

Powering Our Rural Communities

What Is The "PCA Charge" On Your Electric Bill?



DCEC currently contracts with the New York Power Authority (NYPA) for the coop's supply of wholesale power. In addition to purchasing energy from NYPA, DCEC also pays for transmission charges and other related costs associated with the delivery of the energy

to DCEC substations.

Each month, DCEC compares the amount of revenue collected through your electric rates to the actual cost of energy (and transmission) to the cooperative.

The difference is either credited or charged on the electric bills in the following month (and is called the Power Cost Adjustment or "PCA"). In most cases, the actual cost to the cooperative is higher than the amount figured in the current base rate. That's why there is an added charge to your monthly electric bill.

PCA Charge Continued on Pg. 2....

Landfill Gas Project Proceeds On-Schedule

Based on member approval of the proposed changes to the DCEC bylaws during the Special Meeting of the Membership on January 26, 2008, development work is preceding on the 1,000 kw Delaware County Waste-to-Energy Project. "All major equipment is on-order and is scheduled to arrive in Delaware County during the summer of 2008" says Greg Starheim, CEO & General Manager. Work is underway to finalize negotiations with a general contractor for site work in March along with securing a commitment from NYSEG on the schedule for the interconnection between the project and the local NYSEG-owned power lines. "This is a critical path on the project right now", says John Klaben, DCEC Engineering Manager. "We hope that we will be able to complete the interconnect with NYSEG so that doesn't hold up the project from delivering value to DCEC members by the fall of this year."

Updates on the progress of the project will be made available at www.dcec.coop

DCEC Members Approve By-Law Changes

Members of DCEC approved by-law changes at a special membership meeting, held on January 26th at Delaware Academy & Central School. During the meeting, DCEC members approved a change that allows the cooperative to form a generation subsidiary that is planned for the Delaware County Waste to Energy Project. This measure passed by a margin of 152-22, with several votes cast by proxy.

At the meeting Frank Winkler, president of the DCEC board of directors, told the members, "This is a very important step for us." He said the generation project is needed to provide a stable source of power. "It's an important step forward in controlling our energy costs. It will minimize the risk of market increases."

Greg Starheim, CEO and General Manager of DCEC, said, "This is a pretty big step for us." He said DCEC has been, until, now, "a distribution co-op" and that the landfill project "is the first time we're talking about venturing into the world of generation."

By-Law Changes Continued on Pg 3...



A line of DCEC members waiting to register for the Special Membership Meeting, including DCEC Directors, Meg Hungerford & Hartley Russell

PCA Charge Continued from Pg 1...

Every month NYPA bills the cooperative for the energy and transmission related charges. Based on this bill, DCEC determines the amount of PPA charge (or credit) that would be billed to our members that month.

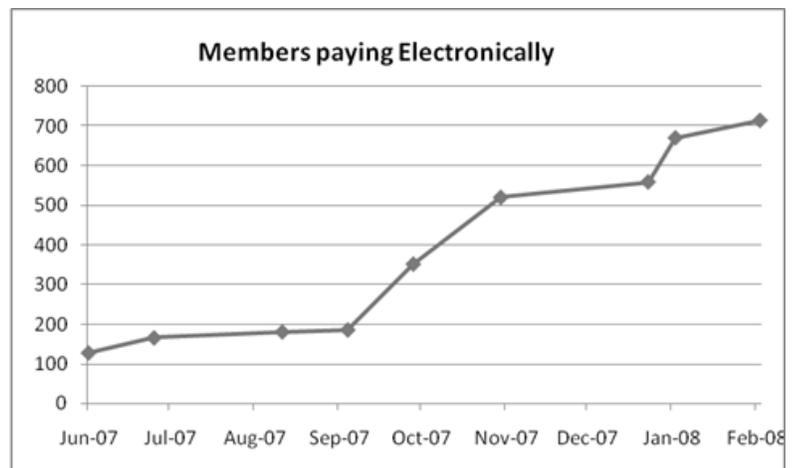
In your February bills, you may have noticed that the PCA charge was higher than normal. The PCA charge for January 2008 was .5 cents per kilowatt-hour. The PCA charge for February 2008 increased substantially to 1.1 cents per kilowatt-hour. For a member who consumes 1,000 kilowatt-hours of energy in a month's time, the PCA for February would be \$11.00. The February bill from the New York Power Authority to DCEC was 25.5 percent higher than the previous month while power consumption by our members increased by only two percent. DCEC is currently investigating whether this billing was accurate and appropriate.

