



VIGILANTE ELECTRIC COOPERATIVE

A Touchstone Energy® Cooperative 

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VIGILANTE ELECTRIC COOPERATIVE, INC.

Getting to know the Vigilante Electric Cooperative Board

Name: Sharon Lasich

Family: I am married to Doug Lasich. We have two sons, Shawn and Bina Lasich live in Illinois, and Tye lives in Spring Creek, Nevada. Our daughter Jodi died in an auto accident in 1995.

Occupation: I ranch with Doug on his family ranch seven miles southwest of Twin Bridges. We raise hay and pasture. We formerly were a cow-calf operation.

Education: I attended Montana State University, where I met Doug in economics class. We were both ag. business majors.

District: I represent District #4, which is from Stone Creek area in Beaverhead county, portions of the East Bench in Madison and Beaverhead counties, and Madison County to Twin Bridges.

Years on the Board: I have served four terms for 12 years on the board.



Sharon Lasich

Position currently held on board and board appointments: I am currently the board secretary. I am the Vigilante Electric member on the Council of Co-ops. I serve on the Audit Committee of the Montana Electric

Cooperatives' Association. I received my Credentialed Cooperative Director certificate in 2011, and my Board Leadership Certificate in 2013. These certificates require attending classes, the CCD is five courses and the BLC is an additional 10 courses.

What are the current challenges facing Vigilante Electric?: Vigilante Electric's current challenges are finishing the installation of the new TWACS meters. This is going very well at this time, and is projected to be finished in 2015. Rate cases every two years will be a current and ongoing challenge. Vigilante is also projected to hit TIER 2

power rates sooner than anticipated by Bonneville Power Administration projections. These rate increases will be a challenge to the board. Distributed generation rates must be integrated into the rates of Vigilante Electric so that it is equitable for members.

What are the long-term issues facing Vigilante Electric?: Long term issues facing Vigilante Electric include further rate increases from BPA, including federal mandates to increase green power (wind and solar) and the costs associated with them. Vigilante is served by mostly hydropower, which is not included in the green power. TIER 2 power sources will be a consideration for the board in the future. As always, the board monitors political movements and federal mandates that could affect the cost and service to our members.

Any hobbies?: My hobbies include genealogy, travel, needlework and sewing, and my favorite is gardening.

Annual Meeting of Members — Why should you attend?

Currently we are making preparations for our annual meeting. For the trustees, management and staff of Vigilante Electric, this is the most important event of the year, the culmination of all the activities from the previous year. Why should this matter to you, and why should you attend the annual meeting? Simply put, the annual meeting is about you.

As a member of Vigilante Electric Cooperative the annual meeting is your opportunity to participate in shaping the future of our organization. You will receive pertinent information regarding events of 2014, our financial status and information on issues facing cooperatives that have the potential to impact our future.

Members attending the annual meeting also will participate in the trustee elections. Vigilante Electric's service

territory is divided into nine districts. Each district has an elected representative on the board of trustees who serves a three-year term. Terms are staggered to maintain six experienced trustees at all times. This year's trustee elections will be for District # 4 Twin Bridges, District # 5 Wise River/Silver Bow/Melrose and District # 7 Jackson/Wisdom.

We also like to invite speakers that can provide a regional or national perspective on energy policy. At the time of this article our keynote speaker has yet to be determined.

However, one of our guests will be Kjersten Sandru of Twin Bridges. Kjersten represented Vigilante Electric Cooperative at the 2014 Youth Tour to Washington, D.C., and also served as Youth Leadership Council representative for Montana. Kjersten was a guest

speaker at the most recent Montana Electric Cooperatives' Association annual meeting, and was featured on the Northern Broadcast morning show.

Each year participants are always treated to a wonderful meal courtesy of Vigilante Electric, and prepared and served by the food services at the University of Montana – Western. Finally, and for some, the most important part, are the door prizes.

So mark your calendars. On March 6, 2015, Vigilante Electric will be hosting our 77th Annual Meeting on the University of Montana-Western campus in the Lewis and Clark Room. A formal announcement and invitation will be mailed to each member. Registration begins at 11:45 a.m., lunch will be served at 12:15 p.m., with the meeting starting at 1:15 p.m.

Speaking of Don

Last month we announced that Don Jones would be stepping down from Vigilante Electric's Board of Trustees after 54 years. In planning an appropriate tribute I put the word out to some longtime associates of Don's, requesting thoughts on his tenure on the board or humorous stories that we could use in these pages.

