their homework they would gather with their dad around

the dining room table and play rummy.

"I can still see him with one knee drawn up, his cards splayed out against the knee, being held with what was left of his right arm (Harmon Kelley had been injured at age 10 and lost his hand and part of his arm) so his left arm was free to play the cards.

"We had been at the house for a number of years when Dad and Marshall Hodgeman wired it for electricity and we got a 'Delco' plant."

The Delco plant was a set of batteries hitched to a motor, and they would be charged to give off electricity.

"When the lights got low we would have to go down cellar and turn on the switch to the motor to recharge the batteries," she said.

Nelson believes that it was using the Delco plant that gave her father the idea of starting the Washington Electric Cooperative and plugging the towns of East Montpelier and Calais in a system powered by a diesel generator.

By the 1930s private power companies were already supplying electricity to as much as 90 percent of urban dwellers across the country. In New England most cities and towns had electric service and power companies were making a substantial profit. But these same companies were reluctant to extend electric power to farms and other isolated rural places, because there wasn't enough money in it for them. In 1935 President Franklin Roosevelt issued an executive order that established the federal Rural Electrification Administration (REA) and its principal task was to bring electric power to rural America.

By 1939 there was already one electric cooperative operating in Lowell, Vermont, and in July 1939 Harmon

Kelley and others banded together to form the Washington Electric Cooperative. In addition to Kelley, Lyle Young and Elizabeth Tarshis were incorporators.


But all was not sweetness and light. In fact, the private power companies deeply resented the idea of government intervention in the electric power business, and as Barbara Nelson observed and as the official account in the 60th anniversary publication of the cooperative's *Co-op Currents* attests, Green Mountain Power Corp. went to Harmon Kelley and said they would get power to his house if he dropped the co-op effort. When he persevered, they threatened to see that he lost his job. But neither the offer of special treatment nor the threat . . . bent Kelley's will.

In a November 1939 speech to a group of industrial leaders in Boston, Vermont Gov. George Aiken laid down the gauntlet. Aiken declared that while private power corporations were making comfortable profits of 20 percent to 30 percent each, there were still tens of thousands of New England farmers without electric service because, as Aiken said, "the extension of lines into their territory would not pay the desired dividends on inflated capitalization."

So the formation of the Washington Electric Co-op went forward. An REA loan of \$68,000 was made available in September 1939; another loan of \$2,500

was made available in November, and also in November a further loan of \$25,000 was made available to build a diesel generating plant in East Montpelier. On October 12, the Co-op put its first pole into the ground, and on December 2, 1939, a switch was thrown that activated the diesel

generating plant that supplied electricity to approximately 200 families on 55 miles of line in East Montpelier and Calais.

In the draft of remarks delivered on December 2, 1939, Dr. Robert B. Craig, administrator of the REA, said, "You will not always have smooth sailing. You became aware of this when you found it impossible to obtain wholesale power at a price and under conditions you could afford. This is why we allotted funds to enable you to generate your own power." 

Nat Frothingham's story ends here, but it is striking that Dr. Craig's words again ring in 2004. WEC continues to find it difficult to "obtain wholesale power at a price and under conditions [pollution caused by energy production]" that neither we nor the world can afford. Once more, WEC has found the answer in self-reliance — generating our own power; this time not from a diesel engine but from the cleaner, less-costly source of landfill methane. — The editor

Notice of Adjustment in the Energy Efficiency Charge to take effect in January 2005 for Washington Electric Co-op Members

On 1 November 2004 the Vermont Public Service Board (PSB) issued an Order concerning the amount to be collected in 2005 by the state-wide Energy Efficiency Charge (EEC).

Starting with January 2005 electric usage and bills rendered after 1 February, 2005, the EEC paid by WEC members will be adjusted from the levels most recently set by PSB Order in November 2003.

The Energy Efficiency Charge is paid by all Vermont electric consumers to fund efficiency services that cost-effectively reduce Vermont's needs for electric power generation. Energy efficiency programs and services are Vermont utility requirements and are part of the cost of your electric service. The Vermont Public Service Board has found that energy efficiency programs benefit Vermonters in two ways: first by lowering the electric bills of individual customers who directly receive the services; and second, and more importantly, to offset more expensive utility power costs thereby lowering electric rates and bills for Vermont consumers over time.

