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Notes & Information

Normal Office Hours
7:30 AM - 4 PM M-F

Office Location:
6630 State Route 20
Bouckville, New York
Office Closed on:
Good Friday April
14th

Phone Number:
315 893-1851
Call this number 24
hours a day for as-
sistance with power
outages and/or ur-
gent matters.
Please do not as-
sume that someone
else has already re-
ported on the issue.

Your Board of Directors
Rudy Brouillette, Pres.
Thomas Stone, VP
Dan Saulsgiver, Sec./Tr.
John Lehr
Greg Moon
Jim Nassimos
Kurt Peavey

Student Opportunity - 11th Grader Wanted

Oneida-Madison Electric Cooperative, Inc. is pleased to offer an opportunity for a high school student (must be an 11th Grader) to participate in an **all-expense paid trip** to the National Rural Electric Cooperative Association's (NRECA) Legislative Conference in Washington, DC.

The conference is a national lobbying effort by rural electric Cooperatives to inform our Members of Congress about rural electric issues and other important issues affecting rural areas like ours. Over 3,000 Cooperative leaders from more than 40 states, representing over 500 rural electric Cooperatives, generally attend this annual conference.

This is an excellent learning opportunity for students. The selected student will gain first-hand experience in how our national government works, while also having opportunities to "witness" over 240 years of United States history. In the past, some participating students have even observed some real time history being made.

The student will also learn about Your very own Oneida-Madison Electric Cooperative, Inc., and how we are part of a much bigger space consisting of many other cooperative businesses. While in DC, the chosen student will interact with people from all over the country working in a field critical to our nation's security, economy, and future – energy.

The student and other Oneida-Madison Electric Cooperative, Inc. **delegates will travel to Washington, DC on Saturday, April 22nd and return to Bouckville on Wednesday, April 26th.**

The student will accompany local delegates from Your utility and other Cooperatives on visits with various Capitol Hill Congressional Members, including ones from New York State. Plenty of time will be reserved for educational sightseeing in the historically unique setting.

Following the trip to Washington, DC, the Oneida-Madison Electric Cooperative, Inc. sponsored student may also be chosen to attend the NRE-

CA Youth Leadership Conference (YLC) that will be held in Virginia (July 15th through July 19th). The YLC conference will develop the student's oral presentation skills while encouraging a broader understanding of the electric Cooperative industry and the Cooperative business model. Upon completion of the YLC, the student may be selected to represent New York State's Electric Cooperatives at the NRECA 2018 Annual Meeting in Nashville, Tennessee (February 25th, 2018 through February 28th, 2018).

All student applicants must be in the 11th grade and must live in a home served by ONEIDA-MADISON ELECTRIC COOPERATIVE, INC. To receive application materials or more information, call (315) 893-1851 during normal office hours. **The completed application packet must be received by the Cooperative no later than April 7th.**

AMY FITCH of the Bridgewater area joins Cooperative's Staff

Amy Fitch has joined Your Cooperative as Your new Office and Operations Member Services Worker. She brings with her an abundance of talent, experience, and knowledge. Her very strong work ethic and enthusiasm is obvious. Originally hailing from rural parts northeast of Albany, New York, she first experienced the Oneida/Madison area while obtaining a bachelors degree from Morrisville State. Mrs. Fitch lives on a family dairy farm and is a horse enthusiast. You are sure to like her and will find her to be a valuable asset to and for You. Welcome to the electric Cooperative family here at OMEC, Amy!

Your Map Location number, located on your bill, *may* be found somewhere in this document.
If you find it, contact the office by April 15th and your account will be credited \$10.

