



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.

ECA members visit with Alabama congressional delegation during APPA Legislative Rally

Municipal electric utility leaders from Alabama and across the nation visited with congressional leaders in Washington, D.C., Feb. 23-26, as part of the American Public Power Association's (APPA) 2009 Legislative Rally.

AMEA and Electric Cities of Alabama (ECA) representatives met with Alabama's congressional delegation to discuss issues which impact municipally-owned electric utilities and public power, including the provisions of future climate change legislation.

"We are concerned about our global environment and are following the congressional debate on climate change and a renewable electricity proposal," said Fred Clark, AMEA President & CEO. "We are also concerned about the impact of much higher electric rates on our fixed-income families as well as whether our industries can compete with these increased costs in a global economy. As we continue to serve as an advocate for our Members and their customers, we encouraged our congressional delegation to strongly

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AMEA and Electric Cities of Alabama representatives visit with U.S. Sen. Richard Shelby. Shown are (L to R): Mark Ennis, General Manager, Utilities Board of Tuskegee; Dean Argo, Executive Director, Electric Cities of Alabama; Mayor Gary Fuller, City of Opelika; Fred Clark, President & CEO, AMEA; Sen. Shelby; Ronnie Boles, Huntsville Utilities; and, Mayor Tim Kant, City of Fairhope. (Photo courtesy of Electric Cities of Alabama)

Rally

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consider climate change provisions that are balanced between protecting the environment and the impact of potential costs to the consumer. We will continue advocating for consumers in the U.S. Congress to ensure there is consistency and fairness in their attempts to meet the energy needs of public power communities.”



(Top photo) Cong. Jo Bonner talks to ECA members during congressional visit, including Fred Clark, AMEA; David Horton, Riviera Utilities; and Dean Argo, Electric Cities of Alabama. (Middle photo) Clark discusses climate change provisions with Cong. Robert Aderholt; (Bottom photo) Alabama municipal electric leaders meet with Alabama's newest Congressman, Bobby Bright. Shown with him are Clark and Ronnie Boles, Huntsville Utilities. (Photos courtesy of Electric Cities of Alabama)

AMEA Board of Directors elect new officers during February meeting

During the Feb. 19 AMEA Board of Directors meeting, board members approved a new slate of officers, including Don McClellan, Chairman, City of Alexander City; Mayor Gary Fuller, Vice Chairman, City of Opelika; and, Mayor Tim Kant, City of Fairhope. New officers were elected after the untimely death of Chairman Wayne Duke of Sylacauga, who died Dec. 25, 2008.

Casey Ponder and Dale Baker join AMEA Board of Directors

Casey Ponder, City of Piedmont, and Dale Baker, Sylacauga Utilities Board, recently joined the AMEA Board of Directors.



Ponder



Baker

Ponder was appointed in December to fill the unexpired term of Bill Fann, Piedmont City Clerk, after his resignation from the city in October. Baker was approved as the newest AMEA board member during the Feb. 19 board meeting. He fills the unexpired term of Wayne Duke of Sylacauga, who died Dec. 25.

There's still time to register for AMEA's 2009 Power Supply Conference

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,

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Conference

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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 your convenience, AMEA has reserved a block of rooms for the nights of April 15 and 16. To reserve a room at the discounted rate of \$99 per night, please mention that you will be attending the Alabama Municipal Electric Authority Conference. For online registration, please use the code, **AMEAMEA**. The room block cutoff is March 16.

For more information, contact Samantha Alexander, Executive Assistant, (800) 239-2632, Ext. 115, (334) 387-3507, or samantha@amea.com.

AMEA hosts first Distribution Services Working Group Meeting

AMEA hosted its first Distribution Services Working Group Meeting March 5 at the Prattville Marriott at Capitol Hill. Member management personnel attended the meeting.

Mark Ennis, General Manager, Utilities Board of Tuskegee, serves as chairman of the group. John Miner, President, Collaboration Unlimited, facilitated the meeting.

AMEA President & CEO Fred Clark said the purpose of the meeting was to investigate the need for electric distri-

bution services among AMEA's Members and prospective Members; assess their level of interest in obtaining those services from AMEA; and, evaluate the conceptual business models and cost recovery methods by which AMEA could best provide and sustain those services.

Participants in the meeting also heard about what other services joint action agencies, like AMEA, are providing to

their Members, including MEAG/Electric Cities of Georgia (ECG).

Keith Bass, MEAG/ECG, provided an overview of the organization's services to the group.



Bass talks about MEAG/ECG's Member Services.

"We are very pleased with the response from our Members to this initial meeting," said Fred Clark, AMEA President & CEO.



AMEA Members participate in Distribution Services Working Group Meeting on March 5.

"The meeting gave us some clear direction as to the types of services our Members wish for us to consider," Clark said.

At the conclusion of the initial effort, the Working Group communicated its findings and recommendations to continue developing, Clark added.

Moody's: 2009 credit outlook for public power is stable

According to a recent Moody's Investor Services report entitled, 2009 U.S. Public Power Electric Utility Sector Outlook, the "credit outlook for the U.S. public power electric utility sector will remain stable in 2009, but recessionary pressures and the prospect for more aggressive environmental regulation related to climate change create some uncertainties in the outlook."

AMEA was mentioned in the Joint Action Agency section, which stated, "The stable credit outlook is based on the expected stable credit quality of AMEA's participants and AMEA's continued stable financial operations."

Moody's rates over \$100 billion of revenue bond debt for U.S. municipal and government-owned electric utilities.

Moody's stated that the stable outlook for the sector rests on public power's monopoly position as a provider of an essential service, combined with its ability to recover costs through a local rate-setting process that is not subject to regulation. The report cited that Moody's does not expect this role to change under the new federal administration's policies.

Additionally, public power electric utilities have shown an ability to manage through the recent turmoil in credit and fuel markets and there have been generally sound finances and reliable service to customers, the report further cited. There has been no public power credit rating downgrades related to the impact of the unsettled credit markets. Many utilities also have undertaken strategic efforts to begin to manage expected changes in environmental regulation.

AMEA explores impact of economic stimulus package for Members

Over the past several months, AMEA has been researching and exploring best practices in energy efficiency on behalf of our Members, particularly in regards to the American

Recovery and Reinvestment Act of 2009 (the economic stimulus package), which President Obama signed into law last month.

AMEA has been researching the impact of this package and what it will mean to AMEA Members. AMEA has also participated in APPA webinars to get a better understanding of the details of the package in terms of energy efficiency, smart meters, smart grid and other infrastructure projects/programs.

Much of the stimulus money will not be available for weeks (if not months) as federal agencies scramble to find staff to handle the loans and grants and to address and issue regulations and procedures for applying, according to APPA Government Relations Director Joy Ditto.

During last week's APPA webinar, it was mentioned that now is the time to get in contact with your state energy office (in our case, the Alabama Department of Economic and Community Affairs, ADECA) to at least make contact, identify what the process may be in your state and get in line for the funds. AMEA has been working with ADECA on your behalf regarding energy-efficiency initiatives as well as our desire to be in line for these stimulus funds. ADECA tells us they are waiting to get further guidance from the Department of Energy (DOE) on how the funds must be spent. DOE will issue those guidelines in the next week or so.

AMEA encourages its Members to be thinking about the types of energy-efficiency and infrastructure projects you would like to consider for funding, so that when ADECA receives the guidelines from DOE and they notify us of those funding opportunities, we will be ready. AMEA will keep Members abreast of any and all findings.

For more information, contact Lisa Miller, AMEA's Manager of Communications and Marketing, (334) 387-3501, (800) 239-2632, Ext. 118, or lmiller@amea.com.