

outlet

news from your OKLAHOMA MUNICIPAL POWER AUTHORITY

OMPA to purchase 49.2 MW of Canadian Hills Wind Farm

The Oklahoma Municipal Power Authority (OMPA) has entered into an agreement to purchase 49.2 megawatts of wind generation from the Canadian Hills Wind Farm near El Reno, which is owned by Virginia-based APEX Energy Holdings, LLC. The power purchase agreement is for a 25-year term beginning in late 2012. The Canadian Hills Wind Farm has a planned capacity of approximately 300 megawatts. The electricity supplied by the new wind farm would power about 120,000 average Oklahoma households.

APEX Wind Energy is a national developer of utility-scale wind energy facilities both onshore and offshore. Apex was launched in 2009 by a management team that has been in the wind industry since 2000 and is among the largest independent wind companies in the nation.

The full 300 MW of capacity from Canadian Hills is planned to be in commercial operation in 2012. The wind towers will be built along a ridge just north of Canadian Valley Technology Center's El Reno campus, about 25 miles northwest of Oklahoma City.

OMPA had previously announced its purchase from AEP Southwestern Electric Power (SWEPCO), of a share in the John W. Turk Jr. Power Plant in southwest Arkansas. Together with 358.65 megawatts in new wind power purchase agreements by AEP SWEPCO, the 49.2-megawatt OMPA agreement meets the 400-megawatt commitment in a recent settlement of legal issues involving the Turk Plant. OMPA owns 6.6 percent of the plant, which is under construction in southwest Arkansas. SWEPCO owns 73 percent of the plant.

cont pg 4

inside

3

General Manager's Report - EPA's Cross-State Air Pollution Rule (CSAPR)

4

Board Report - January 12, 2012

5

From the Board Chair - Opportunities For Staying Informed In 2012

6

Lineman's Corner - Saving Money In Your Electric System

10

Legislative Update: OMPA Implements New Initiatives

OMPA MEMBER CITIES:

Altus, Blackwell, Comanche, Copan, Duncan, Edmond, Eldorado, Fairview, Frederick, Geary, Goltry, Granite, Hominy, Kingfisher, Laverne, Lexington, Mangum, Manitou, Marlow, Newkirk, Okeene, Olustee, Orlando, Pawhuska, Perry, Ponca City, Pond Creek, Prague, Purcell, Ryan, Spiro, Tecumseh, Tonkawa, Walters, Watonga, Waynoka, Wetumka, Wynnewood, Yale

A member of the American Public Power Association, Municipal Electric Systems of Oklahoma, and Southwestern Power Resources Association

OUTLET is published by OMPA for our Members
2701 West I-35 Frontage Road
Post Office Box 1960
Edmond, Oklahoma 73083-1960
Phone: 405/340-5047
FAX: 405/359-1071
www.ompa.com

OMPA is an agency of the State of Oklahoma and is fully supported by customer revenues instead of taxes. 450 copies printed at a cost of \$1,049.00.

Bruce Ackerman, Editor

Area meetings to be held

Plan to attend the meeting in your area.

OMPA will be holding area meetings in five regional locations in February and March. *(See schedule at right.)* All meetings start at 6:30 pm with dinner provided and conclude at 8:30 pm. City officials, staff and spouses are invited to attend these meetings.

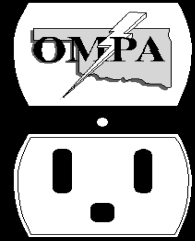
Those attending the meetings will hear presentations by OMPA staff on legislative issues, power supply and rebate program changes for 2012. Questions also will be addressed.



OMPA Area Meetings Dates and Locations	
February 2	Ponca City <i>Commissioner Chambers</i>
February 9	Edmond <i>OMPA Office</i>
February 16	Altus <i>Friendship Inn</i>
February 23	Comanche <i>Community Building</i>
March 1	Fairview <i>City Hall</i>

The area meetings not only provide the member cities with information on OMPA activities, but the chance to meet and ask questions of Authority staff one on one.

FEBRUARY 2012
VOL. 28 NO. 2



OMPA officials note energy rebate effort

by Louise Abercrombie
Ponca City News Business Editor,
December 6, 2011, page 2

Over 30 persons, representing various electric providers and others interested in energy savings attended a luncheon meeting Wednesday featuring a presentation by Oklahoma Municipal Power Authority (OMPA) officials Tom Willis, Energy Services Engineer, and Drake Rice, Director of Member Services.

Jeff Seymour, Executive Director of the Blackwell Area Chamber of Commerce and Blackwell Industrial Authority, which sponsored the event, gave the welcome. Guests representing Ponca City, Newkirk, Blackwell and Tonkawa were among those attending. Mark Skiles, Blackwell City Manager and a member of the OMPA Board of Directors was in attendance, as were representatives of the Ponca City Development Authority, Tonkawa Industrial Authority, Pioneer Technology Center, and various businesses and industries.

Willis explained (the) W.I.S.E. Rebate and Loan Program. Effective January 1, 2011, the geothermal (ground source) heat pumps, with energy efficiency ratio 16.1 offered up to \$800 a ton rebate; air-source or dual fuel heat pumps, seasonal energy efficiency ratio (SEER) 15.0, rebate amount \$250 a ton and air conditioners, seasonal energy Efficiency Ratio (SEER) 16.0, rebate amount \$100 a ton. He mentioned Smith Bits of Ponca City as an example for ground source heat pumps.

Willis, who spent 30 years with OG&E, spoke of free energy audits for industry, business and residential property. He said the requests should be made through the cities, which work with OMPA for the best energy solutions. As far as rebates, Willis said that the largest rebate was \$100,000 and the smallest was \$253.

The Oklahoma Municipal Power Authority, a state agency, was created with the purpose of providing adequate, reliable and economical power and energy to Oklahoma municipalities and public trusts operating municipal electric systems on June 2, 1981.



