



AMEA *Communiqué*

Power That Works For You[®]

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MISSION STATEMENT

AMEA's mission is to provide for our Member communities a reliable and economical source of electric power, enabling them to preserve and enhance the benefits of municipal utility ownership for their citizens and the electric customers they serve. We strive to offer services that our Members need and can adapt to provide the best value for their communities and customers.

AMEA Power Supply Conference is just around the corner; you still have time to register

Have you registered for AMEA's 2009 Power Supply Conference? You still have time. The event will be held April 16 and 17 at the Marriott Auburn-Opelika Grand National Hotel and Conference Center in Opelika. Registration for the conference is free.

Invited attendees will include city councils, utility boards, and senior utility management staff. The purpose of the conference is to review issues of importance to Members.

Expected speakers will include:

- ✓ Mark Crisson, President, American Public Power Association (APPA)
- ✓ Kenneth Legg, Administrator, Southeastern Power Administration (SEPA)
- ✓ Mark Gabriel, Senior Vice President and Principal, R.W. Beck
- ✓ Steve Collier, Vice President, Business Development, Milsoft Utility Solutions
- ✓ Dean Argo, Executive Director, Electric Cities of Alabama



For more information on the conference or registration, contact Lisa Miller, AMEA Manager of Communications and Marketing, (800) 239-2632, Ext. 118, (334) 387-3501, or lmiller@amea.com, or Samantha Alexander, Executive Assistant, Ext. 115, (334) 387-3507, or samantha@amea.com.

Waxman, Markey release draft of climate change/energy bill

Two key U.S. House members unveiled a draft bill this week that combines climate change and energy legislation. The draft released by House Energy and Commerce Committee Chairman Henry A. Waxman, D-Calif., and Energy and Environment Subcommittee Chairman Edward J. Markey, D-Mass., calls for reducing greenhouse gas emissions by 3 percent below 2005 levels in 2012, 20 percent below in 2020, 42 percent below in 2030, and 83 percent below 2005 levels in 2050.

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Bill

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Plans call for Markey's subcommittee to hold hearings on the legislation the week of April 20 and to mark up the bill the following week. The full committee would begin marking up the bill the week of May 11, with the goal of completing action before Memorial Day.

The legislation has four titles: (1) a clean energy title that promotes renewable resources and carbon capture and sequestration technologies, low-carbon transportation fuels, electric vehicles, and the smart grid and electricity transmission; (2) an energy efficiency title that increases energy efficiency across all sectors of the economy, including buildings, appliances and industry; (3) a global warming title; and (4) a transitioning title with provisions designed to protect U.S. consumers and industry and promote green jobs during the transition to a clean energy economy.

Notable features of the 648-page draft bill include:

- ✓ A provision that entities that emit less than 25,000 tons per year of carbon dioxide equivalent are not covered by the greenhouse gas cap-and-trade program;
- ✓ A renewable electricity standard requiring retail electricity suppliers use renewable resources to meet 6% of their load in 2012, gradually rising to 25% in 2020;
- ✓ A utility energy efficiency standard requiring electricity and natural gas distribution utilities to meet required levels of cumulative electricity or gas savings relative to business-as-usual projections, starting with 1% electricity savings and 0.75% natural gas savings in 2012 and gradually increasing to 15% cumulative electricity savings and 10% cumulative natural gas savings by 2020; and
- ✓ Rebates to compensate companies in industrial sectors that use large amounts of energy and produce commodities that are traded globally, with provision for foreign manufacturers and importers to buy special allowances if the president deems the rebate program ineffective.

The draft bill does not address some major issues.

Discussions among committee members will decide the issue of how to allocate the tradable emission allowances, Waxman and Markey said. A section on consumer assistance also remains to be provided.

"This legislation will create millions of clean energy jobs, put America on the path to energy independence, and cut global warming pollution," Waxman said. "We will create jobs by the millions, save money by the billions, and unleash energy investment by the trillions," Markey said.

(Source: APPA)

Legislators, electric cities turn out for ECA Annual Legislative Reception

Electric Cities of Alabama (ECA) held its annual Legislative Briefing and Appreciation Reception March 24 at the RSA Plaza Terrace in Montgomery.

The event, co-sponsored by TVA and AMEA, is held for the Alabama Legislature as well as the State's Constitutional Officers and Judiciary. This marks the 10th year Electric Cities has hosted the function. Over 200 people were in attendance for the reception.

The ECA Legislative Briefing and Appreciation Reception gives Electric Cities mayors, city councils, utility board members and utility employees the opportunity to interact with state leaders and learn more about issues impacting their utilities and public power in Alabama.



Attending the ECA Legislative Reception in Montgomery on March 24 were (L to R): David Horton, Riviera Utilities; State Senator Jim Preuitt, Talladega; Mike Richard, Sylacauga Utilities Board; and, State Representative Ron Johnson, Sylacauga.

