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AMEA Communiqué

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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 Energy Solutions
Providing Innovation to Our Members

AMEA developing renewable energy options for Members

Understanding that consumers of AMEA Members want renewable energy options, AMEA has been exploring energy solutions, particularly in renewable energy, for its Members. AMEA is currently developing renewable generation standards and procedures for a Renewable Behind the Meter Generation Program which will allow consumer-owned solar and wind technology, said Fred Clark, AMEA President & CEO.

Renewable energy and energy efficiency technologies are key to creating a clean energy future for not only the nation, but the world, Clark said.

AMEA staff has researched other utilities' programs, federal and state requirements, future regulations, and safety aspects of interconnecting generation on the Members' distribution systems.

A working group consisting of Member representatives and AMEA staff was established this year to develop necessary guidelines, documentation, and applications for the program. Clark said AMEA plans to launch the program by the end of 2010.

AMEA working to expand Resource Management Program

AMEA is committed to helping its' Members provide the lowest cost and highest quality power to their customers. One way that AMEA accomplishes this is through the Resource Management Program. Resource Management, also known as Demand-Side Management, is a program to reduce Members' demand during peak load and emergency situations.

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Demand-Side Management is gaining attention on the national level as a way to reduce emissions, alleviate power transmission congestion, reduce blackouts, and keep costs down. AMEA has been active in managing its Members' demand since AMEA's inception almost 30 years ago.

The previous program, called Load Management, used radio/pager receivers to shut off power to water heaters and air conditioners during peak times. This worked well for the level of technology available, but technological improvements have moved the Resource Management Program into a new era. Smarter substation equipment/monitoring and smart meters have made the task of managing demand easier to accomplish, faster, and more precise.

AMEA is expanding the program to include voltage reduction at Member substations, smart meter disconnects of customer circuits, and future use of Member-owned standby generators.

Currently, AMEA has four Members signed up for the Direct Load Control (DLC) rate rider to participate in the Resource Management Program. These Members contribute nearly 12,000 kilowatts of available demand through mostly voltage reduction. Other Members have shown interest in the program and will be tested over the next year.

JASWG moving forward with infrared camera project

The AMEA Joint Action Services Working Group (JASWG) continues to move forward with its first product offering, infrared cameras.

During the April JASWG meeting, the group agreed that the infrared camera service should be based on two cameras. This would provide scheduling flexibility and better likelihood that at least one camera would be available on short notice for emergencies. It would also allow for each camera to circulate among Members who are close together geographically (one North and one South).

To participate in a specific JASWG product or service, each participating Member and AMEA must sign a Joint Action Service Agreement. There is one Joint Action Service Agreement for each JASWG service or product for each participating Member that agrees to take and pay for that specific product or service.

The Infrared Camera Joint Action Service Agreement is supported by all 11 Member electric managers and was submitted to all 11 Members the first of July so that each can seek the approval of their respective council and/or utility board.

Ray Phillips, AMEA Manager of Compliance and Special Projects, who is facilitating the JASWG effort, said the Joint Action Services Master Agreement is basically an agreement between AMEA and each Member that allows AMEA and a Member to enter into agreements for JASWG services. The Joint Action Services Master Agreement does not commit any Member or AMEA to obtain, take and pay for any JASWG services.

Infrared cameras are used by electric utilities and other industries to determine "hot spots" or potential failure spots on their systems and equipment, said Phillips. These "hot spots" cannot be seen by the naked eye until a catastrophic failure occurs. The intent is to use these cameras in a proactive fashion to recognize eminent failure spots so that

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they can be repaired before catastrophic loss of equipment and customer electrical loads occur.

“Due to the participation of all 11 Members in the Infrared Camera Joint Action Service effort, AMEA was able to negotiate the purchase of two infrared cameras for the price of one,” Phillips said.

Phillips said AMEA is hopeful that it will receive all 11 Members’ Infrared Camera Joint Action Service Agreements, signed by the respective councils and boards, by the end of July so that the infrared cameras can be purchased and the first JASWG service can be successfully launched.

