



AMEA *Communiqué*

Vol. 20 No. 2

February 2011

The **AMEA Communiqué** is a monthly publication of the Alabama Municipal Electric Authority
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)

AMEA Board of Directors

Chairman	Don McClellan
Vice Chairman	Gary Fuller
Secretary/Treasurer	Tim Kant

Dale Baker	Henry Osborne
Taylor Barbaree	Morris Tate
Mike Dugger	Lee Young

Fred D. Clark, Jr.

President & Chief Executive Officer

Lisa M. Miller

Editor

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 expands energy sales and marketing program to reduce costs to Members

Optimizing the assets of the AMEA-Sylacauga Plant and the energy market to reduce costs to AMEA's Members is a primary focus for the joint action agency's new Operations Energy Coordinator, Jim Munroe. By expanding its energy sales and marketing program, AMEA furthers its mission of providing reliable and economical power to its Members.

Munroe joined the team at the AMEA-Sylacauga Plant in January and since that time he has hit the ground running assisting with the development of an in-house energy trading program that meets the terms and conditions for opportunity sales and purchases under AMEA's current Power Supply Agreement (PSA) with Alabama Power Company (APCo).



Tim Foster and Jim Munroe (seated) analyze energy market data.

"Due to our long-standing, cooperative relationship with APCo, we now have the flexibility to develop such a program in order to reduce overall costs to our Members," said Tim Foster, Manager of Operations. "Jim's extensive background in energy trading has made him an ideal candidate for helping AMEA accomplish this goal."

As AMEA's Energy Coordinator, Munroe analyzes and correlates hourly, day-ahead and weekly forecast schedules with real-time loads and makes forecast adjustments as required, said Foster.

Foster said Munroe determines hourly and day-ahead market opportunity purchases and sales in accordance with AMEA's PSA with APCo. He also uses the Authority Cost Forecast

See Energy Sales, Page 2

Energy Sales

Continued from Page 1

Schedule to optimize SEPA allocations and the cost reduction of AMEA's generating assets.

"This initiative has helped us be better informed, as well as put best practices in place to help us increase the volume, efficiency and effectiveness of market transactions," said Foster. "All of the decisions that we make under this initiative are aimed at helping reduce the cost to our Members."

"Over the past several months, we have realized significant savings from our scheduling and marketing activities," Foster added.

Prior to joining AMEA, Munroe worked for The Energy Authority (TEA) in Jacksonville, FL, as an Energy Trader in the East, Midwest and West markets. Munroe initiated trading floor operations in support of TEA's initial members, Jacksonville Electric Authority, Santee Cooper, and the Municipal Electric Authority of Georgia. He executed real-time energy transactions on behalf of the members and partners in the Southeastern Reliability Council, Florida Reliability Coordinating Council, Mid-Continent Area Power Pool, Southwest Power Pool, Midwest Independent System Operator and Mid-Columbia Trading Hub. He helped optimize each member and partner energy portfolio including hydro, wind, coal, gas, oil and nuclear generation assets.

Before joining TEA, Munroe was employed with Santee Cooper in Moncks Corner, SC. He was selected by executive management to be a member of the Santee Cooper start-up team to form TEA. He helped expand TEA's presence in the Florida and Midwest markets, resulting in Nebraska Public Power District, City Utilities of Springfield,

MO, and Gainesville Regional Utilities, FL, becoming members. Munroe is a U.S. Navy submarine service veteran.

"I am excited about the opportunity to work with AMEA," said Munroe. "My main objective is to optimize our assets to reduce our Members' costs and monitor the markets to take advantage of any sales or purchase opportunities."

AMEA 2011 Power Supply Conference set for April 14 and 15 in Montgomery

The AMEA 2011 Power Supply

Conference is scheduled for April 14 and 15 at the Renaissance Hotel and Convention Center in downtown Montgomery.



A Save the Date card was recently mailed to Members.

The conference registration form can be found in the Members Only section of the AMEA web site, www.amea.com, AMEA 2011 Power Supply Conference. Registration for the conference is **FREE**.

Please fax your registration form(s) to AMEA Executive Assistant Samantha Alexander, (334) 262-2267, by **Thursday, April 7**.

AMEA has secured a block of rooms for the evening of April 14. To reserve a room, please call (877) 545-0311 and mention AMEA. The room block cutoff is **Tuesday, March 15**. Hotel information is listed at the bottom of the registration form.

The attire for the conference is business casual. If you need further information, please contact Mrs. Alexander, (800) 239-2632, Ext. 115, or samantha@amea.com.

