



CATSKILL HI-LINE

Bi-Monthly Newsletter

Volume 65—Issue 3 May/June 2009

Powering Our Rural Communities

DCEC Planning 2009 Annual Meeting

Plans are underway for the 2009 Annual Meeting of the DCEC membership on September 11, 2009. In addition to the normal business that will be conducted, the DCEC Board of Directors will be recommending several changes to the DCEC bylaws that are intended to



Members enjoying the Brooks BBQ at the 2008 DCEC Annual Meeting

make the bylaws more "current". The detailed bylaw changes are available for review at www.dce.coop or by contacting the DCEC office. The proposed changes will also be sent to members as part of the official "Notice of the Annual Meeting" that will be sent to members in the August 2009 DCEC newsletter in accordance with the DCEC bylaws.

Please mark your calendar. We look forward to seeing in September at the meeting!

New Transformer, Kortright Substation

On April 29, 2009 DCEC took delivery of a new 7.5 MVA, step- down three phase transformer for our South Kortright substation. The 33 ton unit, built in Virginia was delivered via special routing due to its weight.



New transformer being placed on concrete pad

A special thanks goes out to the Delaware County DPW and Commissioner Reynolds on their cooperation and assistance while the unit traveled along County Route 18 to the DCEC Kortright Substation on Rich Road in Bloomville.

This unit will replace the existing aging transformers that have been in service for the last 35 years. It also replaces the spare transformer at the substation which is undersized for the maximum load of the members served from this location. This unit will serve the co-op and its members for decades to come.

DCEC Considers "Self Regulation"

After much consideration, the DCEC Board of Directors is recommending a resolution be approved at the 2009 Annual Meeting to change the regulatory status of the cooperative. Although not legally required under New York State law, DCEC historically has chosen to have the New York Power Authority serve as regulatory authority over rates and operating procedures. Recent events that have occurred have led the DCEC Board to conclude that our membership would be better served if DCEC was in direct control over rate setting and policies.

Nationally, there are over 900 rural electric cooperatives and the vast majority of them are self-regulated, determining rules, policies, rates and other matters based on what they believe to be in the best interest of their membership. Directors which are elected by the membership to serve on the Board are directly responsible to the members and, as a not-for-profit, member-owned utility, DCEC's sole business objective is to serve the membership with low-cost, reliable electric service.

Continued on Page 3...

Interest In Distributed Generation



Did you know that DCEC is one of the "greenest" electric utilities in the nation? Currently over 75% of the energy that DCEC delivers to members is generated at the Niagara Hydro Generation Station. The Delaware County (landfill) Waste-to-Energy Project and other renewable

energy initiatives DCEC is investigating, will result in DCEC securing 100% of its membership needs from clean, environmental-friendly sources.

Despite the cooperatives low "carbon footprint" and low rates, many DCEC members have expressed interest in installing their own renewable generation at their residences. Unlike emergency generators that operate disconnected from the power grid, these units would be "interconnected" with DCEC's electrical grid. This configuration is known as "grid paralleling". These systems include photo-voltaic (solar), small wind turbines, manure digesters and, in unique circumstances, small hydro generator systems.

Continued on Page 3...

39 Elm Street, PO Box 471, Delhi, NY 13753 Fax: 607-746-7548 Phone: 607-746-2341 OUTAGES: 607-746-9283

NYSEG Rate Increase

NYSEG

On April 7, 2009, the NYS Public Service Commission rejected a request by New York State Electric & Gas (NYSEG) to raise electric rates. NYSEG, submitted the request in January citing "significant financial harm (it has endured) caused by the global credit crisis and the fact that the utilities face a significant cash shortage due to an increase in uncollectible bills, reduced sales due to a decrease in economic activity, property taxes that have been long among the nation's highest, and other steadily increasing business costs such as pension and health care."