This is why your cooperative is seeking alternative sources of wholesale power for our members. By securing low cost, renewable local sources of power supply DCEC should be able to keep your PCA charges, and your overall electric bill to a minimum.

Your participation in our electric hot water heater load management program is also helpful. Please contact DCEC for information on this program.

DCEC Members Embrace "MyAccount"

Since first being introduced in May 2007, many DCEC members have taken advantage of the many benefits offered by "My Account", the new online account service. Through *My Account*, members can access their account with DCEC to view and pay their bills and make changes to their account as needed. The service also gives members 24-hour access to their historical energy usage including easy-to-read charts and graphs. To date, over 600 members have signed up for *My Account* and receive bills electronically. To reduce costs to DCEC, members are encouraged to sign up for automatic payment of their bills to avoid mailing, printing and processing fees.



Contact the DCEC office with any questions or visit www.dce.coop to sign up.

11th Grade Student Wanted!

DCEC once again announces an exciting opportunity available to 11th-grade students. Annually, DCEC sponsors a "Legislative Youth Tour" providing a selected youth-delegate the opportunity to travel to Washington D.C. to meet with our nation's political leaders and learn about our Nation's legislative process. This year the tour will take place from Saturday, May 3, 2008 to Wednesday, May 7, 2008.

The student-delegate representing DCEC will participate with other New York State rural electric cooperative student-delegates. Together, rural co-op representatives from the 850+ co-ops across the U.S. will be in Washington for Congressional meetings on Capital Hill. This opportunity is an "all-expense-paid" trip, except for general spending money that the student may elect to spend on souvenirs and incidentals.

To be considered, the student must be in their junior year, be a son or daughter of a DCEC member, have a minimum "B" GPA and submit a complete application to the DCEC office in Delhi, NY by March 17, 2008. For more information contact your school guidance counselor or please contact Tara at the DCEC office @ (607) 746-9281.



By-Law Changes Continued from Pg 1...

Starheim said most of the co-op's power comes from Niagara hydroelectric plants, under contract with the New York Power Authority. A second contract expired at the beginning of the year, forcing DCEC to buy power at market rates. Because of that change, and because of the co-op's growing need for power, DCEC has been searching for other sources of low-cost energy including the Delaware County Waste to Energy Project. The landfill project, he said, makes sense. "This is one that we really believe belongs in our portfolio." While the landfill gas project will not meet all of the cooperative's needs, it is expected to provide savings for us over the next 20 years.

Delaware County Public Works Commissioner Wayne Reynolds said the project would benefit the county, as well as DCEC. "We're very happy to be working with local people and benefiting local taxpayers," he said.

A second proposal passed easily as well, by a vote of 150-22. This proposal fixed typographical errors and made other minor by-law changes, and also authorized electronic notification of meetings of the board of directors and participation in board meetings by telephone.

After the meeting, Winkler said, "The vote shows strong support for what we want to move forward with. I think we have a well-informed membership. It can be a challenge, but it's part of our democratic process." Starheim said he was pleased that the vote "was as strong as it was." He said the project will now move "fairly quickly." The power plant is expected to be operational later this year.



Wayne Reynolds, Commissioner of Public Works, speaks at the Special Meeting of Members

Legislative Corner

Iberdrola/Energy East Proceedings Continue at the Public Service Commission

On August 1, 2007, Iberdrola, S.A. petitioned the State Public Service Commission (PSC) for approval of a proposed merger with Energy East Corporation, the parent company of New York State Electric & Gas Corporation (NYSEG). The PSC is examining whether the acquisition is in the public interest. DCEC, through involvement in the New York State Rural Electric Cooperative Association (NYSRECA) has become an

"interested party" in the process to ensure the interests of our members are protected. This has included filing arguments that the merger must address ongoing reliability issues that DCEC (and the other co-ops have had) with NYSEG power lines that deliver wholesale power to our substations. This unreliability is the 2nd largest source of outages to DCEC members after storm damage. DCEC will continue efforts to ensure that

these reliability issues get included in any "settlement agreement" that is reached as part of these acquisition proceedings.

