

CAREA NEWS

Central Alberta Rural Electrification Association Ltd.

Issue 98 October 2008

2008 Annual Member Survey

At CAREA it's our goal to provide members with quality service in a timely manner. Our August 2008 newsletter included a survey to provide members with the opportunity to give us their feedback and comments.

The results are in, and of those members that responded:

- 93% were satisfied with the quality of member service they recently received.
- 93% were satisfied with recent service received from Management staff.
- 86% were satisfied with the response they received from their Initial call to the Planning and Design Department.
- 90% were treated courteously by all members of the Planning and Design Department.
- 84% were satisfied that they received all of the information required in a timely manner with respect to construction completed by CAREA.
- 91% were satisfied with the after-hours answering service when they have experienced a power outage after regular business hours.
- 88% were satisfied with CAREA's response time when they have experienced a power outage.
- 95% have found field personnel to be polite and respectful when they have been in contact with them on their property.
- 91% have been satisfied with how quickly their call has been answered when calling into the CAREA office.
- 86% have been satisfied with the level of knowledge when they have been in contact with the Finance Department.
- 91% feel all members of the Finance Department have treated them courteously.

Our thanks go out to everyone who took the time to provide us with their feedback and comments. Those members that have experienced problems or have expressed concerns will be contacted and their issue addressed. Also, watch future issues of the CAREA Newsletter where general concerns and issues will be addressed. Your comments help us determine where improvements are required.

Micro-Generation - Is it Right for You?

In our June 2008 Newsletter we reported on the new Micro-Generation legislation. We received lots of feedback and want to further share with you how this latest government initiative may impact you.

The Government of Alberta has legislated Micro-Generation (the Micro-Generation Regulation) and the Alberta Utilities Commission (AUC) has recently implemented processes to simplify approvals and interconnection agreements with customers and service providers.

Members who "micro-generate" their own electricity using renewable, environmentally friendly fuel sources such as solar panels, small-scale hydro, wind, biomass, micro-cogeneration and fuel cells will receive credit for any excess power they send into the electricity grid. Micro-generation is defined as being one megawatt or less, connected to the distribution system, with the generator intended to meet all or a portion of the Member's electricity needs.

While CAREA remains a huge advocate of green power, the Board of Directors does not see much value or benefit to Member Micro-generators who wish to connect to the power grid or the REA generally. We ask that you consider the following impacts on you, whether you might be planning a micro-generation project or not.

- The REA is responsible for installing meters for micro-generation for those single Members; that Member receives the expensive meter at no cost to the Member because the entire membership must pay for that individual's meter; it may even be the case that a Member can ask for and receive, for free, a very expensive bi-directional interval meter.
- The REA is responsible for all on-going costs of metering, connection to the grid, meter data management, load settlement and the like and must be recovered from all Members.
- Costs include the considerable time spent by CAREA staff for working with individual micro-generators up to and including connection to the grid.
- Additional and serious safety issues require addressing to ensure these micro-generation units are visibly disconnected from CAREA's system if that portion of the system goes down.
- The Board believes the public is being led astray by micro-generator advocates in that micro-generation is being touted as a possible revenue stream for consumers. Micro-generators are not supposed to generate more energy than is needed for their personal use, but should this happen, CAREA would be required to credit (or debit) the Members energy bill accordingly. CAREA estimates at best, credits would amount to a few dollars a year.

In the rush to embrace and promote "green power", the government once again is fuzzy on the details and unclear on the net benefits to Albertans. CAREA is committed to ensuring that our Members' collective interests are met and will actively pursue changes to this legislation.

Please note: CAREA provides a Renewable Energy Credit Program (RECs) for members who wish to support green power. This is an annual program. We will be making a new offer later this year for RECs for January 2009.

For a list of energy retailers visit www.customerchoice.gov.ab.ca

Our Vision: To be the preferred utility service provider in Rural Alberta.

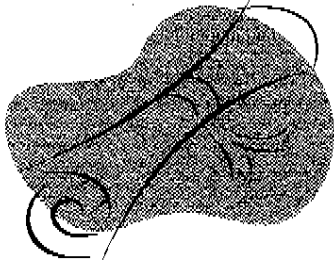
Our Mission: To distribute electricity in a cost effective manner, while providing Quality service.

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CAREA Scholarship



Each year, CAREA is proud to support two Grade 12 students, a male and a female, with a \$1000 scholarship for their post-secondary education. The CAREA Scholarship was established in 1999 to recognize the academic accomplishments of the children of CAREA members and to assist and encourage them to continue their education. This award is offered to the children of any member in good standing with an application deadline of July 1, 2008.

Application forms are available at our office or through our website at www.carea.ca.



Micro Generation

Recently the Alberta Government enacted legislation which forces all wire owners to pay the costs of line upgrades and metering when a small Distributed Generator (DG) is interested in connecting to the power grid and sell power. As CAREA is a wire owner, this legislation affects us. CAREA does not agree that this legislation, forcing all members to divide up and pay costs associated with a profit driven enterprise, is fair to its' membership. CAREA believes that all costs associated with a DG should be borne by the owner of the DG.

CAREA is a strong advocate of green power. Currently, we have a Renewable Energy Credit (REC) program in place to allow members to essentially "GREEN" their electricity consumption. All funds received by CAREA are forwarded to the producer that has sold the RECS and assists in the continued upgrade of green power facilities. These facilities are large and generate transmission voltage to large substations thereby saving the environment without creating issues for the CAREA distribution system. CAREA's position in respect to Distributed Generators is as follows: (1) Costs to a DG owner are significant even if the applicable wire owner is responsible to pay part of the cost, and the return on the investment for revenue received from the sale of the power is insignificant. (2) In the DG switching system, the DG is expected to be shut down when the grid is off. This means that when a storm goes through the area, the grid will not be operating and neither will the DG owner.

Does this make sense? Why not install a simple transfer switch so that your farm will still have power in the event of the grid being off. This switch would also allow members to switch to their own generator even when the grid is on thereby reducing their electric bill. It is also very important to remember that as long as the grid is able to be connected to by the member, the CAREA monthly distribution tariff remains the same. The only time members would be required to connect to the power grid is when their generator is down or it could not meet current demand.

If you have questions concerning Distributed Generators, please contact Ray Arnold at the CAREA Planning & Design Department at 1-888-211-4011.



CAREA

2008

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**1986 Mack Complete
with Digger
333,057 Km
\$12,000.00**

**Contact Grant Hoff
for further details.**