The rate increases, which would have raised electricity costs to NYSEG customers by 9.9%, caught many industry experts by surprise. In late 2008, Energy East Corp, the parent company of NYSEG, committed not to seek a rate increase for at least one year as a condition of being purchased by Iberdrola SA, the major global for-profit electric utility corporation head-quartered in Bilboa, Spain.

Senator Chuck Schumer was among those that opposed the rate increase. "This rate hike application reeks of profit mongering by a company that promised not to do just this as a condition of the approval of its merger. Just as New Yorkers are struggling to make ends meet, Energy East is trying to pull a fast one on its customers," Schumer said.

Unlike NYSEG, DCEC is a not-for-profit, member-owned utility with no plans for a rate increase in the foreseeable future.

Legislative Update



Bruce Geiger, DCEC's political advocate addressing members of NYSRECA

On April 20-21, representatives from the New York rural electric cooperatives met with legislative leaders in Albany to discuss critical issues relating to the electric utility industry and rural electric co-ops in general

Key issues included:

- Protecting DCEC's access to low cost hydro power
- NYISO (electricity wholesale market) reform
- Ability of electric cooperatives to serve new members
- Access to renewable energy and energy efficiency incentive programs

- Stimulus funding for electrical infrastructure
- Participation in the NYS Energy Planning Process

In addition to these NYS issues, DCEC is actively working through the National Rural Electric Cooperative Association (NRECA) is addressing national issues including:

- Global Climate Change Legislation
- Renewable Energy and Energy Efficiency Standards
- Electric Transportation Planning (and resulting impact on electrical grid infrastructure)
- Funding for the USDA Rural Development
- Railroad Antitrust Issues

NRECA CEO Glenn English says, "Rural electric cooperatives were born to legislative action. And, without actively engaging in the political process, rural electric cooperatives could die from legislative action."

GI 2-38-15A

Howard Selected As Student Youth Delegate



DCEC Youth Delegate, Erica Howard

The Delaware County Electric Cooperative (DCEC) announces the selection of Erica Howard from Sidney Central School as their 2009 Student Youth Delegate. As a Youth Delegate, Erica will represent DCEC at the upcoming National Rural Electric Cooperative Association (NRECA) Legislative Conference in Washington D.C. that is scheduled for May 3-6, 2009. Erica is the daughter of Kenneth & Ellen Howard of Sidney Center.

Each year, 11TH grade sons and daughters of DCEC members are given the opportunity to apply and be considered to represent the cooperative at this national event. Students are selected based on their academic achievement, involvement in extra-curricular activities, letters of recommendation, and service to the community.

"We were very impressed with Erica", says Frank Winkler, DCEC President. "This is an excellent opportunity for Erica to learn first-hand about the legislative process of our country and about the rural electric cooperative business model."

As a Youth Delegate, Erica will accompany DCEC officials to Washington. She will join representatives from 900 other rural electric co-ops in meetings with Congressional leaders on Capitol Hill.

Distributed Generation Continued from Page 1...

Generators installed throughout a utilities electrical system is known as distributed generation ("D-G").

D-G can be troublesome to utilities, since generation is unpredictable for most renewable energy sources. In addition, there are safety concerns to utility line-staff who may think power lines are de-energized but may not be due to a member's generation. D-G presents other challenges as well. To serve loads, utilities must forecast system load and secure (purchase) wholesale power contracts to meet those loads. Particularly where the generation is variable, it is more difficult to minimize the costs of purchasing power with D-G. This may have the adverse effect of increasing DCEC's purchase power costs.

Despite those challenges, DCEC does promote the development of renewable energy, including D-G. Members interested in renewable D-G can get information from DCEC which outlines the procedures and technical interconnection requirements for such installations. Further, DCEC has established a "net metering" policy for renewable D-G where members are credited for excess energy that is injected into the DCEC electrical system at the same rate at which they are charged for usage.

Residential renewable systems can be very expensive. The cost of a typical PV (solar) residential installation can exceed \$50,000 and, even with grants providing 50% funding, this investment is often difficult to economically justify given DCEC's relatively low power rates. Individuals interested in installing such systems may qualify for various grants and certain tax incentives to reduce the net cost to the homeowner.

