



News *from the* Trail

January 2016

SERVING OUR MEMBERS

High Times Working the Lines

By Debby Schoeningh

Clad in head armor and rubber gauntlets, linemen wield an insulated stick called a “hot stick” that is used for testing voltage as they ride the skies in a bucket truck to conquer the forces that cause outages. These knights of the electric utilities shine as uncommon champions powering our days and illuminating our nights.

Being keepers of the power is not for the fainthearted or for those who have qualms about working 50 feet above the ground’s surface.

The hours are often long, the timing of outages is not always ideal, and the weather doesn’t always cooperate. More often than not, linemen are on the road and in the air long before most of us have had our first morning cup of coffee.

Despite the hard work and unpredictable hours, Oregon Trail Electric Cooperative (OTEC) Journeyman Lineman, Tim Bannister, says he enjoys his chosen career.

“Rebuilding lines, stringing wire far from the paved road, and snowshoeing on a cold, clear night while searching for a down wire has its own set of rewards,” says Tim.

“I have always enjoyed physical outdoor work, so line work is a good fit. The demands of working high in the air with high voltage electricity makes our trade a great

challenge,” says Tim. “Some of my best working days at OTEC have been the ones filled with unexpected challenges.”

Tim started working for OTEC as a lineman in 1994, and is currently the acting Northern Division District Superintendent.

“The best part of my profession is the quality of the people I am fortunate enough to be associated with at OTEC, and in the communities we serve.”

All in a day’s work

Pat McCluskey, OTEC’s Southern Division Superintendent, says a typical day starts with a short briefing with lineman crews in his division. The crews set up planned outages that may be required for certain jobs, as well as the scheduling of excavating equipment and flaggers.

Once the crews are dispersed, a serviceman follows up with the crews informing them of that day’s pending work and appointments, which can include locating underground electrical lines for digging operations, community street light repairs, customer service calls and voltage investigations.

“It is great when everything goes as planned,” says Pat. “Of course, when outages occur, everything else gets

thrown on the back burner until later. Outages trump everything.”

Pat says other emergencies can pull linemen away from a scheduled job such as vehicles colliding with power poles or downed wires.

“Obviously those emergencies change the schedule for the rest of the day,” says Pat, “they can carry over into the late hours of the evening, early hours of the morning, 24/7—which means a linemen can be called in from home to assist. A traditional eight-hour work day really has no set start or end time for a lineman.”

Pat says a large portion of OTEC’s transmission and distribution lines are set in some of Eastern Oregon’s most geographically challenging areas and any standard repairs or planned maintenance are best performed during the summer months when these rocky areas are most accessible. Because of this, the lineman often work extended hours in the summer.

“There are small windows of opportunity between the wet spring season, the wildfire season and the time the winter snow starts to fly,” says Pat. “So, if a transmission job includes a large amount of travel time, linemen might end up working 10+ hour days on these projects.”

Story continued on page 2.

HIGH TIMES—WORKING THE LINES CONTINUED

As a supervisor, Pat says his job varies from day-to-day, but his first priority is to “avoid any down time for the crew and keep meaningful work in front of them.”

“I enjoy looking back and seeing the success that occurs over a period of time on a project. It usually spans several years from start to finish and it is good to see the team work given by all of our departments to make it all come together,” says Pat, “the lineman for their skill and input on building the project, the staking department for estimating and staking the projects parameters, the warehouse crews for making certain all materials are ready, and ultimately the end reward is in the increased reliability given to our membership.”

The making of a lineman

Pat started his career with OTEC in 2000 as a Journeyman Lineman in John Day, before moving into a foreman position. But, his journey in becoming a lineman began 10 years earlier.

“At the time, I was trying to get an apprenticeship through the International Brotherhood of Electrical Workers (IBEW), which involved interviewing with an eight-person committee and being slotted accordingly,” he continued, “I began studying the ‘groundman books’ through the union hall, to pick up whatever experience I could.

This went on for several years until Pat was slotted high enough to be indentured as an apprentice lineman in 1995. He completed his apprenticeship in 1999, becoming a Journeyman Lineman, and after being hired at OTEC, worked his way into the supervisory position he now holds.