Cooperative Linemen Play Big Roles in Restoring Rochester Area Power

By day and sometimes by night, Oneida-Madison Lineworkers Brian Bell and Matt Marriott work hard to maintain and improve Your electric distribution system. Earlier this month, the skilled duo answered the call for an extended weekend to help desperate people in Monroe County by taking on David roles in the latest version of the classic David and Goliath story which was playing out in real life near Lake Ontario. A terrible scene was set when a killer wind storm, Goliath, devastated much of western New York on March 8. Goliath was counterattacked by a

good sized investor owned utility. When notice came to Bouckville that extra support was needed, they got plenty of it from the dynamic duo of Brian and Matt. The local Davids then showed up to fight Goliath with all that they had. Upon arrival in Rochester, thousands of electricity consuming people and businesses, still aswoon from the vicious attack from mother nature, were already suffering from their 3rd or 4th day without electrons. Oneida-Madison Electric Cooperative's Lineworkers fought like David, doing their best to get as many electricity consumers out of the

dark and sub-zero wind chill cold snap as quickly as possible. It is truly amazing to see an electric utility with just 8 employees, located in Madison County, providing some much appreciated heroes, called Davids, for a humanitarian cause in a heavily populated area. Your Cooperative's people are making a difference at home and elsewhere, showing what the true spirit of cooperation is all about. Thank you gentlemen for making lots of friends that will not forget your frozen sweat and warm hearts.

C9D-4-A1

AUDITOR'S INDEPENDENT REPORTS ON 2016

Your Board of Directors retained Mostert, Manzanero, and Scott, LLP (MMS), a group of certified public accountants from Oneonta, New York, to perform various professional services related to the business year 2016. The independent audit of Your Cooperative's financial statements has revealed, in the audit firm's own words:

"In MMS's opinion the Cooperative's 2016 financial statements referred to above present fairly, in all material respects, the financial position of the Cooperative as of December 31, 2016 and 2015, and the changes in its patronage capital and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America."

Key information from the Cooperative's 2016 Financial Statements includes:

- 1) \$6.88 million - total assets
- 2) \$8.45 million - "at cost" utility plant
- 3) \$2.24 million - long term debt
- 4) \$3.85 million - members' equities
- 5) \$0.24 million - cash at year end
- 6) \$0.60 million - power supply expenses
- 7) \$0.30 million - investments in associated organizations such as a partner information technology cooperative (NISC)

Your Cooperative: At a Glance or Couple of Glances

- ♦ **8 - Employees**, full time, serving the membership: 4 hourly positions represented by the labor union known as IBEW Local No. 10, 1 management position, and 3 hourly non-union positions.
- ♦ **12 - Towns** where service is provided: Madison, Hamilton, Brookfield, Eaton, Lebanon, Nelson, Fenner, Smithfield, and Georgetown in Madison County; Augusta, Marshall, Kirkland in Oneida County. Note that there is no Town where OMEC is the exclusive electric distribution utility.
- ♦ **6 - vehicles** owned and operated. 2 bucket trucks, 1 digger/derrick truck, 2 pickup trucks, and 1 SUV.
- ♦ **7 - Directors** democratically elected by the membership and charged with the highly important heavy duties of care, loyalty, and obedience. Their ultimate role, as a collective group, is to steer the Cooperative towards a desirable future by prudent policymaking and governance. No Directors presently reside in the same Town.
- ♦ **3 -** and only 3 other electric distribution cooperatives in New York State to collaborate with for the betterment of all electric cooperative members. None serve more than 6,000 members.
- ♦ **1 -** long term amazing wholesale power supplier, the New York Power Authority (NYPA). NYPA, a New York State "owned" business, has for decades provided the Cooperative with reliable supply at great prices! Today, NYPA continues to be a committed friend and trusted partner in an industry where change, risk, and uncertainty increase daily.

Local Member Wants to obtain Re-Loading (gun ammunition) Equipment. Call 315-436-3109 to inquire.

Email: clerk@oneida-madison.coop to place your ad here in a future issue of "Electric Cooperative News".