Weatherization assistance becomes focus for AMEA and its Members

As part of President Obama's American Recovery and Reinvestment Act of 2009 (economic stimulus bill), state energy offices and weatherization assistance programs throughout the nation will see increased dollars coming their way for home weatherization efforts. Weatherization reduces energy costs for low-income families by improving the energy efficiency of their homes. The assistance is free to qualifying homeowners.

That's good news for potentially hundreds of low-income families in AMEA's Member cities. The program will see its funds greatly increased due to the expanded emphasis from the stimulus bill, which includes \$5 billion for the Weatherization Assistance Program. The emphasis of this plan – to make 2.5 million low-to-moderate income homes across the nation more energy efficient.

Alabama's share is more than \$127 million. The funding includes \$71.8 million in home weatherization funding for low-income families in Alabama and \$55.5 million for the state energy program.

Under the stimulus bill, the amount that can be spent on each home increased from \$2,500 to \$6,500, to allow more comprehensive energy-efficiency measures to be implemented. The program is available for families making up to 200 percent of the federal poverty level or about \$44,000 a year for a family of four.

How does the program work? The U.S. Department of Energy (DOE) partners with state-level agencies, such as the Alabama Department of Economic and Community Affairs (ADECA), to implement the Weatherization Assistance Program. DOE awards grants to state energy agencies, like ADECA. ADECA then partners with 15 local agencies, particularly community action agencies/weatherization assistance programs, to deliver energy-efficiency services to low-income households.

AMEA Members are promoting the program on their web sites, in *Alabama Currents* magazine, on posters, and in bill inserts. Members are also actively assisting qualified customers with the application process.

By promoting energy efficiency and weatherization programs to insulate homes and save money, families can permanently cut their energy bills while putting thousands of foot soldiers to work ensuring that the insulation and repair gets underway.



Weatherstripping around doors and windows is part of the Alabama Weatherization Assistance Program's energy audit

The federally-funded program uses skilled technicians to conduct energy audits to determine which energy efficiency measures are most appropriate and cost-effective for each home. Typically, measures include installing attic and wall insulation, reducing air infiltration, performing tune-ups and repairs to heating and cooling systems, repairing ductwork, replacing appliances to improve efficiency and safety, and replacing the incandescent

lighting with compact fluorescent bulbs. Weatherization personnel also address energy-related health and safety conditions.

On average, in Alabama, weatherization reduces heating bills by 32 percent and overall energy expenses by \$413 per year at current prices. The spending spurs low-income communities toward job growth and economic development. Weatherization returns \$1.30 in energy-related benefits for every \$1 invested in the program, according to ADECA.

Hometown Connections® welcomes partner specializing in cyber security

For assistance meeting the U.S. government's requirements for cyber security and infrastructure protection for North American bulk power system and for protection of Smart Grid assets, municipal electric systems may now turn to the experts at N-Dimension Solutions Inc.

Through a new marketing alliance with Hometown Connections, N-Dimension Solutions is offering cyber security products and professional services to APPA members at national discount pricing arranged by Hometown. This new alliance will help APPA members comply with NERC CIP standards that become mandatory in 2009 for addressing cyber reliability and physical security.

N-Dimension Solutions assists critical infrastructure organizations with the protection of their Control Systems and Information Systems by providing Cyber Security Solutions that facilitate compliance with industry-specific security standards such as NERC CIP and conform to guidelines from agencies such as the Department of Energy and NIST.

To support compliance with federal regulations, standards, and emerging best practices, N-Dimension Solutions is offering four categories of services to APPA members:

- 1) Cyber Security Assessments for documenting current utility practices, identifying vulnerabilities, and suggesting improved technology and procedures;
- 2) Cyber Security and Infrastructure Professional Services to delivery cyber security solutions;
- 3) Cyber Security Products built on a modular hardware and software platform designed to meet the unique needs of the utility industry; and,
- 4) Application Service Provider (ASP) Service through which APPA members may outsource the design, deployment, and operation of their cyber security programs to experts in the field.

According to the U.S. National Energy Technology Laboratory, effective cyber security is a key foundation element for Smart Grid deployments.

"N-Dimension Solutions is offering a range of solutions to meet the



requirements of utilities that want to deploy and manage technology in-house and for those that require the ease-of-use associated with a managed service," said Doug Westlund, CEO, Co-Founder. "We are dedicated to removing the burden and complexity of cyber security compliance from public power in a cost-efficient manner."

N-Dimension Solutions distributes its cyber security products and professional services through HD Supply Utilities, the largest electric utilities distributor in North America. Cyber security is a major component of the company's turnkey solution for the Smart Grid. Today, HD Supply Utilities serves many APPA members.



Let Hometown Connections® help you

How can Hometown Connections help you in your utility operations?

Hometown's innovative products and services include SCADA systems, smart grid software, customer information software, property and casualty insurance, and much more.

Want more information about any of Hometown's products and services? Contact Lisa Miller, AMEA's Manager of Communications and Marketing, (334) 387-3501, (800) 239-2632, Ext. 118, or lmiller@amea.com.