

WEC CO-OP CURRENTS

Making Your Electric Bill Easier To Take

Budget Billing, Automated Debit and Other Tips To Serve You and Your Co-op

Here are some ideas to take some of the sting out of your monthly electric bill.

To reduce the uncertainty of the cost of electricity from month to month or season to season, consider budget billing. Some 400 Co-op members are presently paying this way.

To avoid the inconvenience of writing a monthly check and mailing it to the Co-op on time, consider automated payments. Approximately 800 Washington Electric members subscribe to WEC's ACH program, and the application process is easy. You can download the application online (www.washingtonelectric.coop), or call the office and ask how to get started.

And if you want convenience and predictability, too, consider signing up for budget billing *and* ACH. (ACH stands for Automated Clearing House, a secure payment-transfer system used by all U.S. financial institutions.)

"A number of our members have found it very convenient to set their account up on a budget, in combination with the ACH draft," said WEC Member Services Supervisor Tammy Clark. "They know the amount that will be drafted from their bank or credit union

account each month, and they don't have to spend time writing and mailing a check."

Truth is, there's also something in this for the Co-op. Budget billing and automatic debiting provide greater predictability to WEC's income stream, and automated payments reduce costs and labor for Washington Electric.

"Those 800 members using our ACH program represent 800 payments – every month – that do not have to be opened here at the office, then checked and batched for depositing at the bank, and 800 payments that do not have to be individually keyed into our member's accounts," Clark explained.

That's only part of the savings. There are also 800 fewer return envelopes to be sent out with the bills; and from the members' perspective, 800 fewer stamps for people to purchase for mailing back their payments.



Forest creatures love power line rights-of-way. Several animals recently left their tracks behind in a Co-op corridor in Barre Town. If you can read tracks, write and tell us which animals they were.

Another thing your Co-op recommends – both for your benefit as a member and potentially to spare you and the Co-op from legal difficulties in the future – is to list the names of all responsible adults in your household on your electric account.

"We strongly encourage joint owners, couples and married couples to put both, or all, names on the account," said WEC General Manager Avram Patt. "If

we receive questions and inquiries about the account, we can only talk to the member of record. This is not our rule; it is state law."

Listing other names – a spouse, co-residents, or a guardian or person with power of attorney – can also avoid complex legal problems in the event of death or disability.

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Inside

Wind electric-generation; a Renewable Portfolio Standard; an electric surcharge for low-income heating assistance. The Vermont Legislature has lots on its energy plate, with implications for the Co-op. See President's Message, page 4, and Manager's Report, page 3.

Vermonters are building 'green,' and renovating 'green,' too. In Co-op Country, WEC will help defray research costs. Read about green incentives and WEC's temporary offer on page 8.

It's your call. But if you've got a call-blocking system be aware that it blocks important messages from your Co-op as well. Page 5.



'Yikes! How quickly can I install a surge suppressor?'

Got insurance? WEC's residential energy guru, Bill Powell, suggests you consider the 'insurance' of surge-protection for your house and everything in it. Page 6.

Washington Electric Cooperative

East Montpelier, VT 05651

Calais Native Denny Davison Joins Co-op Staff

Denise Davison is quite content to be called Denny. It's the nickname her husband uses for her – and it helps minimize confusion at the Co-op, because there's already another Denise (Director of Administrative Services Denise Jacques) on staff.

Denny Davison came to the Co-op on July 19, joining WEC's Member Services Department. All of the personnel in Member Services share certain duties — for example, answering the phones, and greeting people who come to the Co-op to pay their bills in person or on other business. But they have their own duties



as well. Denny is in charge of final bills – the settlements members must make with Washington Electric before moving from their current addresses.

It keeps Denny busy. We might think of our rural, central Vermont population as stable and steadfast, but within the 41 towns, in three counties, in Washington Electric's service territory

there's a surprising amount of movement. Much of that comes from rental properties – apartments, mobile homes and houses let to tenants.

"We have transfers – people moving from one meter location to another, within the Co-op's territory – and we get people moving out altogether, or homeowners selling their homes," Denny explains.

Not surprisingly, there's more of this activity in the summer months – and therefore more final bills to be processed to conclusion. The work involves not just bookkeeping, but coordination with the field staff to see that the appropriate disconnections are

made and those final bill payments collected (so remaining members don't have to cover the costs).

Denny, a native of Calais who still lives in that town, came to WEC with a financial background. For four years she was assistant manager at Citifinancial in Barre, where she helped people apply for loans, processed their applications

and handled loan payments. Previously, she worked in the School-to-Work program, a nonprofit organization affiliated with Community College of Vermont, which administered loans to help needy students make the transition between training and employment.

At her work station near the front door, Denny, with her friendly smile and easygoing manner, represents the Co-op well. The only real drawback to the job, she says, is when she must work overtime during outages. "My husband gets a little grumpy when he hasn't been fed," she jokes.

She and Jim were married in October 2003, and have two sons living with them plus an older daughter (19) and son (22). A belated "welcome aboard" to Denise ("Denny") Davison.



A Big Heartfelt Thank You!

The year 2004 was a tough one for us. In May we found out our mother had cancer.

She came home June 15 to live most of her final months with us. On June 18, our son Nick was in a life-threatening motorcycle accident that kept us traveling back and forth to Burlington. On June 19, we struggled to get our emotions intact for our son John's graduation from Twinfield High School. On June 25, we kept with our plans for John's "send off celebration" to the Army with a lot of help from family and friends. On June 29 John left for the Army.