The New York State Energy Research & Development Authority (NYSERDA) offers incentive programs for these installations. However, since DCEC (as a non-profit entity) members do not pay a tax known as the "System Benefit Charge" (SBC), which funds those programs, DCEC members are typically not eligible to receive those benefits. DCEC is working on developing possible alternative funding sources that would be available to those members interested in such projects.

Self Regulation Continued from Page 1...

Directors serve under these principals without conflicting objectives of creating "shareholder value" like that which exists with "for-profit" utilities. For that reason, cooperatives are provided the ability to make decisions themselves without oversight from regulatory authorities.

While NYPA remains a vital business partner of DCEC, their regulatory oversight has created unnecessary issues (and costs) to DCEC in recent years. These issues include:

- Excessive delays in acting on rate reviews
- Disagreement over the basis of cost-of-service studies and rate structure
- Responsiveness relating to operating procedures and policies
- Uncertainty and timeliness of approval for DCEC renewable energy initiatives

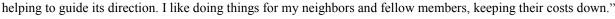
DCEC will be scheduling "open houses" in future months for members to speak with directors and management about this resolution. In addition, members will be sent the proposed resolution as part of the "Official Notice of Annual Meeting" in the August 2009 newsletter. Members are encouraged to contact the DCEC office with any questions or comments.

Meet The Board!

This Month: Paul Menke

Paul Menke represents the town of Meredith on the DCEC Board of Directors and serves the board as Assistant Treasurer. He says he has been a member of the co-op for around 40 years, and that his father was a member before him. "We've been pretty much lifetime members," he said. He joined the board over 15 years ago, replacing former director Owen Howarth.

"I remember going to annual meetings as a kid, and how great it was," he said. DCEC is a great organization. I've always loved it." That interest led him to run for the director position. "We're all fortunate to have the Delaware County Electric Cooperative," he said. "I enjoy



Paul cites seeing changes in his tenure. "Fifteen years ago, the big issue was whether we should purchase a new truck." he said. "Today, we're talking about alternative energy." Looking to the future, he says, our challenge is providing an affordable power supply in the face of a changing energy industry. "We need to keep the costs down while staying in step with the changing world of the electric business," he said.

Paul and his wife, Candace, operate a dairy farm with 90 cows on 500 acres of land in Meredith. They also raise and train horses. "I love being on the DCEC board. It's definitely a solid board which acts in the interest of our members," he said.



Herbicide Treatment for Vegetation Control



Specialty Herbicide

For the control of woody plants and broad leaf weeds on rights-of-way, industrial sites, non-crop areas, non- irrigation ditch banks, forests, and wildlife openings, including grazed areas on these sites.

Active Ingredient: triclopyr: 3,5, 6-trichloro-2pyridinyloxyacetic acid. butoxyethyl ester 61.6%, Inert Ingredients 38.4%, Acid Equivalent:

triclopyr- 44.3% -41b/gal. Contains petroleum distillates

EPA Reg. No. 62719-40, EPA Est. 464-MI-1, Net Content 2.5 gal

Precautionary Statements: Keep Out of Reach of Children. Hazards to Humans and Domestic Animals

CAUTION

Harmful if Swallowed, Inhaled at Absorbed Through Skin.

Avoid contact with eyes, skin, or clothing. Avoid breathing mists or vapors. Avoid contamination of food. Wash thoroughly after handling. Remove and wash contaminated clothing before reuse

FIRST AID

If on skin: Flush skin with plenty of water. Get medical attention if irritation persists.

If swallowed: Do not induce vomiting. Call a physician.

Physical or Chemical Hazards

Combustible. Do not use or store near heat or open flame. Do not cut or weld container.

Environmental Hazards

This pesticide is toxic to fish. Keep out of lakes, ponds or streams. Do not contaminate water when disposing of equipment wash waters.