According to the brochure, this allows members the financial benefits of a large utility while maintaining control of their electric utility. Thirty-nine cities in Oklahoma belong to OMPA.

Another incentive for present and future growth in OMPA member communities is the Economic Development Rate (EDR). This is a graduated discount on demand costs based on minimum load levels. The OMPA member city's participating trust passes this discount on to the customer. The rate provides incentives for present and future growth in member communities.

DEEP (Demand and Energy Efficiency Program) is another program that provides incentives to local companies for implementing energy efficient projects by awarding rebate amounts with matching funds up to \$100,000 annually. According to information about the program, in the short term costs are reduced which helps

improve the cash flow of a business or industry. This has the long term effect of keeping the business competitive, growing and producing in the community.

The OMPA officials said, "When business grows, more jobs are created in the community and demand for other products and services increases creating a more robust economic climate."

Willis and Rice answered questions and offered to work with the cities and industries to set up energy audits.

If any of the member cities are interested in scheduling a similar meeting either for lunch or breakfast, contact Willis at twillis@ompa.com. For more information on OMPA's rebate programs, visit the Authority's website at www.ompa.com. See related article below.



Henniges Automotive energy projects spur growth

by Tom Willis
Energy Services Engineer

The Henniges automotive plant in Frederick, Oklahoma participated in the OMPA Demand and Energy Efficiency Program (DEEP) which assisted them with rebates to complete energy upgrades to their facility. These upgrades lowered their energy consumption and demand and allowed them the opportunity to run more efficiently. As a result of these improvements, they have successfully

expanded their operation to include new products they are going to be producing in 2012, which is a benefit to the community because it has increased the number of jobs available for local citizens.





by Cindy L. Holman, CMA

General Manager's R E P O R T

EPA's Cross-State Air Pollution Rule (CSAPR)

On December 30, 2011, a three-judge panel of the United States Court of Appeals for the D.C. Circuit placed a hold on the U.S. Environmental Protection Agency's (EPA) Cross-State Air Pollution Rule (CSAPR), which would have been implemented on New Year's Day. The EPA believes that the court's decision is not a decision on the merits of the rule and when the court does weigh the merits of the rule it will ultimately be upheld. With the decision to stay the air pollution rule, this does give the court time to review the regulation and its effects on consumers.

The judicial decision was made in response to a request for a stay from a coalition of more than a dozen electric power companies, municipal power plant operators, and U.S. states. Specifically, six states - Texas, Nebraska, Florida, Kansas, Louisiana, and Ohio - had asked the court for the delay. All would have had to reduce pollution from their power plants under the regulation. The court ruling orders the parties involved to submit proposed briefing schedules by January 17 so that the oral arguments may be heard in April.

CSAPR requires states to significantly improve air quality by reducing power plant emissions from coal-fired power plants that cross state lines and contribute to ozone and/or fine particle pollution in other states. CSAPR requires a total of 28 states to reduce annual sulfur dioxide emissions, annual nitrogen oxide emissions and/or ozone season nitrogen oxide emissions to assist in attaining the 1997 ozone and fine particle National Ambient Air Quality Standards (NAAQS).

In a separate, but related, regulatory action, EPA finalized a supplemental rulemaking on December 15, 2011 to require five states - Iowa, Michigan, Missouri, **Oklahoma**, and Wisconsin - to make

summertime nitrogen oxide reductions under the CSAPR ozone season control program. EPA alleges that Oklahoma, along with the other four states, are contributing to air pollution in one county in Michigan under the 1997 NAAQS. It claims states are preventing the county from reaching "attainment" for air quality. Allegan County is located along Lake Michigan to the northeast of Chicago and between Milwaukee and Detroit. It is more than 700 miles from Oklahoma.

To speed implementation, EPA is adopting federal implementation plans (FIPs) for each of the states covered by this rule. EPA encourages states to replace these FIPs with State Implementation Plans, or SIPs, starting as early as 2013. This requires states to address the problem of interstate transport of air pollution across state boundaries. EPA estimates that the mandated cleanup would impose an additional cost on utilities of almost \$1 billion a year.

The implementation of the CSAPR will result in capital intensive improvements to coal plants to be in compliance with the new stringent air quality standards. The rule places a short six-month timeline for compliance, which would have a significant impact on utility resource planning, operations and the cost of electricity. It also would result in significant plant closures and impact the ability of utilities to produce electricity in a reliable manner as the needed equipment upgrades cannot be installed in that short of a time window. Diversification



of power resources is necessary for the affordability of electricity.

cont pg 4

ALTUS

Possible Action For Power Upgrades Reported On At Board Of Regents Meeting - (*Altus Times*, December 15, 2011) The regularly scheduled meeting of Western Oklahoma State College's Board of Regents was held Tuesday in the new regents room at the college. Tricia Latham, Vice President for Business Affairs, reported on a possible action regarding an Energy Performance Contract. A committee of college staff has been considering the applications of three companies qualified to perform an extensive energy upgrade for the campus. After a two-phase interview process and much deliberation, the committee chose McKinstry of Dallas, to perform the upgrade. The next step in the process will be to sign a contract for an in depth study of the campus facilities. McKinstry would then create a "menu" of improvements with proposed cost and estimated annual utility savings. The board approved the continuance of the energy performance contract process.

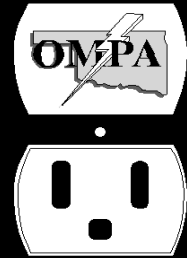
Latham next reported on a possible action regarding a redundant power plan for the college. The four phase plan would provide power upgrades for two computer network hubs, cooling systems, AC compressor units, replacement generators, lights and hot water tanks. The proposed budget for the upgrades is \$60,000. The board approved the budget for the redundant power plan.

