

SLECA employees work 1.7 million safe hours

South Louisiana Electric Cooperative Association (SLECA) was recognized for working over 1,725,803 employee hours without a lost-time accident since December 1996 at an awards ceremony held July 23 in Baton Rouge during the annual meeting of the Association of Louisiana Electric Cooperatives (ALEC).

SLECA's 84 employees working out of offices in Houma and Amelia were recognized for their professional performance in earning the award (Acct. No. 2701583901).

In the photo at right, accepting a Safety Award on behalf of SLECA employees from ALEC Director of Loss Control Mike Bergeaux (left) were Member Services Manager and Safety Coordinator Joe Ticheli, Operations Superintendent Gabe Duplantis, District Manager Calvin Savoy and ALEC Safety Coordinator Aaron Graham.

Also attending the ceremony were General Manager Mike Guidry, Manager of Engineering Steve Giroir, Manager of Purchasing Buck Theriot as well as SLECA directors Brian Rivet, Terry Trahan, Eroy Acosta, J.D. Boudreaux, Tracy Duval and Lloyd Gibson. Representing the SLECA Inside Employee Committee at the event was Jackie Jones while Reggie Pontiff represented the Outside Employee Committee.

Ticheli said employees should be very proud of this achievement. "Working safely is something our employees do not take for granted," Ticheli said. "We are determined to provide our consumers with the most reliable service possible and we are committed to do it in the safest possible manner."



Jones



Pontiff

Labor Day Notice

The offices of South Louisiana Electric Cooperative Assn. will be closed for Labor Day, September 1, in honor of the many men and women who make up America's hard-working labor force. A standby crew will be on call to handle emergencies during the long weekend and can be reached at 867-6880 or 1-800-256-8826; and 631-3605 or 1-800-256-8836, Amelia.



SLECA SWEEPSTAKES

Did you know that each month SLECA gives away CASH just for reading LOUISIANA COUNTRY? It's true. Every month, four lucky SLECA consumers have their account numbers randomly selected by computer. The numbers are then hidden in the articles in the SLECA News section of LOUISIANA COUNTRY. Then it's up to you. If you see your account number, call SLECA and win \$25.00 in cash or have your winnings applied to your bill. It's that simple. So, if you are not reading LOUISIANA COUNTRY you're missing out on great local articles and the possibility of winning extra money.

SLECA News



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A special message to our members It's time for a reality check - not a blank check - on Capitol Hill

From the Manager

By Mike Guidry
General Manager



Those of you who attended the South Louisiana Electric Cooperative Association (SLECA) membership meeting last April heard warnings about a "perfect storm" brewing across America of growing energy demand, rising fuel costs, escalating prices for material, mandates on expensive emission controls and environmental regulations that were driving up energy costs and increasing your electric bills.

In affect, Congress was writing expensive blank checks to resolve global concerns about climate change that American consumers would have to eventually pay. Many of you attending the SLECA annual membership meeting signed letters that were delivered to our Congressional delegation expressing your concern about the rising cost of electricity and the financial burden it was causing for our families and the local economy.

Thousands of other electric Co-op consumers across the nation have sent similar letters or e-mails to their elected officials expressing these same concerns. Your efforts, along with thousands of others across the nation, helped us defeat a Senate bill that would have been very harmful to your cooperative. Thank you for your concern and assistance. The job, however, isn't over yet. We will need you and your neighbors again to respond when called upon to help us keep the rates you pay from skyrocketing out of control.

Congress needs to be told over and over again that you will react to proposals that cost you too much with little or no return. Fortunately, our Congressional delegation has been cooperative and supportive of your efforts, but we need to keep them aware of your concerns (Acct. No. 1600652422).

At the SLECA annual meeting I reported experts predict power demand in the U.S. is expected to increase 18 percent over the next decade but the utility industry's ability to expand power generation will only increase about 8.5 percent over the same period. Experts warn billions of dollars must be invested in new power plants and improvements in the national transmission grid, but escalating costs, tighter controls on emissions and the uncertainty over the effectiveness of generation alternatives have put most new utility construction on hold.