OTEC’s Director of Engineering and Operations, Ned Ratterman, started his journey in the electric utility industry working in the transmission department of the Public Service Company of Colorado. He also spent time in the network underground system feeding downtown Denver, and eventually transferred into the distribution department where he

completed his IBEW apprenticeship, and began working as a lineman.

“I worked as a lineman in Colorado until 1994 when I moved to Riverton, Wyoming and began working for High Plains Power (HPP) electric cooperative,” says Ned, “At HPP, I worked on transmission, distribution and substation systems and became the safety coordinator.

During this time, Ned split his days (and nights) working full time as a lineman, attending college full-time and raising three children and two foster children.

In 2002, Ned was hired as OTEC’s Manager of Loss Control overseeing safety, regulatory compliance and insurance matters.

Ned’s duties as director of engineering and operations are many and varied. He attributes his education in business, human resources (HR) and communications, as helping him, “to view diverse situations from several perspectives.”

“The variety is my favorite part of my job,” he says, “an average day will find me responding to a multitude of subjects unrelated to one another such as construction, regulatory compliance, member relations, budgetary considerations, safety, personnel/HR issues, procedural development and public speaking.”

While OTEC’s district superintendents primarily direct a linemen’s work, Ned still has the hardwired work ethic of a lineman and will occasionally drive out to significant outages, evaluate the extent of the damage and review the status of restoration—such as with the recent wildfires in Eastern Oregon.

“Being motivated at work is not a concern. Because, we are in an industry which is evolving before our eyes,” says Ned. “Our facilities and equipment are first class, our educational opportunities are diverse and we have made many significant technological changes since I began working here. Especially in the areas of metering and engineering analysis.” ●

Thinking of pursuing a career as a lineman?

STEP ONE:

“Go to line school. There are many to choose from in our region and that is the best starting point,” says Ned. “OTEC has a tremendous scholarship program which offers two \$5,000 lineman scholarships every year. Go to your local OTEC office (or visit www.otecc.com) and apply for the scholarships.”

STEP TWO:

“Get your apprenticeship. You have to be willing to travel in order to get experience because, in many cases, jobs won’t be available locally,” says Ned.

STEP THREE:

“Do your research. Visit online forums written by linemen,” Ned says, “OTEC also offers job shadowing, which is a good way to have an early idea of what line crews do each day and the forums will really give you a window into the type of individuals in the trade and if you think they would be people you would like to work alongside each day.”

Although it takes hard work and dedication to pursue a career as a lineman, “the rewards are tremendous,” says Ned. “OTEC is an incredible place to work. I am fortunate to be here in Baker City, which is a gem of a place to live. Life is great!”



ALTERNATE PILOT RATE PROGRAM

Alternate Pilot Rate Program Frequently Asked Questions

WHAT IS THE “MEMBER CHOICE – ALTERNATE PILOT RATE PROGRAM?”

Oregon Trail Electric Cooperative (OTEC) is conducting a study to determine if billing for energy capacity as well as energy usage changes usage patterns. Enrollment is voluntary.

WHAT IS ENERGY CAPACITY?

Historically, electric rates have been based primarily upon the hours of usage, or kilowatt hours (kWhr). The more you use, the higher your electric bill. In addition, there is a flat monthly delivery charge to recover a portion of fixed operational costs. There is, however, another important component in measuring electric usage and that is electric capacity. Electric capacity is the amount of power that potentially could be used at any given time. OTEC’s electric meters register not only the kWhr of usage, but as well the kilowatt (kW) demand or capacity required. Totalling all members’ kW demand together equates to the amount of system capacity OTEC needs to ensure every member will have the power they need when it is demanded.

IF I DO NOT USE THE POTENTIAL POWER OR CAPACITY OTEC PURCHASES, WHY WOULD I BE BILLED FOR IT?