AMEA marks 30 years of service with April reception and dinner

To commemorate AMEA's 30 years of service to its Members, the joint action agency will hold a reception and dinner in conjunction with this year's Power Supply Conference on



Thursday, April 14, at the Renaissance Hotel and Convention Center in downtown Montgomery. The reception will begin at 6 p.m., followed by dinner at 7 p.m. The attire for the event is business.

Invitations, along with response cards, will be mailed the end of February. Please let us know your attendance plans by returning the self-addressed, stamped response card.

AMEA staff help build partnerships and alliances on behalf of Members

AMEA continues to seek opportunities to build partnerships and alliances. To that end, AMEA staff members work hard to further those partnerships through their involvement on behalf of AMEA's 11 Members.

Ray Phillips, Manager of Compliance and Special Projects, is involved in several organizations, which bring value to AMEA's Members.



Phillips

Some of Phillips' involvement include:

Transmission Access Policy Study Group (TAPS)

- ✓ Member of the Executive Team and Board of Directors.

SERC Reliability Corporation

- ✓ Board of Directors;
- ✓ Board Executive Committee;
- ✓ Board Compliance Committee;
- ✓ Operating Committee – Transmission Dependent Utility Representative;
- ✓ Critical Infrastructure Protection Committee;
- ✓ Telecom Subcommittee;
- ✓ Regional Standards Ballot Body;
- ✓ Regional Standards Ballot Pool.

North American Electric Reliability Corporation (NERC)

- ✓ Operating Committee – Municipal Sector Representative;
- ✓ Critical Infrastructure Protection Committee;
- ✓ National Standards Ballot Body;
- ✓ National Standards Ballot Pool.

North American Energy Standards Board (NAESB)

- ✓ Executive Committee of the Wholesale Electric Quadrant – Muni/Coop Representative
- ✓ Smart Grid Task Force.

"Our relationship with each of these organizations has been one of mutual benefit -- we contribute and we receive value," said Phillips.

AMEA explores economic development funding support

AMEA continues to explore and research funding opportunities through USDA's Rural Development Program, particularly in the areas of energy and economic development. AMEA met with USDA representatives in January to discuss funding options. USDA is currently reviewing AMEA's Articles of Incorporation and Enabling Legislation to determine eligibility.

Hometown Connections and Consert team up to offer new energy management solution for public power utilities

To help public power utilities improve their peak load performance while delivering cost savings to their consumers, Hometown Connections is joining with Consert Inc. to deliver a real-time, interactive energy management system.



Participants in the Consert Virtual Peak Power SM (VPP) Solution give their public power utility permission to briefly control their major energy consuming devices during high energy events, providing additional capacity at a fraction of the cost of building natural gas-fired peak plants. The utility operator views consumption data per household in the form of detailed computer graphics, facilitating quick load projections and managing available power usage on their system. The ability to adjust customer loads with real-time feedback allows public power utilities to avoid coincidental peaks with the wholesale energy provider.

Consert typically installs three hardware devices: (1) a device controller on high energy consumption devices such as water heaters, air conditioners and pool pumps for energy measurement and load control; (2) a communicating gateway and (3) a programmable communicating thermostat. The measurement and control devices communicate wirelessly via the ZigBee standard to the Consert Gateway, and the Gateway sends this information to the Consert Data Center via Verizon's Wireless 3G EV-DO network.

Participants access Consert's online portal to set up energy profiles that fit their personal living habits. For example, the air conditioner thermostat can be set higher when leaving home in the morning and adjusted lower prior to returning at the end of the day on work days. Participants can access the Consert portal via the Internet or any web-enabled device such as a smart phone.

The Consert pilot with the Public Works Commission (PWC) of Fayetteville, North Carolina, is one of three in the state and was recently awarded a 2010 DEED Energy Innovator Award for the interactive pilot program. PWC is realizing a significant reduction in peak demand and monthly energy savings for participating customers. In addition to the direct cost savings of the reduced coincident peak energy, PWC will be able to measure and verify reduced energy use which qualifies PWC for renewable energy credits as required by the state's Renewable Energy Portfolio Standards. As a result of the pilot success, PWC is moving toward commercialization in 2011.

"Hometown Connections has been eager to partner with a company able to deliver an interactive, state-of-the-art home energy management system that is cost efficient, easy to deploy and use, and shows concrete results for customers and utilities," said Tim Blodgett, Chief Executive Officer. "The results of pilot projects with PWC and other utilities, as well as the company's commitment to deploying a program specifically for public power systems, make clear that Consert is the right partner at the right time."

If you need further information about Consert or any of Hometown's products and services, contact Lisa Miller, AMEA Manager of Communications and Marketing, (800) 239-2632, Ext. 118, or lmiller@amea.com.