It was tough, but we pulled through. God answered our prayers and Nick survived, but was left paralyzed from the waist down. During Nick's stay in the hospital we lost an uncle and aunt. In November another uncle was hospitalized and is still struggling with cancer. On December 17, we lost our mother, and we'll miss her dearly.

We are writing this note not for sympathy, but to say thanks, with much love and appreciation to our family, close friends and co-workers. For during this time, you all helped us



George Mears

through one of the toughest years we probably ever will endure.

We missed a lot of work, and our co-workers were very understanding and pulled together for us. We received many cards, food, flowers, donations, and a lot of support.

And we would like to send a very special "thank you" to those who, without their help, we would have not gotten through this year: our family members; Washington Electric Co-op; Tim's Convenience Store; Twinfield School; Owen Bradley and family; staff of Home Health & Hospice, especially Linda Dimick and Ethel Bower; Woodridge Nursing Home; Macedonia Baptist Church; and many friends.

It is during these times when you realize how very fortunate we are to have family and friends we truly can count on and are very blessed to have in our lives. Have a very blessed and Happy New Year.

George, Dorene, Nick, John, and Maegan Mears

Editor's note: George Mears is an employee of Washington Electric Co-op

Co-op Currents

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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.

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 the process of formalizing their candidacies.

To do so, 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. The next deadline is Tuesday, March 8, when a photo and a brief biographical statement are due, for inclusion in the March and April issues of *Co-op Currents*. The Co-op can provide information to help you with all these requirements.

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 allowed to run for re-election. When there are more candidates than open Board seats, the three candidates with the most votes win.

Manager's Report

From Portfolio Standards to Health Care

Co-op's Experience Provides Perspective on Legislative Issues

By Avram Patt

The beginning of a new year is a time to look back and to look ahead. Last year was an extremely busy one for everyone at the Co-op. In addition to running our distribution system, WEC's board of directors and several of our staff members were heavily involved in our landfill-methane generating project in Coventry, dealing with regulatory approvals and permits, financing, contracting, and finally in December, the start of construction.

At the same time, we remain focused on maintaining and upgrading our system, in order to improve the reliability and quality of our electric service. In the March issue of *Co-op Currents*, we will publish our annual reliability report, showing how 2004 stacked up in terms of outages, what caused them, and which parts of our system had better or worse records.

January also means that the Legislature is back in session. There are a few important energy issues that will be taken up at the State House this year.

The November election changed the makeup of the House considerably. Differences between the Senate and the House have in recent years stalled energy legislation (which had both pros and cons from WEC's perspective), but I would predict that some bills affecting WEC and its members will pass during the two-year session just begun.

Here is a brief summary of some of the key issues and the Co-op's positions and concerns:

Renewable Portfolio Standard (RPS)

A number of states, including many in the Northeast, have adopted renewable portfolio standards, which require companies selling electricity to retail customers to provide a certain percent of their total supply (or "portfolio") from renewable sources, and gradually increase this percent over time. In Vermont, such legislation has twice passed the Senate but not the House.

While there may be other public means for supporting the development of renewables, an RPS has considerable



Avram Patt

political momentum and predictions are that an RPS will be adopted in some form this session.

Washington Electric Co-op certainly supports increased development of renewable energy, through the policies adopted by your board as well as through our actions in purchasing renewable energy wholesale and in developing our own new resources. WEC should not have any trouble meeting the requirements

of an RPS, as the percent of our portfolio that is renewable is already far greater than other Vermont utilities.

But there is a significant additional financial benefit to WEC's members from our commitment to renewables. In addition to providing relatively low-cost and stably priced power, there is a growing market in New England and elsewhere for Renewable Energy Certificates. This market is a means for utilities and ratepayers elsewhere to meet their RPS requirements by providing financial support to projects where they are being developed, such as WEC's Coventry project.

WEC has been able to sell the Renewable Energy Certificates (RECs) we possess to others in New England. The proceeds are enabling us to stabilize our rates. We have not filed for a rate increase since

Since WEC's rates have not risen in recent years, and rate increases in Vermont have been modest, electric bills are not what have caused this recent pressure on household energy bills.

The report of the Commission on Wind Energy Regulatory Policy is available at www.state.vt.us/psd

1999 and thanks to the sale of RECs, it looks like we won't have to for another few years.

We hope that if the Legislature does pass a Renewable Portfolio Standard, it will allow the Co-op (and other utilities who are producing renewable energy in Vermont) to continue to provide the energy to our members, while at the same time allowing us to pass on the full financial benefit of the regional renewables market to those same members.

Wind Commission Recommendations

As has been reported in the press and in *Co-op Currents*, the siting of wind turbines was a hot subject last year. WEC is the recipient of a federal grant to help us participate in a Vermont wind project, and we do support locating a few projects at appropriate locations.

In Vermont, in order for wind projects to be economically viable, they must be placed along ridgelines, and thus will be visible on the landscape. Responding to concerns expressed by some, Governor Douglas appointed a special commission and

asked it to review the regulatory process presently in place for considering electric generating projects, to see if it was adequate for dealing with proposed wind projects.

I testified before the Commission on Wind Energy Regulatory Policy last fall, and relayed our experience with the Public Service Board's "Section 248" process that was used in reviewing our Coventry landfill methane project. Although ours was not a controversial project and had no opponents, the environmental review, which uses the same criteria as Act 250 permits, was tough and rigorous, and we had to make changes and accommodations to deal with wetlands, air quality, aesthetics, endangered species, storm water and a host of other issues in order to get approval.

I told the commission that proposed wind projects should not be subject to a whole new layer of regulation on top of the satisfactory one that is in place now. The commission's report (which is available at www.state.vt.us/psd) does not call for fundamental changes to the process, but does recommend some ways to assure full public participation.