Notice: Read the entire label. Use only according to label directions. Before buying or using this product, read "Warranty Disclaimer" and "Limitation of Remedies" inside label booklet.

In case of an emergency endangering life or property involving this product, call collect 517-636-4400.

Agricultural Chemical: Do not ship or store with food, feeds, drugs or clothing.

General Use Precautions

Apply this product only as specified on this label. Be sure that use of this product conforms to all applicable regulations.

Before using any recommended tank mixtures read the directions and all use precautions on both labels.

Chemigation: Do not apply this product through any type of irrigation system.

During the year 2009 the Cooperative will again be clearing trees and brush from our primary distribution lines in Delaware and Schoharie counties. Once the trees have been cut, a ready-to-use herbicide known as Garlon-4 will be applied to the stump to prevent undesirable future sprouting. DCEC is licensed and registered with the New York State Department of Environmental Conservation to purchase, store and apply this herbicide. If you would like more information or would like to discuss the herbicide, please feel free to contact Wayne Marshfield at 607-746-9284.

Do not apply Garlon4 directly to or otherwise permit it to come into direct contact with grapes, tobacco, vegetable crops, flowers or other desirable broadleaf plants and do not permit spray mists containing it to drift onto them.

Avoid Injurious Spray Drift

Applications should be made only when there is little or no hazard from spray drift. Very small quantities of spray, which may not be visible, *may* seriously injure susceptible plants. Do not spray when wind is blowing toward susceptible crops or ornamental plants near enough to be injured. It is suggested that a continuous smoke column at or near the spray site or

a smoke generator on the spray equipment be used to detect air movement, lapse conditions or temperature inversions

(stable air). It the smoke layers or indicates a potential of hazardous spray drift, do not spray.

DIRECTIONS FOR USE

It is a violation of Federal law to use this product in a manner inconsistent with its labeling. Read all Directions for Use carefully before applying. Do not use for manufacturing or formulating.

General Information

Garlon4 herbicide is recommended for the control of unwanted woody plants and annual broadleaf weeds in forests, and on non-crop areas including industrial manufacturing and storage sites, rights-of-way such as electrical power lines, communication lines, pipelines, roadsides and railroads, fence rows, non-irrigation ditch banks and around farm buildings.

Use on these sites may include application to grazed areas as well as establishment and maintenance of wildlife openings.

Grazing and Haying Restrictions Grazing or harvesting green forage;

1) Lactating dairy animals 2 quarts/acre or less:
Do not graze or harvest green forage from treated area for 14 days after treatment. Greater than 2 quarts to 6 quarts/acre. Do not graze or harvest green forage until next growing season.
2) Other Livestock: 2 quarts/acre or less: No grazing restrictions. Greater than 2 quarts to 6 quarts/acre: Do not graze or harvest green forage from treated area for 14 days after treatment.

Note: If less than 25% of a grazed area is treated, there is no grazing restriction. Having (harvesting of dried forage):

1) Lactating dairy animals: Do not harvest hay until the next growing season.

2) Other livestock: 2 quarts/acre or less: Do not harvest hay for 7 days after treatment. Greater than 2 quarts to 4 quarts/acre; Do not harvest hay for 14 days after treatment.

Greater than 4 quarts/acre: Do not harvest hay until next growing season.

Slaughter Restrictions:

Withdraw livestock from grazing treated grass or consumption of treated hay at least 3 days before slaughter. This restriction applies to grazing during the season following treatment or hay harvested during the season following treatment.

Warranty Disclaimer

DowElanco warrants that this product conforms to the chemical description on the label and is reasonably fit for the purposes stated on the label when used in strict accordance with the directions, subject to the inherent risks set forth below.

DOWELANCO MAKES NO OTHER EXPRESS OR IMPLIED WARRANTY
OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER EXPRESS OR IMPLIED WARRANTY.