To my delight I got both. Speaking of Don, I am proud to present some thoughts from two friends. First, there is Allen Thiessen who is the board president at Lower Yellowstone REA in Sidney, and who served with Don for many, many years on the Executive Committee of the Montana Electric Cooperatives' Association. For much of this time Allen was the president of the executive committee and Don his vice president.

The second is a humorous story from one of the best story tellers that I have ever met — Mack McConnell. If you have been a member of our organization for a while you may remember Mack. He is a former editor of this publication, who entertained readers with his humorous anecdote in these pages and his published books.

By Allen Thiessen,
Past President
Montana Electric Cooperative's Association

I first met Don Jones about 27 years ago at the annual meeting of the Montana Electric Cooperatives' Association. I had only been a cooperative board member for about a year, and Don was introduced to me as one of the long-time directors who make up the backbone of our group.

A few years later I was also elected to serve on the statewide board of directors. Don was a director there as well, so I had a better chance to work with him side by side and really get to know him. Later, as chairman of the group, I came to rely on Don, not only for his well thought-out opinions, but also his ability to see the whole picture and come to solutions that would benefit the entire group. With 26 co-ops in the group, building consensus wasn't always easy, but we could always count on Don's support. Even though our local cooperatives were 500 miles apart, we could work together toward the common goal of doing what was best for all of our members.

Don's working relationship with Vigilante Electric's now-retired manager, Dave Alberi, was also a very positive influence. Together they represented the electric cooperatives very well.

I think that a lot of Don's outlook on life and support came from his wonderful wife Liz, and I thank her for her support and influence.

I'm sorry to hear that Don is retiring, but it is well-deserved, and he leaves a legacy for the rest of us to follow. Thanks Don, we'll miss you.



Allen Thiessen

By Mack McConnell,
Past Editor
Rural Montana magazine



Mack McConnell

The bright, blue eyes of the young waitress shone with innocence as she approached the table. It was one of several tables in the restaurant surrounded by Montanans, mostly men. There was a liberal sprinkling of cowboy hats among them.

"Are you gentlemen cowboys?" she asked perkily.

"Some of us are," replied Don Jones.

"Some of us are gentlemen, too," added Jay Nelson.

Don and Jay were in Washington, D.C., representing Vigilante Electric Cooperative in a national gathering of co-op representatives from all around the nation. The intent of the group was to influence politicians in the way they handled rural electrification issues. But as often happens when your group includes lots of ranchers, the breakfast topic often strays to topics more germane to that specific occupation. One such topic this morning was the federal push to re-introduce gray wolves into Montana.

"What brings you to the nation's capital?" she asked.

"Well you may have heard, we're re-introducing wolves into Montana," Jay said. "And not wanting to be selfish and keep them all to ourselves, we'd like to share that program with some of you easterners."

"We're here to persuade Congress to let us help introduce wolves back into New York Central Park, and then bring a few here to D.C.," Don said.

"Wolves? Central Park? Wolves? Here?" Her eyes got really big and her mouth dropped open. "I don't know ..."

"Oh yeah, you would be surprised how quickly they adapt to just about any environment," Don continued. "Capitol Hill would be a natural home for them. I understand they have some distant relatives there."

"And if that plan goes as well as we expect, we'll see if they will let us re-introduce grizzly bears too," Jay said.

"We've got lots of those."

"That sounds exciting," she said. "I hope you get permission."

"I'm glad you agree," Don said. "Because we are looking for volunteers."

"Volunteers?"

"Yeah," Jay chimed in. "We will need volunteers for lots of things like tagging, herding and artificial insemination. You interested?"

"Artificial insem ..., uh, yes, I guess so."

"Great!" Don exclaimed. "Just send a letter to the National Rural Electric Cooperatives Association. Here's the address. We'll contact you when we get started."

She glanced at the address, then at the smiling faces. And said, "Oooh thank you sooo much."

As she turned to go, Don added, "Oh by the way, we'd like to order breakfast."

Author's note: This incident happened 20 or so years ago. I can't guarantee word for word accuracy. But knowing Don and Jay as well as I do, if they didn't say exactly as I quoted them, I am sure they could have, and would have, if given the chance.

In Memory of Loretta

We are saddened to inform our membership of the passing of retired Office Manager Loretta Cashmore. It is always hard to summarize a person's life, especially one that was lived fully. With her family's permission, we present their loving tribute.

Loretta Eunice Cashmore, 89, of Dillon, peacefully passed away on Dec. 31, 2014, surrounded by her family.