OTEC must pay Bonneville Power Administration (BPA) for the maximum capacity anticipated even if it is not needed. If members lower the demand placed on the electric system, capacity requirements decrease, as does the cost. A good analogy to understand power capacity is paying a premium for a souped-up, 8 cylinder, hot rod. Even though you will primarily only drive it 65 miles an hour on an average road trip, you may need to turbo up to 80 mph to pass someone. You pay the additional cost to have the capacity of driving much faster, on demand. There is a price for that option — especially if, like electricity, it is on demand 24 hours a day. If time is important to getting electricity to where it is needed, the potential capacity is higher. However, if time and rate of use can be staggered, controlled, changed or spread out over a period of time, the system capacity required is lowered. Giving members the ability to manage their capacity is another way to lower costs.

WHY IS OTEC CONDUCTING A STUDY OF THIS NATURE?

In keeping with the seven electric cooperative principles, OTEC routinely reviews rate structures in use throughout the electric industry to compare billing methods and ensure rates continue to be fair, equitable, as well as affordable.

The characteristics of OTEC’s energy load are changing due to decreased energy sales, increased energy efficiency appliances/measures and new sources of distributed generation, such as solar/wind/battery systems. At the same time, our members want greater control over usage and the potential to lower bills. Creating a new rate structure that includes billing for capacity in addition to energy usage has become an attractive option for utilities to stabilize future rates while at the same time provide some assurances OTEC can meet its financial obligations for the long term.

Story continued on page 4.

\$SAVE MONEY! ENROLL NOW

If you want to become more engaged and educate yourself on the value of your electrical capacity, what is it, how it works and where its value resides in your home, the **ALTERNATE RESIDENTIAL RATE PILOT PROGRAM** is for you.

Beginning January 1, 2016 OTEC will launch a voluntary pilot rate program for its residential members.

REDUCE MY ELECTRIC BILL

- DELAY START TIME ON DISHWASHER AND OTHER ELECTRICAL APPLIANCES
- START WASHER AND DRYER WHEN ELECTRIC HEAT AND WATER HEAT IS OFF
- INSTALL A SOLAR OR WIND GENERATOR - OR INSTALL ELECTRIC STORAGE
- DO NOT OPERATE RANGE TOP AND OVEN WHILE USING OTHER LARGE APPLIANCES

SIGN UP FOR OTEC'S PILOT RATE PROGRAM

If you would like to sign up for our **ALTERNATE RESIDENTIAL RATE PILOT PROGRAM** bring this billing insert to your local OTEC office — or call us at 541-523-3616 for more information.

ALTERNATE PILOT RATE PROGRAM CONTINUED

This pilot study provides OTEC hands-on experience and data about the impact of billing for electric capacity and whether members' will change electric usage patterns that have a positive impact on their monthly electric bill. The study also will provide insights on acceptance of the new rate and how best to communicate this alternate billing concept to the membership should OTEC choose to expand this study.

HOW WILL I BE BILLED FOR CAPACITY?

OTEC measures how capacity is used by a demand register inside the meter. The meter reads electric demand in 15-minute intervals, 24 hours a day, 7 days a week. The highest kW demand registered at your location in any 15-minute interval during a billing period will appear as a new line item on your bill. The demand register is reset to zero following billing and begins again for the next billing period or month.

WON'T ADDING ANOTHER LINE TO MY BILL INCREASE MY TOTAL ELECTRIC BILL?

The answer is "No, not necessarily." For purposes of this study, OTEC's Board adopted a new rate structure that

reduces the monthly delivery charge, and reduces the energy rate, while at the same time adds a charge for the highest demand registered during a billing period. If you manage, or stagger, when your major household appliances are being used, the demand will be lower than if you turn all of your appliances and electric equipment on and use them during the same time. The purpose of this study is to determine if billing for capacity changes usage patterns.

HOW LONG IS THE STUDY EXPECTED TO LAST?

The pilot study will begin January 1, 2016 and will end no later than December 31, 2017. Members can sign up to volunteer starting January 1, 2016 through January 1, 2017 with a minimum 12-month commitment.

WILL I GET THE RESULTS AND CONCLUSIONS OF THE STUDY?

OTEC will make the results of the study available to the membership. Individual usage and billing information will be made available to enrollees upon request.

IF I CHOOSE TO ENROLL IN THE STUDY, HOW OFTEN WILL YOU BE CONTACTING ME?