WEC believes that the Commission's recommendations are by and large reasonable. We believe that wind generation should play a role in Vermont's and the Co-op's energy future. Proposed projects should undergo a tough review process, but not one designed to prevent good projects from being approved.

We will monitor this issue to see what the Legislature's response to the recommendations will be.

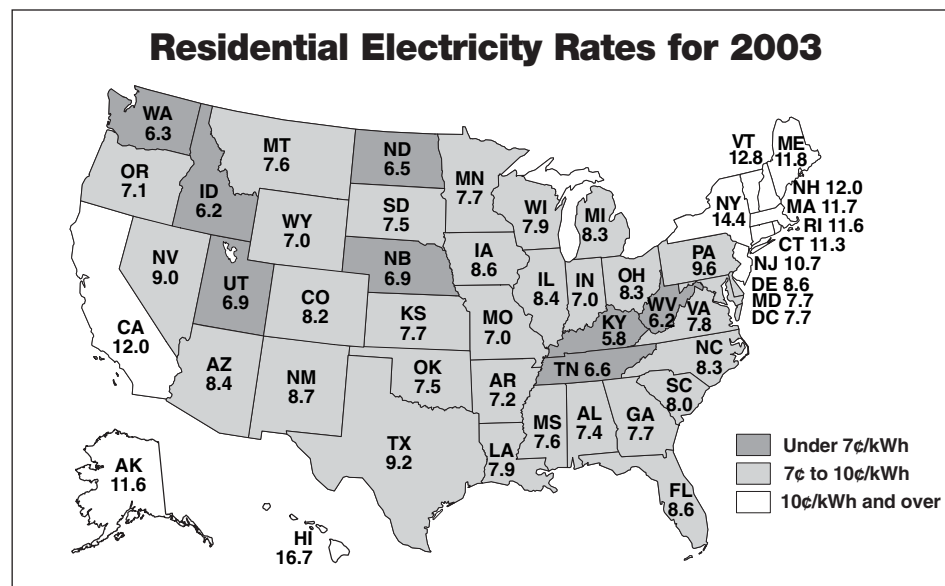
Helping Low Income Vermonters Pay Their Energy Bills

For Vermonters who are struggling financially or who are on limited fixed incomes, paying energy bills is a burden, both because of our climate and because fuel and electric costs tend to be comparatively higher in this part of the country (see map). This winter has been especially hard, since heating fuel prices are more than 40 percent higher than last year's already high prices. WEC members are always generous in contributing to the WARMTH program, which helps with heating emergencies, and in December WEC also made an additional donation from our Community Fund.

The American Association of Retired Persons (AARP) and some local Vermont low-income organizations have now proposed a new assistance program, and AARP has been promoting the idea through newspaper columns and paid advertising.

Unfortunately, WEC has some problems with the proposal as it has been presented thus far.

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President's Message

Energy Policy Should Be on Vermont's 'Short List'

By Barry Bernstein

It's 2005, the beginning of another year, with a new Legislature settling in to work at the Vermont State House. At Washington Electric Cooperative, we will continue to stay involved and keep you informed about energy issues that affect the Co-op, the state, and our nation as a whole.

Vermonters spend \$1.4 billion a year on energy (gas for our cars, heating fuel, electricity and other energy uses), \$1 billion of that sum going out of state. Costs of that magnitude, and the fact that power contracts representing 70 percent of Vermont's electricity requirements (from Vermont Yankee and Hydro Quebec) will expire by 2015, mandate that we get a grip on our energy policies, which are at present unfocused and ineffective. Energy must be placed on the short list, along with health-care reform, of issues that cannot be put off, and that warrant a comprehensive, coordinated and timely resolution.

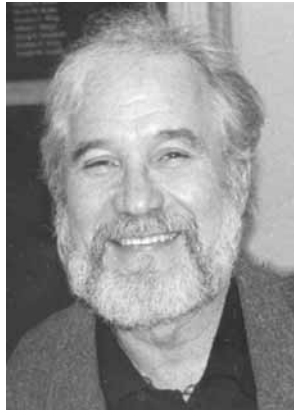
Options before us

One idea that some people have advanced is for the Legislature to appoint an "energy commission" to thoroughly study energy issues. This commission, with a broad cross-section of representation, would hold hearings around the state to encourage public dialogue, and in the end would make recommendations to guide our choices.

Here are some of the options that need to be laid out for discussion:

- closure of Vermont Yankee in 2012 versus extending the plant's operating license beyond that date;
- generating 200–400 megawatts of wind on seven to 10 sites, with anywhere from five to 40 wind turbines per site;
- creating one or two natural gas generating plants in Vermont, possibly one in place of Vermont Yankee at the Vernon site that could utilize the present transmission infrastructure;
- biomass plants, and implementation of cogeneration opportunities;

- coal plants;
- aggressive energy-efficiency implementation on a statewide scale;
- adopting strict new building and appliance efficiency standards;
- tax policy changes and other incentives to promote energy-efficient vehicles, solar installations for hot water, and similar ideas.



Barry Bernstein

We need to project the full costs of each item, both economic and environmental, and discuss the long-range implications of our choices.

Individual utilities are already required to do this kind of comprehensive evaluating and accounting, through a process called IRP (Integrated Resource

Planning). This now needs to be done in the public arena, through an open and transparent process initiated by the Legislature.

No lack of energy issues

As 2005 gets underway, the state and Legislature will be picking up where they left off, formulating policy about energy issues. Here are some of the major issues before us.

