

August 17, 2012

Via Email: JOT@wapa.gov

My name is Rocky Ferran, and I am the Staff Engineer at Gunnison County Electric Association, Inc. ("GCEA"), a rural electric cooperative based in Gunnison, Colorado. I would like to thank you for the opportunity to comment on some of the issues raised in, and as a result of, U.S. Energy Secretary Steven Chu's March 16, 2012 "Memorandum for the Power Marketing Administrators" and the DOE/WAPA Joint Outreach Team ("JOT") Stakeholder workshop and listening session which I attended in Loveland, Colorado on July 31, 2012. During this listening session, I made a statement for the record regarding Secretary Chu's memo, and I would like this letter to serve as a written supplement to that verbal statement.

The key points I would like to make are that we should not forget the end-users of electricity as we consider the policies proposed in Secretary Chu's memo, and that we do not need large government entities dictating "one size fits all" energy policies to regional and local entities that are already successfully managing reliable energy efficiency, renewable energy, and demand response programs at a much more local level. This "one size fits all" nationally-directed policy would likely have the effect of shifting the cost of some programs to those electricity consumers who might not benefit from these programs. The simple premise that those who benefit from the programs should be those who pay for the programs should be adhered to, without unnecessarily burdening others who would see little or no benefit.

Rural Electric Cooperatives are not-for-profit electric utilities that are owned by their consumers. As a non-profit electric utility, one of the primary goals of a typical rural electric cooperative is to provide safe, reliable electricity to its consumer-members at as low a price as is practicable. This can be a challenge, especially for the rural electric cooperatives, since they typically provide electric service to the more remote areas of America. Areas that do not always have a large consumer density to help offset the enormous costs of the capital investments required to make electricity available to those rural areas. Any financial burden imposed on the cooperative is often spread over a much fewer number of consumer-members, typically in the form of higher electric rates, than would otherwise normally be encountered in a more urban area. As an example, GCEA serves an average of only about ten consumers per mile of electric power line. This average is actually higher than what many other cooperatives experience, but consider how much lower this is than what you would find in a typical city. Yet, these few rural consumers are often the farmers and ranchers that supply food for so much of our country, and even the world. To cause them to incur higher electricity costs resulting from initiatives suggested in Secretary Chu's memo, ultimately because they live in these less-populated rural areas, is simply not reasonable.

I would venture a guess that the majority of the individuals present at the JOT workshop, and even more-so those individuals responsible for making the policies and decisions to implement the suggestions made in Secretary Chu's memo, are those that earn a comfortable wage and could easily afford increases in the cost of electricity that could result from these changes. However, these changes could also affect the general population in a much more negative way, financially, to the point of even causing people to choose to forego what has historically been considered to be basic necessities and amenities in order to be able to pay their electric bills. Either that, or else choose to live in the dark.

The commodity that we know of as "electricity" is, without a doubt, one of the most valued and necessary commodities that supports our daily lives today. Just think of where we would be right now without it. No lights, no computers, no telephones, and no refrigerators or microwave ovens. This list could go on and on.

As an electrical distribution engineer with over 18 years of experience with several different utilities in the Southwestern United States, I have had the opportunity to work directly with many of the end-users of electricity in Texas, New Mexico, and Colorado. These are the farmers, the ranchers, the professionals, and the blue collar workers who go to work every day to earn a living. These are the small businesses, the large industries, the manufacturers, and the providers of basic goods and services that help sustain the life that we live and enjoy. These are the wage-earners and the homemakers that make this great country what it is, and who we are.

Unfortunately, I have seen consumers struggling to make ends meet as they are threatened with having their electric service disconnected because they cannot afford their rising electric bills. I've seen them lay a twenty-dollar bill on the cashier's counter in hopes that it would be enough to keep their lights on for just a little while longer. I've seen families lose their homes due to foreclosure in my own neighborhood because they can no longer afford to live as they have in the past. Why should we allow the cost of electricity to increase unnecessarily at the expense of the average consumer? This could truly have the impact of reducing the very quality of life that the average American has come to know and love.

I challenge the lawmakers and everyone else to not only "look outside the box", but to also look "deeper inside the box" at the end-users of electricity, which ultimately encompasses virtually every human being in this country; those who comprise and support the very fabric of the United States of America. Let's keep electricity affordable for them; for us all.

With all due respect to those in positions of authority, I beseech you. Please do not attempt to make the electric utility industry a “one size fits all” industry. One where the government Power Marketing Administrations such as Western Area Power Administration (“WAPA”) would create rate structures that incentivize programs that (1) most of which are already being successfully managed at the regional and local levels without a nationally-directed “one size fits all” policy, and/or (2) shift costs from those who may benefit from the programs to those who may not. And, please, PLEASE do not turn electricity into a commodity that can only be afforded by the wealthy by unnecessarily burdening the end-use consumers with the costs of projects or programs that only benefit a very few.

Thank you for your time and consideration.

Respectfully,

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