Most of the information OTEC needs will be available through our existing computerized billing and metering systems. From time to time, we may contact you to determine if equipment or appliances have been added or changed at the location. We are available to answer any questions at any time and always appreciate your feedback.

HOW ARE YOU GETTING VOLUNTEERS FOR THE STUDY?

OTEC is advertising for a maximum of 100 volunteers to sign up between now and January 1, 2017.

ARE THERE CRITERIA TO QUALIFY FOR ENROLLMENT IN THE STUDY?

Yes. This pilot study is being offered only to members with meters that are presently classified as Residential or Residential Farm services. Completion of an enrollment form is required prior to acceptance into the program.

These are available online at www.otecc.com or at any of the OTEC offices. Your meter must be active and in use year around in order for the study to be effective.

CAN I TERMINATE MY ENROLLMENT?

In order for the study to be useful and the data valid, we will need to study at least 100 different locations that will remain actively enrolled for a minimum of 12 months. After 12 consecutive months of enrollment, you may terminate your agreement.

WHAT IF SOMETHING HAPPENS AT MY LOCATION AND MY METER BECOMES INACTIVE DURING THE 12-MONTH PERIOD?

You will be notified that your location no longer qualifies for the study. Your OTEC billing for services will return to the appropriate rate schedule according to the current tariff. ●

\$AVE MONEY! ENROLL NOW

If you would like to sign up for our **ALTERNATE PILOT RATE PROGRAM** bring this to your local OTEC office or call us at 541-523-3616 for more information.



Name: _____
Street: _____ _____
Phone: _____
OTEC Member Number: _____
Signature: _____

SERVING OUR MEMBERS



GEORGE GALLOWAY
President

Happy New Year!

From the Boardroom

Upcoming Board Meetings:
Jan. 26 Feb. 23 Mar. 22

Every January marks the beginning of OTEC's fiscal year when staff starts to follow a new budget. The process for developing the 2016 budget began in June of 2015 and required hundreds of hours of work by our staff, lead by our Chief Financial Officer, Anthony Bailey.

Along with the budget, a 10-year financial forecast is prepared. That forecast anticipates OTEC will have revenues in excess of \$586 million and expenses in excess of \$567 million. Additionally, during this timeline, it is projected that OTEC will retire approximately \$20 million in capital credits - leaving a zero net cash flow.

These are obviously huge numbers with not much margin for error. If anything gets significantly out of whack, as a non-profit organization, we would face major

challenges. So, it is very important that the budget is very carefully prepared and strictly followed.

The 2016 budget was reviewed and approved at our October 27th board meeting. Prior to the meeting, board members spent hours going over pages and pages of numbers and more hours during the meeting itself—listening to explanations from Anthony and asking questions.

We don't do this because we lack confidence in staff's work. The people preparing the budget are dedicated, experienced and know a lot more about day-to-day operations than the board members.

As a practical matter, despite all of our questions, it is very unusual for us not to accept a staff recommendation. More than likely, if we did not spend the time on

a detailed review of the budget presentation, nothing bad would happen, but it is part of our due diligence as a board. We understand these hundreds of millions of dollars are your hundreds of millions of dollars and that we owe it to you, our members, to have a very good understanding of what is going on and how your money is being spent.

While we pay a lot of attention to controlling OTEC expenses, we understand that our members expect us to keep your power on while keeping our line crews safe. We spend what we think we must to make sure that happens.

Still, of 300 comparable co-ops nationally, OTEC is ranked in the top 10 percent for having the lowest rates in the country. ●

Have a question for the board?

Email: BoardSupport@otecc.com

OTEC NOMINATING COMMITTEES APPOINTED

The board of directors for Oregon Trail Electric Cooperative (OTEC) appointed the director nominating committees for Baker and Union Counties. Appointed to serve were:

Position 7 (Union County) held by incumbent Greg Howard
Position 8 (Union County) held by incumbent David Baum

- **Donna Beverage, 541-786-1492**
- **Dale DeLong, 541-786-4343**
- **Mike McLean, 541-786-1412**

Position 9 (Baker County) held by incumbent Charlene Chase

- **Martin Arritola, 541-910-9019**
- **Diane Brown, 541-523-3679**
- **DeeDee Clarke, 541-524-1999**

The committee is responsible for interviewing and nominating candidates for the 2016 OTEC Board of Director Elections. If you are interested in running

for the OTEC Board of Directors, please contact the nominating committee members in your county.