Vermont Yankee/Entergy

upgrade. The decision on a 20-percent power upgrade at the Vermont Yankee plant, requested by Entergy Nuclear, will remain undecided at least until this spring. We commend the Douglas Administration for becoming more vocal about safety concerns regarding the proposed upgrade.

It remains to be seen how the federal Nuclear Regulatory Commission will respond to the state's and public's concerns. In any case, it seems foolish that we would be considering increasing production at a 35-year-old plant, producing more nuclear waste, when the question of where and how to safely store such waste has never been solved.

VELCO upgrade. Contention remains high concerning the proposed new transmission-line route on the western side of the state. A vocal

segment of citizens firmly opposes the project. From conversations I've had with utility people, I understand that some type of upgrade is necessary if the state is going to continue to experience population growth and increased power consumption.

Regardless how the immediate controversy is resolved, the larger question is how to avoid the next big transmission-line project. To do that, we need an aggressive program of energy-efficiency standards and conservation, and just as important, we need citizen buy-in.

Renewable Portfolio Standards

(RPS). The Legislature is again considering requiring utilities to have a certain portion of their power supplied by renewable energy.

WEC is committed to having *all* of our power come from renewable energy projects. Our Coventry landfill methane gas-to-electric generating plant – proposed by the Board and supported by our membership – will enable us to bring on-line a Vermont plant that is both renewable and economical. WEC has also worked actively with its

membership for 15 years to help people reduce their household and business energy usage by investing in efficiency.

However, we are concerned that any RPS legislation not penalize WEC and other utilities that have made serious efforts to ensure that renewable energy is a significant part of their energy future. Any legislation supporting the development of renewable energy projects must not add unnecessary additional costs to the power we need to purchase for rate payers.

Connecticut River dams. In *Co-op Currents* and elsewhere, WEC supported the long-running effort by some legislators and advocates in Vermont to have the state take an ownership role in the hydroelectric dams on the Connecticut and Deerfield rivers. Unfortunately, that effort failed.

The state is now reported to be

taking a partnership position with the Town of Rockingham to buy the dam sited in that town. We applaud Rockingham for its successful effort. It remains to be seen whether power from the dam will be available for purchase to WEC and other Vermont utilities at below-market costs.

More importantly, if our leadership had been more committed, early in the process, I believe the dams could have been bought by the state through the bankruptcy court. More importantly, it's that kind of forward-looking leadership we need now, as Vermont faces a potential power crisis with the contracts for 70 percent of its power expiring in the next decade.

Meanwhile, at Our Co-op

We have a lot on our own plate for 2005, as well. Our job is to provide affordable power to our membership, and to maximize renewable sources in our own power portfolio.

Our concerns include:

Power costs. Currently, 50.6 percent of WEC's costs are attributed to power purchase and generation. This figure has increased over the past two years (it was 45 percent in 2002), due to WEC's exposure to the short-term energy market for a portion of our power needs, and the volatility of natural gas and other fossil fuel prices.

The startup of our landfill gas-generation plant in Coventry, now scheduled in the second quarter of this year, will help enormously to stabilize our power costs.

Wind resources. Back in December 2001, WEC received a \$1 million federal grant to invest in a wind-electric project. We are still trying to determine the best way to utilize this money. At present, we are talking with several developers, with an eye toward finding a viable project that is also a good fit for us.

However, all such projects in Vermont have been delayed due to the controversy surrounding wind energy. The commission on wind policy has recently published its recommendations, and we hope the release of that report will finally allow wind generation to play a meaningful role in WEC's, and Vermont's, power mix. We can't allow ourselves to be mired in indecision and deterred by resistance, when clean, renewable energy is so critical to our common wellbeing.



Your Electric Bill

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ACH

People these days are using automated bill payments for many of their scheduled financial transactions. Those with reservations about the system often cite security concerns.

"The Automated Clearing House is a secure, nationwide transfer system governed by operating rules of the National Automated Clearing House Association," said Clark. The Federal Reserve and the Electronic Payments Network operate the system and act as a clearinghouse for electronic fund transactions. In 2002, there were 8.94 billion ACH payments in the U.S., with a total value of more than \$24 trillion.

WEC's automated debit offer attracts more people each month, but they are still a small percentage of the membership.

"A printed bill is still sent to each member," said Clark, "but it has a notation on it that says BANK DRAFT – DO NOT PAY. Between 16 and 20 days from the date on the bill – usually between the 26th and 29th of the month – the dollar amount shown on the bill will be automatically drafted from the banking institution the member wishes to utilize. People do need to remember to deduct that amount from their bank balance; some people have told me that their system for making sure they do that is to debit their check register at the time they receive the bill."

WEC always welcomes new applications for automatic billing. If you think the shoe would fit your financial lifestyle, give it some thought.

Budget billing

Fuel oil companies offer budget billing to people who want to ensure reliability in their cost and supply of home heating fuels. Washington Electric does the same, mindful that seasonal increases of electricity costs can be a hardship.

"If winter kWh use is substantially higher than summer use, for example, a member will be able to pay less during the winter months by paying more during the summer months," said Clark. "Even for those without a large differential, knowing what they'll pay each month can be helpful for their personal budgets."

A member services representative works with an applicant for budget billing, reviewing the household's history of electricity usage to determine an appropriate monthly payment. The Co-op periodically reviews the member's usage to see whether the payment amount is still basically correct. But since the goal is a predictable bill, every effort is made to minimize changes.

"The month of August every year is our catch-up month," explained Clark,

"when we make sure that all budget bills reflect the actual account balance at that time. Depending upon the amount of the debit or credit balance, there are several options available to our members for this balancing-out process."

Naming names

"Only a member of record has the right to information regarding their electric account," said Clark.