DUNCAN

\$19.03 Million School Bond Election Scheduled - (*by Rebecka Rutledge*, *The Duncan Banner*, December 14, 2011) A \$19.03 million school bond election has been scheduled for February 14. Members of the Duncan Board of Education approved the third bond issue in three years Tuesday, passing a proposal that will keep the current millage rate of 17.6 mills and provide funds that will focus on needs at Duncan High School.

The bond resolution maps out an eight series bond. **Series I** will construct, furnish, equip and/or acquire improvements to the Duncan High School to include but not be limited to mechanical equipment in the amount of \$3.406 million,

cont pg 5



General Manager cont.

Some Oklahoma utilities have proposed a plan that would allow more time to implement the necessary plant improvements, which seems reasonable. This would help ease the additional costs the utilities' customers will ultimately pay for the improvements. Compliance with the new proposal is expected to cost Oklahoma electric utilities more than \$150 million. EPA is not in favor of Oklahoma delaying the implementation of the CSAPR.

This new set of regulations from EPA reminds one of what occurred in 2010 when the agency proposed new air emissions standards for boilers that are used to power various processes for 200,000 businesses, institutions and municipalities across the country. These "Boiler MACT" standards would require manufacturers, hospitals, restaurants and other enterprises to buy and install expensive new technologies - in an attempt to meet these new standards. Many industries,

small businesses, lawmakers - even the U.S. Small Business Administration - informed EPA that these rules overreach and would hurt the economy and cost jobs. EPA acknowledged problems with its methodology and is reconsidering the standards.

OMPA will continue to monitor the status of the Cross-State Air Pollution Rule and keep the members informed of any new developments.

OMPA cont.

On December 22, 2011, SWEPCO announced that the company had settled all legal actions brought against it by the Sierra Club, the National Audubon Society and Audubon Arkansas related to the Turk Plant. The settlement includes a provision that SWEPCO and its affiliates will construct or secure 400 megawatts of new renewable energy resources by the end of 2014. The SWEPCO and OMPA agreements total 407.85 MW.



*Rendering of John W. Turk, Jr. Power Plant
Courtesy of SWEPCO*

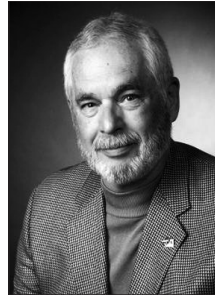
Board Report

Highlights of the January 12 OMPA Board of Directors meeting:

- Approved the Competitive Utility Program (CUP) recertification awards to Laverne for five awards valued at 4.25 points and Prague for four awards valued at 3.25 points, both from February 1, 2012 to January 31, 2014, and approved additional CUP award to Ponca City for marketing valued at one point from February 1, 2012 to October 31, 2013.
- Approved the Second Amended Capacity Purchase Agreements for generating cities.
- Received an update on the John W. Turk Jr. Power Plant construction.
- Selected Roman Nose State Lodge near member city Watonga as the location for the Annual Planning Retreat, which will be held April 12-13.
- Reviewed the North American Electric Reliability Corporation (NERC) quarterly report.
- **Set the next board meeting for Thursday, February 9 at 10 am in the OMPA Board Room.**

From The Board Chair

by Charles Lamb



Opportunities for staying informed in 2012

As we begin this new year I would like to take some time with this column and discuss the many opportunities available for member city officials and the electors to be more engaged and better informed about OMPA and other challenging issues facing municipal electric systems, not only in Oklahoma, but nationwide.

OMPA will be holding our annual area meetings starting in February. (See related article on page 1.) These meetings not only provide updates on various OMPA activities and programs, but give our member city officials the chance to meet and interact with the OMPA staff. These area meetings are conducted around the state to try and bring the information closer to the customers.

You are also encouraged to attend one or more OMPA Board meetings during the New Year. We make an effort to hold the fall road trip in a member city during November to make the board meeting accessible. The annual meeting in September is right after the monthly board meeting to further encourage member city attendance. Your 11-member board, comprised of elector representatives from our cities, is the overall governing entity of the Authority and we meet on the second Thursday every month.

This year the OMPA Board decided to increase our presence at the capitol and retained the services of a government relations firm, Capitol Gains. Through working with this firm, we plan to ensure that the OMPA story (who we are and what we do as an extension of our member cities) is represented at the capitol.

Term limits have changed the faces of the State Legislature and the OMPA history has left the building with this change.

Of course the *Outlet* newsletter you are reading is a good source of current information on programs and issues affecting public power as well as news bits about member cities. There is a new column in the monthly *Outlet* written by General Counsel Randy Elliott that provides the members with information about legislation on the state level that may have an impact on OMPA and our member cities. Another great information source is the MESO newsletter.

On the national level, APPA will be sponsoring its annual Legislative Rally on March 12-14 in Washington, DC. The rally brings public power executives, policy experts, locally elected and appointed officials to Washington, DC to communicate the value, benefits and needs of public power to members of Congress. This ensures that Congress hears the voice of the public power community and how proposed federal action can have a direct impact at the local level.

There is also the annual summer APPA National Conference to be held this year in Seattle, Washington, June 16th through 20th. This is a great opportunity to learn and network with other public power participants from around the country.

These are just some of the sources and activities available that our members should consider utilizing in order to be better informed about public power issues in this New Year.



DUNCAN cont.

acquire technology equipment for \$57,000; and acquire textbooks and instructional materials for \$67,000 for a total of \$3.530 million.

Series II will focus on site utilities and improvements at the Duncan High School in the amount of \$610,000, acquiring technology equipment for \$57,000, and acquire textbooks and instructional materials for \$63,000, for a total of \$730,000.

Series III will include miscellaneous steel, masonry and brick, cabinets and millwork, doors, door frames and door hardware, toilet accessories, and sprinkler system for \$2.360 million; acquire technology equipment for \$57,000; acquire textbooks and instructional materials for \$63,000. The total will be \$2.480 million.

