

No Standing News

Since we have no standing, we stand with those left standing

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RMU blinked – but not enough

ONLY ONE CENT PER KWH RATE REDUCTION? They've got to be kidding. Just last summer **Mr. Jim** "We're-just-a-cost-of-service-business" **Stoffer** told us they had to raise their rates by 100%, double other fees and invent new fees to sock us with because of price increases in gas and oil that were never going to quit rising, said **Jim** "We're-just-a-cost-of-service-business" **Stoffer**. That was his excuse and he repeated it in several public meetings on camera complete with power point slides. Well, **Stoffer** was wrong again. Gas and oil prices have been down for months and all we get is a measly one penny reduction? **Stoffer** and the board were wrong about MoPEP, wrong about the \$6 million investment in diesel generators, wrong about going along with the '05 MoPEP amendment and they're wrong about energy prices. How many more times do they get to be dead wrong and cost us money before they're replaced?

Mayor **Jenks** and the council recently discussed the outrageous RMU rates in a special workshop. They came to the conclusion that they should do nothing about the utility rates. One suggestion that has been favored by Councilman **Magdits** and **Hicks** from the beginning but which was opposed by **Charlotte Wiggins**, **Butz** and the Mayor was to change the method of calculating the city's 5% illegal tax to make it consumption-based rather than price-based so the city won't be rewarded with windfall profits each time RMU raises rates. But the majority of the council preferred to continue to base their 5% illegal windfall tax on whatever kWh prices the RMU board could gouge out of us as we paid for the basic necessities of life. This year's city council windfall is expected to be **\$1,700,000**. That's over a **\$1,000,000** more than the annual RMU kickback the city used to get.

Why is City Hall so negative? Some in City Hall say it's too late, that nothing can be done about the MoPEP trap their carelessness got us into. We don't hear that kind of defeatist, negative talk when they talk about investing our tax money in their development schemes. Why aren't they as willing to put their shoulder into solving this disaster, which is sucking money directly out of the pockets of every household in Rolla, as they are in working on their TIF and their "Rolla West" tax schemes? Why isn't it a council priority to address this crippling utility mess that's eating us up and stopping economic development dead in its tracks?

There would likely have to be a lawsuit but council wouldn't even have to pay the litigation costs, RMU could pay and there's plenty of precedent for them to do it. **Jim Stoffer**, **Maurice Alfermann**, **Bill Jenks** and the other old RMU board elites didn't hesitate to pick expensive, long-running legal fights with Intercounty over the Southside

annexation. They picked one fight with UE that ran for years and ended in federal court where the judge told UE they could kick us off their customer list. The RMU board has never hesitated to spend our utility payment money to pay lawyers to strong arm anyone who wouldn't cave in to their arrogant demands so they can afford to spend money to pay lawyers to get us out of this ghastly MoPEP contract that their gullibility got us into. They don't want to because it would be an admission that they had screwed up big time when they got into bed with MJMEUC/MoPEP. Their egos can't stand that kind of confession so we will just continue to pay.

Could we really get out of the MoPEP contract? Of course we could. It's less a matter of law than poker. If we joined the eleven other cities who also want out of their MoPEP contracts and if there was enough statewide publicity about it, do you think MoPEP could stand up to a mass rebellion from over a third of their members? It would be financial suicide for them because MoPEP is their cash cow. Without MoPEP, **Duncan Kincheloe** and his MoPEP minions go back to being a nothing little club of unregulated city-owned utilities with no income but their membership dues. At the very least they would have to renegotiate the most punishing terms of those '05 contracts and get our prices down with some of those "economies of scale" **Duncan Kincheloe** told everyone he could deliver. At best, a trial over the MoPEP contract would expose more than one illegal practice of this organization to state auditors, law enforcement and potential customers **Kincheloe** is wooing to join his organization. MoPEP would become something no one would touch with a ten-foot pole. The bad publicity might be enough to get state law changed so the **Kincheloe and Co. Power Empire** would no longer be exempt from oversight and regulation by the **Missouri Public Service Commission**. That would improve the lives of thousands of people in small towns all over Missouri for decades to come.

Why isn't RMU willing to try to get out of this contract and why isn't the council demanding they do it? Is it because the high utility prices are only hurting "ordinary" people in Rolla but not the "quality" people and their corporate club friends? **John Butz** said about the amendments to the animal ordinance that they'd have to have a public hearing to let people comment on the proposed regulations. They'll have a public meeting about flea-bitten animals but **Butz** and our council members aren't willing to have a public hearing to talk about our outrageous utility rates and RMU's nasty deposit and fine policies.

Missouri. The first of the three windmill projects is called Bluegrass Ridge in Gentry County. It was initiated by Rolla native **Tom Carnahan**. The first 27 giant windmills will produce 56.7 Megawatts of power, enough electricity to power 35,000 homes. Springfield utility director **John Twitty**, formerly RMU manager, is getting some of the mega windmills to supply power to Springfield.

