

OWEN Electric Connection

Owen Electric
Cooperative

A Touchstone Energy Cooperative

OCTOBER 2016

Celebrating Cooperative Month “Cooperatives Build”

This is one of my favorite months of the year because this month we celebrate being a cooperative.

Since I still encounter people who do not understand what a cooperative is, I want to tell you why they are so special and thank you for being a part of our co-op.

Owen Electric Cooperative was started 79 years ago by farmers who banded together to bring lights to our area because those in the big cities thought it wasn't economically feasible to string electric lines to rural areas.

And that's why so many cooperative businesses were formed: folks banded together and pooled their resources to provide a service of need. Our cooperative



was formed to provide reliable and affordable electric service.

This is why every October since 1930 we celebrate our uniqueness. But the celebration goes much farther back than 1930 when weavers in Rochdale, England, drew up guidelines in 1844 that today we call the 7 Cooperative Principles.

This year's Cooperative Month theme is "Cooperatives Build." And boy, they do. Besides Owen Electric, you are probably a member of or buy products from other cooperatives. Co-ops are found in all sectors of the economy,

including agriculture, retail, housing, banking (credit unions), healthcare, and childcare.

U.S. co-ops provide more than 850,000 jobs and \$74 billion in annual wages. There are more than 40,000 cooperative businesses in the U.S., serving 120 million people.

Those seven guiding principles have served us well. Owen Electric is not owned by stockholders. We are owned by you—the member. We remember that every day we do business with you.

Your membership has given us the resources to utilize the latest technologies to furnish you with that reliable electric service. We also live in the same community. As a cooperative, we give back—through school programs, safety demonstrations, and employees who volunteer with various community organizations.



Mark Stallons
President/CEO

EKPC Expanding Landfill Gas Power Plant at Bavarian Landfill

East Kentucky Power Cooperative (EKPC) is expanding its landfill gas-to-electric plant at Bavarian's Landfill in Boone County.

The plant, which has four existing generators, is getting an additional generating unit. All of these units are fueled by methane gas collected from within the landfill. The gas is produced when organic waste breaks down within the landfill.

"Even with EKPC's existing plant, the landfill had excess methane gas," says Bill Kennedy, EKPC's Landfill Gas manager. "EKPC and Bavarian Landfill have had a good relationship since 2003 when the original plant began operating, so this just made sense."

"Bavarian was the first landfill in Kentucky to collect the methane gas the landfill produces," says Jim Brueggemann, president of Bavarian Trucking Co. Inc. "We've been working toward this expansion for a while and are excited that the last pieces are finally coming together."

EKPC is expanding the plant's building to accommodate the new electric-generating unit.

Once the expansion is completed this month, the plant will have the capacity to produce up to 4.6 megawatts of electricity, which is enough to power approximately 2,500 typical Kentucky homes. The expansion is expected to cost approximately \$2.9 million.

"EKPC's fleet of landfill gas generators has proven to be a reliable, affordable source of electricity for the more than 1 million Kentucky residents who are served by our 16

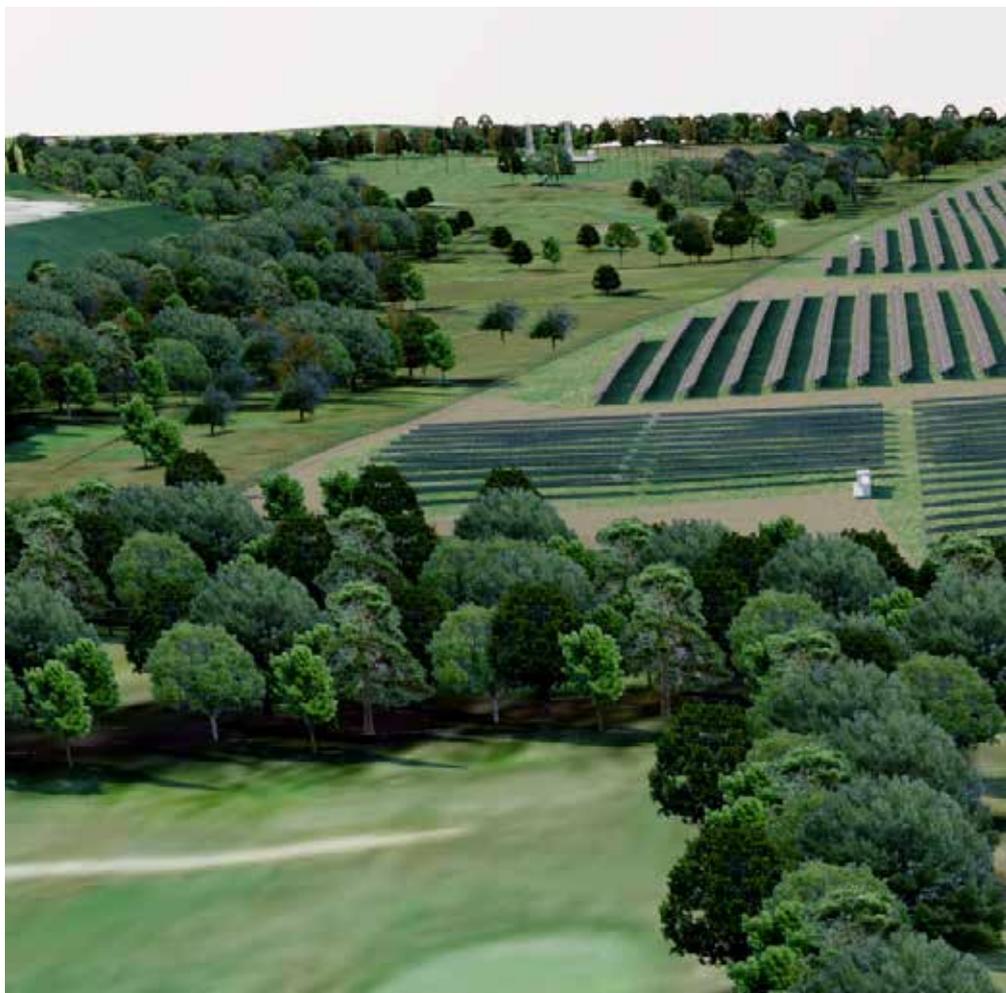
owner-member electric cooperatives," says Don Mosier, chief operating officer of EKPC.