So who's a member of record? The person or persons listed on the account.

If you're not sure who that is, look at your latest bill. People often assume that both members of a married couple, for example, are WEC members with legal standing, but it is not true. This can be a problem if there is a dispute about a bill or payments.

"According to the attorney general's office, the disclosure of any information relating to a consumer debt to any person other than the debtor may be a violation of privacy," said Clark.

So the Co-op won't do it. There is an exception, however. WEC provides a "Release of Member Energy Account Information" form that can be signed by the member of record. It allows the Co-op to give information to specific, designated individuals about the member's electricity consumption and the status of the account. This might be a good idea for landlords and tenants who share an interest in making sure that bills are paid and the electricity stays on.

For others, listing the names of other household members could be the best option.

"In the case of deaths, illnesses, divorces, separations and other disruptions," said General Manager Patt, "people can avoid complications and costs associated with changing the status of their electric accounts."

"This also helps when it comes to people's capital credit accounts, from which we are able to refund people for years when we've had a revenue surplus. Those refunds can be hard to retrieve if the deceased or absent person is the only name on the account."

These are all steps that can help you as a Co-op member. But they also help the Co-op.

Important Reminders

And while you're at it (helping the Co-op), here are some additional things you can do to see that your bill and payment are handled correctly and no one is inconvenienced.

"Always – always – include the bill stub when you mail us your payment," said Clark, picturing in her mind's eye the envelopes WEC sometimes receives that only contain the payment. With 9,900 members, it's not always easy for the staff to match the check with the

proper account.

Clark continued:

"If you're paying more than one bill, include all the stubs from those accounts so that we can key in payments to the different accounts correctly."

Basically, please just take the time to be careful. Make sure the written and numeric amounts are the same on your check (if there's a difference the bank accepts the written amount). Sign your

check. If the name on your check is different from the name on the account (example: you're paying your parents' bills while they're snowbirding in Florida), write the WEC account number on the check.

Electric bills are a fact of life. While the suggestions above won't make them go away, they might make them more manageable both for you and your Co-op.



'Telezappers' Can Keep You in the Dark

The "Telezapper" seems like a pretty nifty invention. But it can have unintended consequences where your Co-op is concerned.

This electronic device is designed to be connected to your telephone, and will block calls from telemarketers. But users should be aware that it also blocks some other kinds of calls. These include automated calls put in motion by Washington Electric Co-op to warn members ahead of time of a planned outage, or to notify members whose accounts are in arrears and who could be facing disconnection from WEC's electric system.

(The latter calls do not contain that specific information. To protect privacy, the message – which may be left on an answering machine if no one picks up the phone – urges the member to call the Co-op on the next weekday morning and speak to a member services representative.) The Co-op also uses an automated call system to tell people about right-of-way clearing work in their area that could cause some inconvenience.

"The Telezapper prevents our automated calls from going through," said WEC Plant Accountant Cathie Vandenburg. "But the system is programmed to repeat the calls every hour until contact is made. People with Caller ID that keeps a log of incoming calls will see a lot of calls from the Co-op, and sometimes they'll contact us and want to know what's going on."

However, other people won't ever know about it, which means they may not hear about an outage planned for their area. When outages are scheduled far in advance WEC also sends postcards to members who will be affected, but in some cases time doesn't allow for that step, so the automated calls are the only warning people get.

Similarly, Telezappers will block the call warning people that their payment situation has reached a critical stage.

When WEC's employees realize that the automated calls are consistently being blocked, they have no choice but to take the member's number off the calling list. And unfortunately, while automated calls from WEC may be annoying, they convey important messages.

Telezappers aren't the only phone system that causes problems for WEC's automated calls. The complex answering systems used by many businesses and even some residences ("Dial 1 to speak to so-and-so; dial 2 to speak to so-and-so," etc.) also cause WEC's system to disconnect.

The Co-op has no solution to offer to the Telezapper problem, except to recommend that if you have a Telezapper, you could call and let us know. We'll take you off the automated list, but make sure you remain on the list for calls made in person.

People can avoid billing emergencies by keeping their accounts current. But planned outages – scheduled so we can perform repairs and upgrades to the electric system – are part of WEC's business. You'll likely have no prior warning with a Telezapper in the house, until the power goes off.





Well, we've gone and done it. We (most of us, anyway) have become so dependent on electric power that it touches nearly every aspect of our lives: how we cook our meals, store our food, wash and dry our clothes, heat our homes, light the dark evenings, pump our water and heat our water, enjoy our entertainments, communicate with the world, pay our bills, wake ourselves in the morning, brew our coffee. Some of us have air conditioning, some have home-security systems, some have central vacuuming. Some have swimming pools with pumps. Some of us open our garage doors with electric motors. There are humidifiers, garbage disposals, paper shredders and trash compactors.

And occasionally, there are power surges, which can threaten harm to all those electric devices.

The consistency of household voltage is not a sure thing. Lightning strikes, accidents on the utility's electric system (such as a tree falling on the lines in a storm), and events within your home's wiring (a sudden burst of power to run a vacuum cleaner, for example), can cause a power surge. It's true that there are safeguards built into the overall electrical system that minimize those dangers, such as lightning rods on buildings, fuses and lightning arresters on the power lines, and breaker switches in our homes. But despite those precautions, an instantaneous jolt of electricity can disable almost any kind of electric device.

Most vulnerable is microchip-based electronic equipment – computers, TVs, VCRs and DVD players – but modern homeowners usually are aware of that risk and put “power strips” between such devices and the wall socket. Good ones effectively protect against power surges.