Series IV will be for finishes, hardware, windows, glass and glazing, suspended ceilings, food service equipment, fire alarm, and building insulation for \$2.350 million; acquire technology equipment for \$57,000; and acquire textbooks and instructional materials for \$63,000, for a total of \$2.470 million.

Series V will include drywall, interior studs and plumbing fixtures for \$2.269 million, acquiring technology equipment for \$133,000, and acquiring textbooks and instructional materials for \$63,000, for a total of \$2.465 million.

Series VI will be for CMU units for \$2.264 million, technology equipment for \$133,000, and textbooks and instructional materials for \$63,000. The total of this series will be \$2,460 million.

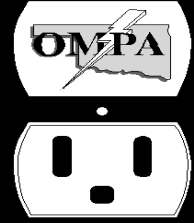
Series VII is set for flooring, electrical panels and sub-panels, and electrical fixtures for \$2.254 million, technology equipment for \$133,000, and textbooks and instructional materials for \$63,000, for a total of \$2.450 million.

Series VIII includes HVAC equipment for \$2.248 million, technology equipment for \$134,000, and textbooks and instructional materials for \$63,000, for a total of \$2.445 million.

FAIRVIEW

New City Clerk Hired - Effective January 1, the new Fairview City Clerk is Sally Jantz, who already has been working in that capacity.

cont pg 7



Lineman's Corner

Saving money in your electric system

by Larry Unnerstall
Distribution Planning Engineer

It's been a while since I've mentioned ways to save money on your electric system so I thought I'd mention a few things I've picked up over the years.

Most of my comments are centered on energy losses by reducing the losses associated with transformers and conductor. By reducing losses, a utility not only reduces its wholesale energy costs but reduces its impact on the environment.

All electric systems have a certain amount of loss even when the load is low. If you can hear a transformer humming, it's using electricity to keep itself ready to supply electricity to your customers. Most losses in an electric system are due to resistance in the conductor, whether it's the overhead wire you see as you travel down the road or the wire inside the transformers. Losses are based on the amount of load and the resistance of the wire being used. The bigger the load or the smaller the wire, the more losses there are. In the past, I've read articles that typical losses in an electric system were as high as 9 percent while other articles suggested that it should be closer to 5 percent to seven percent.

What can be done to reduce your losses?
Some suggestions include:

Increase your Voltage

By increasing your system voltage, you'll reduce the current needed to supply your load.

If you increase your voltage from 4160 to 12,470 volts, losses will be reduced by 1/9 since you're increasing your voltage by 3, you're reducing your current by 1/3 and the square of 1/3 is 1/9.

Due to the cost of a voltage conversion, most of these projects are undertaken when the 4160 volt system needs maintenance work to replace older poles, transformers, etc. Cost justification for the conversion is usually based on the cost of the losses compared to the cost of the project and the payback period. Several of our member cities such as Waynoka, Wynnewood and Prague have undertaken conversions in pieces. One part of town was converted in one year and another part of town the following year. Okeene completed their conversion all in the same year.

Transformer Sizing

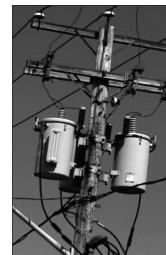
Our member cities need to be aware of proper transformer sizing. Many electricians will often try to get cities to put in oversized electric transformers. They feel the transformer size should be based on the breaker size of a new building. I normally recommend something smaller. According to the National Electric Code, the total load in a new building cannot exceed 80 percent of the breaker size, and it's not uncommon for the peak load to be in the 50 percent of the breaker rating. A utility can save on both purchase price as well as losses in the transformer if they size to the load instead of sizing to the breaker.

Another thing some cities consider is the Total Ownership Costs. This considers not just the purchase price of the transformer but also the cost of the electricity losses in the transformers. Some suppliers will provide a transformer with a low purchase price by using less metal in the core. This causes a "lossy" transformer which uses a lot more energy (and therefore more money) over the lifetime of the transformer.

When comparing bids for new transformers, I normally recommend cities not only look at the purchase price of a transformer but compare the "no load losses" (losses to keep the transformer energized) and the load losses (losses to provide energy to our customers). Vendors can supply their transformer losses during the bidding process.

Load Balancing

Once a system has been built and operated for several years, it's usually a good idea to check the load to make sure the current is balanced on each of the 3 phases. If one phase or wire has a lot more load than the others, moving the load off that phase and onto a different phase will reduce your losses. Moving the load between phases only costs the time and effort to move a transformer or a tap from one wire or "phase" to another phase.



Jon Cameron
(AP Photo/The Forum/Carrie Snyder)

City of Perry hires new city manager

Former Valley City, North Dakota City Administrator Jon Cameron started in his new position as Perry City Manager in November. The Perry City Council approved the hiring of Cameron during its meeting on November 7.

Perry has a population of about 5,200, slightly smaller than Valley City, which has about 6,600 people. He had served almost four years as the City Administrator of Valley City, which is the 12th largest city in North Dakota. Prior to his position in Valley City, Cameron was the Chief Operating Officer for Florida State Hospital for four years.

He received his Masters degree in Management & Administration from the University of Central Oklahoma and a Bachelors degree in Education from the University of Iowa.



Think Green!

Say Goodbye to the 100-Watt Bulb

by Jennifer Rogers
Member Services Media Specialist

While it is widely believed that new federal regulations will ban the sale of the standard 100-watt bulb and other traditional incandescent lights, the truth is a little more complicated. New lighting efficiency regulations, as of 2012, do not ban incandescents or any other type of bulb. They do require, however, that common light bulbs use about 25 percent less energy (measured in watts) for the amount of light produced (measured in lumens).

Currently available 100-watt incandescent bulbs produce about 1,600 lumens. Under the new regulations, bulbs with this level of brightness must have a maximum wattage rating of 72. Most incandescent products currently on the market do not meet these requirements and will no longer be manufactured or imported for sale in the United States after January 1, 2012.