On Wednesday, March 28, 2007, there will be the second annual one-day conference on **“Advancing Renewables in the Midwest.”** There will be information about the latest developments in renewable energy: Wind, Biomass and Solar. The conference is sponsored by **Columbia Water and Light**, the **Missouri Department of Natural Resources**, and the **University of Missouri Atmospheric Sciences**.

<http://www.AdvancingRenewables.org>

We wonder what would have happened if RMU had invested that \$6 million bond issue in these new mega windmills instead of using it to buy MoPEP’s outdated expensive-to-run, carcinogenic fume producing, noisy diesel generators? Up here on the Ozark Plateau we have more than enough wind to operate windmills round the clock. Just a few of those giants – each one produces about 2.1 megawatts of power - could provide all the supplemental power we need to shave off our peak demand and keep wholesale power purchases at the lowest rate per kWh. That’s what the diesel generators were supposed to do for us but they don’t because not only does the power they generate cost *more than wholesale*, but RMU turned them over to MoPEP to run so we can’t use our own generators to cut down our peak demand at all. Columbia will be getting some of their power from windmills, is there any reason why we can’t do that? We’ve heard (but haven’t checked it out yet) that there’s a guy in Doolittle building windmills for home use. When even an amateur in Doolittle is way ahead of the RMU board’s thinking...it’s time to get new board members.

What a powerful statement a few giant windmills would make when seen from a long, long way down the road. Elizabeth Bax wants more “amenities” to attract a “better class of people” to Rolla...well she and her board could start by getting out of the bureaucratic mind rut of the Missouri Dept. of Economic Development programs. Copycatting urban tax-and-spend programs won’t accomplish anything for Rolla except waste money. Doing something innovative like developing wind power requires real leaders with real vision and a creative way of looking at problems. It can’t be done by empty suits who sell public parks, destroy neighborhoods, condemn property and give away land and money to private corporations and call it “Creative Development Opportunities.” Here we sit with utility ‘leadership’ who think belching gaseous WWII technology is the latest thing in power and local economic development ‘think tankers’ that slavishly follow the DED project cookbooks. One thing we can count on, there will be no one at this “Advancing Renewables” conference from RMU or City Hall...but we’d bet money that there will be several people there from Fulton Missouri.

How “that nice Bill Jenks” sold us out even before he became Hizzonor the Mayor. Before Jenks was mayor of Rolla he was on the RMU board. On January 18, 2005, *RMU board member Jenks* made a presentation to the Rolla City Council to persuade them to vote for the first reading of the ordinance that would adopt the second revision to our MoPEP contract. That was the amendment that would enslave us until the year **2036** paying off MoPEP’s coal-fired power plant bond issues. The amendment, Jenks explained, would enable MoPEP (MJMEUC) to invest in coal-fired power plants so they would own generating facilities. What Jenks *deliberately* failed to mention to the council were the contract provisions that required a five-year notice to terminate and the provision that even after we terminated the relationship we would be responsible for any debts they incurred while RMU was a member of MoPEP. Watkins knew all about these unacceptable provisions because as one of MJMEUC’s big important board members he was the only one who actually got to vote on the MoPEP debts and obligations we would have to pay off. The council was at fault for not reading the contracts to find those poison pills. John Butz and Beger/Bushie should have read the contract and found them and if all else failed, Jenks should have been ethical enough to have made a point of telling the council exactly what handcuffs they were putting on us. Watkins, Jenks and the RMU board, the mayor, two city attorney’s and 12 council members all were responsible for knowing exactly what they were getting us into – do none of them read?

What Bill Jenks, RMU board member, was urging the council to do the night of January 18, 2005, was to give MoPEP what amounts to Rolla’s blanket power of attorney. To persuade them, Jenks reminded the council that RMU had joined MoPEP to try “to obtain a larger block of power at a lower cost” - *try* being the operative word here. This idea had flopped as did their previous and equally stupid MoPEP project which was spending millions to become one of MoPEP’s diesel generator farms. This, we were assured by **Watkins** and **Jenks**, would give us all the emergency power we would ever need and selling the surplus power at retail prices would make us lots of big profits. Going into debt to the tune of \$6,000,000 to buy low-tech diesel generators so MoPEP could sell the overpriced power they generate and keep the profits for themselves was another one of the RMU board’s strategic failures.