Inherent Risks of Use

It is impossible to eliminate all risks associated with use of this product. Plant injury, lack of performance, or other unintended consequences may result because of such factors as use of the product contrary to label instructions (including conditions noted on the label, such as unfavorable temperature, soil conditions, etc.), abnormal conditions (such as excessive rainfall, drought, tornadoes, hurricanes), presence of other materials, the manner of application, or other factors, all of which are beyond the control of DowElanco or the seller. All such risks shall be assumed by Buyer.

Limitation of Remedies

The exclusive remedy for losses or damages resulting from this product (including claims based on contract, negligence, strict liability, or other legal theories), shall be limited to, at DowElanco's election, one of the following:

1. Refund of purchase price paid by buyer or user for product bought, or

2. Replacement of amount of product used. DowElanco shall not be liable for losses or damages resulting from handling or use of this product unless DowElanco is promptly notified of such loss or damage in writing.

In no case shall DowElanco be liable for consequential or incidental damages or losses. The terms of the "Warranty

Disclaimer" above and this "Limitation of Remedies" cannot be varied by any written or verbal statements or agreements. No employee or sales agent of DowElanco or the seller is authorized to vary or exceed the terms of the "Warranty Disclaimer" or this "Limitation of Remedies" in any manner.

*Trademark of DowElanco DowElanco, Indianapolis, IN 46268 LABEL COOE 113-12-003 DATE CODE 392 EPA APPROVALO2/26/92 & 10/22/91 REPLACES 113-12-002

2009 District Nominations

Every year 3 Director seats for the DCEC are up for open election at the September Annual Meeting. DCEC has 9 Directors comprising the Board which represent our nine regions. Each year, a nominating committee is formed to identify interested candidates for a 3-year Director position. If you are a member of the Cooperative, at least 21 years old and are interested in being a candidate, or if you would like additional information, contact the DCEC office or any of the current Board members.

In accordance with the Bylaws of the Cooperative, the Nominating Committee must meet and prepare a list of nominees at least 60 days before the Annual Meeting to make nominations for six candidates, three of whom will be voted in as directors, at the forthcoming Annual Meeting of the Members, to be held September 11, 2009 at 4:30 p.m.

The names of the Directors whose terms are expiring are:

District No. 1: David Hartwell—Town of Gilboa, Schoharie County and that portion of the Town of Jefferson in said County that is situated East of New York State Highway Route 10.

District No. 3: Thomas Lubbers—Town of Davenport, Delaware County.

District No. 7: Hartley Russell—Towns of Hamden, Franklin and Walton, Delaware County.

The Committee will meet at the Cooperative Office at 39 Elm Street, Delhi, New York on Wednesday, July 8, 2009 at 6:30 pm for the purpose of nominating two members for each office.

Nominations for directors are governed by Article 4, Section 3, of the Bylaws. A director may be nominated in three

ways: two ways in advance of the meeting and one at the meeting.

- ✓ The first way is by the **NOMINATING COMMITTEE**. Each year the Nominating Committee meets to consider at least two candidates to run for director in districts up for election. This year they meet on July 8, 2009.
- M The second way is by <u>PETITION</u>. Any 15 or more members may petition the Cooperative to place a qualified member on the ballot. This must be done not less than 15 days before the Annual Meeting.

A member's name may be placed as a candidate for election by a nomination from the floor at the Annual Meeting.

Rules regulating Director elections are outlined in DCEC's bylaws which are available on www.dce.coop. Voting for directors is covered by Article 3, Section 5. Each member may cast one ballot for a nominee in each district. This year there are three positions to be filled so each member may cast one vote for three candidates.

A husband and wife holding a joint membership may cast one vote for three nominees, one from each district (joint membership is covered by Article 1, Section 3).

Operations Update



Right of Way clearing (ROW):

DCEC ROW clearing contractor, KW Reese, will be working over the next couple of months in the Towns of Jefferson and Gilboa.

Pole Replacements:

DCEC crews will be replacing poles on D'Agostina Road in the Town of Walton.

Line Reconstruction:

DCEC crews will be reconstructing electric lines on Maggie Hoag Road and Bob Holloway Road in the Town of Delhi.

