AMEA Communiqué

Power That Works For You®

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P.O. Box 5220
Montgomery, AL 36103-5220

804 South Perry Street
Montgomery, AL 36104

www.amea.com

(334) 262•1126
(334) 262•2267 (Fax)

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 Election Committee re-elects board members

The Alabama Municipal Electric Authority (AMEA) Election Committee, comprised of 11 representatives of AMEA's Member cities, met Thursday, Aug. 5, to elect, re-elect or replace directors whose terms expire at the end of the 2010 Annual Meeting, which will be held Aug. 26.

The committee re-elected the following members to the AMEA Board of Directors: Henry Osborne, City of Lanett; Morris Tate, Electric Board, City of Luverne; and, Dale Baker, Utilities Board, City of Sylacauga. These members will serve a three-year term.

AMEA assists Members with pole attachment services

The Federal Communications Commission (FCC) has issued a proposed order that among other things lowers pole attachment rates in order to promote the implementation and build out of broadband in areas which lack this type of technological communications.

Currently, municipals and cooperatives have an exemption from having to use the FCC pole attachment rates. The FCC, cable, and telephone companies are suggesting that this exemption be removed. If the exemption is removed AMEA's Members, based on the current FCC formula for cable attachments, could not charge more than $4 per pole per year.

Ray Phillips, AMEA Manager of Compliance and Special Projects, is working with the American Public Power Association on its Pole Attachment Steering Committee to retain this exemption or at least grandfather existing pole attachment agreements.

While the FCC's proposals would not be applicable to municipal utilities as long as the federal public power exemption remains in place, the possibility that Congress could follow the

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FCC's recent recommendation to remove the municipal exemption necessitates that APPA be actively involved in the FCC rulemaking and related legislative efforts. Moreover, even with the federal municipal exemption, many states are increasingly regulating municipal pole attachments and such states often look to the FCC regulations to establish a baseline of reasonableness.

Phillips said AMEA is currently working with six AMEA Members and a pole attachment consultant in Georgia to complete pole counts and to update these Members' pole attachment agreements with both cable and telephone companies.

AMEA's Members' current pole attachment rates range from $3 per pole per year to $16.50 per pole per year. Only one Member is at the $16.50 and most of the others are around the $5 range, said Phillips.

The pole attachment consultant who is working with six of AMEA's Members is anticipating that these Members will receive somewhere between $18 and $20 per pole per year with the new agreements.

AMEA has contacted all 11 AMEA Members, but only six have signed on to this effort.

"The pole attachment consultant's fee was a fixed cost of $3,000 to negotiate and implement a cable pole attachment agreement," said Phillips. "AMEA successfully negotiated this down to $2,000 per Member, but requires multiple Members to participate."

One additional AMEA Member has hired its own consultant and is in the process of updating its current pole attachment agreement.

"We thank Mark Ennis, General Manager of the Utilities Board of Tuskegee, for making AMEA aware of this pole attachment consultant," Phillips added.

Vote on Senate energy bill is postponed until September

Senate Majority Leader Harry Reid, D-Nev., postponed a vote last week on a slimmed-down energy bill until September after Congress returns from its August recess.

In July, Reid said Senate Democrats were giving up, at least temporarily, on trying to pass an energy bill that would also address climate change. Last week, Senate Democrats acknowledged that they do not have the 60 votes needed to prevent a filibuster on a scaled-back bill that would lift the cap on energy companies' liability for oil spills. The slimmed-down energy bill also would give a boost to vehicles fueled by natural gas and electricity, and would provide incentives for energy efficiency improvements in residential buildings. **Source: APPA**

AMEA Board Member Dugger receives Electric Cities Public Service Award

Dugger

Mike Dugger, General Manager/CEO, Riviera Utilities, and a member of the AMEA Board of Directors, is the recipient of Electric Cities of Alabama's (ECA) Public Service Award. Dugger received the award at ECA's Annual Meeting and Governmental Affairs Conference in Orange Beach in July.

