

WEC CO-OP CURRENTS

President's Message

Exercising Democracy

November's Elections, and October's Recognition of Co-ops

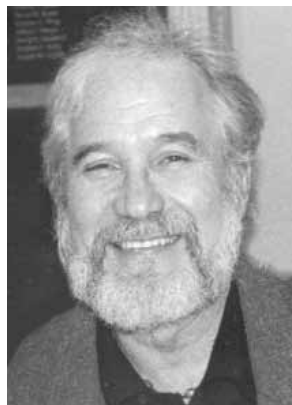
By Barry Bernstein

Democracy, and our rights and obligations as citizens, are increasingly on people's minds as we draw close to the elections on November 2. Practically everyone seems to agree that the upcoming 2004 elections are as important, or more important, than any we have seen in years. I urge all of our readers and Co-op members to make sure you get to the polls on November 2 and exercise your right to vote.

While a great deal of the attention has been on national and international issues this year, we have some very important matters to deal with on the state and community level as well. Last month, in *Co-op Currents*, I used my President's Message to talk about the importance of energy-related issues, particularly Vermont's energy supply and its cost, as the state approaches the end of contracts that

provide nearly 70 percent of Vermont's total energy needs.

In 2015, just 11 years from now, Hydro Quebec's contract with Vermont's major utilities will end – and the Vermont Yankee contract will end even earlier, in 2012.



Barry Bernstein

We have no time to waste, and must make sure that our leaders are addressing the question of how we will replace this power on a statewide level, at prices that Vermonters can afford. Our government is now drafting a 20-year Energy Plan, making this an opportune time to learn where candidates stand on energy issues. These are pocketbook issues, related to jobs, opportunity and quality of life.

That's why, for this issue of *Co-op Currents*, Washington Electric Cooperative invited the major party candidates for governor and lieutenant governor to respond to two questions

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Top Statewide Candidates Address WEC Members on Energy Issues

Washington Electric Cooperative does not endorse candidates for political office. However, energy-related issues that directly affect the Co-op, its members, the State of Vermont and our communities are shaped by government policy. To help WEC members stay informed about such issues and understand the positions and commitments of those who seek our votes, we often invite candidates for statewide offices to respond to a few selected energy-related questions, for publication in *Co-op Currents*.

This year, our questions focus on two of the most important energy matters of the day: Vermont's future energy supply, and the role of renewable energy. We invited replies from the major party candidates for governor:

incumbent Gov. James Douglas (Republican) and Burlington Mayor Peter Clavelle (Democrat); and lieutenant governor: incumbent Lt. Gov. Brian Dubie (Republican), Democratic challenger former State Sen. Cheryl Rivers and Progressive Party candidate State Rep. Steve Hingtgen.

We were gratified to receive responses from all five. Their answers follow (page 6), the gubernatorial candidates first and the candidates for lieutenant governor second; they are presented in alphabetical order according to the candidates' last names.

WEC is grateful to the candidates for communicating with our membership through *Co-op*



Gov. James Douglas



Peter Clavelle

continued on page 6

Inside

October being National Co-op Month, General Manager Avram Patt considers how WEC lives up to the principles of cooperative ownership. Page 3.

The candidates for lieutenant governor weigh in on Vermont energy policy, too. Their views follow the gubernatorial candidates', on page 7.

A century ago, the disparity between urban and rural living standards in America was a national disgrace. Electric co-ops would be the resolution, but it took presidents, governors and engineers decades to get there. The first of a two-part series on rural electrification begins on page 4.



When the sun went down, rural Americans did everything by candlelight and kerosene lamps, well after their city cousins were enjoying electricity.

Washington Electric Cooperative

East Montpelier, VT 05651

Hearing On WEC's 'IRP'

On this page readers will see a formal notice of a public hearing concerning Washington Electric Cooperative's updated Integrated Resource Plan (IRP). The Public Service Board hearing will take place on November 15, 2004, in the gymnasium at the East Montpelier School, at 7pm.

What is an IRP? And does the document matter to Co-op members?

According to Co-op General Manager Avram Patt, an Integrated Resource Plan is required periodically of all Vermont electric utilities by the Public Service Board (PSB). It takes into account three basic components:

- 1) The full array of a utility's sources for electric power;
- 2) The infrastructure (pole, wires, substations, etc.) used to deliver the power to customers – or in WEC's case, members;
- 3) Energy efficiency and efficiency in power delivery – meaning, programs to manage consumers' usage, as well as operational steps to ensure that the highest percentage possible of the wholesale electricity the company purchases actually reaches the members. (Electric voltage deteriorates as it travels, which is called "line loss"; utilities are required to design their systems so as to minimize that deterioration.

Through the IRP, the Public Service

Board tries to protect consumers' expenditures for power, and see to it that utilities hold their costs in check while meeting their customers' needs.

"What the Board is asking, through the IRP process, is, 'Are you doing all you can, in the ways you manage your electric usage and your infrastructure, before you go out and buy or build new resources?'" said Patt.

WEC Products and Services Director Bill Powell, and Stan Faryniarz (who works for the Co-op's Boston-based power consultant La Capra Associates) compiled the book-sized document.

"It gives a total picture of our energy supply – what we've had, where we're going, and makes our case about why our landfill gas-to-electricity project in Coventry is a good fit for us," said Patt. WEC included the IRP as an exhibit in its successful application for a Certificate of Public Good from the Public Service Board.