EPA proposal would cut SO_2 and NOx emissions from power plants in 31 states

U.S. Environmental Protection Agency Administrator Lisa Jackson recently signed a proposed rule that would cut sulfur dioxide and nitrogen oxide emissions from fossil fuel-fired power plants across a wide swath of the country. The regulation is aimed at target power plant pollution that drifts across the borders of 31 eastern states, including Alabama, and the District of Columbia.

The new proposal, called the “transport rule," is designed to help areas in the eastern United States meet existing national air quality health standards. It would limit emissions from power plants all over the East Coast, and as far away as Texas and Oklahoma, said Gina McCarthy, EPA assistant administrator for air and radiation.

"This rule is designed to cut pollution that spreads hundreds of miles and has enormous negative impacts on millions of Americans," said Ms. Jackson. "We're working to limit pollution at its source, rather than waiting for it to move across the country. "

The proposed rule would replace the Bush administration's Clean Air Interstate Rule (CAIR), which was issued in 2005. The U.S. Court of Appeals for the District of Columbia Circuit ordered the EPA to revise the CAIR rule two years ago.

EPA is using the "good neighbor" provision of the Clean Air Act to reduce the upwind emissions that contribute to air quality problems in downwind states. The agency said its proposed rule sets in place a new approach that will be applied again as further pollution reductions are needed to help areas meet air quality health standards.

By 2014, the proposed rule, along with other state and EPA actions, would reduce SO2 emissions by 71 percent, compared to 2005 levels, the agency estimated. NOx emissions would drop by 52 percent.

SO2 and NOx react in the atmosphere to form fine particle pollution and ground-level ozone (smog), which are linked to widespread illnesses and premature deaths, the EPA said. Air pollution is linked to thousands of asthma cases and heart attacks, and almost 2 million lost school or work days, the agency said.

EPA will take public comment on the proposal for 60 days after the rule is published in the Federal Register. The agency also will hold public hearings.

For more information about the proposed rule, visit the EPA website, http://www.epa.gov/airtransport/.

Senate to take up climate change bill focusing on electricity industry

The Senate will take up an energy and climate change bill the week of July 26, but caps on pollution will be limited to the utility industry, Senate Majority Leader Harry Reid, D-Nev., recently said. "We are looking at a way of making sure that when we talk about pollution, we are focused just on the utility section," Reid told reporters.

However, the utility-only idea has run into problems. APPA supports an economy-wide approach, under a policy resolution adopted by its member utilities in 2008. The National Rural Electric Cooperative Association, American Chemistry Council and American Iron and Steel Institute came out publicly against the utility-only concept. The Edison Electric Institute has remained on the sidelines and declined to endorse the approach. Sen. Ben Nelson, D-Neb., said he would not vote for a procedural motion to allow debate on a utility-only bill.

Senate Energy and Natural Resources Committee Chairman Jeff Bingaman, D-N.M., has floated a draft climate change bill that would place an emissions cap on only the electric utility sector. Sens. John Kerry, D-Mass., and Joseph Lieberman, I-Conn., also have drafted a utility-only climate change bill. Both drafts are works in progress, with a number of placeholder sections.

Reid said the Senate bill, which is still being drafted, will have four titles. The other three will address: the Gulf oil spill; creation of clean energy jobs; and energy-related tax issues.

Source: APPA

FTC's "Red Flags" regulations take effect end of 2010

The federal government's "Red Flags" identity-theft regulations are set to take effect at year's end – more than two years after the original such date.

The Federal Trade Commission (FTC) announced in late May that implementation of "Red Flags" would be delayed for a fifth time.

As are cell-phone and credit-card companies, utilities are favorite targets of identity thieves. The Fair and Accurate Credit (FACT) Act of 2003, compels those and other institutions holding consumer information to put in place policies designed to recognize and the patterns, practices and specific activities – the "Red Flags" – that tend to indicate ID theft.

The new regulations have been challenged in court by professional groups, including attorneys, and several members of Congress feel that the regulations apply more broadly than the law intended. Accordingly, some lawmakers are considering amending the FACT Act.

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