Delays can be expensive since it can take 10 years or more to complete the planning, permitting and construction of any power plant, and over that time economic situations can change drastically.

I also reminded our members at their annual meeting that over the past decade, Louisiana's electric Co-ops, including SLECA, have offered some of the most stable and economical electric rates in the state, helping to spur economic development and ease the burden on household budgets.

But decisions being made on Capitol Hill, and even outside the U.S., are affecting us here in South Louisiana,

leaving us with an uncertain future and the challenge of escalating energy costs we can't control.

While we're all aware that oil has topped \$140 a barrel this year and gasoline is now at \$4 a gallon, you probably didn't know that according to the U.S. Energy Information Administration, global net electricity consumption will nearly double by 2025 and that the price of natural gas rose more than 400 percent between 2002 and 2006.

In some parts of the country, electric prices have already risen up to 50 percent due to the effects of market forces combined with utility deregulation. The price of electricity in the U.S. increased more than nine percent in 2006—the largest one-year increase since 1981.

SLECA's members were spared those increases because of the long-term wholesale power contract your board of directors approved almost a decade ago. We are fortunate to have a long-term contract with our power supplier, however, any environmental legislation requiring costly upgrades to the plant will be passed on to you, the members. In addition, federally mandated air emission costs enacted by Congress are passed along as fuel costs that are already beginning to show up in utility bills and will increase in 2009.

Did you know that railroad monopolies, exempt from federal antitrust laws, charge more to ship coal than the coal costs? And if Louisiana approves laws similar to those already enacted in 25 other states requiring electric utilities to produce from two to 30 percent of its electricity supply from renewables within the next five to 15 years, it will drive up the cost of electricity to everyone, whether they use renewable power or not.

As for air emission legislation, to adequately reduce carbon emissions to meet climate change goals, the average retail cost of electric power would need to increase about 30 percent. This means that a typical family would have to pay \$750 to \$950 more a year in energy-related costs during the first five years if carbon dioxide emissions are reduced just 15 percent below current levels.

The Congressional Budget Office estimates that the various climate change proposals being currently considered in a half-dozen Congressional bills will cost between \$50 to \$300 billion ANNUALLY by 2020. Guess who will pay that blank check?

Some electric power providers don't have a problem with passing on the added costs of resolving climate

change or meeting air emission standards to their consumers as long as they can maintain their profit margins. In their opinion, since consumers rather than their stockholders have to pay whatever blank checks are created, they won't feel the pain of higher rates.

Consumer-owned Co-ops see things differently. Congress needs a reality check that balances resolving climate change without creating a blank check that will wreak household budgets or the American economy. In a recent survey, you, the members, told us increases in electricity costs would impact your monthly budgets, especially given the rising cost of gasoline and other products.

Once again I urge our members to contact their Congressional leaders and ask them these critical questions: (1) what are their plans to insure SLECA members have reliable energy while reducing future air emission; (2) would they fund research to make emission-free electricity plants an affordable reality; and (3) how much will balancing electricity needs and environmental goals affect electric bills?

These matters have become a global issue. Then the G-8 leaders recently set a goal to halve greenhouse gas emissions by 2050, fast-growing countries like China and India refused to commit to the goals, saying "rich countries should ante up first." A United Nations panel warned reducing greenhouse gas emissions could cut projected global economic output in 2030 by as much as three percent. Some experts describe this cost as "meaningful, but not devastating, to the economy."

Perhaps these experts should bear in mind new emission rules proposed this June in California to cut greenhouse gas emission to 1990 levels by 2020 will include a fee of \$10 to \$50 per ton of carbon dioxide emitted that would increase the cost of gasoline between 10 and 50 cents a gallon.

It should also be noted that included among the G-8 proposals was a call for more research and development of new technology to burn coal more cleanly, mainly because as energy prices soar, other countries intend to burn more coal than ever before.

The United States has been called the "Saudi Arabia of Coal." It would make sense for the U.S. government to devote adequate resources to develop clean-coal technology and meaningful carbon capture and sequestration to help make us less dependent on foreign oil.