The electric plant is located adjacent to the Bavarian Landfill, which collects and pipes the methane gas to the plant. EKPC purchases the gas from Bavarian.

The electric generated from the Bavarian landfill plant and others across the state is marketed as a part of "EnviroWatts" earth-friendly energy. Owen Electric Cooperative members have the option to choose which renewable energy source you wish to

support—solar, wind, biomass, and/or hydro. The voluntary program offers you the opportunity to purchase renewable energy in \$2.75 portions, with no maximum, supporting future renewable energy endeavors.

The Bavarian Landfill is plant one of six such plants owned and operated by EKPC in Kentucky. Others are located at landfills in Barren, Greenup, Hardin, Laurel, and Pendleton counties. Together, these plants produce enough electricity to power almost 8,000 typical Kentucky homes.



Owen Electric Cooperative's Power Supplier Seeks Approval of Kentucky PSC for Solar Project

60-Acre Installation Would Include 32,000 Solar Panels and Provide a New Renewable Power Option

Owen Electric Cooperative is pleased to announce that its wholesale power provider, East Kentucky Power Cooperative, filed a request with the Kentucky Public Service Commission (PSC) to construct an 8.5-megawatt solar project in Clark County.

If approved, the cooperative solar installation will be located next to EKPC's headquarters facilities, adjacent to

Interstate 64 and U.S. 60, about two miles east of Fayette County. With more than 32,000 photovoltaic panels covering 60 acres of land, the installation would be one of Kentucky's largest solar farms.

"We are excited about this project because if it is approved it will give Owen Electric's members an excellent and innovative option for renewable power that is competitive with rooftop solar,"

says Mark Stallons, president & CEO. "And it once again demonstrates our strong commitment to offer our members power supply choices."

The \$17.7 million project is proposed as a cooperative solar arrangement, whereby members of Owen Electric and other participating electric distribution cooperatives can purchase a license for a portion of the solar project's generating capacity. They would then receive credits on their monthly electric bill for the value of the energy from their proportional licensed share. Licenses will be valid for 25 years.

The cooperative solar arrangement proposes a license fee of \$460 per panel. Each member of Owen Electric who chooses to participate will effectively pay the initial capital cost of the project, just as if their proportionate share of the solar panels had been installed on their residence or business.

The cooperative solar arrangement also provides an opportunity to participate in renewable generation for co-op members whose premises are not conducive to solar panels, such as apartments or heavily shaded areas. Participants also will benefit from the project's economies of scale.

In 2013, a collaborative group of stakeholders focusing on renewable and demand-side management issues recommended EKPC establish a solar project with participation of retail members.



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Congratulations to Kathern Dean of Dry Ridge, the Grand Prize Winner at Owen Electric's annual meeting! Dean was awarded \$1,000 toward an ENERGY STAR appliance of her choice. Dean purchased a new refrigerator and had enough money left over to also purchase an ENERGY STAR-rated window air conditioner for her home.



John Fitzgerald, systems operator at Owen Electric, won the NKYChamber 2016 Business Professional Home Run Derby at UC Health Stadium. He won with a score of 24, pitched by Jude Canchola, Owen Electric's Residential Services manager. Photos: Kim Fitzgerald