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Dugger, who has been employed with Riviera for the past 21 years, has served on the AMEA Board of Directors since June 2007. He is also Vice Chairman of the ECA Board of Directors.

“Mike represents the standards of service and stewardship Electric Cities of Alabama seeks to recognize and encourage with this award,” said Jonathan Hand, ECA Executive Director. “Not only is Mike a dedicated Utility Manager for Riviera Utilities, he also brings a common-sense approach in dealing with state and federal legislation to better benefit not only municipal utilities, but the entire industry.”

Scholarship applications now available

AMEA will be sending 2011 scholarship applications to schools within AMEA’s Member cities this month. AMEA will also provided applications to each Member for use in utility offices.

AMEA will make available 22, $2,500 scholarships (two scholarships per Member city), and 11, $2,500 technical school scholarships (one technical school scholarship per Member city).

To be eligible for either of AMEA’s scholarships, a student’s family must receive electric service from a Member’s electric utility and the student must attend an Alabama college or university.

The program assists students in each of AMEA’s 11 Member cities with their first-year tuition to a state university. Scholarship application can also be downloaded from AMEA’s web site, www.amea.com, Scholarship Program.

Applications are reviewed and selected by an independent panel of college guidance personnel. Application deadline is **Monday, Feb. 7, 2011**.

For more information, contact Pamela Poole, AMEA’s Scholarship Program Coordinator, (800) 239-2632, Ext. 110, or pam@amea.com.

Lawmakers urge EPA not to regulate coal ash as a hazardous waste

The Environmental Protection Agency should resist calls to regulate coal ash as hazardous waste under Subtitle C of the Resource Conservation and Recovery Act, 124 members of the House of Representatives said. Instead, the agency should develop rules for coal combustion by-products that treat them as non-hazardous waste under Subtitle D of RCRA, the lawmakers said in a July 29 letter to EPA Administrator Lisa Jackson.

Regulating coal ash as a hazardous waste "represents the most extreme and burdensome regulatory option available to EPA under federal law," is unnecessary, and is inconsistent with past agency decisions, the House members told Jackson.

"We urge you to craft an approach that protects public health and the environment without unnecessarily burdening the economy and jeopardizing important manufacturing and other related jobs."

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The letter was signed by 85 Republicans and 39 Democrats. The lead author is Rep. Tim Holden, D-Pa., vice chairman of the House Agriculture Committee.

EPA's recent decision on how to protect the public while the spill at the Tennessee Valley Authority's Kingston plant is being cleaned up is a case in point, the House members said. In that case, the agency said that using Subtitle D of RCRA "would be fully protective of human health and the environment."

Regulating coal ash under Subtitle C "would have an adverse impact on jobs creation at a time when the nation is still attempting to recover from one of the worst recessions in our history," with millions of people still out of work, they said.

"We are also concerned that the increased compliance costs under the Subtitle C option will translate into increased energy rates" for millions of American consumers, they said.

House and Senate lawmakers also urged caution in two other letters to the EPA on the question of how to regulate coal ash.

In a July 29 letter to Administrator Jackson, Rep. Rick Boucher, D-Va., said regulation of coal ash as a hazardous waste could have the effect of destroying jobs by preventing the recycling of coal ash into construction products such as cement and wall board. Reducing the amount of coal ash that can be recycled for beneficial uses "would have the unintended consequence of raising new rather than mitigating existing safety concerns with coal ash landfills and impoundments because the amount of coal ash that would be stored in such facilities would necessarily increase," said Boucher, a member of the House Energy and Commerce Committee.

Boucher noted that the Electric Power Research Institute has estimated that the EPA proposal earlier this year to regulate coal combustion products under Subtitle C of RCRA could result in the loss of nearly 14 percent of the generating capacity in some regions of the United States. His letter, which was signed by 31 members of Congress, is posted on the congressman's website.

Sens. Kent Conrad and Byron Dorgan, D-N.D., sent a similar letter to Jackson on July 29, asking the administrator to treat coal ash as a non-hazardous material.

Source: APPA