Energy-Saving Replacement Options

What does this mean for your household? While homeowners are not required to upgrade to products that meet the new regulations, the standard 100-watt bulbs will soon disappear from store shelves following the January 1 deadline. Fortunately, a variety of energy-saving alternative technologies are available that still provide the light quality that homeowners have come to expect.

- **Halogen Incandescents.** Halogen incandescents have a capsule inside that holds gas around a filament to increase bulb efficiency. These lights are 25 percent more efficient than traditional incandescent bulbs and last up to three times longer. They are available in a wide range of shapes and colors, and can be used with dimmers.

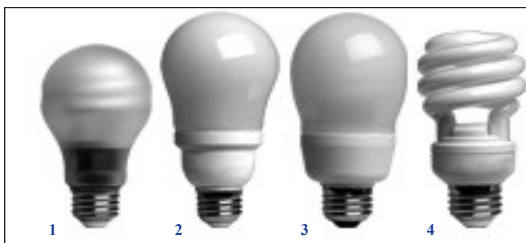
- **Compact-Fluorescent Lamps (CFLs).** An ENERGY STAR qualified CFL is 75 percent more efficient and lasts up to 10 times longer than a comparable incandescent bulb. CFLs are available in cool white or warm yellow tones and some are encased in a cover to diffuse the light and provide an appearance similar to traditional bulbs. Dimmable CFL bulbs are also available. CFLs do contain a small amount of mercury and should be properly recycled at the end of their life. For more information, see Compact Fluorescent Light Bulbs from the U.S. Environmental Protection Agency.
- **Light-Emitting Diodes (LEDs).** LEDs are made from a coated semiconductor material that produces light when exposed to an electric current. They are one of the most energy-efficient and rapidly developing technologies in today's market. An ENERGY STAR qualified LED bulb is 75 percent to 80 percent more efficient than an incandescent bulb and lasts up to 25 times longer. Although the technology is still evolving, LEDs are commonly used in recessed fixtures and small track lights. While LEDs are more expensive to purchase, their low energy use and durability can save money over the life of the bulb.

The new regulations apply only to conventional 100-watt bulbs; three-way and other specialty lighting products are not affected. New efficiency standards for 75-watt incandescent bulbs will take effect starting on January 1, 2013, while those covering 60- and 40-watt bulbs will begin on January 1, 2014.

The U.S. Department of Energy estimates that compliance with the new regulations will save consumers about \$6 billion in energy costs by 2015. In a typical home, replacing 15 traditional incandescent bulbs with energy-efficient alternatives will save an estimated \$50 per year.

Source: <http://www.energy.gov/>

(Left to Right) LED (1), Halogen Incandescents (2 and 3) and CFL (4)



MARLOW

Marlow-Based Business To Occupy All Of Duncan Site – (by Derrick Miller, *The Duncan Banner*, January 6, 2012) Wilco Machine & Fab Inc. is continuing to expand in its Duncan location and will be looking to hire 50 people to fill positions created by the expansion. The company currently shares the Duncan location building with Halliburton's slow moving equipment sector.

Halliburton has found a location closer to its Manufacturing Department and is going to relocate. With Halliburton Services moving from the building, it will allow Wilco to expand.

Marlow Mayor Filings Are Certified – (*The Duncan Banner*, December 12, 2011) Marlow has a new mayor following certification of results from the Marlow municipal filing period. The filing period ended on December 8, but results from the filing were not official until they were certified on Friday. When no one chose to contend any of the filing results, they are now official.

That means former Marlow Police Chief and city council member Bob Hill will become the town's new mayor following the February 14 election date. Hill was the only person filing for mayor. Likewise, current Marlow City Council member Dan Ross will remain on the council, after he was unchallenged in filing for Ward 3.

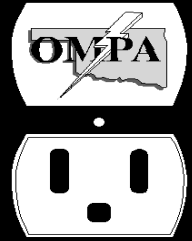
NEWKIRK

Arnold Will Not Seek Re-Election – (by Scott Cloud, *Newkirk Herald Journal*, December 15, 2011) Newkirk Mayor Frank Arnold announced Monday night that he will not seek re-election. Arnold made the announcement during the governing board comments of the Newkirk City Commission agenda. Arnold has served as the mayor and city commissioner during parts of the past 15 years.

At Monday's meeting, Newkirk City Commissioners approved an election proclamation calling for city elections on March 6. The office on the March ballot will be the mayor's position, currently held by Arnold.



cont pg 9



Jeff McPherson

Meet The Employees

Jeff McPherson, Senior Operator

McPherson is starting his second year as a Senior Operator and “likes the job not being as much physical” as it was in his previous position at the plant as an Auxiliary Operator.

“Both are hard jobs,” he added. Anyone who has been around generation equipment knows how hard the work can be and sometimes it can be dangerous.

He continued, “Being promoted to Senior Operator, there is a lot of responsibility with that job and it’s challenging being responsible for the plant. I am the main guy.” He was initially employed by OMPA as an Auxiliary Operator for 10 years before being promoted to his present position. Chief Operator Ron Girdner was his boss when he first started at the complex (as he is now) and he continues to work closely with him.

He previously worked at the complex as an Auxiliary Operator for 15 years as a City of Ponca City employee and was involved in the operation of the diesel generation and the Kaw Hydroelectric plants. The diesel generation plant is no longer in service. The hydroelectric plant, located east of Ponca City on Kaw Lake, is owned by OMPA and its members.

On May 13, 1996, the Ponca City Utilities Authority approved a modification in the lease agreement of the Ponca City Power Plant Complex with OMPA resulting in OMPA becoming the operator of the Ponca City Steam and Diesel Generation Plants on July 1, 1996.

Prior to being employed by the City of Ponca City and OMPA, he went to basic training in Ft. Benning, Georgia before being stationed in Ponca City in the National Guard. He wasn’t deployed in any military action during his eight years of service.

