

SUMMER PEAKS – GOTTA CATCH ‘EM ALL

While some people spent a hot summer catching Pokemon, NHEC was busy catching Critical Peak demand hours.

What are Critical Peak demand hours?

Critical Peak demand hours are the few hours per summer when demand for electricity is at its highest in New England.

Why are they important?

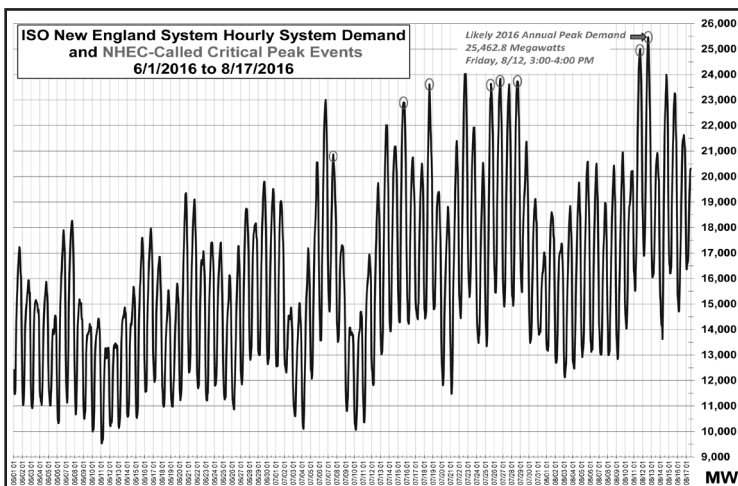
Critical Peak demand hours are used to set future electric rates. Not only does NHEC purchase power for use by its members, we also purchase generation capacity in the wholesale markets. What we pay for that capacity is based on our members' total demand during the ONE HOUR when demand is highest in all of New England.

What was THE Critical Peak?

For the summer of 2016, the highest recorded demand for electricity in New England occurred between 3 and 4 p.m. on Friday, August 12. During that time, demand across the six-state region peaked at 25,463 megawatts (see glossary for the definition of a megawatt). During that hour, NHEC's members had a total demand of 128 megawatts. It doesn't sound like much, but with capacity costs rising dramatically in New England, it will have an impact on the bills you pay.

Reduce the peaks and we all save

It's a simple formula – if we as a cooperative can reduce our total demand during these peak demand hours, we can keep capacity costs in check.



This chart shows the daily peak demand for electricity in New England from June 1 through mid-August 2016. The peaks circled indicate the days NHEC called Critical Peak events and asked members to voluntarily reduce their power usage.

BOARD EXPECTS WINTER PERIOD RATE INCREASE

The NHEC Board of Directors was expected to approve a rate increase effective with bills rendered November 1st as a result of higher winter wholesale power costs.

This October newsletter had already gone to press before the Board will have approved the seasonal rate changes, however NHEC expects the changes to result in an overall bill increase of approximately 15% for the typical residential member using 500 kilowatt-hours (kWh) per month. Complete details are available on the NHEC website: www.nhec.coop.

The same conditions that have caused New England electric rates to spike for the past four winters are still to blame for this latest seasonal increase. Again, the driver of winter electric prices is the cost of natural gas delivery into New England. Nearly half of the electricity produced in New England is generated by natural gas. Though the price of natural gas at the wellhead remains relatively low, a continuing lack of adequate gas pipeline capacity into New England means that power producers will be competing again this winter with home heating for limited natural gas supplies. This causes a significant winter increase in the price of natural gas delivered to New England, which corresponds to an increase in the price of wholesale electricity.

GLOSSARY

Demand or load

Required amount of electrical POWER generated or used to do work at any moment

Kilowatt hour (kWh)

A unit of ENERGY equivalent to one **kilowatt** of electrical POWER generated or used for one **hour** of time

Common units of measurement

- 1,000 watts = 1 kilowatt (kW) POWER;
- 1,000 watt-hours = 1 kilowatt-hours (kWh) ENERGY
- 1,000 kW = 1 megawatt (MW) POWER;
- 1,000 kilowatt-hours = 1 megawatt-hour (MWh) ENERGY
- 1,000 MW = 1 gigawatt (GW) POWER;
- 1,000 megawatt-hours = 1 gigawatt-hour (GWh) ENERGY
- 1,000 GW = 1 terawatt (TW) POWER;
- 1,000 gigawatt-hours = 1 terawatt-hour (TWh) ENERGY

DISPOSAL OF FLEET & EQUIPMENT

New Hampshire Electric Cooperative (NHEC) is preparing to offer for bid, vehicles and equipment that are ready for disposition. This bid offering is being made available to the membership, Co-op employees and retirees with the disposal process and listing of vehicles as follows.