The Co-op filed the IRP in October 2003. Since then, it has coordinated that plan with its most recent "Long-Range Plan," a document WEC filed earlier this year with the federal Rural Utilities Service (RUS). The RUS, an agency within the United States Department of Agriculture, provides loans for maintenance and system improvements to the country's 900 or so rural electric co-ops. After completing the Long-Range Plan, WEC added that to its submissions

NOTICE OF PUBLIC HEARING

Washington Electric Cooperative's Integrated Resource Plan (IRP) Public Service Board Docket No. 6896

You are hereby notified that a Hearing Officer of the Public Service Board, Edward McNamara, Staff Attorney, will conduct a public hearing on Monday, November 15, 2004, at 7:00 p.m., in the gymnasium of the East Montpelier School, for the purpose of taking comments from the public in regard to Washington Electric Cooperative, Inc.'s (WEC) Integrated Resource Plan (IRP).

Vermont's electric utilities are required by statute, 30 V.S.A. §218(c), to prepare Integrated Resource Plans "...for meeting the public's needs for energy services ...through a strategy of combining investments and expenditures on energy supply, transmission and distribution capacity, transmission and distribution efficiency, and comprehensive energy efficiency programs." WEC filed its most recent IRP with the Public Service Board on October, 2003, for the period 2004-2023.

Copies of WEC's IRP may be viewed during normal business hours at the office of the Public Service Board, Chittenden Bank Building, 4th Floor, 112 State Street, Montpelier, Vermont, and at the offices of Washington Electric Cooperative, Inc., located at 75 Vermont Route 14 North in East Montpelier, Vermont.

Directions to the East Montpelier School: At the blinking light at the intersection of Routes 2 and 14 in East Montpelier, turn onto Quaker Hill Road and follow this approximately one mile, turning right onto Vincent Flats Road. The East Montpelier School is handicapped accessible. Any person with a disability who will need special accommodation should contact the Public Service Board (802-828-2358) by no later than November 10, 2004, if they will need that accommodation.

to the PSB, as further documentation for the Integrated Resource Plan.

What the documents show, the manager said, is an electric co-op in pretty good balance for the next several years. Its power-supply needs are foreseeable and will be met largely with electricity the Co-op will produce itself at the Coventry landfill, along with existing power contracts and a small percentage of power purchased on the spot market.

Nor is WEC facing any service-related crises.

"Other than the need for continued normal maintenance, and upgrading and rehabilitation of the physical system,

there are no areas in our service territory – such as a new factory or a big housing development – where we'll have to undertake some large new investment in our power supply or our infrastructure just to serve that new load. We foresee the kind of slow, steady, manageable growth that we're used to."

The November 15 hearing provides the PSB an opportunity to hear public comment on WEC's Integrated Resource Plan. People can obtain copies of the IRP and the Long-Range Plan from the PSB or at WEC's headquarters in East Montpelier.



Co-op Currents

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The Board of Directors' regularly scheduled meetings are on the last Wednesday of each month, in the evening. Members are welcome to attend. Members who wish to discuss a matter with the Board should contact the president through WEC's office. Meeting dates and times are subject to change. For information about times and/or agenda, or to receive a copy of the minutes of past meetings, contact Administrative Assistant Deborah Brown, 802-223-5245.

President's Message

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about Vermont's energy future, including the role of renewables in the state's energy mix. Their answers appear on these pages. I want to express my gratitude to Gov. Jim Douglas, Mayor Peter Clavelle, Lt. Gov. Brian Dubie, State Rep. Steve Hingtgen and former State Sen. Cheryl Rivers for taking the time to think about these issues and using *Co-op Currents* to communicate with our members.

Similarly, I hope our members will read and consider the candidates' statements. While I'm not suggesting that we make our voting decisions based solely upon energy and electricity policy, it certainly can be a part of the mix of issues that guide us when we cast our ballots on Tuesday, November 2 (or earlier, for people voting by absentee ballot).

And finally, October is not only the month preceding our national and state elections this year, but as always it is

also National Co-op Month. We make it a point to recognize Co-op Month every year, because WEC is not just an electric utility; it is a *co-op*, as much as any other form of cooperative: member-owned, not-for-profit, and with a Board of Directors elected by and answerable to the people who buy their power from WEC. Elsewhere in this issue you'll find Part I of a two-part story about how co-ops brought power to rural America, answering a critical need that had been long neglected when the "bottom line" was the chief factor that determined who had electricity and who didn't.

At WEC, we try to abide by the Cooperative Principles, and we hold ourselves accountable to them as well as to our members.

Let's all be sure to cast our votes in November. Whether it's the United States of America, the State of Vermont, your town or local community, or Washington Electric Cooperative, a democracy is at its best only when people participate.

Manager's Report

'Transparency,' And Other Co-op Principles

by Avram Patt

October is National Co-op Month. Washington Electric Co-op this year chose to mark this month by reminding our members in several ways about the principles and the benefits of cooperatives of all kinds. Our October bill contained an insert with facts about the many different kinds of co-ops in Vermont, and how many Vermonters are members. Also included with the bill was a coupon for products from the Cabot Creamery Cooperative. In this issue, we are publishing the first of a two-part article on the history of rural electrification, as a reminder about why millions of rural people throughout the country, including WEC's founders, chose to organize co-ops in the 1930s. And, you may have seen the TV ads sponsored by several Vermont co-ops that ran on stations in early October, as a reminder of the commitment cooperatives have to their members and the communities they serve.

