

SWANS ISLAND ELECTRIC CO -OP NEWSLETTER

From the Manager:

There have been numerous inquiries regarding high electric bills over the last few months. Some have even requested having their meters checked. These are valid questions and I would like to explain the reason for the unusually high bills. The electricity rate that Emera Maine charges the SIEC varies based on their costs each month. Here is a chart of those rates from October of 2013 to the present:

<u>Month</u>	<u>Emera</u>
<u>Billing Rate per KWH</u>	
10/1/2013	\$ 0.05200
11/1/213	\$ 0.05935
12/1/2013	\$ 0.08380
1/1/2014	\$ 0.09875
2/1/2104	\$ 0.09930
3/1/2104	\$ 0.10245

The explanation from Emera Maine for the doubling of the rate is that because of the long cold winter, natural gas has been diverted to home heating and the power producers are forced to use more expensive fuels. That may not make you feel any better, but at least you know.

Northern Line continues to work on the new three phase lines from the Ferry Terminal to the TDS station on Atlantic Road. Part of that project will include installing a rapid shut off

Ferry Terminal that can be operated by our crew from the ground level. In an emergency, that will cut all power to the island quickly and safely. That should be installed in 4 to 5 weeks. After that, we will begin the rebuilding of the Ferry Terminal station where the marine cables come ashore.

The proposed 14.5% rate increase has been suspended for the Public Utilities Commission review due to a petition that was submitted according to the law. SIEC rate payers will be responsible for the costs of the review, both our costs and the PUC's costs.

From the Board:

Last week, the Cooperative was notified by the Maine Public Utilities Commission (MPUC) that a petition of 67 names had been submitted requesting the state agency to review the proposed rate increase. The purpose of the review is to determine if the increase it was reasonable, and whether it is

the Cooperative's expenses and revenues

Since the number of signatures met or exceeded 10% of the Cooperative's membership (432), the review is automatically triggered and will take place over the next several months. The cost will be borne by the Co-Op's membership. In response to our efforts to learn what the cost might be, we have heard a low figure of \$10,000 and a higher figure of \$40,000.

Whether it turns out to be the lower figure, or the higher figure – or somewhere in between, all 432 members will be on the hook to satisfy this unbudgeted expense.

Of the 67 names appearing on the petition, only 11 attended the Rate Case Hearing on April 4th. Of the 67 names on the petition, only five have been able to attend any of our recent Annual Meetings or any of the Cooperative's quarterly update meetings -which have been held for the past

April 2014

Every so often, it is important to remind ourselves that we are not customers of the Cooperative – we are members. The Cooperative is a non-profit corporation owned by us, the members. As members, we vote to determine the future direction of our Cooperative. It is important that we make an effort to ensure that our votes are as informed as we can make them.

If all we had to decide was that we didn't want to pay higher electric rates, then our job would be an easy one and our votes could be unanimous.

Ed Schwabe, President

- ELECTRIC CO-OP OFFICE HOURS
- PHONE # 526-4336
- 7:30 AM TO 4:00 PM MON - FRI
- OFFICE MAY BE CLOSED BETWEEN 11:00 AM AND 12:00 PM FOR LUNCH.
- OFFICE WILL BE CLOSED ON HOLIDAYS.

AFTER HOUR
EMERGENCY
NUMBERS:
JEFFREY ELLISON
207-479-0657
STEVE GREEN
207-479-0658
BONNIE TURNER 526-4282

switch near the Ferry Terminal that can be operated by our crew from the ground level. In an emergency, that will cut all power to the island quickly and safely. That should be installed in 4 to 5 weeks. After that, we will begin the rebuilding of the Ferry Terminal station where the marine cables come ashore.

The proposed 14.5% rate increase has been suspended for the Public Utilities Commission review due to a petition that was submitted according to the law. SIEC rate payers will be responsible for the costs of the review, both our costs and the PUC's costs.

.