At his first summer camp while in the National Guard, he met Norman Costello, the brother of Pat Costello, a Senior Operator at the power plant complex. Norman, who was a lineman for the City of Ponca City, told him there was an opening at the steam generation plant at the power plant complex.

McPherson applied for the position at the steam plant and in 1981 he went to work for the City of Ponca City at this facility. He has been working at the power plant complex ever since, even though the scope of his responsibilities has changed over the years, especially with the closing of the diesel generation plant. He was born and raised in Ponca City and continues to live there today.

The most significant relationship in his life is a seven-year old, 58 pound Blue Heeler female dog named Bonnie. “She’s all I have and is one of my family,” he said. He remarked that “she’s getting pretty heavy.”



When asked about his hobbies and interests, McPherson replied that he “likes looking for artifacts along the Arkansas River and Kaw Lake.” He has mainly found “tools, mostly drill bits.” Being close to Kaw Lake, he “likes to fish and used to hunt.” He added, “I like to watch the animals.”

As for pet peeves, McPherson responded, “What bothers me are drivers who don’t know how to drive and go too fast and ignore no passing zones.” He continued, “I don’t let things bother me -if it happens, it happens.” He stated that the only regret he has in his life is “I wish I spent more time in school, tried harder in school.” He expressed an interest in aircraft mechanics, if he had continued with his education.

On first meeting **Jeff McPherson, Senior Operator** at the Ponca City Power Plant Complex, he seems to be a self effacing individual. But after the initial contact, McPherson starts talking and becomes more animated. He seems himself as being “pretty outgoing, a good person. I am here to help people if I can. That’s why I am still here - to help one another.”

As a Senior Operator, his main responsibility is “operations of the Kaw Hydroelectric Plant and Ponca City Repowering Project - shutting them down and starting them up.” With a sense of pride in his voice, he said, “I like starting the units and getting them on line. It’s like I have accomplished something.” He quickly added, “as long as you don’t have any problem with the units.” The best part of his job is “basically working with others. I wouldn’t change anything about it and I like it the way it is.”

With seven experienced plant employees retiring in the next five years and the need to replace them, McPherson has assumed an expanded role as a teacher. “Training new operators” has become the most challenging aspect of his job. He explained that “teaching people all the time is pretty rough at times, especially teaching someone new.”

OMPA receives grant for energy-efficiency research

The Oklahoma Municipal Power Authority (OMPA) was awarded a research grant by the American Public Power Association's (APPA) Demonstration of Energy-Efficient Developments (DEED) program.

OMPA received \$25,000 to create a weather data database/workbook that can be customized by any utility to help customer service representatives when talking to customers about high-bill complaints. It will generate a report for any billing cycle as opposed to calendar-month periods, and will compare recent actual and long-term average weather data for the billing period. A user's manual and PowerPoint

n presentation will be developed to train customer service personnel on the use of weather data when speaking with customers.

APPA is the national organization serving the interests of the nation's more than 2,000 community- and state-owned electric utilities. The association established the DEED program in 1980 to sponsor and conduct activities related to energy innovation that improve efficiency or lower costs in providing energy services to consumers of publicly owned electric utilities. DEED funds are used to support innovative utility programs. OMPA and all of its member cities are members of APPA and DEED.

Energy Services Update...

OCP ends soon

The Oklahoma Comfort Program (OCP) will end officially on March 31, 2012. All applications for rebates must be completed and received by OMPA by February 29, 2012.

Using funds from the Stimulus State Energy Program administered by the Oklahoma Department of Commerce, OCP is providing additional rebates of \$1,000 per ton for qualifying geothermal heat pump (GHP) systems. This is in addition to the \$800 per ton rebate provided by the OMPA WISE Rebate Program in participating cities. OCP also provides free energy audits for residential customers in member cities, and training for GHP contractors.

GHP systems help customers because they heat and cool homes and other buildings at the lowest operating costs. The OCP and WISE rebates, together with the 30 percent federal tax credit for residential customers, make the installation costs comparable with other heating and cooling systems. In fact, GHP systems will probably never be this low in installation costs. GHP systems help electric utilities by adding winter load and reducing summertime peaks.

Energy Services Committee

During the Energy Services Committee meeting on December 14 at the OMPA office in Edmond, Michelle Trimberger from Edmond was elected chair of the committee and Gabe Hope from Laverne was elected the committee's vice chair. In addition, Sharyn McClennen from Duncan was elected to serve on the Energy Services Executive Committee. Others serving on the executive committee are Trimberger, Hope, Starland Davis from Prague, John Ramey from Okeene, Mark Chamberlain from Pawhuska, Janice Berryhill from Altus, and Vicki Hagerman from Perry.

The next Energy Services Committee meeting will be held February 22 at the OMPA office in Edmond starting at 10 am. Topics to be discussed include possible revised guidelines for the WISE Rebate Program, Energy Services program updates and an All-Employee Trainer for 2012.

2012 Public Power Workshop

The 2012 Public Power Workshop will be held April 22-24 at the Embassy Suites Hotel and Conference Center in Norman. The workshop is jointly sponsored by OMPA, MESO and GRDA.

NEWKIRK cont.

In a related article, Roy Chaney Announces Mayoral Candidacy (by Scott Cloud, *Newkirk Herald Journal*, December 22, 2011) Former Newkirk City Commissioner Roy Chaney announced his plans Friday to run for the Newkirk Mayor's position. Chaney will seek the position currently held by Frank Arnold. Arnold announced last Monday that he will not seek re-election. Chaney has served on the commission eight years. He was originally appointed to complete a term in 2002, was elected to one term, and ran unopposed in the next two election cycles. He resigned in the fall 2010 when his son David applied for the then vacant city manager's post. Chaney is a Social Science professor at Northern Oklahoma College in Tonkawa.