But it seems that every group or cause has an official month, week or day. Washington Electric Co-op is an electric utility, and our poles and wires are made of the same stuff as any other electric company's. We and other cooperatives throughout the nation may call October National Co-op Month, but does that really mean anything?

It does. In many ways, some obvious and some not, being owned by our customers is fundamental to who we are and how we serve you.

We call you "members" for a reason. That's not just something we do in this newsletter and on our website. It's how our employees and board members refer to you when we communicate amongst ourselves and go about the business of keeping the lights on.

You are, of course, the Co-op's "customers" and "ratepayers," but as members you are also owners of this business. When you contact us for any reason, our employees know that. But we also hope that it reminds you that



Avram Patt

you have a say, through the democratic process, in how WEC operates, where we get our power from, and other matters large and small.

We provide you with information. Readers of *Co-op Currents* and users of our website know that we provide you with a great deal of information about the

Co-op's operations, about state and national energy issues and our positions on them, on our future plans, on new services we are considering and much more.

On a shelf near my desk is a pile of Co-op Currents back issues, and as I leaf through them it strikes me that WEC members have the opportunity to be about the most informed utility customers anywhere.

"Education" is one of the seven Cooperative Principles, and we take that very seriously. On a shelf near my desk is a pile of Co-op Currents back issues from the last two years, and as I leaf through them it strikes me that WEC members have the

opportunity to be about the most informed utility customers anywhere. We describe what our employees do day-to-day, and we attempt to explain plainly some of the complex and sometimes controversial issues involved in producing energy.

Although WEC's board does take positions on some issues, our newsletter also serves as a forum for other opinions and comments from members.

You get to vote. Most electric utility ratepayers don't vote on anything affecting their utility. As WEC members, your vote does count. In the past few years, WEC members have voted in support of replacing two substations, on bylaw amendments ranging from minor wording changes to redefining the type of business activities we can engage in, and on going forward with our landfill gas generating facility in Coventry.

And of course, each year three seats on the Co-op's Board of Directors are up for election. Not only do you get to choose the people who steer the Co-

op's course, you can also run for the board. All it takes is interest, commitment, and 25 signatures on a petition.

Your Board of Directors has only one goal. The directors you elect are members, like yourselves. They care deeply about the Co-op's present financial health and its future. They want our Co-op to be a responsible utility, both environmentally

and in the community. They worry, fret and they work hard. They weigh the risks and benefits of choices before them. They listen to the members who call them or stop them on the street to talk about service quality. They do not take things lightly, and the decisions they make are not always easy ones. Unlike boards of other companies, whose first allegiance is to the shareholders, your board has no conflict in serving both the customer and the owner at the same time, because as a cooperative, our only goal is to serve our members.

What you see is what you get. We are honest and up front with our members. Permit me to give one specific example that came to mind the other day when I got ticked off at a long distance company's sleazy marketing (and also because it allows me to promote a product that more of our members should sign up for!) I do think it says a lot about WEC by comparison.

For some time, WEC has been offering a long distance telephone service (information is available in the "Co-op Store" section of this issue and on our website.) Interstate calls are 5.9 cents/minute or 4.9 cents if you sign up for online billing. There is no monthly service fee and no minimum charge per call. Calls are charged in 6-second increments so you don't pay for a whole minute if you only used part of it. Other than taxes and fees charged by all long distance providers, that's it. No gimmicks and no tricks.

This week I got a slick package in the mail from Working Assets, a "socially responsible" long distance service that donates a percent of profits to causes I support and wants to give me 12 pints of Ben & Jerry's for signing up for their "3 cents a minute" service. But unless you read the fine print on the back of the

In the past few years, WEC members have voted to replace two substations, amend our bylaws in substantial ways, go forward with our landfill gas generating facility in Coventry. And of course, each year three seats on the Board of Directors are up for election.

reply form, you wouldn't know that there's also a monthly charge of \$5.95 and that you pay for a full minute even if you only use a few seconds. So including that \$5.95 monthly charge means that someone using 30 minutes of long distance a month is actually paying 22.8 cents/minute, 60 minutes is 12.9 cents/minute, and two hours is 7.9

cents/minute.

In other words, you need to make a lot of out-of-state calls before this plan makes sense compared to the Co-op's.

Oh, and the really fine print goes on to mention that this is an "introductory" offer, and that their 3 cent rate becomes 5 cents a year after you sign up!

We have always been upfront about WEC's long distance service. It's a good, simple price for typical residential customers with moderate long distance usage. Other plans may be better for some members.

This product we selected, and how we promote it, is one small example of the ethics and principles behind everything Washington Electric Co-op does. In modern business lingo, corporations are supposed to be "transparent." That's just another way of saying that companies should act like who they make themselves out to be. "Transparency" comes with the territory at a cooperative that acts according to its principles.

You know how to reach us. It's your Co-op. As always, if you have questions, comments or concerns, feel free to contact me or any members of your Board of Directors. (Phone numbers, email and post office addresses are listed on page 2.)