Member Solutions representatives cannot answer questions regarding vehicles and equipment being disposed. All questions will be answered during the two vehicle and equipment viewing dates listed.

Bid sheets for submitting bids can be picked up at the viewings. A separate sheet for each vehicle bid must be submitted. Vehicles are sold "As Is" and "Where Is" without warranties of any kind whatsoever. NHEC reserves the right to reject any and all bids.

Payment must be made and vehicle(s) removed by Wednesday, November 30, 2016. Payment will only be accepted in the form of cash, certified check, or bank draft.

A tentative list of vehicles and equipment for the November disposal includes:

- (1) 2002 Freightliner FL 70, 50 ft. material handling bucket- # 75
- (1) 2000 Freightliner FL 70, Digger Derrick W bucket - # 71
- (1) 2007 Chevrolet Silverado 1500 4x4 X cab pickup - # 31
- (1) 2008 Chevrolet Silverado 1500 4x4 X cab pickup- # 72
- (1) 2004 Chevrolet Silverado 1500 4X4 Reg. cab pickup # 119
- (1) 2004 Chevrolet Colorado 4X4 Reg. cab pickup # 111
- (1) 2009 Chevrolet Colorado 4x4 X cab pickup - # 108
- (1) 2004 Chevrolet Silverado 1500 4x4 Reg. cab pickup - # 93
- (1) 2004 Dodge Caravan # 18

LIST IS SUBJECT TO CHANGE.

VIEWING DATES AND TIMES:

Wednesday, November 2, 2016, 9 a.m. to 6 p.m.
Thursday, November 3, 2016, 9 a.m. to 6 p.m.

BIDS DUE:

Monday, November 14, 2016, 4:30 p.m.

BID OPENINGS AND AWARDS:

Tuesday, November 15, 2016

VEHICLE/EQUIPMENT REMOVAL:

No later than November 30, 2016

VEHICLE VIEWING LOCATION:

NHEC Vehicle Maintenance facility
533 Tenney Mountain Highway
Plymouth, NH

YOUR CO-OP, YOUR COMMUNITY



Co-op members and employees raised more than \$10,000 this summer for a variety of great causes. In September, a group of NHEC employees helped support David's House in Lebanon, NH as part of the Lindsey Frank Memorial Ride. A bake sale this past August at an employee event also raised more than \$1,000, which was matched by the NHEC Foundation, for the Plymouth-based First Star Tonight charity. In Sandown, Co-op employees volunteered their time to set new light poles for the New Hampshire Junior Wildcats Pop Warner Football program. Co-op employees also raised over \$2,000 to help fellow electric co-op employees in Louisiana who lost their homes in recent flooding. Concern for Community is one of the seven cooperative principles and it's one we take to heart.

WATTS HAPPENING

Telephone Town Hall Is October 26

One of the ways NHEC communicates with its member-owners is via Telephone Town Hall meetings. NHEC makes periodic outbound calls to members, inviting you to stay on the line to hear presentations by NHEC staff on a variety of topics of interest to Co-op members. Each presentation is followed by a question and answer session, or you can leave a message for us and we'll follow up with you as soon as we can after the call. Due to phone system constraints, we are not able to call all members at once. The next Telephone Town Hall meeting is October 26. The topic is winter rate changes.

Last Chance to Recycle Your Old Refrigerator!

Are you running a second fridge or freezer? It's probably costing you a lot. Now you can recycle that unit, get free pick up and \$30 for doing the right thing. But act now – this program closes in November. For complete details and to schedule a free pick up, please visit www.NHsaves.com/recycle, or call 1-877-889-4763.

Board of Directors Meetings

The NHEC Board of Directors regularly meets on the last Tuesday of each month at the Cooperative's office at 287 Highland Street in Plymouth. Please check the Board of Directors page on the Co-op web site at www.nhec.coop, or call Sharon Yeaton at (603)536-8801 to confirm the current month's time and location.

For member service
please call

1-800-698-2007

Monday-Friday, 8-5:00

or visit us online at www.nhec.coop



To report an outage please call 1-800-343-6432

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