OKEENE

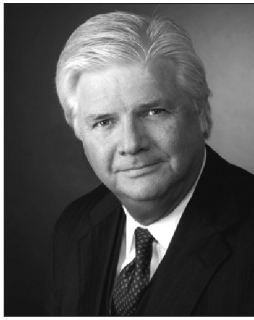
Pittman Appointed To Fill Vacancy – During the Okeene Town Board meeting on January 10, Ron Pittman (Okeene School Superintendent) was appointed to the seat formerly held by Ron Hauser and Thomas "Chip" Outhier was appointed vice mayor.

ORLANDO

Town Receives CDBG-REAP Grant – Orlando received a 2011 Community Development Block Grant-Rural Economic Action Plan (CDBG-REAP) from the Oklahoma Department of Commerce's Community Development division in the amount of \$64,169 for improving their electrical distribution system.

PAWHUSKA

Judge Denies Osage's Attempt To Stop Wind Farm Near Pawhuska – (by David Harper, *Tulsa World Staff Writer*, December 16, 2011) A federal judge has denied the Osage Nation's attempt to prevent the construction of a 94-turbine wind farm west of Pawhuska, finding that the tribe's claim that the development would interfere with its mineral rights was based on speculation. U.S. District Judge Gregory Frizzell ruled that the mere possibility that a dispute may arise in the future between the wind farm and those who will be drilling for oil and gas on the same land was not enough to justify an injunction that would have stopped the project.



by *Randy Elliott*
OMPA General Counsel

Legislative Update: **OMPA implements new initiatives**

On the eve of the 2nd Session of the 53rd Oklahoma Legislature we anticipate a year in which policy takes a back seat to politics on both the state and federal level.

Reading the political tea leaves moving forward, it is reasonable to predict political volatility may very well discourage lawmakers from addressing controversial legislation. Indeed, many incumbent Republicans have already drawn primary opponents embracing an ultra-conservative Tea Party mantra.

It will also be interesting to see how this election year dynamic impacts relations between the legislative and executive branches. Now that the euphoria of controlling the legislative and executive branch for the first time in state history has worn off, will the two entities be as willing to cooperate?

While these dynamics will undoubtedly prove frustrating for some, it does not make it impossible to advocate for good public policy. In fact they could very well present unique opportunities if we remain cognizant of the environment and position ourselves correctly.

Our Program

To that end, we have begun to implement several new initiatives to favorably position OMPA in the current political climate.

State legislators are currently in the process of submitting bills for consideration. January 19 is the deadline for submitting legislation. Our team is monitoring the process daily and reviewing legislation for any impact it might have on OMPA and its members. Once we have the complete picture in terms of legislation, we will develop strategy for advocacy or opposition depending on the nature of the bill.

We will also implement a new “legislative branding” initiative designed to raise the profile of OMPA and educate legislators and key staff on the critical role OMPA plays in the production and delivery of reliable power to Oklahoma.

We also believe it is important for us to remain connected to our congressional delegation by visiting occasionally with members and key staff in Washington and in their districts at home. Our goal is to become a resource as members and staff consider federal policy that could impact OMPA.

In summary, this year will be ripe in politics that will likely impact policy. Our goal is to ensure the high quality of service we provide to our member communities is not negatively impacted in the process and we continue to grow and improve service moving forward.

Job Advertisement - Public Works Director **Public Works Director**

The Public Works Director has primary responsibility for the organization, operation and overall performance of the public works department. Department functions include engineering, water and sewer utilities, solid waste management, streets and public works, parks, construction, gas and utility management and upgrades.

Public Works Director plans, directs, manages, and oversees the activities and operations of the Public Works Department which includes gas, electric, water, waste water, parks, street and alley, construction and other related duties as assigned. Valid Oklahoma driver's license and automobile insurance (CDL, Class B license preferred or must be obtained with 90 days of employment); reliable transportation. Minimum of five (5) years full-time paid work experience in Water Treatment, preferably Reverse Osmosis operations; Water Operator License with endorsements in chlorination; Gas pipeline OQ qualification in abnormal operating procedures, line locating, leak survey, plastic pipe fusion, regulators and relief valves, hydrostatic testing, tapping and plugging, excavating and other operating procedures as required by OCC; Waste Water Operator License. Minimum of five (5) years supervisory experience; experience in staff training and procedural manual development. After employment must maintain licensing by acquiring twenty (20) credit hours in Water and Waste Water Licensing every two years and re-qualification in gas pipeline safety and operations as required by PHSMA; twenty (20) hours electric training every two years.

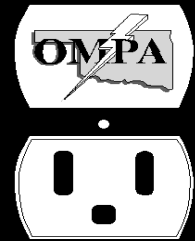
Must quickly acquire considerable knowledge of the City's functions, procedures, purpose, and applicable ordinances and have experience in Microsoft Office 2003. Extensive knowledge of utility operating systems, preventive maintenance operations and necessary upgrades; knowledge of hiring practices, employee rights, and labor laws; skills necessary to ensure the adequate repair and maintenance of diverse types of equipment as well as municipal buildings; basic knowledge of electricity; proper use of hand tools; ability to operate backhoe, mowers, tractors, pickups; dump trucks, etc.; practice and promote safe work habits; ability to maintain effective working relationships with other employees and with the public; effective communication skills; ability to use good judgment in the completion of a variety of work situations; and plan work to meet deadlines. Visibility requires maintaining a professional appearance and providing a positive City image to the public.

The Geary Utility Authority has an annual operating budget of \$2,000,000 and has 9 full-time employees. The public works director is appointed by the Geary City Council and reports to the Mayor.

Starting Salary: \$30,000 - \$55,000 depending upon qualifications.