Efficiency Vermont provides these statewide energy efficiency services, including information, technical advice, education, rebates and other financial incentives for homes, farms and businesses. Over one in four Vermont electric consumers have already improved their energy efficiency with Efficiency Vermont's help. For more information about these efficiency services, contact Efficiency Vermont toll free at 1-888-921-5990 or at www.encyvermont.com.

WEC members. Effective on February 2005 bills, for January 2005 use, the 2005 EEC charge will be as follows for WEC members:

Residential:	\$.00242 per kWh
Commercial:	
Non demand members:	\$.00199 per kWh
Industrial:	
Demand members:	\$.00125 per kWh, plus .1961 /kWh/month
Street and Area Lights	\$.07156, \$.17891, and \$.28626 per month for 100, 250, and 400 watt units, respectively.

Customers with questions about the EEC, or about energy services for WEC members can contact WEC at 1.800.932.5245, or: www.washingtonelectric.coop. Also for more information about the EEC, please contact the Department of Public Service toll free at: 1-800-622-4496.

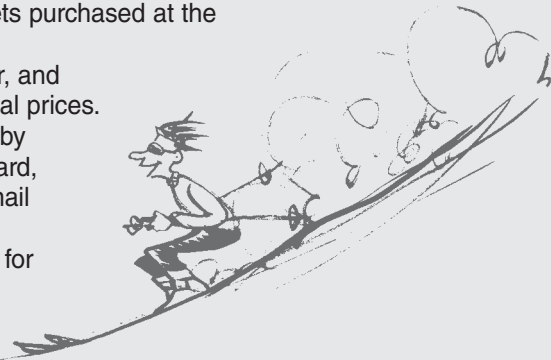
Now, Call WEC for Mad River Glen Tickets

The geese have flown south, the temperatures are lower, and the prospect of snow has forced recognition that ski season is coming. And the Co-op has a member ski deal unlike what we have been able to offer before.

WEC members who ski at Mad River Glen—which is also a co-op—now are able to purchase day passes at the WEC office. The ticket price varies depending on the day, but weekday adult passes are one third off compared to tickets purchased at the Basebox.

WEC is now a ticket retailer, and members are eligible for special prices. You can call and order tickets by phone and pay with a credit card, and either pick up or we will mail tickets to members.

Get the boards tuned, pray for snow, and we'll see you on the mountain!



Washington Electric Cooperative, Inc. Statement of Non-Discrimination

Washington Electric Cooperative, Inc. is the recipient of Federal financial assistance from the Rural Utilities Service, an agency of the U.S. Department of Agriculture, and is subject to the provisions of Title VI of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975, as amended; and the rules and regulations of the U.S. Department of Agriculture which provide that no person in the United States on the basis of race, color, national origin, gender, religion, age or disability, political beliefs, sexual orientation, or marital or family status shall be excluded from participation in, admission or access to, denied the benefits of, or otherwise be subjected to discrimination under any of this organization's programs or activities.

The person responsible for coordinating this organization's nondiscrimination compliance efforts is Avram Patt, the Cooperative's General Manager. Any individual, or specific class of individuals, who feels that this organization has subjected them to discrimination may obtain further information about the statutes and regulations listed above from, and/or file a written complaint with, this organization; or USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue SW, Washington, DC 20250-9410 or call (292) 720-5964 (voice and TDD). Complaints must be filed within 180 days after the alleged discrimination. Confidentiality will be maintained to the extent possible.

WEC CO-OP STORE

WHOLE HOUSE SURGE PROTECTION



• Meter-base Surge Suppression Device

Protects all household appliances from storm or other electrical surges. Installed by Co-op or your contractor. Fully warranted to cover appliances from damage.

(installs behind Co-op meter)

Panamax MAX 2 SPECIALS!

Highest protection, compact size.
Three models, all in stock.
Offer good through December 2004.

