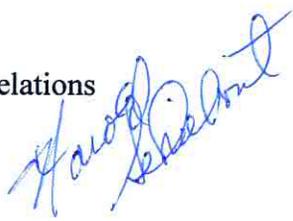


MEMO

DT: August 2, 2012

TO: U.S. Department of Energy/Western Area Power Administration Joint Outreach Team

FR: Harold Schiebout, Director of Government Relations
City of Sioux Center, Municipal Utilities
335 1st Avenue NW
Sioux Center, Iowa 51250



RE: Response to U.S. Department of Energy Secretary Steven Chu's "Defining the Future Initiative"

Thank you for the opportunity to comment on Secretary Chu's directive to the PMA's dated March 16, 2012. I serve as a director of government relations and special projects for the City of Sioux Center, Iowa, Municipal Utilities. I also serve as chair of the Board of Directors of Missouri River Energy Services (MRES), a joint action agency, which provides energy and energy services to 61 municipal electric utility communities located in Iowa, Minnesota, North Dakota and South Dakota. Fifty-nine of those communities are also customers of WAPA.

The focus of my comments is on the decades of demand side management, energy efficiency and renewable energy projects that have been ongoing in Sioux Center and by Missouri River Energy Services in cooperation with its member communities.

In Sioux Center, a partial listing of our energy efficiency and demand side management programs is summarized as follows:

- A Load Management project, controlling water heaters and air conditioners, achieving 96% market penetration
- Residential, commercial, and industrial energy audits, including blower door checks
- Promote and enforce new building envelope insulating standards.
- Tree planting programs
- Two community infrared thermogram fly-over projects

- Ongoing promotion and marketing of energy efficiency and demand side management with customers by way of monthly newsletters, bill stuffers, radio and newspaper advertising, public informational meetings, and direct contact with customers.

A great deal of time, effort, and expense has been invested in carrying out these programs and projects. We also received much help, information, and support from WAPA. This gives me opportunity to, once again, thank WAPA for choosing the City of Sioux Center Municipal Electric Utility to receive the 1987 Administrator's Award given "In special recognition of exceptional conservation and renewable energy contributions".

More recently we have enhanced our demand side management and energy efficiency programs under the umbrella of Missouri River Energy Services "Bright Energy Solutions" program. Under this program our customers are incentivized for a wide range of demand side management and energy efficiency improvements applicable to residential, commercial and industrial sectors of the community. In addition, MRES has been aggressive in expanding its energy supply portfolio with renewables. Currently MRES has 85 megawatts of wind energy, expected to provide 9% of the 2012 energy requirements. MRES is also currently beginning the construction of a 55 megawatt hydroelectric generating plant at an existing Corp. of Engineers dam on the Des Moines River near Pella, Iowa, at a cost of \$224 million.

In summary, both Sioux Center and MRES are examples of significant initiatives that are going on in demand side management, energy efficiency, and renewable energy programs among WAPA customers, with the support of WAPA. With all due respect, I fail to understand how DOE's top-down approach could achieve any better results in demand side management, energy efficiency, and renewables than that which is occurring among WAPA and its customers. It has the appearance of a solution looking for a problem. Thank you for the opportunity to comment.

HS/lv