DCEC Welcomes Summer Employees

Brush Crew Laborers:

- **Ryan Sullivan** of Delhi, attends Alfred State University.
- Garrett Rockefeller of Bloomville, attends Mohawk Valley Comm. College.
- Scott Daniels of Meridale, attends SUNY Delhi. Scott is also DCEC's Engineering Intern.

Accounting Intern:

• Ryan Twardowski of Emmaus, PA, attends Hartwick College

Delhi Substation Equipment Causes Outage

DCEC successfully replaced three 46 kv lightening arrestors at our Delhi Substation during a planned outage on March 27th. As many of our member are aware, DCEC experienced an unexpected outage on March 5th when one of these arrestors failed. Rather than replace the one faulty arrestor, DCEC's operations staff made the decision to replace all three units hopefully alleviating another future unexpected outage.

We thank our members in the Towns of Delhi, Hamden, Meredith, Andes, Colchester, and Franklin for their patience and understanding. Hopefully these critical pieces of equipment will serve us with decades of quality service.



Come See DCEC at the Stamford Flag Day Parade June 14, 2009



Mark Your Calendars!

DCEC Annual Meeting Friday September 11, 2009



Community Calendar



June 13th & 14th 2009

10:00 AM-5:00 PM FREE ADMISSION

Parking \$5.00



"Saw It" @ Hanford Mills Museum

Sunday, May 24th from 10:00 am—5:00 pm Explore over 200 years of sawing & lumber history For more information call (607) 278-5744 or visit www.hanfordmills.org



SCOTTISH FESTIVAL

First Presbyterian Church
4 Clinton Street, Delhi, NY 13753
Saturday, June 20th from 10:00 am—4:00 pm
Sunday, June 21st Scottish Worship Service
and exhibits will be open until 3:00 pm



Providing our rural members with:

- **✗** Low-cost Electricity
- ✓ Community/Member Service

Warranted for LIFE and available in 30, 50, 85 and 105 gallon sizes!

39 Elm Street P.O Box 471 Delhi, NY 13753 Ph: (607) 746-2341 Fx: (607) 746-7548 www.dce.coop

Your local area dealer for electric

Marathon WATER HEATERS



Is <u>Your</u> 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!*

CATSKILL HI-LINE is a Publication of the Delaware County Electric Cooperative, Inc. and is published bi-monthly for the membership.

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
	Harry Peterson
Secretary	Meg Hungerford
Treasurer	Stephen Oles
Director	Paul Menke
Director	Hartley Russell

Director	David Hartwell
Director	Thomas Lubbers
Director	Ernest Bartz
CEO/General Manager	Greg Starheim
Asst. General Manager	Wayne Marshfield

Delaware County Electric Coop., Inc. 39 Elm St., PO Box 471 Delhi, New York 13753-0471 607-746-2341 Fax: 607-746-7548 Email: office@dce.coop Web Site: www.dce.coop

Buyer's Market



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

Firewood For Sale:

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

Car For Sale:

1988 Dodge Colt 4 dr, auto, 1.8-4 cyl, no rust, radio cassette, ac, needs head gasket. \$379 or best offer. Call (607) 865-5709 Please leave message

Land For Sale:

3+ acres, private road. Davenport Call (631) 413-0947

Hereford Cattle For Sale:

Feeders and Heifers Call (607) 652-9130

Computer Scanner For Sale:

Working HP Scanner, like new. \$10 Call (607) 652-9130

For Sale:

Teak dining room table, 2 self-storing leaves, extends from 48" to 84" \$150 Call (607) 746-2620

Three G Developers, LLC

Houses/Barns Raised or Moved Foundations Replaced Homes Completely Restored New Homes Designed and Built NYS PE Drawings Prepared NYS Bldg Code Official Certified Call (607) 278-5420 Threegdev@aol.com

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!

Landscaping:

All types of outdoor horticultural, arboricultural and landscape work. Call David Clark (607) 746-6256