Marketplace

FOR SALE: Several items. Kelvinator refrigerator. 17 cubic feet, frost-free, white; \$150 or best offer. Premiere electric kitchen stove, apartment-size, white. Like new; \$150 or best offer. Cedar chest; \$140 or best offer. New pet shuttle; \$30. Hayclone with 30-foot chute; \$250 or best offer. Trip bucket loader; \$200. Snow blade; \$100. Call (802)-485-8266.

How Rural Electric Co-ops Transformed The Countryside

October is National Co-op Month. Member-owned cooperative enterprises make up a significant sector of the U.S. economy. For example, credit unions, which are financial-services co-ops, have more than 76 million members nationwide, and assets exceeding \$100 billion. There are approximately 1 million cooperatively owned housing units nationwide; the assets of 50 million Americans are protected by cooperative insurance companies; some well-known retail food and hardware chains are actually cooperative associations of independent merchants. More than 20 co-ops have annual sales in excess of \$20 billion.

Electric co-ops, small and large, exist in 47 states and operate more than half the nation's electric distribution lines (which directly serve consumers). They provide power for 26 million people.

More important, though, is that co-ops were, and are, the way electricity got to rural people in this country. Co-ops changed the face of agriculture in the U.S. It's not an exaggeration to say that they rescued rural Americans. Here's how it happened.



Part I: Rural America In Trouble

America has an abiding love for the country life. Rural values, a green and productive landscape, an honest day's work close to the soil; these figure prominently in America's image of itself.

A hundred years ago, however, the reality of country life had diverged so starkly from the romantic image that our rural areas were largely dens of privation and backwardness within a country that had leaped forward. Electricity accentuated the difference: urban areas and villages had it, and rural areas didn't.

Thomas Edison invented the incandescent lamp in 1879, and in 1882 he founded the Pearl Street Station in New York, which provided electricity for street lighting and homes in a neighborhood in lower Manhattan. Like the internet a century later, "central station electricity" took off, and changed society.

Except for rural society, that is. Electric companies declined to extend their infrastructures – their poles and wires, connected to a source of power – into the countryside, where so much empty, unprofitable space stretched out between customers. Opportunities were expanding for urban people, but the horizons were limited for young folks from rural areas. There, every task, from shelling corn and hauling water for livestock, to cooking, washing, ironing and canning, to plowing, planting, harvesting and milking, was done tediously and laboriously, as it had been generations earlier.

Not surprisingly, sons and daughters of farm families elected to move away and leave the drudgery behind.

Who could blame them? An uniden-

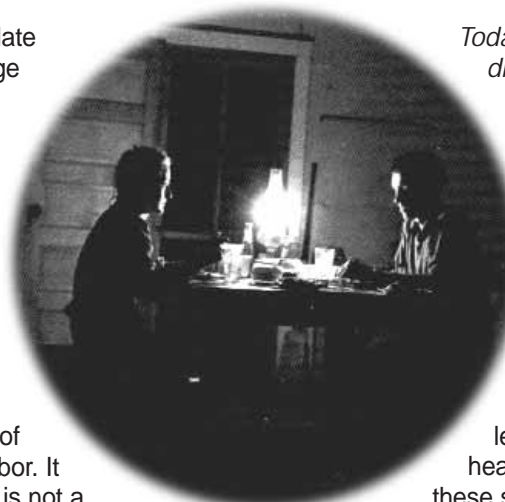
tified speaker at a late 19th-century Grange meeting put it this way: "Go into the country and you will find numberless cases of men with poor health, crushed energies, ruined constitutions and stunted souls, and women the slaves of habits of excess labor. It is not honorable, it is not a trait of true nobility, to bring up children to this thankless, unrequited labor."

Later, Sen. George W. Norris of Nebraska looked back to his youth, and recalled: "I had seen first-hand the grim drudgery and grind which had been the common lot of eight generations of American farm women. . . I knew what it was to take care of the farm chores by the flickering, undependable

light of the lantern in the mud and cold rains of the fall, and the snow and icy winds of winter. I could close my eyes and recall the innumerable scenes of the harvest and the unending punishing tasks performed by hundreds of thousands of women, growing old prematurely; dying before their time; conscious of the great gap between their lives and the lives of those whom the accident of birth or choice placed in the towns and cities."

'The greatest good'

As the 19th century turned to the 20th, the plight of rural Americans remained unchanged. But in the eyes of



Today, we might think of dinner by kerosene lamp as "romantic." But when a few kerosene lamps were all that farm families had, their dim light was a hardship.

some imaginative leaders, the great heartland that held these struggling farms also held the means of their salvation.

Teddy Roosevelt, U.S. president from 1901 to 1909, and the legendary Gifford Pinchot, appointed by Roosevelt to be the first chief of the U.S. Forest Service, pioneered a new conception of the country's enormous natural resources. Previously, corporations and land barons had looked at the great, forested continent and seen an inexhaustible supply of raw materials, there for the taking. Now came Roosevelt and Pinchot, who instituted a much different concept – conservation, on a grand scale. While Pinchot held office (1905-1910), publicly owned lands – great tracts of wilderness and rivers – increased from 60 properties totaling 56 million acres to 150 national forests covering 172 million acres.

But merely preserving those lands was not their goal. Pinchot's ethic was that public lands should provide "the greatest good for the greatest number." Meanwhile, President Roosevelt,

troubled by the widening disparity between urban and rural lifestyles, appointed a Country Life Commission to study rural poverty.