Loretta was born to Walter Lee and Roberta (Bean) McDowell in Butte, on July 3, 1925. Loretta's family included her older brother, Dean, and younger sister, Aileen (Warrick). The family lived on their homestead in Monida, and in 1937 moved to Dillon.

Loretta graduated from Beaverhead County High School at the age of 16. Soon after graduation she applied for and was accepted in the Civil Aeronautics School in Seattle. She completed her training and returned to Dillon to work as an airport control operator, and later transferred to Pocatello, Idaho. Loretta resigned from the CAA and enlisted in the Army Air Corps in April 1945.

After completing basic training, she was transferred to Sheppard Field, Texas, for control operator training, and was promoted from private to corporal. Loretta was then transferred into the 106th Army Airways Communications System headquarters as special orders clerk. In April 1946, Loretta was promoted to sergeant and earned the commendation ribbon while serving at the 106th AACCS.

She was set to transfer to Japan, but instead made the decision to return to civilian life.

Upon returning to Dillon in 1951, Loretta got a job as bookkeeper at Ben Redd Chevrolet. It was here that she met A. Alden "Bud" Cashmore, and in 1952 they married. Together they raised three children, Randy, Loran and Alden in Dillon, and called it home for the rest of their lives. As a bookkeeper, Loretta accepted a position at Vigilante Electric Cooperative in 1962, and was promoted to office manager in 1974, retiring in 1989 after 27 years of service.

Loretta continued to support the military by joining the



Loretta Cashmore

American Legion. She was an active and dedicated member of American Legion Post 20 for 63 years. Loretta served in the color guard, sold Memorial Day poppies to honor the sacrifices of our veterans and remembered veterans each Memorial Day by placing a flag on their final resting place. A member of the American Legion Auxiliary for 24 years, many veterans knew Loretta best for the many military service pillows she made and distributed over the years. Her loyalty and devotion to our veterans

is sewn into each and every pillow.

Loretta's greatest joy was her family. Her love for her family was unlimited and unconditional. She spent countless hours researching family history to share with others. Loretta was also very outgoing and adventuresome. She held a private pilot's license, was the Montana State Small Bore Champion in 1954, and drove the Alcan Highway to Alaska four times. She participated for seven years in the annual Chief Joseph Trail Ride, a week-long, 100-mile horseback ride. She always enjoyed hunting, fishing, horses and Indian artifacts.

Loretta is survived by her sons, Randy M. Scott of Fairbanks, Alaska, and Alden (Aaron) Cashmore of Dillon; daughter, Loran (Brian) Bond of Seattle; her grandchildren, Lynden Bond of Brooklyn, N.Y., Taylor Cashmore of Dillon, and Matthew Bond of Seattle; sister, Aileen Warrick of Dillon; sister-in-law, Dorotheanne McDowell of Lind, Wash.; and numerous nieces and nephews.

Residential Rate Switching

Utility rate structures are, at best, confusing. Most utilities maintain several rate classifications and schedules. At Vigilante Electric Cooperative, we maintain five rate classifications, and within the residential class there are two rate schedules.

Our goal with rates is to ensure that each rate class pays for its share of building and maintaining our electrical system. Based on our latest cost-of-service study, the cost for having a residential service in place is roughly \$46.18 per month, or \$554.16 per year.

When we allocate costs for residential services they are distributed equally. The costs incurred on one facility are no different than those incurred on another. The difference is the revenue, or patronage, collected from each. Those accounts where patronage is more than \$554.16 per year are not only paying for their share of the system, but they are contributing to margins.

If we were to maintain only one pricing schedule for residential, the accounts that pay less than \$554.16 in patronage would have their costs subsidized by the higher usage accounts. This would erode the margins that we are required to figure into our rate structure, lower capital credits and would have to be compensated for by an increase in rates to all residential accounts.

To be equitable we maintain two schedules for residential accounts. If a residential service under the "A" schedule falls below \$400 it will be switched to the "B" rate, which has a higher base charge and a higher kilowatt-hour charge. Conversely, to be put back into the "A" rate an account will have to exceed \$700 in annual patronage. Having these limits reduces the chances that an account switches annually between rates. For some of you, this reclassification will occur with the billing for January's usage.

Democracy at the cooperative

Democratic Member Control is critical to the operation of every co-op.

By Adam Schwartz

While the national elections of this past November may be fading from your memory, voting for politicians is not the only way we as co-op members can practice democracy.