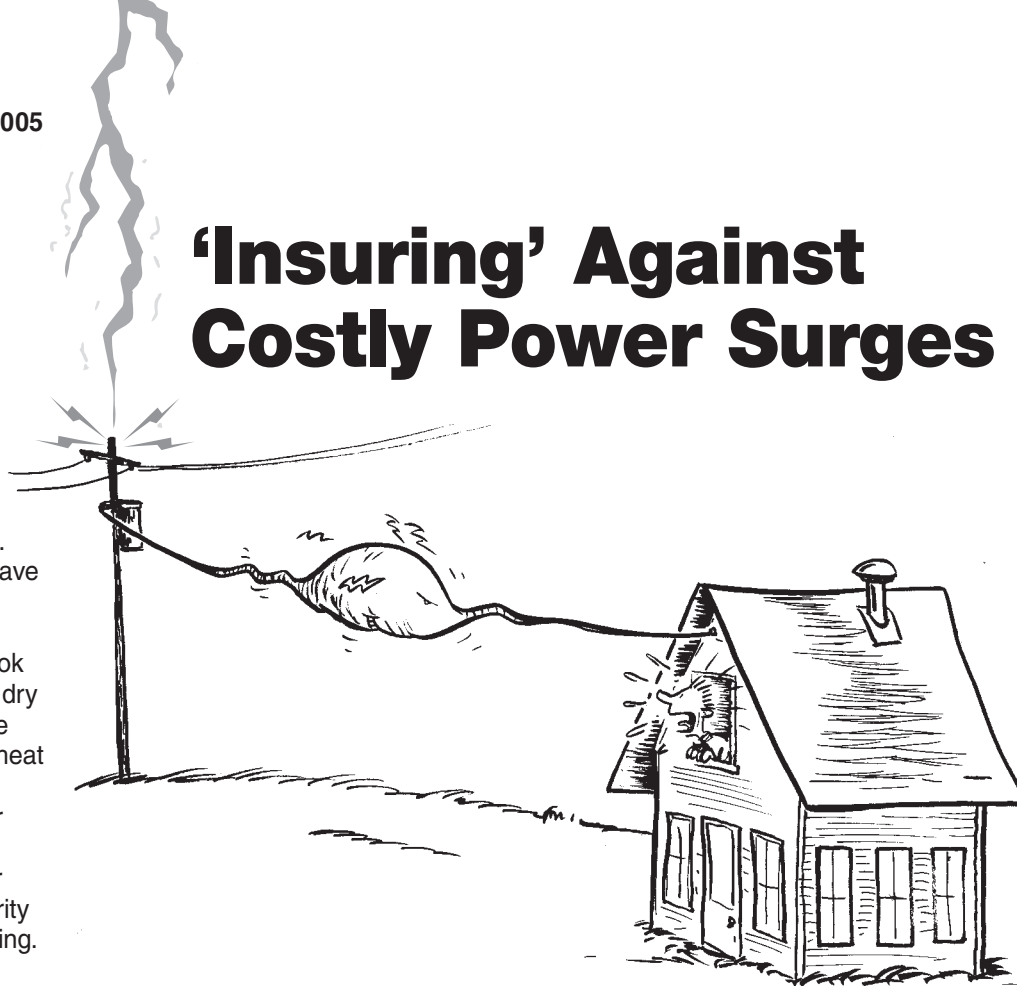
Now, Call WEC for Mad River Glen Tickets

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!



'Insuring' Against Costly Power Surges

(Call the Co-op for advice about power strips.)

But larger, bulkier appliances, which homeowners seldom protect with power strips, are at risk, too.

“Probably the thing we receive the most calls about, from members who have suffered power surges, are refrigerators,” says WEC Products and Services Director Bill Powell.

These, and water pumps, freezers and washing machines are expensive. And while it is not *common* for them to be destroyed by power surges, it can and does happen.

That's why the Co-op suggests you think along the lines of “insurance” – which does not necessarily mean homeowner's insurance. WEC offers another kind of insurance: whole-house surge protection devices, which a qualified electrician can install at your meter base. They provide a frontline of defense for all the equipment in your home, whether driven by microchips or an electric motor.

“There is really an economic reason for people to consider whole-house surge protection,” says Powell. “Your freezer, refrigerator or washing machine,

for example, are costly items. They're also used every day, and the loss of one of those appliances is for most people a severe inconvenience.

“But beyond that is the cost of repairing or replacing them. People may find that their homeowner's policy will not cover electrical damage to these items.”

Or if it does, by the time the homeowner has paid the deductible it has still been a losing proposition.

“We suggest,” Powell says, “that people do a little research. Call your agent and ask if you would be covered for the loss of a major appliance from a power surge – and if you would be covered, what kind of deductible you would have to pay.”

It's also helpful to know whether filing a claim would impact your rates.

This information can be useful in deciding whether to purchase and install whole-house surge protection. As for the cost of that protection, you can inquire at the Co-op. Whole-house protection units frequently are advertised in the Co-op Store (next page), and further information can be found at the Co-op's website or by calling Bill Powell.

While WEC recommends whole-house surge protection, it's important to note that this will not solve all potential problems. Telephone lines and cable (for TV and/or high-speed internet) are additional pathways into the home of potential electrical surges. Protective devices specifically made for phone and cable connections also are available to WEC members through their Cooperative. Members can also call Powell strictly for advice, and then purchase their products elsewhere.

“Our foremost concern is that our members and their property be safeguarded from the expense and inconvenience that results when you lose equipment to a power surge,” says Powell. “It's a major, but very avoidable, headache.”



'Restructuring' Worm Turns

Back in the 1990s “electric restructuring” seemed inevitable. Restructuring – often called “deregulation” – was to be a complex process leading to consumer choice for retail electricity along with structural changes in the utility industry.