These concerns came together in the commission's formal report, published in 1909. It graphically described the hardships of rural life (which, it said, "fall most heavily on the farmer's wife"), and suggested that federal hydroelectric projects might raise farmers' standards of living by introducing labor-saving devices like those that had elevated life in America's cities.

The Report of the Country Life Commission also launched the concept of rural cooperatives.

"The introduction of effective agricultural cooperation throughout the United States is of first importance," it said, suggesting that "(o)rganized associative effort (meaning co-ops) may . . . have for its object the securing of telephone service, the extension of electric lines, the improvement of highways, and other forms of betterment."

Roosevelt, himself, amplified these conclusions when he introduced the report.

"It is the obvious duty

of the Government to call the attention of farmers to the growing monopolization of water power," said the president. "The farmers above all should have that power, on reasonable terms, for cheap transportation, for lighting their homes, and for innumerable uses in the daily tasks on the farm."

At last the hardship, and, to a degree, its solution, had been identified. And in years to come, neither Pinchot, who went on to become governor of Pennsylvania, or other advocates of rural

"I could close my eyes and recall the innumerable scenes of the harvest and the unending punishing tasks performed by hundreds of thousands of women, growing old prematurely; dying before their time."

— Sen. George W. Norris



President Theodore Roosevelt (1901-1909). Although rural electricity came to fruition under FDR, it was Teddy Roosevelt's administration that first advanced the cause.

electrification, would drop the ball.

Despite their sustained efforts, American farmers and their families would continue their hardscrabble toil for another three decades before the tendrils of an integrated electric system would begin to extend to the dirt roads and barnyards of rural America.

But the seed had been sown.

'Giant Power'

In Philadelphia, a stocky, self-confident engineer named Morris Llewellyn Cooke was appointed Director of Public Works in 1911. Cooke was a staunch advocate for the city's residents against abuses by the powerful Philadelphia Electric Company. As an engineer, he knew both the financial and technological aspects of electric systems, and he came to believe that under the right conditions it was not cost-prohibitive – as the electric companies claimed it was – to extend power to rural areas. He also ardently believed it was the right thing to do.

When Gifford Pinchot became governor of Pennsylvania, the

interests of the two men joined. In 1923, Pinchot commissioned Cooke to conduct a "Giant Power" survey to develop a proposal for electrifying all of Pennsylvania – the countryside as well as the cities and villages.

Cooke organized a team of, in his words, "socially minded" engineers, and set to work. Pennsylvania was a coal state, so the commission's 1925 Giant Power report envisioned centralized power generation near the mines, with a huge network of transmission lines carrying electricity throughout the state. The scale of this proposal would more closely equalize power costs for rural folks – and, their expenses would be shared among them through public ownership of local electric systems.

Essentially, Cooke and his commission were proposing rural electric co-ops.

Gov. Pinchot was onboard with the idea, but the Pennsylvania Legislature was not. It wasn't long, however, before a new player came on the scene: New York Gov. Franklin Delano Roosevelt, the fifth cousin of America's 26th president.

The New York governor owned a cottage in Warm Spring, Georgia, where he retreated for therapeutic soaks to his legs, which had been paralyzed by polio. The cottage in Warm Springs had electricity, but the cost, FDR later told his Georgia neighbors, "was about four times what I paid (for power) at Hyde Park, New York. That started my long

"It is the duty of the Government to call the attention of farmers to the growing monopolization of water power. The farmers above all should have that power."

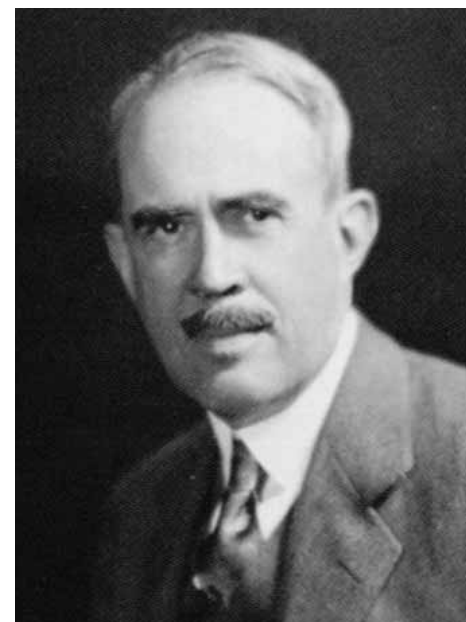
— President Teddy Roosevelt, 1909

study of . . . the whole subject of getting electricity to farm homes. So it can be said that a little cottage at Warm Springs, Georgia, was the birthplace of the Rural Electrification Administration."

Roosevelt knew about Morris Llewellyn Cooke and Pennsylvania's Giant Power report, which had gone

nowhere. In 1931, he created the Power Authority of the State of New York (PASNY), and imported Cooke as a consultant to that agency. PASNY (which, today, is a source of power for Washington Electric Cooperative) became a laboratory for developing ideas to spread the benefits of electricity to all citizens, whether urban or rural.

The model they developed did not envision co-ops or other public ownership. Rather, the PASNY report challenged the existing commercial electric companies to extend power to rural areas. The companies had contended it would cost them \$2,000 per mile of line, but Cooke and his colleagues weren't buying it. By generating power 24 hours a day (which was not the practice in those times) and by using other means to reduce costs, the commission said the \$2,000 figure could be sliced, sometimes, by more



Morris Llewellyn Cooke, engineer, proponent of rural electricity, and author in 1933 of the '12-Minute Memo,' a detailed proposal for federal action for rural electricity. When the REA was created in 1935, Cooke became its first Administrator.

than half. Rural power *could* be affordable, the report insisted.