**Supported in part by funding from ACRE (Action Committee for Rural America)*



Lost Member List

The following is a listing of the people whose Capital Credit Allocation notices have been returned by the United States Postal Service for an insufficient or outdated address. We have listed our member by towns in which they lived while on DCEC's line.

Please look over the list and if you have any information that will be helpful in us locating these members, please contact the Co-operative office at 607-746-9290:

Ernest Adams
Nathan Albin
Elsie N. Allen
Fred A. Andalora



Thomas Augustine
Amelia Aulicino
Pat Aulicino
Paul Aurellano
Sherman Babcock Estate,
Wretha Babcock
Theodore Babcock, Jr.
Dorothy Barlow
Jane Barry

William Barry
Russell Beach
John J. Beck
Norma L. Becker
Melinda Biastre
Barry Blair
Darlene Blaser
Anthony Bonfa
Paul M. Bonhote
Elizabeth G. Bradt

Is Your Location Number in This Issue?

Your service location number begins with two letters and is located on your bill next to your account number. Keep your eyes peeled for the "hidden location number" in this newsletter! If you find the number, and it is your service location you will receive a DCEC fleece sweatshirt! **Good luck!**



Congratulations to Patsy Moody, our DCEC Fleece winner! Patsy found her location number hidden in our January/February 2008 newsletter.



Delaware County Electric Co-op is your local area dealer for:

Marathon®

Hot Water Heaters

Available in 20, 30, 50, 85, and 105 gallon sizes with a **Lifetime Warranty!**

Call (607) 746-9281 or stop by our office on 39 Elm Street, Delhi, NY

Statement of Non-Discrimination



Delaware County Electric Cooperative, Inc., has filed with the Federal Government a Compliance Assurance in which it assures the Rural Utilities Service (RUS), an agency of the U.S. Department of Agriculture, that it will comply with all requirements of Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973 and the Age of Discrimination Act of 1975, and the Rules and Regulations of the Department of Agriculture issued thereunder, to the end that no person in the United States shall on the ground of race, color, national origin, handicap, or age be excluded from participation and be denied the benefits of, or be otherwise subjected to discrimination in the conduct of its program and the operation of its facilities.

Under this Assurance, this organization is committed not to discriminate against any person on the grounds of race, color or national origin in its policies and practices relating to treatment of beneficiaries and participants in any meeting of beneficiaries and participants or the exercise of any rights of such beneficiaries and participants in the conduct of the operation of this organization.

The person responsible for coordinating this organization's non-discrimination compliance efforts is, Gregory J. Starheim, General Manager. Any person who believes himself or any specific class of individuals to be subjected by this organization to discrimination prohibited by Title VI of the Act and Rules, and Regulations issued thereunder may, by himself or a representative, file with the Secretary of Agriculture, Washington, DC 20250, or this organization, or all, a written complaint. Such complaint must be filed no later than 180 days after their alleged discrimination or by such later date to which the Secretary of Agriculture or the Rural Utilities Service (RUS) extends the time for filing. Identity of complaints will be kept confidential except to the extent necessary to carry out the purposes of the Rules and Regulations.

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The information contained herein is designed to promote action and discussion among members. Statements published do not necessarily reflect the official position of the cooperative. The information has been obtained from sources believed to be reliable, and the editor has exercised reasonable care to assure its accuracy.

Board of Directors

President.....Frank Winkler
 Vice President.....Harry Peterson
 Secretary.....Hartley Russell
 Treasurer.....Stephen Oles
 Director.....Paul Menke
 Director.....Meg Hungerford
 Director.....David Hartwell
 Director.....Thomas Lubbers
 Director.....Ernest Bartz
 CEO/General Manager.....Greg Starheim
 Asst. General Manager..Wayne Marshfield

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Firewood For Sale:

Pickup or delivery, \$45/ face cord pickup or \$55/face cord delivery. Call (607) 829-3340

Buyer's Market



If you would like to place an ad in our Buyers Market please call our office at (607) 746-2341

Upstate Tree Service

Tree removal, stump grinding and brush chipping.
 Lots cleared.
 Over 15 years experience.
 Call Randy at 607-865-7576 for more info!

For Sale:

Dorset-Fresian (milk breed) lambs, meat lambs. Breeding stock, starter flocks, pets. Good milk production. Toggenburg kids from a gallon a day mothers. Bucks and doelings. Call: (607) 746-2596

Wanted:

Black top millings in the Town of Franklin. Contact Donald at (914) 490-0910