Some folks were enthusiastic about the idea, while others were skeptical. Joe Bongiovanni, WEC's general manager at the time, warned: “If somebody's going to gain from the system, somebody's going to lose. . . I think what we have is a group who feels they can't lose, and that's the large industrial users. . . Whereas we have another group, the residential ratepayers of every utility, who want to win but have to recognize that they can lose.” (*Co-op Currents*, 1996)

While “deregulation” bills were introduced in the Vermont Legislature they were never passed into law. Momentum for restructuring has flagged, and the concept was recently derided by the Cato Institute, which cited the poor track record and systemic problems of restructuring efforts and said that the best option for states was “to return to an updated version of the old . . . regulated status quo.”

“High-cost states have seen little

price relief, and competition has had a negligible impact on prices,” the report said. “Most arresting, however, is the fact that restructuring contributed to the severity of the 2000–2001 California electricity crisis and (some scholars also argue) the August 2003 blackout in the Northeast.”

Turning to the Oceans

With the tragedy of the Indian Ocean tsunamis, the world has witnessed the astonishing power of the sea. We may someday witness power *from* the sea. “Wave energy” could be the next frontier for generating renewable electricity. Just as river current and the movement of air are used in hydropower and wind-electric installations, the kinetic energy of ocean waves could be tapped to operate electric-generation devices.

A demonstration project off the coast of Rhode Island, scheduled for 2006, hopes to prove the feasibility of wave energy by producing 3 kilowatts of power. Wave energy is attractive as a potential energy source because it is renewable, available worldwide, is located near both population centers and undeveloped countries, is continuously generated by winds, and would have minimal environmentally impact.

Manager's Report

continued from page 1

The AARP's proposal would provide assistance to people specifically to pay their electric bills. The new program would be paid for by a surcharge on all electric bills. Since WEC's rates have not risen in recent years, and rates have only risen by modest amounts for other Vermont ratepayers, electric bills are not what have caused this most recent pressure on household energy bills.

The design of the program, known as a "Percentage of Income Plan," also appears to be costly and complicated to administer in relation to the total amount of dollars to be collected and distributed to those who need help.

In the two posts I held in state government before becoming General Manager at WEC, a great deal of my time was spent on low-income energy assistance programs, including the concept now being proposed, again, by AARP. The Legislature will be taking up

WEC has been able to sell the Renewable Energy Certificates (RECs) we possess to others in New England. The proceeds are enabling us to stabilize our rates.

this proposal and may or may not consider changes to it.

Neither I nor our board members are opposed to finding ways to lessen the burden of energy costs. However, as it stands now, we do not believe this is the best way to direct help at people struggling to pay energy bills. The Co-op's board has specifically expressed opposition to raising funds for this purpose through consumers' electric bills.

Other Issues

The Legislature will be deciding whether to allow the Vermont Yankee nuclear plant to use above-ground "dry cask storage" to hold high-level

radioactive wastes. While WEC no longer gets power from Vermont Yankee, this remains a major concern for all.

Since its beginnings, the nuclear industry has not been able to solve the problem of high-level nuclear waste, which remains lethal for time periods beyond human comprehension. The federal waste repository at Yucca Mountain in Nevada, if and when it opens, will not even hold all the waste that is being stored around the country today. Here, Vermont Yankee will need the Legislature's approval to store nuclear waste onsite if the plant is to continue operating after 2008.

As stated by both the Legislature's leadership and the Douglas Administration, health care will be the big issue this session. The Co-op's interest is as an employer whose costs to provide coverage for our employees continues to rise.

The WEC board has taken a position in general support of some form of universal coverage, and we will be

The environmental review for our Coventry methane project was tough and rigorous. I told the Wind Commission that proposed wind projects should not be subject to a whole new layer of regulation on top of the satisfactory one already in place.

following this non-energy issue as well.

One part of my job when the Legislature is in session is to track issues of importance to the Co-op, and to represent WEC at the State House in Montpelier. Our attorneys, Jerome and Joshua Diamond, are also registered to represent WEC's interests there, and your Board of Directors is actively involved in determining the positions we take on public policy issues. If you have questions or comments, please contact me or any members of the board.



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)

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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)

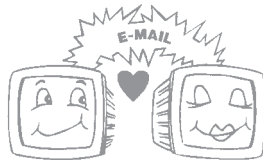
If you own a single item such as a TV, a VCR, a computer connected to the internet, a fax or phone answering machine, audio equipment, or a satellite or pay TV service, you'll have to make up the replacement cost out of pocket. Full protection, and an iron-clad warranty for all connected equipment.

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!

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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!



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Support and Cash Incentives For 'Building Green' in Vermont

'Remodeling Green' Works, Too

By Bill Powell
Director of Products & Services

With the recent rise in heating fuel prices, homeowners have a renewed awareness of the impact of this cost relative to their monthly budget. Higher fuel prices have therefore brought their homes' heating performance into focus.

Yet most of our Co-op members may not know how to evaluate their options. Should they invest in new heating equipment, and perhaps change fuels, or should they put their money into making their homes tighter and more energy efficient? "Home Performance with Energy Star," can help you make those choices, leading to improvements that will lower your costs and increase your family's comfort.

The Energy Star logo has become familiar to most people, although they are likely to associate it with new appliances, such as dishwashers and refrigerators. "Home Performance with Energy Star" is a service provided by Efficiency Vermont (EVT) that is available throughout the state. The service can help you improve the comfort, durability and indoor air quality in your home, while saving energy. Qualified contractors offer professional recommendations on where and how to reduce air leakage and add insulation, how to upgrade your heating equipment, and how to select ENERGY STAR-qualified lighting and appliances.