The utilities, putting it mildly, did not jump at the chance. And soon the entire economic basis of the report – and everything else – caved in under the growing, widening misery of The Great Depression. 🐭

In December, Part II: TVA, The CCC and The REA

Co-op Currents thanks the National Rural Electric Cooperative Association, and particularly Frank Gallant, editor of RE Magazine, for their assistance in providing research materials for this article.

All photos are taken from "The Next Greatest Thing," (pub. 1984) and used with the explicit permission of the National Rural Electric Cooperative Association.

President Theodore Roosevelt, left, and Gifford Pinchot, America's first great conservationist, on a steamboat on the Mississippi River in 1907. Roosevelt and Pinchot believed the country's vast natural resources should be protected and at the same time put to use for public purposes such as providing hydropower.



Franklin D. Roosevelt, left, and Gifford Pinchot, governors of New York and Pennsylvania respectively, in 1931. Both were early, important advocates for rural electricity.



Statewide Candidates
continued from page 1

Currents. We urge our readers to consider the points each person makes, and weigh that information along with other issues when they vote on November 2.

**WASHINGTON ELECTRIC COOPERATIVE
Questions For Candidates,
2004**

1. In the next eight to ten years, approximately 70 percent of Vermont's committed long-term power supply contracts will expire. What should Vermont do to replace these contracts? Can the Connecticut River hydro facilities play a role in meeting Vermont's needs? What should our state government's role be in planning for our future energy supply?
2. What role can renewable energy sources play in meeting Vermont's future energy needs? Please also comment specifically regarding your views on the siting of renewable generation projects, including wind turbines, in Vermont.
3. How can WEC members find out more about your positions on energy and other issues?

**FOR GOVERNOR
Mayor Peter Clavelle
(Democrat)**

1) Vermont is at a crossroads when it comes to planning for our energy future. Contracts for nearly two-thirds of Vermont's power supply are set to expire early in the next decade. Meanwhile, our electricity consumption grows by 1 percent per year.

Now is the time that the governor, working with Vermonters, should be charting a course for the future, with an energy plan that is more than a problem statement but details specific strategies the state must pursue.

My energy plan will increase investment in energy efficiency and renewable energy, incorporate strategic use of wind, and purchasing – at the right price – the hydro dams on the Connecticut River.

In Burlington, we've proven that energy efficiency and low bills can coexist. The average residential bill in Burlington is 40 percent lower than the state average.

Vermont could lead the nation by advancing an energy plan that reduces our dependence on outside sources of energy through the promotion of energy efficiency and the use of local, renewable resources. If we did so, our state would demonstrate that sound energy policy means affordable energy for all Vermonters.

2) As governor, I will develop wind energy the Vermont way – with wind projects that are thoughtfully sited and appropriately scaled. We don't need vast wind farms with hundreds of turbines. But we can make a significant contribution to our energy needs with five to 10 wind farms on a small fraction of

Vermont's ridgelines.

As governor, I will work to adopt a well-crafted Renewable Energy Portfolio standard that will support development of renewable energy systems. In this way, we can ensure that Vermont stays current with these fast-evolving technologies.

As governor, I will promote renewable, home-grown energy from wood, wind, solar power and hydro dams, including the state's acquisition – at the right price – of the production from hydro dams on the Connecticut and Deerfield Rivers. In this way, we can support the creation and growth of energy-related businesses and jobs. We must position ourselves with realistic energy options and a reliable energy supply to meet demand when our existing electric resources expire.

And as governor, I will adopt an energy plan that recognizes renewable energy and energy efficiency as fundamental means of making energy more affordable for everyday Vermonters.

3) More information can be found by visiting my campaign website at www.clavelleforgovernor.com or by contacting my campaign at:

Clavelle for Governor
P.O. Box 1184
Burlington, VT 05402

Phone: 802-264-1827
Fax: 802-264-1899
Email: info@clavelleforgovernor.com

**FOR GOVERNOR
Gov. James Douglas
(Republican)**

1) When I assumed office 21 months ago, I initiated a wide-ranging discussion of Vermont's energy future and have taken important steps toward ensuring a safe, reliable, environmentally sustainable and more-affordable power generation in Vermont.

Vermont's power supply is one of the cleanest in the country. According to the EPA, more than 26 percent of Vermont's in-state generation is from renewable resources. This makes Vermont's the eighth most renewable portfolio in the nation. When you include our Hydro Quebec contract, more than 50 percent of our energy supply is renewable.

We have committed significant resources to pursue ownership in clean, renewable, and sustainable hydroelectric generation along the Connecticut and Deerfield rivers, and created the bi-partisan Vermont Hydroelectric Power Authority to bid on these resources. Through the Authority we can pursue these assets without putting hundreds of millions of dollars of taxpayer funds at risk.

Even as we explore answers to our energy challenges, we must remember that just as responsible environmentalism begins with conservation, so must our future planning for sustainable and affordable energy. I have demanded that state government be an innovator in showing Vermonters how to conserve power.

Our efforts in fleet management alone will save \$1 million annually and reduce at least 159 tons of greenhouse gas emissions per year.