Product	List price	Member discount price
Max2	\$39.95	\$32.95 (save \$7.00)
Max2Tel	\$44.95	\$33.95 (save \$11.00)
Max2 Coax.	\$49.95	\$34.95 (save \$15.00)



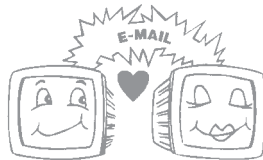
If you own a single item such as a TV, a VCR, a computer connected to the internet, a fax or phone answering machine, audio equipment, or a satellite or pay TV service, you'll have to make up the replacement cost out of pocket. Full protection, and an iron-clad warranty for all connected equipment.

Your equipment is exposed to power surges until you connect your equipment to one of the Panamax heavy-duty Max2 family of products. Be safe, not sorry!

HAD ENOUGH OF THE BIG BOYS?

Try Vtlink's Switch-It Program!

Vtlink along with WEC will give you one-month NO CHARGE service for simply switching to Vtlink. Sign up today and receive one-month service FREE, then pay only \$17.95 per month billed by WEC. E-mail weclink@vtlink.net with your WEC account #, name, phone, and a time to contact you. Customer service will respond to help you make the switch. Offer applies to new customers only!



Co-op Long Distance Telephone Service

- 5.9 cents per minute (outside VT)**
- 8.9 cents per minute (within VT)
- No per-call or monthly minimum
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- No gimmicks

Billed by Powernet Global. Call to sign up today: 1-866-216-0332, or www.washingtonelectric.coop/pages/phone.htm or call the co-op with questions: 1-800-932-5245.

** 4.9cpm if billed online.



Call the Co-op at
800-932-5245
or visit us on the web at:
www.washingtonelectric.coop/pages/prod.htm

President's Message

2004: A Milestone Year

continued from page 1

we will be generating power for the next three decades.

While the Coventry project still has several milestones to go before completion, I would be remiss if I did not formally thank the people who have helped get the project to this point. Their names are set apart in a box elsewhere on this page. To all, we at Washington Electric Co-op express our deepest thanks and gratitude.

Recapping WEC's Year

We started 2004 with an outage on Friday morning, January 9, when temperatures plummeted to 32 degrees below zero and 3,400 Co-op members were without power for four to five hours. The outages resulted from problems on Green Mountain Power's transmission lines, which supply electricity to several of WEC's substations.

We ended the year with freezing rain,

and heavy winds in December, again resulting in three long-duration, overnight outages. Yet we are still hoping that the annual outage report – which is prepared in the first months of the new year – will reveal 2004 to have actually been one of our better years for keeping the power on.

Decisions, Decisions

Annual Meeting, Board changes and Coventry vote

We were fortunate to have four WEC members, with excellent qualifications and strong interest, competing for three seats on the Board of Directors at the 65th Annual Meeting in May. It was a close election, with Tim Guiles of Williamstown running a close fourth. Two Board members – Carla Payne of Cabot and Monique Hayden of Williamstown – stepped down after tenures of eight and six years respectively, and two new Board members – Kim Cheney of Middlesex and Roy Folsom of Cabot – were elected to replace them.



The Coventry project necessitates construction of 7.4 miles of transmission line to a VELCO substation. Here, workers from Eastern Utilities Inc. prepare to set poles.

Then in June, the membership voted overwhelmingly (1,633-86) to support our Coventry landfill gas-to-electricity proposal, authorizing the Co-op to borrow \$7.32 million to fund the project.

Community Dinners

Following an idea that we launched in 2003, WEC held two community dinners this year, one in Chelsea and the other in Plainfield. Both meetings were well attended, with free-flowing discussion focusing on the Coventry project and on our federal grant for wind-based electric generation. The dinners are an enjoyable way for our staff and Board members to stay in touch with WEC members, learn what's on your minds and provide information about where your electric co-op is heading. We hope to hold two more area meetings in 2005.

