



THE SPOKES SPEAK - GEARED TO SERVICE

Rotary Club of the North Fork Valley

POB 1543, Paonia, CO 81428

WEB SITES: www.rotary.org www.rotary5470.org www.paoniarotary.org

Meeting Thursdays at Noon in the Paonia Town Hall

District 5470

Club 1180 - Chartered 12/20/22

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LAST MEETING: January 3, 2019

Program: DMEA

Jasen Bronec is the CEO of DMEA and Jim Hennegan, is the Renewal Energy Engineer—soon to be Director of Power Supply. Jasen came to speak about what's happening in DMEA. John Gavan and Brad Harding also came as members of the Board.

Jasen came from Montana five years ago to work for DMEA. The 9-member DMEA Board of Directors is innovative and demanding—setting visions and strategies. Elevate Fiber is the highlight of Jasen's career. DMEA is now tackling power supply. The strength of DMEA is membership and DMEA is asking members to intervene on behalf of DMEA in negotiations with Tri-State energy.

Jim Hennegan is the Renewal Energy Engineer—soon to be Director of Power Supply at DMEA. We have a right to exit Tri-State and we're doing something about it.

DMEA is cognizant of cost and the environmental impact of power generation. DMEA wants to be able to take advantage of local resources and other changes to power generation.

Filing with the Public Utility Company (PUC) of the State of Colorado, DMEA is looking for a fair and reasonable exit the contract from Tri-State; but currently DMEA is at an impasse with Tri-State.

Since 2005 the price increases of wholesale rates from Tri-State were outpacing inflation by more than double the Consumer Price Index. DMEA is unable to get Tri-State to change course which all comes down to cost.

DMEA's Commitment is to take care of our Members; Fairness—when we exit the contract and local renewable generation.

DMEA is asking the PUC to help determine a just and reasonable exit charge. PUC has a role in that state law says if public electric utilities (like Tri-State) have unreasonable charges, the PUC has oversight authority.

Exit charge has to be just, reasonable and non-discriminatory. Have been unable to reach agreement with Tri-State. PUC still have to determine if they have jurisdiction, and can then work toward resolution of the exit fee.

Without Tri-State, DMEA can get a more diverse mix of energy resources, i.e., solar and hydro.

Tri-State is very committed to coal generation, which is no longer cost effective.

Fairness is important. DMEA will honor and fulfill our obligations to our fellow Tri-State members.

Local Renewable Generation can generate more local energy than they are allowed to integrate (5%). Mostly hydro (17MW) April-Oct from irrigation resources; some solar; wind is not great; some biomass; coal mine methane (small project – 3 MW). Local generation helps local economies (mostly through construction).

Handout: Public process through PUC. Handout gives information on how to provide consumer input.

Could take a year before there is an answer from the PUC.

Q&A:

Q: Is favorable ruling from PUC enforceable with Tri-State?

A: Tri-State can accept or appeal. Court rarely hears regulatory cases. PUC can force ruling after appeals.

Q: How much of energy needs can be derived from solar.

A: Solar can provide all needs, but need storage. Cost of storage is in steep decline and is not practical at this point. Need 16-18 hours of storage. But better to buy other power (wind, coal/gas). There's a bridge of 10 or 20 years to get to full solar.

Q: Does John Gavin's appointment to PUC signal good leverage for DMEA?

A: Good mix on PUC. More clout will come from individual comments from coop members.

Q: Solar a problem on front range due to hail storms. Will wind take over instead?

A: Hail does not preclude solar, as panels can withstand most impact. Solar costs twice as much as wind, however wind has better availability than solar, especially on Eastern plains. But solar is more predictable, especially during peak demand times. Each has its place in the energy mix. Storage will be the key in the future.

It's important to write letters to PUC, to show that DMEA members do care. These letters can be very effective.

Lots of communication between coop members of Tri State as well as other co-ops and user groups.

UPCOMING MEETINGS:

- 1/24/19: SEI and VISTA (SEI)
- 1/31/19: 5th Thursday Pot Luck
- 2/7/19: TBD – (Felix Belmont)
- 2/14/19: TBD – (Bill Bishop)
- 2/21/19: TBD – (Sarah Bishop)
- 2/28/18: TBD – (Ed Bliss)