Building a rational, balanced energy policy that takes into account our current resources, including their environmental attributes and costs, to prudently chart an energy policy for Vermont has been – and will continue to be – among our top priorities.

2) We must remain committed to exploring all energy options, and renewable energy will play an increasingly important role in our future.

As governor, I've promoted the use of renewable energy, including signing the Renewable Energy Bill that included financial incentives for Vermonters who install renewable energy systems. This has helped fund 171 hybrid, solar electric, solar hot water, and wind systems throughout Vermont.

We have provided \$1.2 million in farm incentives for renewable energy systems, including the CVPS Cow Power™ service and other small-scale wind projects.

In addition, I increased our commitment to Vermont-scale wind development on state-owned lands. But any development of ridgelines for wind generation must balance our need for independent power with the aesthetic and environmental impact of hundreds of industrial wind towers.

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I certify that all information furnished on this form is true and complete. I understand that anyone who furnishes false or misleading information on this form or who omits material or information requested on the form may be subject to criminal sanctions (including fines and imprisonment) and/or civil sanctions (including civil penalties).			
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5. If the publication had Periodicals authorization as a general or requester publication, this Statement of Ownership, Management, and Circulation must be published; it must be printed in any issue in October or, if the publication is not published during October, the first issue printed after October.			
6. In item 16, indicate the date of the issue in which this Statement of Ownership will be published.			
7. Item 17 must be signed. Failure to file or publish a statement of ownership may lead to suspension of Periodicals authorization.			

PS Form 3526, October 1999 (Reverse)

To be effective, industrial wind energy developments must be located in high wind areas. In Vermont, these areas are located at or near the tops of ridgelines between 2,500 and 3,500 feet. With few exceptions, these ridges are largely undeveloped.

Construction of these wind sites involves clearing trees, creating access roads, transmission lines and substations up and down our mountains, among other potentially serious environment impacts. These impacts may be reduced through proper oversight and state-of-the-art technology, but these questions must be answered before we rush to pursue industrial development of our most pristine ridgelines. If we are going to entertain large generation facilities on Vermont's mountains, it must be done within a reasonable framework that protects our ridgelines from haphazard development.

3) Members are invited to visit the following websites for additional information:

www.jimdouglas.com
www.vermont.gov/governor
www.state.vt.us/psd

**FOR LIEUTENANT GOVERNOR
Lt. Gov. Brian Dubie
(Republican)**

1) Vermont's overall power portfolio today is largely stable in price, long-term in duration and one of the cleanest in the nation. While that's an admirable position to be in, these uncertain times are no time for complacency. We must work for a future energy supply characterized by independence, price stability, service reliability, affordability, diversity and renewability.

I envision a future power supply that leverages in-state generation – emphasizing renewable sources like the Connecticut River hydro, biomass, solar and wind, and strong on conservation and efficiency – with some amount of market purchases. I expect distributed generation to advance in its ability to serve our needs, both in power supply

and as a means to achieve reliability. But our energy supply must be consistent with our long-held values of reliability, sustainability, price and environmental compatibility.

The ultimate responsibility for energy resource planning is with our retail utilities, (but) I foresee state government working closely with utility planners to develop new resources where appropriate and explore whatever other supply options may be available.

The Connecticut and Deerfield river dams are a tremendous resource. They supply electricity for homes, hospitals, workplaces and more without polluting our environment. Any impact on the river has already occurred and been assimilated; continued operation poses no future detriment.

The state's role in ownership and control of the dams could help secure these benefits for Vermonters, but



Brian Dubie

purchasing the dams also entails risk. The state must carefully study those risks alongside the benefits. I have worked with Gov. Douglas and the legislature to establish the Vermont Hydroelectric Power Authority, to finance, purchase and manage Vermont's interest in these dams.

S.57 – the renewable energy bill – enabled the Public Service Department to create renewable pricing programs to encourage homeowners and businesses to take advantage of renewable energy resources. These are optional services offered by a power company to customers who sign up to purchase power produced from renewables. The bill also appropriated more than \$600,000 in incentives to promote installation of renewable energy systems in homes and businesses. In total, we have

continued on page 8

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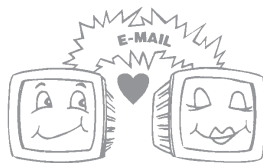
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awarded close to \$1 million in incentives for nearly 200 renewable energy systems throughout the state. We need to commit additional funding to these programs.

2) Washington Electric Coop has shown outstanding leadership by aggressively seeking renewable energy sources for its customers.

I expect new renewable energy sources to play an increasingly important role in Vermont, as technology advances, as energy-price uncertainty increases, and as our current renewable sources mature or expire. Today's natural gas market and the recent increases in crude oil prices are reminders of the dangers of over-reliance on outside sources.

Vermont is rich in renewable energy resources. It is estimated that biomass energy generated from wood and agricultural waste could meet as much as 10 percent of Vermont's electric needs, while having a positive effect on our environment. Geothermal technology is more promising every day, and solar energy can be cost-effective for both water heating and space heating.

Vermont also has the human and institutional resources to move toward a renewable future. There are Vermont companies that are world-leaders in wind resource measurement, renewable energy system design and solar system installation.