Reliability Improvements

Another major accomplishment completed this year was the construction of our new substation in Walden, which was energized in the fall and serves more than 1,000 Co-op members. We are proud of our operations crew, who did the construction themselves. This is the third of our eight substations to be rebuilt in the last five years, in our commitment to

continue improving the reliability and power quality of our electric system. Next, we plan to rebuild the Maple Corner substation in Calais in 2005.

WEC is also continuing work on a fuse-coordination program, to isolate outages and limit the number of members affected.

End of the Year

As 2004 ended, our members were reminded in their December bills of the WARMTH program, which helps local people who are having trouble, financially, meeting their heating needs. Each year, without fail, Co-op members have increased their contributions to the fund, and we hope, in the holiday spirit, that our members will continue their record of generosity. WARMTH, like charity, begins at home.

I want to thank WEC's Board of Directors, General Manager Avram Patt, our management staff and all of our employees, for their joint efforts in keeping the lights on, improving service reliability and supporting the Cooperative. To all the WEC employees – the folks in the office, at the warehouse and in the field – and to our membership in the 41 towns we serve, on behalf of the Board I wish you a safe and happy holiday season and a healthy New Year.

Thanking Our 'Teammates'

A great many people helped us realize our landfill gas-to-electricity project in Coventry. Please bear with me as I try to list all who have worked on this project – from the “inside” (our WEC employees and consultants), to our partners in the project from Casella Waste Systems Inc., and those in regulatory roles who, while fulfilling their responsibilities, assisted us through the permitting process.

Inside Team

The Co-op's Board of Directors; WEC Treasurer Don Douglas and Co-op member John Warshow, both of whom serve with me on the Coventry Committee; General Manager Avram Patt, Management & Projects Administrator Denise Jacques, Director of Engineering & Operations Dan Weston and his staff, and Finance Director Linda Nelson, who have all served double lives while working on this project and continuing WEC's day-to-day operations; Gordon Dean of Palmer Management, our project development consultant; Stan Faryniarz of La Capra Associates, our power-planning consultant; Josh Diamond of Diamond & Robinson, WEC's legal counsel; Jeff Bernstein and Erin O'Toole of Bernstein Cushner & Kimmell, legal consultants for this project; Dan Crocket, Tim Clapp and Craig Myotte of E/PRO Engineering and Environmental Consulting; and Chet Layman, project manager for Pizzagalli Construction Comp.

Casella Staff

Casella President & CEO Jim Bohlig; legal counsel Mike Brennan, and Vice President Larry Lackey; also Ted Reeves, P.E.; Lenny Wing, landfill manager, Joe Gay, manager of their Central Region, and Dave Adams of the engineering firm Sanborn Head.

Regulators

At the Rural Utilities Services (USDA): Brian Jenkins, chief of the Northern Region Operations Branch; Charles Philpott, chief of engineering and Ray Secosky of the Northern Region Engineering Branch; legal counsel Teresa Dietz. At the Vermont Public Service Board: Hearing Examiner Ed McNamara, and Clerk Sue Hudson. At the Vermont Department of Public Service: Commissioner David O'Brien; Director of Public Advocacy Jim Volz, and DPS attorney Geoffrey Commons. Also, Chuck Gallagher, District 7 environmental coordinator (Act 250), and at the Vermont Agency of Natural Resources, Doug Elliot of the Air Pollution Control Division, and the staff of the Solid Waste Division.

If I've omitted anyone, I apologize. It “takes a community” to build a green-power generating plant! BB

Think Now About Running For The Board

Washington Electric Cooperative will hold its 66th Annual Membership Meeting at the Montpelier Elks Club on Tuesday, May 3, 2005.

Members interested in running for a position on WEC's Board of Directors should begin thinking now about their potential candidacies.

Candidates for the Board of Directors must submit petitions at WEC headquarters, signed by at least 25 Co-op members, by Friday, March 3, 2005. Directors are elected to three-year terms, and serve at-large, rather than representing districts. Each year three Board seats expire, though incumbent Board members are permitted to run for re-election. When there are more candidates than open Board seats, the three candidates with the most votes win.

People interested in running are invited to call the Co-op for further information on presenting successful petitions.