You can go to the website, www.ourenergy.coop, for a productive dialogue on these important matters and to contact your elected officials. I encourage all our members to get involved and let Congress know how their decisions affect us in South Louisiana.

We face great challenges to our communities and the economic futures of our families. Clearly, it's time for a reality check.

SLECA's Farmers' Market and Craft Festival seeks vendors

SLECA's annual Farmers' Market and Craft Festival will be held Sept. 27 from 10 a.m. to 4 p.m., at SLECA's Houma headquarters, 2028 Coteau Rd. (Hwy. 660). The popular and well-attended event established in 1988 has attracted thousands of visitors (Acct. No. 8150461002).

Festival Coordinator Elaine Robertson notes, "The success of the event is a tribute to the many SLECA employees who give up their free Saturday to work at the fair."

Robertson, SLECA's Member Services Supervisor, reports over 200 craft booths, along with produce of every sort as well as music, educational exhibits and much more, will be offered at the annual event.

Vendor space remains available. For more information, call Robertson at 876-6880 or 800-256-8826.

Across the Board

June 2, 2008

Present were directors Alexander Doyle, president; David Luke, vice-president; Brian Rivet, secretary; Terry Trahan, treasurer; Tracy Duval, J. D. Boudreaux, Eroy Acosta, Roger Dale DeHart, Larry J. Daigle and Lloyd Gibson, advisor. Also attending were Michael Guidry, general manager; Bill Schoening, TESI CEO; James Funderburk, attorney; Elaine Robertson, member services supervisor; Roy Landry, manager of accounting and finance; Tommy Lanau, Lanau & Felger, and Mark Felger, Lanau & Felger.

After the invocation and pledge, introduction of guests and presentation of SLECA's 2007 audit showing that SLECA continues to be in a strong financial condition, the board approved the audit report, 178 new members, the minutes of the May 1st regular board meeting and the ALEC report (Acct. 4402552207).

The financial report, approved by the board, highlighted interest earnings, cash on hand, rate comparison showing SLECA having the lowest rates compared to other area utilities, line loss, kilowatt hour sales for the month, cumulative sales to date, cost of service, equity, TIER, electric and total revenue versus cost per kilowatt hour.

Following an update on upcoming schools, meetings and events, Mr. Guidry reported on the following: (1) SLECA continues to have the lowest rates in the area; (2) Subsidies for "green" power are incredibly high when compared to coal, natural gas or nuclear; (3) The Pedernales lawsuit filed by its members has been settled; (4) PSC Chairman Jay Blossman was the subject of a WWL TV news report citing ethical consideration; (5) The Geaux Green project by Energy GSU was extended despite a \$450,000 shortfall; (6) LEPA was considering building plants in Morgan City at a cost of \$146 million and Houma at a cost of \$40 million in an effort to eliminate the problem of paying for transmission upgrades to Entergy's system; (7) Jeff Davis Electric Cooperative requested and was granted a rate increase; (8) SLECA applied for its SERC registration and has been approved but expected data requests to follow; (9) SLECA is still waiting on additional information from the S.T.A.R.T. Corporation before moving ahead with the request by S.T.A.R.T. to purchase the old office building; (10) An emergency work plan meeting was recently held to prepare for hurricane season; (11) A SLECA crew had been sent to assist DEMCO with storm restoration following strong storms on May 13th and 14th; and (12) SLECA experienced a cumulative fuel savings of \$4,909,262 as a result of the board's decision to go with the actual fuel rate instead of a fixed rate.

Next, the board approved the lowest bid to replace 67 bad poles and passed a resolution to approve the 219 forms for the months of December, 2006 to March, 2007.

After the manager's report and expenses were approved, Mr. Guidry asked board members who are planning to attend the ALEC annual meeting to make their intentions known as soon as possible.

The board then approved the safety report and the attorney's report and fees.

Finally, Mr. Daigle gave a brief overview of the Legislative Conference and then the board decided to wait until the July meeting to make any changes to the dates of the August and September board meetings.

The meeting was then adjourned. You may obtain copies of the minutes by contacting SLECA, P.O. Box 4037, Houma, LA 70361 or by calling (504) 876-6880 or 1-800-256-8826.