The issues surrounding industrial wind power facilities are many and complex. Wind represents the greatest potential of all renewable energy options. A special commission is looking at our regulatory process for commercial wind and I am eager to learn what it finds. Currently there are no state lands managed by the Agency of Natural Resources that allow large-scale commercial wind projects. The Agency recently released a draft policy, developed with public input, that would encourage and promote small net-metered renewable projects on these lands – which would be a first for Vermont.

Placing multiple small generation sources across the state will present new challenges with regard to local land-use concerns. So far, though, Vermonters have embraced small-scale renewable systems that provide electricity, heat and hot water to homes and businesses.

We need a reasonable regulatory framework that's consistent with our environmental ethic and our aesthetic ethic.

3) Visit my website at www.briandubie.com, for phone numbers, e-mail and mailing addresses.

FOR LIEUTENANT GOVERNOR State Rep. Steve Hingtgen (Progressive)

1) With the loss of Vermont Yankee and Hydro Quebec power in the next few years, Vermont should be planning

now for its energy future. Current administration planning efforts have not included enough public input to guarantee a quality product.

Fundamental to the planning is the question of whether we should produce power here in Vermont or buy it from somewhere else. I support generating the power in Vermont to the maximum possible extent. Local generation will keep the most money and jobs here in Vermont. Also, having the power generation local will give us the greatest control over our energy future and will require us all to think about the environmental consequences of our energy consumption decisions. "Out of sight, out of mind" is a bad way to live when it comes to the environment.

Hydro from the Connecticut River dams must be secured as one of the sources in our energy portfolio. The state should step in and buy the dams or lead an investor group in buying the demands to guarantee that power will go to Vermont.

In addition to replacing lost contracts with additional generation, now is the time to get serious about energy conservation and demand side management. Investments in energy efficiency pay off quickly.

2) I support the requirement that renewable energy be part of every electric company's portfolio. Other states already have renewable energy portfolio standards. Vermont should adopt similar standards. I support annual increases in the proportion of the portfolio that is renewable. Biomass, hydro, wind and solar can all be part of that portfolio.

In Vermont, hydro has limited growth potential. Securing access to the power from the existing Connecticut River dams is essential, but I do not support construction of new dams. Solar is still too expensive to make it a viable large-scale possibility. Biomass technology continues to improve, bringing down the kWh costs of Cow Power, wood and other biomass projects. Wind offers the greatest potential in Vermont because wind is an abundant natural resource and the technology has advanced to a point where the cost is competitive.

Appropriately sited wind turbines can account for 10 percent of Vermont's energy supply in the near future. I support siting turbines with sensitivity to minimizing impact on "view sheds" and with minimal ecological damage.

3) Contact:
Hingtgen for Vermont
PO Box 281
Montpelier, VT 05601
802-229-2099
www.hingtgen.com
hingtgen@verizon.net



Steve Hingtgen

FOR LIEUTENANT GOVERNOR Former State Sen. Cheryl Rivers (Democrat)

1) Our state should have an energy plan which places the highest priority on energy efficiency, energy conservation, and the development of renewable energy sources. One report suggested that about 30 percent of Vermont's energy needs could be met cost effectively through efficiency. The state should increase support for the Home Weatherization Program. Support for Efficiency Vermont should be increased to maximize the potential for reducing our need for energy. The state should strive to achieve energy independence so that we are not dependent on energy sources which are environmentally damaging and which are outside the control of our state and our country.

I believe that the purchase of the dams on the Connecticut River is one critical step toward achieving energy independence. I have been a vocal supporter of this effort.

In addition Vermont state government should adopt a renewable portfolio standard, should be proactive in identifying and addressing market barriers to new renewable technologies, should provide tax credits to support all forms of renewable energy, and should ensure that our regulatory process is not an impediment to the development of renewable energy.

As lieutenant governor, I would organize – and attend community meetings organized by others – around the state, to listen to the opinions and concerns of Vermonters. State government should be doing much more to make factual information about energy choices available to Vermonters.

2) Renewable energy is a critical

component in achieving energy independence. Clearly biomass, wind energy, solar energy, methane, landfill gas generation of methane, and hydro power all have important places in supplying Vermont's future energy needs. I do not accept the notion that these diverse sources cannot help us achieve energy independence, and I believe their potential is still being underestimated.

I strongly support wind development. I believe that we should move forward with wind energy projects, and that their permitting can be handled through the Act 248 process. Vermont's regulatory process should recognize that renewable

energy projects are a priority. Any regulatory barriers slowing or impeding the development of renewable energy projects need to be identified and addressed.

As an environmentalist, there is no higher priority for me than development of more environmentally friendly sources of energy. For example, landfill gas generation of methane gas produces energy, but also

has the benefit of reducing greenhouse gases.

Vermont must find a way to allow communities to have a voice in our energy decisions. I believe that most Vermonters will agree that we need to find a way to expedite our decisions, to allow us to achieve energy independence.

3) People can visit my website at www.Rivers-2004.org.

They can write me at Cheryl Rivers 2698 Vt. Rte. 107, Stockbridge, Vt. 05772. They can phone me at my home 234-5803. They can watch the Vermont Public Television Lieutenant Governor debate on October 31.

If a group of Co-op members were to invite me to a meeting I would be pleased to meet with your members.



Cheryl Rivers

Now, Call WEC for Mad River Glen Tickets

The geese have flown south, the temperatures are lower, and the prospect of snow has forced recognition that ski season is coming. And the Co-op has a member ski deal unlike what we have been able to offer before.

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