Each director's term of office is for three years. The election will be completed at the annual meeting scheduled for April 30, 2016 in Baker City.

A copy of the bylaws describing the terms of the office and qualifications needed to serve on the 9-member board of directors and well as a conflict of interest policy are available online at www.otecc.com.

Committees must submit their nominations by January 30, 2016. Members wishing to petition for placement on the 2016 Board or Directors Election Ballot should contact Joan Macy (541-524-2831) or Lara Petitclerc-Stokes (541-524-2858) for the petition and conflict of interests forms.

Nominations by petition must be filed no later than 5:00 p.m. on March 1, 2016. The petition must be signed by the candidate and at least 50 OTEC members qualified to vote. In addition, there must be a request that the candidate's name be placed on the ballot. ●

MANAGER'S MESSAGE

It is always a little surprising when you discover that cooperative members and businesses are being targeted by search engines to third-party websites by companies imitating payment sites.

The most challenging part is that, as we acclimate ourselves to the conveniences of mobile apps and on-line bill payments, a whole industry has emerged to make a profit off of a service that is usually offered for free directly from the cooperative or business itself.

Third party billing sites are nothing new and have grown a talent for becoming cleverer in the ways they try to appear as if they belong to a cooperative or business.

They use company logos without permission along with disclaimers stating they are not affiliated with the business they are advertising



WERNER BUEHLER
General Manager

and that the logos use is for "informational purposes" only.

Such is the case with a third-party payment site called doxo.com which finds loopholes in legal terminology which allows them to use a myriad of cooperative logos on their site without the permission of the cooperative or by a business they are promoting.

Through the use of a small disclaimer stating, "doxo is not an affiliate of _____ Electric Cooperative. Logos and other trademarks within this site are the property of their respective owners," they provide a service to members. But, only for a fee.

There is little any one business or cooperative can do about this unauthorized use other than to

notify their membership, note the potential additional costs and potentials for delays in payment processing associated with using a third-party billing site, such as doxo.com.

OTEC encourages our membership to be diligent in keeping personal and financial information private, and pay attention to your Uniform Resource Locator (URL) addresses at the top of your screen, OTEC's reads ebill@otecc.com.

Read terms of use carefully for any third-party billing sites and use general caution whenever you engage in online commerce.

If you have questions, give us a call at any one of our local OTEC offices. Our member service representatives will ensure you are confident in making any financial transactions to your cooperative. ●

2016 OTEC SCHOLARSHIPS

2016 OTEC Scholarship and Youth Tour Applications are due January 15th at 5pm.

OTEC provides twenty-eight \$5,000 scholarships to students in our four county service territory. Scholarships are available for first time students, returning students and those interested in becoming a Lineman.

The 2016 OTEC Rural Electric Washington DC Youth Tour will take place June 9th to the 16th. Current high school juniors are eligible to apply for this all expenses paid trip to our nation's Capital.

These programs are provided out of unclaimed capital credits and their earnings. They do not affect rates. To learn more and apply please visit www.otecc.com. ●



CHARITABLE GIVING

Oregon Trail Electric Cooperative (OTEC) is a locally owned cooperative in Eastern Oregon. As an electric cooperative, OTEC follows the seven cooperative principles.

Principle number seven is Concern for the Community:

While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by the members.

CHARITABLE GIVING

Here at Oregon Trail Electric Cooperative we strive to serve our members and the communities that make us strong. OTEC contributes limited cash and "work-in-kind" donations to community groups in our service area.

Donations are provided for the purpose of public benefit, community improvement,

charitable, scientific or educational purposes. OTEC regularly supports civic club fundraisers, local 4-H and FFA events, youth sports programs, community project improvements and non-profit organizations.

Organizations or events that would like to apply for a donation should fill out the form available by visiting: www.otecc.com/community. ●