ZECs, RECs, and Other Nifty Things that Cost Money and may Produce Benefits

If you have been following the New York State electricity industry lately, you have probably heard about the four letter terms RECs and ZECs. Then there are the nifty three letter combinations called the REV and the CES. This newsletter will not attempt to explain or even define the alphabet jumble; for that, see www.dps.ny.gov for a very good set of definitions, descriptions, and explanations. Casual followers of the industry and many of your fellow electric Cooperative members have rightfully asked: how will the combinations of letters impact

electric bills. To understand what is “going on”, one must first understand that the electricity business is a huge, capital intensive, infrastructure and technology driven industry, subject to much governmental regulation. As such, utility leaders must always look to carefully balance complex economic and environmental factors. Governor Cuomo has been extremely aggressive in trying to harness technology and regulatory practices (see REV), such as to achieve a transition to a cleaner environment (see CES) by harnessing clean/renewable power generation (see

RECs), injecting nuclear plant financial assistance (see ZECs), and by other creative approaches. In the long term, this combination of actions may or may not be “successful”. There are believable experts holding both viewpoints. However, in the short term, Your electric bills will surely be going up. This spring, OMEC will start to pay, not by choice, money that will end up in the pockets of the owners of nuclear plants. As usual, Your Cooperative’s leaders are working hard to find ways to counteract all foreseeable external “bill increase” pressures.

Capital Improvement Plans and Tree Trimming / Removal Plans for 2017

There will be lots of major and minor improvements to Your electric distribution system this year. Please watch out for the work crews and try to avoid interfering with them as you travel past danger containing work sites. Much work will be done on the “F-

Line” and the “A-Line”, including a major project at the Fenner Substation on South Road in Fenner. It is also expected that Your Cooperative’s line crew, and perhaps some contractors engaged by Your Cooperative, will be very active trimming and removing

“threatening” trees in areas during the coming summer and fall seasons, especially in the Towns of Lebanon and Nelson. Please give the workers your respect and courtesy, avoiding their work site areas at all times, and appreciate that they are reducing outages.

Members Get Ready - “SmartHub” launching in June

Many members are already using the www.oneida-madison.coop web site to pay their bills using “e-bill”. Some also make use of the “automatic bill pay” option whereby each month payments are automatically deducted from their specified checking account, credit card, or debit card. All members are encouraged to use “e-bill” or “auto-pay”. By doing so you save yourself

the cost of postage and checks, your payment is delivered very timely and reliably, and Your Cooperative’s staff time can be used more efficiently. Please contact the Cooperative for assistance with “e-bill” or “auto-pay”, you can be “with the program” in just minutes. Now, for the BIG NEWS. In June a new service called “SmartHub” will be launched and available at

www.oneida-madison.coop **via computer, tablet, and/or smartphone app**. Using “SmartHub” will allow you to obtain usage data, pay your bill, receive certain timely communications very quickly, and more... Existing “e-bill” users will be advised ahead of time on how to “transfer over” to become “SmartHub” users. More details on the tech revolution will be coming.

LOWER YOUR ELECTRIC BILL (HOW?)



Are you dreaming of lower taxes, less inflation, a lower cost living, and retirement security? Many of those dreams are ultimately controlled by someone else. Yet, you can control and lower your electric bill (even without wearing earmuffs and a scarf in your living room). How? Seriously challenge and commit yourself to be more careful and efficient, and **offer yourself a tangible reward** such as: putting half of the cash savings you achieve towards that new bicycle you would like. Try these ideas:

- 1) Got an iphone, ipad, or ipod touch?: if you do, then try out the “Home” app to gain physical control over your lighting, thermostats, and other things that are now part of the “internet of things”. Ask someone’s grandkids for help if necessary, then start saving money!
- 2) Let that sunny energy and light shine inside, especially during heating season - it is as free as the wind and the birds. So please open the draperies, curtains, and blinds during brighter times. Also, be especially bright, yourself, by closing all of those window coverings by sundown.
- 3) Care about your bill all month, not just when you look at it, pay it and/or cuss at it. Set a serious and reachable monthly kilowatt-hour usage goal.
- 4) Educate and motivate “everyone” in your home or place of work. Teamwork and cooperation are required to save.
- 5) Knock down that thermostat setting on the electric water heater a ways and thoroughly insulate the water heater and all of the pipes attached to it. Pennies will yield dollars, all while you go about your everyday life.

