

NEWSLETTER – SWAN’S ISLAND ELECTRIC CO–OP

MANAGER:
JEFFREY ELLISON

From the Manager:

I want to thank all of those who have shown a concern about the Swan’s Island Electric Cooperative over the last two months. We had a good turnout and discussion at the Library on May 13th. The discussion led to three possible alternatives to be explored: (1) Continue operating as we are: independent and under local control, (2) Merge with Emera Maine (formerly Bangor Hydro), and (3) become more active in forming a comprehensive renewable energy plan for the island. This has opened a healthy discussion that has not been present in the past.

Running the new wire on the new poles from the ferry terminal to the TDS station is complete. The new lines will not be energized until the ferry terminal substation is rebuilt. Winkempaugh, who sets our poles and anchors spent three days on the island May 29, 30, and June 2nd.

We had a procedural hearing at the Maine Public Utilities Commission on May 7. A schedule was established to expedite the rate case investigation.

SIEC had to submit a Chapter 120 Filing to the MPUC by May 28 (completed on time.) The MPUC has until June 11 to submit questions regarding the filing and to request additional information. The SIEC then has until June 18 to answer the questions and respond to the data requests. Then there will be a Technical Conference (if needed) on June 24 to hopefully get approval of the rate increase.

Bonnie Turner has been ill and in the hospital for over a week. Please remember her in your prayers or however you send good wishes.

From the Board:

In response to several recent members’ questions, the Co-Op has expended \$3,674.66 so far, on the PUC rate case inquiry. This reflects all bills received and paid since May 30th, but does not include all invoices yet to come from the May 7th meeting in Augusta and several conference calls with legal counsel last month. This month of June is likely to be an expensive month as we continue to prepare for the Technical Conference in Augusta on June 24th. Another question posed by a member last

week dealt with how the **Electric Charge** – that portion of your bill which pays Emera directly for the raw power that you use each month – is actually calculated. Specifically, why does my electric charge on my March bill show up as 15.23 cents per Kw, when Emera is advertising 10.24 cents per Kwh as the Standard Offer on the internet? Is the **Electric Charge** truly a straight pass through of our raw power cost? The answer, of course, is yes.

Here is how it happens. When the Emera bill arrives at your Co-Op, it includes not just the internet advertised price for power, but also something called *transmission costs* – which is what the Co-Op is charged to move all the previous month’s power across Emera’s grid until it reaches the Co-Op’s meter on Lopus Point on the mainland. Transmission costs can add as much as 2.5 cents per Kwh to the raw power price. The other hidden cost in the **Electric Charge** is line loss – the kilowatt hours which never reach a member’s meter on Swan’s Island or Frenchboro because it bleeds away from our submarine cables or when tree limbs touch power lines or from an old and inefficient transformer. Typically SIEC experiences 16 % line loss.

As an example, the

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Emera bill in early March showed that we had purchased a total of 205,800 kwh in Feb. at a cost of \$25,497 (inclusive of transmission costs). After reading all 569 meters on Frenchboro and Swan’s Island, the power billable to individual users totaled 169,726 kwh. Total line loss amounted to the difference (36,074 kwh) which must be paid for. To arrive at the **Electric Charge** that appeared on the March bill, we divide the total cost of all power purchased (\$25,497) by the total of billable kwh (169,726) to arrive at the 15.23 cents per kwh on your bill for March.

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

AFTER HOUR EMERGENCY NUMBERS:

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BONNIE TURNER 526-4282

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