What's more, this is the time to act! Through the month of February, EVT (<http://www.energystar.com>) and the Co-op are combining to make the Energy Star efficiency assessment, and the remedial recommendations that follow, more affordable. EVT will provide a whole house assessment for \$75 – a \$300 savings from the normal (\$375) charge. Co-op members can then have the remaining \$75 refunded once they invest \$500 or more in the energy-saving improvements recommended by a "Home Performance" contractor.

The larger reward comes in the annual cost savings and improved comfort resulting from the program.

This offer expires 28 February 2005. Call me now (Bill Powell) at the Co-op for details.



2005 Code Upgrade In Vermont

Since 1999, new homes in Vermont have been built to guidelines established by the Residential Building Energy Standards (RBES). The Vermont guidelines focus on the thermal performance of new homes, which is rated through a national standard.

A centerpiece of these standards has been a mechanical ventilation system. Typically this involves a low-wattage, quiet bath fan, with an automatic control. As we have noted previously in *Co-op Currents*, indoor air quality (IAQ) issues relate to the way we design, build and live in our homes – from the materials used in construction, to hot water systems, to the household cleaning products we use after completion.

In an energy-efficient building it is critical first to reduce overall air infiltration, and then provide adequate mechanical ventilation to protect the health of the occupants. The RBES revisions effective in 2005 include a requirement for an adequate mechanical ventilation system. Several options meet this requirement for new construction:

- A low-wattage, low-noise bath fan, controlled by timer/humidity control;
- A multi-port exhaust system (one fan, connected to multiple air-pickup grills throughout the home);
- Heat-recovery ventilation (HRV) systems; these provide complete distribution of warm air and also recover some of the heat that would otherwise be exhausted from the home.

Most new homes that meet code are equipped with the first of these options – an exhaust-only mechanical ventilation system. Properly installed, an exhaust-only system will assure adequate fresh air, reduce moisture and IAQ problems, and use little electricity to operate.

Two other IAQ-related code revisions concern the requirement that all chimney-vented combustion appliances used for space heating and/or hot water be provided with an outside air supply. A wood stove, for example, is a combustion appliance. The new requirement could mean that a fresh-air

This is the time to act! Through the month of February, EVT and the Co-op are combining to make the Energy Star renovations more affordable. EVT will reduce the cost of the whole house assessment to \$75, and WEC will refund the \$75 for members who invest \$500 or more in the recommended energy-saving improvements.

supply for the stove would be installed from the outside, terminating next to the air intake of the wood stove.

Vermont Green Building Network

Vermont has a growing movement among businesses and

individuals within the residential and commercial construction market who have focused on "green" building. The Vermont Green Building Network is a two-year-old organization whose mission is to spread the green gospel, and provide technical and market support to encourage green construction. The group's website (<http://www.bsrvt.org/vermontbuiltgreenprogram.html>) is a helpful link for members seeking green-building information, including an updated list of Vermont-based green-building products and services.

Vermont Builds Greener Program

The definitions of materials and practices for green construction have been evolutionary. The Vermont Builds Greener Program has helped clarify these definitions. It

promotes the "construction of homes that are healthy, durable and have reduced impact on the immediate environment and the global resources that support our built environment."

The primary mechanism used to measure a new home's "greenness" is the VBG Scorecard, a comprehensive list of some 400 criteria used, or potentially usable, in building a home. The Scorecard is organized into seven sections relating to residential construction: Siting and Land Use, Building Design, Quality/Reliability, Energy Use, Resource Impacts, Occupant Health/Indoor Air Quality, and Keeping It Green (Occupant Education and Operation/Maintenance).

For example, under the "Siting and Land Use" category, a new home will receive points for specific actions intended to "optimize land use to

minimize damage to the environment and, where possible, improve the environment." Some of the criteria for certification within this category include:

- Do not build on currently usable prime agricultural land;
- Do not build on wetlands or sensitive wildlife habitat (as defined by the state of Vermont).

Steps that earn points within this category include:

- Preserve existing trees and vegetation . . . except for driveways, solar access, areas cleared for food production, and as required for grading for drainage requirements (3 points);
- Design roadways and parking to not intrude upon open space (2 points). Under the Scorecard's "Energy Use" category, homes should be enrolled with EVT's ENERGY STAR Home Service (VESH) and achieve the 5 Stars rating. Other steps that earn points within this category include:
- EPA . . .certified wood burning (as primary heat source (2 points);
- Install a clothesline (both indoor and outdoor clotheslines qualify) (maximum 4 points).

Building a new home or retrofitting existing buildings to earn the Energy Star 5 Star rating results in a home whose energy usage will be up to 30 percent less than a non-labeled home. Building to the standards of the VBG Scorecard – with its more stringent criteria for energy usage, and for the environmental impact of a home upon its surroundings – enables a performance that exceeds the 5 Stars.

The VBG Scorecard is administered by the Vermont Energy Investment Corporation (VEIC). In order to be certified, applicants must incorporate all of the required approaches, and score a minimum of 100 points. A partic-

ipating home's certification is achieved through self-documentation, a thorough site inspection by VEIC, and the Energy Star rating process.

There is a \$400 fee for VBG Scorecard certification. Because the Co-op promotes green-building construction practices for members – whether they are building new homes or renovating existing buildings – WEC will, for a limited time, cover this fee. The offer extends to members who want to participate in both the Vermont Energy Star Homes (VESH) service and the VBG Scorecard initiative.

To explore this offer, please contact me (Bill Powell) at the Co-op.