But on Jan. 18, 2005 we were getting conned into yet another MoPEP power scam. The council minutes continue: “He [Jenks] emphasized that this [MoPEP contract amendment] in **no way obligates the City financially** and the **only way this can be paid is through utility rates.**” Jenks went on to tell the council that “revisions to the proposed agreement will save MoPEP cities millions of dollars in financing costs. Additionally, Mr. Jenks pointed out that **any utility rate increases would not be the result of the proposed ordinance [contract].**” First Jenks admitted that we’d be paying for the debt through our utility rates and then reversed himself by saying paying off the debt wouldn’t impact our rates. How can both things be true? Is this the way he sells insurance? The only conclusion we can come to is he either deliberately lied or he didn’t understand what was in the

contract or what MoPEP was really doing, he was just repeating what Kincheloe told Watkins and Watkins told Jenks to tell the council. It was a cascade of stupidity. Our utility rate increases are a direct result of the MoPEP coal-fired plant investments as RMU's confessed in their own letter to ratepayers last year. That Monday night when Hicks asked the question and Watkins lied when he answered; the Mayor sat in guilty silence. Did Jenks hope we would forget what he said two years ago or did he not understand what he said two years ago?

Why RMU Manager Dan Watkins doesn't feel our pain – Dan doesn't live in Rolla!

We wondered why he looks so smug. **Dan Watkins** and his secretary (wife) don't pay the 10.3¢ kWh prices he and the RMU board set for us because they live at 15505 State Route O! While Dan has been urging the RMU board to raise our rates to cover MoPEP's bond payments, he knows he won't have to pay 10.3¢ per kWh. How nice for Dan and his secretary/wife. We wonder how many other utility employees are smart enough to live safely outside the reach of RMU's punishing rates, fines and fees. The RMU board members do live inside the city but they live in the neighborhoods where the "quality people" Bax is so fond of reside and "quality people" aren't price sensitive to these things.

At the February 20th council meeting, after RMU manager **Dan Watkins** finished lying to Hicks and telling a woman who complained about her \$500 electric bill to go ask for charity, I asked Watkins why RMU couldn't get a web site going, why they couldn't take on-line payments and why they didn't even have e-mail? These were his answers: They're going to get their web site up soon. (They finally have done that after being "under construction" for five years.) Watkins said he doesn't know how to use e-mail and he doesn't want to learn because he'd spend all his time answering complaints. The dirty messages people are writing on their utility bills are apparently bad enough and he figures if he had e-mail it would be much worse. He's so right. This "don't-bother-me" attitude is what we get from the guy we're paying to run *our* public service?

About the e-payments...well you can just forget about RMU doing anything that modern. Stoffer said they had asked in a survey once if people wanted to pay their bills on-line and they said they didn't. Oh well, if a few people said no in a survey years ago that's a good enough reason for keeping your service level and technology at 19th century levels. After more than five years RMU finally got their web site back in operation but they still don't have e-mail and they can't take e-payments. They pretend to be running a modern utility company but they don't even have e-mail? No wonder they invested in WWII diesel generators, no wonder their pinch-penny deposit and late fee policies don't make any financial sense and no wonder they can't take electronic payments. Do

This MoPEP disaster is what Bill Jenks got us into *before* he became mayor. *After* he was elected mayor and just hours before he was sworn in and would be forced to resign from the RMU board, they had a special meeting so Jenks could help them take one last RMU vote to raise our utility rates to feather his new mayoral nest. It guaranteed that as mayor he would have at least a million extra to spend as mayor on things like private parks for his friends at the Chamber and Terry Brewer and the four-faced clock his wife wants to decorate City Hall. What a swell ethical guy Bill is.

they use calculators or do they just take off their shoes and socks to add the big numbers? If RMU used on-line bill paying and direct deposit their bad accounts would shrink and their cash flow would move to warp speed but they don't do those things because they are a computer illiterate, antediluvian management group. Watkins and the RMU board are Luddites and that's why our rates have had an obscene increase.

Why the nepotism? The fact that Watkins knows he'd spend all his time answering complaints if customers had some way to get to him tells you a lot about how he runs our utility company. He's well insulated from phone complaints because secretary/wife #2 protects him. What interesting annual employee evaluations she must have. Watkins' brother just retired from running the water department and several other relatives are now or have been employed by Watkins. The utility board members have always turned a blind eye to the Watkins family nepotism but we can't understand why. It can't be because they're reluctant to lose such a valuable employee...a man who won't learn to use e-mail and who can't figure out that diesel-produced kilowatts aren't cost-effective can't be called your most valuable employee.

Here's a question the city and RREC need to think about: "Will a town that can't rise above this kind of crude and obvious hillbilly nepotism ever become the big deal they pretend they are?"

Message to Stoffer and Watkins: please get the MoPEP propaganda right. It's not enough of a bad joke that Stoffer starts every sentence with "We're a cost of service business," as if that's an excuse for his bad management and high rates but now he's got Watkins doing it. They got this pathetic propaganda line from MJMEUC (MoPEP) the masters of power disinformation, but in typical RMU fashion they got it wrong. The official propaganda changed in a September '06 issue of MJMEUC's newsletter where one of their power gurus explained that municipal utilities are no longer "cost-of-service businesses" they're now "market-based pricing" businesses. Stoffer and Watkins need to change their slogan.