Send resume, complete application, and three letters of reference to:
City of Geary
Attn: Leslie Swinerton, Vice Mayor
P.O. Box 125
Geary, OK 73040

Deadline for receipt of resumes and applications - March 7, 2012



Oklahoma State Capitol (Wikipedia)

Saying So Long And Thank You To Walt Allen, Lexington City Manager

The Lexington Observer, December 16, 2011, page 1

The (*Lexington Observer*), city employees and caring citizens of Lexington wish Walt Allen and his family the very best for his retirement and we issue heartfelt thanks to him for his untiring work on behalf of the community.

The following is a tribute to Walt from the employees with whom he has worked so closely for so long and who know how hard he has worked and what he has accomplished.

“Saying goodbye to the first City Manager of Lexington is a hard thing to do. Walt Allen and his wife Diane came to Lexington in 1994. Walt was the first to take the reins of the position and has stayed at the helm for 18 years.

During his tenure, Walt has accomplished many things with the help and support of the city council and city employees. His first task was to give Lexington a much needed facelift. The city crew picked up trash for weeks and many properties were abated allowing the volunteer firemen to burn them.

In 1995 he began renovation of the old building at 111 East Broadway for the new spacious city hall and council chamber (unlike the old city hall which leaked). Almost all of the work was completed by city employees under his leadership.

He then took what used to be the old city hall and turned it into the police department (leaks repaired). Soon after, the new fire complex was built next door. This was a huge project with most of the work being done by the volunteer firemen. Since then, almost all of the fire equipment has been upgraded or replaced. Walt has helped the community by budgeting money for continued fire and police protection.

Besides building a complex the city can be proud of, he also made improvements to the city streets, as well as the electrical and water systems. All of the city streets have been redone and continue to be maintained. The electrical system has been upgraded with many new electrical lines and poles being installed throughout the city. New water lines and fire hydrants have been added, and many of them replaced. In addition, a new water treatment /filtration system has been built.

Because of the improvements in the water system and the new fire department building and equipment, Lexington’s fire rating has been lowered to a four and insurance rates have decreased.

Also in 1995 he engineered the three new bridges over the creek in Businessman’s Park. The last bridge he designed was the covered bridge. He saved the city over \$250,000 in engineering costs. All three bridges were built by the city employees under his guidance and all three bridges passed state inspection with flying colors. With the help of the park committee and the funds from a park grant, they acquired the gazebo, which was built by LARC Vo-Tech. They also purchased over 70 trees for the park.

In 2000 Walt received the prestigious American Public Power Association Larry Hobart Seven Hats Award. This distinguished award is given for outstanding management of a small community electrical system and for someone who possesses skills in administration, public relations, field supervision, accounting, planning and design, human resources and community leadership. There are four to seven recipients per year throughout the United States.

Mr. Allen was the seventh recipient from the state of Oklahoma.

He has been instrumental in bringing new businesses to Lexington, such as Lexington Gas-N-Go, Pro-Wash, Dollar General and Sonic.

Mr. Allen has served on the **Oklahoma Municipal Power Authority’s** Board of Directors (since January 10, 2002) and has been a certified Floodplain Manager. He served as Vice-Chairman of the Legislative Committee for the Oklahoma Municipal League for several years. He was the co-chairman of the 89er celebration for three years and was chosen to serve as the parade Grand Marshall.

Mr. Allen’s career in city government spans over 34 years. His knowledge, experience and commitment to helping others will be greatly missed.”

Jason Orr, who has been hired as Lexington’s new City Manager, has started serving in that position.

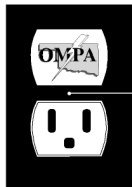


On December 30, 2011, a retirement party was held for Walt Allen (second from left), Lexington City Manager and OMPA Board Member, in City Hall that was attended by (left to right) David W. Osburn, Assistant General Manager, Drake N. Rice, Director of Member Services, and Randy Elliott, General Counsel. Allen will continue to serve on the board as Lexington’s elector.



News From Your Oklahoma Municipal
Power Authority
PO BOX 1960, Edmond, Oklahoma
73083-1960

PRSRRT STD
US POSTAGE PAID
EDMOND OK
PERMIT NO. 298



outlet
news from your OKLAHOMA MUNICIPAL POWER AUTHORITY

Generation (kWh)

Dolet Hills (L)	17,109,000
GRDA #2 (C)	10,156,000
McClain (G)	46,179,000
Fairview (D)	0
Kaw (H)	657,902
Ponca City Repowering (G)	0
Ponca City Unit #4 (G)	0
Kingfisher (D)	0
Laverne (D)	560
Mangum (D)	0
Oklauion (C)	7,381,000
Pawhuska (D)	0
Pirkey (L)	2,689,000
Ponca City (S)	0
Redbud (G)	44,001,000

(L) Lignite (C) Coal (H) Hydro (D) Diesel (S) Steam (G) Natural Gas

Operations Data NOVEMBER

Scheduled Purchases (kWh)

OG&E	17,826,000
SWPA	10,207,000
JEC	30,427,000
OFF-SYSTEM	4,065,000
WIND ENERGY	14,882,000
GRDA	21,630,000

**OMPA System non-coincident peak
in NOVEMBER - 315,793 kW**

Note: Above generation data
includes generation
for off-system sales.

**OMPA
Board of Directors**

Chair

Charles Lamb, Edmond

Vice Chair (Chairman Emeritus)

Buddy Veltema, Walters

Secretary

Robert Johnston, Frederick

Treasurer

Chuck Hall, Perry

Members

Walter Allen, Lexington
Janice Cain, Marlow
Homer Nicholson, Ponca City
John Ramey, Okeene
Dan Scott, Altus
Clyde Shaw, Duncan
Mark Skiles, Blackwell

James C. Joseph, State Bond Advisor,
Ex-officio Member

**OMPA Web Address: www.ompacom - OMPA E-Mail Address: ompacom@ompacom
24-Hour Emergency.....1-405-340-8313 - Non-Emergency.....1-405-340-5047**