Every co-op — whether it's Vigilante Electric, your credit union or a farm co-op — follows the basic principle of one member, one vote. Most often you are asked to vote and elect individuals that will represent you on the board of directors. These folks are your friends, neighbors and fellow residents of our community. Occasionally, you may be asked to vote on a policy, such as a bylaw change (this is like the constitution for your co-op).

Every member in good standing of the co-op may run for the board. This is one of the key differences between a co-op member and a customer of an investor-owned utility (IOU). Most IOUs are not too interested in customers' opinions of how the company should be run.

Co-ops invite participation. In fact, it is critically important to the survival of the co-op. Most co-ops serve far fewer people than IOUs. Co-ops measure the number of members in the thousands, IOUs in the millions. If you are not actively involved with the co-op, we all suffer. As the electric utility industry evolves, having interested members who are willing to take an active role is critically important.

I am a member-owner of the CDS Consulting Co-op (a co-op of consultants that serves co-ops). Several of my colleagues have developed the following scenario to encourage member participation (a key component for a healthy democ-

racy) in consumer co-ops such as rural electric co-ops. It is called the Own, Use, Serve and Belong model.

Own - Refers to each member truly believing and feeling that they do indeed share in the ownership of the co-op. This can come from attending the annual meeting, voting, receiving a capital credits check or participating in other co-op events.

Use - For electric co-ops this means that you use the co-op's resources wisely (after all, you are an owner of those resources). You utilize the free energy audits that Vigilante Electric Cooperative offers. You use energy-efficient appliances, weather-strip windows and doors, use LED or CFL lights — and you turn them off when you leave the room. Share that one with the kids!

Serve - If we are successful with "own" and "use," perhaps you will feel called to serve your co-op — maybe as a board member, volunteer, committee member or community contributor through the co-op.

Belong - We all seek to belong to something. In the early days when the co-op was just getting started, neighbors helped neighbors. While our lives seem busier and more electronically driven than ever, the need to connect and belong is necessary for us and our communities to thrive.

There is great power in the human connection, and at Vigilante Electric Cooperative, we strive to do that every day.

Adam Schwartz is the founder of The Cooperative Way, a consulting firm that helps co-ops succeed. He is an author, speaker and a member-owner of CDS Consulting Co-op. You can follow him on Twitter @adamcooperative or email him at aschwartz@thecooperativeway.coop.

Co-op Connections

Healthy Savings and Prescription Savings

As a member of Vigilante Electric Cooperative you have access to a broad array of product and service discounts through Touchstone Energy's Co-op Connections program. Since joining Touchstone Energy we have used these pages to publicize the Co-op Connections program and how it can save you money on everyday expenses. Out of all the Co-op Connections benefits, one warrants repeating so that you are not missing out. That benefit is the prescription savings program.

The prescription savings program is the flagship offering of the Co-op Connections program, with more than 60,000 regional and national chains participating. Members using their Co-op Connections card can receive discounts from 10 percent to 85 percent on their prescription needs. To date, Vigilante Electric members using their Co-op Connections cards have received discounts totaling more than \$11,000, with average savings of 42 percent.

To find a participating pharmacy, you can call 800-800-7616, Monday through Friday, 6 a.m. to 6 p.m. MST, and 7 a.m. to 4 p.m. on Saturday. Member service representatives from the program administrator, New Benefits, are available to help. At some point you may need to provide your member number; it is on the back of the Co-op Connections card.

You also can go to Connections.coop and locate a provider by going to the Healthy Savings screen, then clicking Locate Provider. There will be four drop-down win-

dows, three of which you will make selections in. For benefit type, select a pharmacy, then fill in the distance for search radius and zip code. After making your selections, a list of pharmacies within your search radius appears. If you don't see one, increase the search distance.

Another helpful feature of this website is you can get price quotes. On the Healthy Savings page a blue banner will appear at the top. The link for the Prescription Savings will take you to a guidance page with another link to Rxpricequotes.com.

This is the program administrator's drug price search tool. You simply type in the name of a prescription you are taking then input your zip code and search radius. You will have to answer some questions regarding your prescription. When you are finished, a list of the pharmacies within your search radius will appear, with estimated prescription cost.

Even if you have some other type of benefits for prescription drugs, this is an interesting exercise. I did this for my allergy medication and it allows me to see how the prescription savings discount through Co-op Connections compares to my out-of-pocket costs through my insurance.

Please remember that this is NOT insurance and is not intended to be used as a substitute or in conjunction with insurance. Prescription Savings benefits are negotiated discounts. If you currently do not have prescription drug coverage, we strongly encourage you to look into this program.