Non-Discrimination Statement

Oneida-Madison Electric Cooperative, Inc.

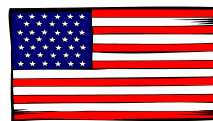
6630 State Route 20, PO Box 27

Bouckville, NY 13310

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Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call toll free (866) 632-9992 (voice) or (800) 877-8339 (TDD) or (866)377-8642 (relay voice users). USDA is an equal opportunity provider and employer.



2016 Special Return - Popular Move Impacts Members' Lives

2016 was another great year for the Cooperative, from various business and financial perspectives. Rates once again remained unchanged since 2011, while a considerable amount of "capital credits" were paid back to members for their patronage back in the mid 1990s. Members of record in 2016 also received their portion of a

roughly \$178,000 "Special Return". Many members had a "monthly payment off", or so, right after the Holiday Season as a result of the return. Numerous members have expressed their sincere appreciation for being able to keep their money in their pocket. Plenty of happy members also indicated that the "Special Return" impact-

ed their lives positively. Some call this approach of respecting Your money "The Cooperative Sprit and Difference". What other product and service providers strive, above all, to maximize your financial position, at their expense? Your Cooperative greatly benefited from a "down" 2016 wholesale electricity market, so you also won!

2016 System Reliability Up: Demonstrating that Investments Payoff

2016, as measured by a common industry metric called the System Average Interruption Duration Index (SAIDI), was a fabulous success. The final SAIDI for 2016 was less than

220 minutes, which is the best (lowest) year since 2011 when the SAIDI was about 200 minutes. 2016 was the second straight year with a substantial decrease in SAIDI. Carefully targeted

investments in strategic tree trimming and removals, along with some excellent line maintenance work by the Cooperative's linemen, is clearly paying dividends in the form of SAIDI drops.

VERY IMPORTANT 2017 Change regarding "Seasonal" Service

Some members continue to receive electric service subject to service classification Schedule 2, also known as "seasonal" service. Schedule 2 accounts are presently billed annually based in part on "estimated" usage at energy rates which are a fraction of a cent per kilowatt-hour lower than Schedule 1, or residential, energy rates. Seasonal service has, somewhat surprisingly, survived to modern times after being born decades ago when: 1) meters had to be read in the field by members or Cooperative staff, 2) there were more clear distinctions between small summer camps and traditional year round occupied homes, 3) many folks left their "second homes" unheated and vacated in the winter time when the Cooperative pays a premium for wholesale power supply, 4) people and real estate ownership were far more

stable, and 5) the Cooperative's billing system was highly "manual" and labor intensive. After careful examination and consideration by Your Board of Directors and Your professional staff, it has been determined that there are no compelling reasons to continue to offer seasonal service, nor are there even fair, consistent, and enforceable ways to define "seasonal service" in the future. Since it now would appear nearly impossible to equitably split members into two distinct "residential service" rate groups named 1) "residential" and 2) "seasonal", all Schedule 2 accounts will be reclassified as Schedule 1 accounts sometime in 2017. This will be accomplished without interrupting electric service in any way. After the reclassification effort which will mark the end of "seasonal" service, all Cooperative members will be subject to

monthly billings, thereby eliminating the intrinsic uncertainties and inequities of "estimated" bills. The imposed burden on Schedule 2 accounts of a single, relatively costly, member bill each year will also come to an end. Members accustomed to receiving "seasonal" electric service who prefer to continue making just one payment to the Cooperative per year, are welcome, like all members, to "pay ahead" on their accounts at any time. The option to "pay ahead" may appeal to members using very modest quantities of electricity. If you have any questions, comments, or concerns about the imminent elimination of "seasonal" electric service, please contact Your Cooperative's General Manager at Your Cooperative's headquarters in Bouckville. The date of the account transitions will be determined soon.