

# UPDATE

OCTOBER - DECEMBER 2006



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The UPDATE is published by and for customers, retirees, and employees of Southwestern Power Administration like:



**Rick Jones**  
Working Foreman  
Gore Maintenance Unit

**Special thanks to:**

- Dallas Cooper
- Mike Deihl
- Ruben Garcia
- William Hiller
- Darrick Moe
- Beth Nielsen
- Gene Reeves
- George Robbins
- Donna Short
- Gary Swartzlander

- Gloria Cuevas Piazza
- Dusty Wilson
- Vicksburg District
- Alfred Dulaney
- Mississippi Valley
- Division - U.S. Army
- Corps of Engineers

## Reeves Career Dedicated to Southwestern

To call him an institution would probably just irritate him, but essentially, that's what Forrest E. (Gene) Reeves is here at Southwestern. During the course of his career, he's seen the tenure of all nine Administrators (including himself), the introduction of 1,200-hour peaking contracts for customers across the board, and the completion of the last 14 of the 24 dams from which Southwestern markets power. When he retires officially on January 3, 2007, Reeves will have put in nearly 40 years of service for Southwestern, for the Federal government, and for the Nation.

Reeves started part-time at Southwestern in 1965 as a student intern. Four years later, after graduating from Oklahoma State University with a bachelor's degree in Chemical Engineering, he signed on permanently as an Electrical Engineer with the agency that would soon become his home away from home.

Reeves says he spent his first years at Southwestern performing resource analyses, but eventually his work in this area led him into repayment studies and rate design, subjects in which he soon earned a reputation as the resident agency expert.

As Reeves sees it, his early engineering work was closely related to repayment analysis. "There was a computer program at the time called the Load Resource Analysis which was used to study how to meet customer loads from a generation standpoint. All that fits in



**RETIRING ASSISTANT ADMINISTRATOR GENE REEVES RECEIVES A DOE DISTINGUISHED SERVICE AWARD FROM ADMINISTRATOR MIKE DEIHL.**



**JOINING REEVES IN CELEBRATION WAS WIFE MARCIA AND MANY WELL-WISHERS INCLUDING CUSTOMERS, EMPLOYEES, AND RETIREES.**



**REEVES WAS HONORED WITH SOUTHWESTERN'S FIRST-EVER EAGLE OF EXCELLENCE AWARD.**

CONTINUED ON PAGE 4

# Blakely Mountain Turns 50



**BRIG. GEN. ROBERT CREAR, COMMANDER OF THE CORPS' MISSISSIPPI VALLEY DIVISION; U.S. CONGRESSMAN MIKE ROSS OF ARKANSAS; CARMIE HENRY, VICE PRESIDENT OF GOVERNMENT AFFAIRS FOR ARKANSAS ELECTRIC COOPERATIVE CORP.; AND DALLAS COOPER, ASSISTANT ADMINISTRATOR OF SOUTHWESTERN'S OFFICE OF CORPORATE FACILITIES JOIN TOGETHER IN A CEREMONIAL BURNING OF BLAKELY MOUNTAIN'S MORTGAGE.**

Energy Regulatory Commission averaged over Southwestern's six-state marketing area, adds up to a total benefit of nearly one billion dollars.

In addition to the very tangible benefits produced by this Federal power project, there has also been a considerable amount of greenhouse gas emissions prevented since the first unit came online in 1955. Estimates of emissions offset are seven million tons of carbon dioxide, 22 thousand tons of sulfur dioxide, and 18 thousand tons of nitrogen oxides.

And to replace the energy generated over the years, an equivalent amount of energy would have to be generated using over 15 million barrels of oil, four million tons of coal, or 92 billion cubic feet of natural gas.

Clearly, the hydropower benefits Blakely Mountain Dam has provided over the years are impressive, but water supply, flood control, recreation, and environmental interests are also very important reasons to celebrate.

So give a cheer for Blakely Mountain and other projects in the Federal system as they grow older. May they continue their unwavering service to the region and to the Nation so that all can continue to enjoy the benefits of these vital multi-use projects. 💧

The Vicksburg District of the U.S. Army Corps of Engineers (Corps) hosted a 50th anniversary celebration for Blakely Mountain Dam on October 20, 2006, at Avery Park on Lake Ouachita near Hot Springs, Arkansas. Southwestern joined the Corps, the Southwestern Power Resources Association, and members of the Arkansas congressional delegation to commemorate the event.

First put online in August 1955, the hydropower units at the dam were in full commercial operation by October 1955. However, it was nearly a year later, on July 4, 1956, that the project was officially dedicated to the people of the United States of America.

In the course of its half-century of service, Blakely Mountain has produced over nine billion kilowatt-hours of energy, which, using today's power values from the Federal



**POWERHOUSE SUPERINTENDENT DUSTY WILSON LEADS A TOUR SHOWCASING HISTORICAL OBJECTS FOR SOUTHWESTERN ASSISTANT ADMINISTRATOR DALLAS COOPER AND HYDRAULIC ENGINEER MARSHALL BOYKEN.**

# Moe Assumes D.C. Liaison Post

Darrick Moe, former Operations Support Manager for Western Area Power Administration (Western) Upper Great Plains Region (UGPR), was selected for the position of Deputy Assistant Administrator in the Power Marketing Liaison Office (PMLO) in Washington, D.C. Moe began serving in his new position on November 27, 2006, and will serve as the primary contact for both Southwestern and Southeastern Power Administrations, representing both organizations before Congress, the Office of Management and Budget (OMB), the Department of Energy (DOE), the General Accounting Office, the Federal Energy Regulatory Commission (FERC), and other Federal and industry organizations.



Moe, who grew up in Watertown, South Dakota, where the Operations Office of the UGPR is located, says he is excited about the opportunity to come on board with Southwestern and Southeastern, although moving from a city of 20,000 to the relative bustle of Washington, D.C., is going to be a big change. "Western has been a great organization to work for, and I will definitely miss the people and, of course, my hometown," he says. "However, in Washington I will have the opportunity to learn about both Southwestern and Southeastern, and that's part of the experience I am looking forward to."

Moe previously spent five months in Washington, D.C., in 2001, working with the Water and Power Subcommittee of the House Committee on Resources. He has also served on the North American Electric Reliability Council (NERC) Transmission Subcommittee as well as on various committees of the Midwest Reliability Organization.

At Western, Moe carried out a broad range of management responsibilities in the UGPR Operations Office. He monitored the activities and orders of FERC, DOE, and NERC, providing input for UGPR in formulating appropriate policy responses, and he frequently led the effort to establish new and evolving policies. He also managed the functions of the Computer Support Division, Power Billing Division, and dispatch and switchman training activities within the region.

Moe began his Federal career with Western as an Electrical Engineer while in college, hiring on full-time in 1992 when he completed his bachelor's degree in electrical engineering at the University of Minnesota. He served for a time as a Training Manager and an Instructor for Western's Electric Power Training Center in Denver, Colorado. Moe also holds a master's degree in electrical engineering from the University of Idaho, and expects to receive his second master's degree, in humanities, from California State University in Carson, California, in the Spring of 2007.

Moe replaces former Deputy Assistant Administrator Jon Worthington, who was named Administrator of Southeastern Power Administration in October 2006. 💧

## SPARKS OF INTEREST



**TIMOTHY J. MEEKS HAS BEEN SELECTED AS THE NEW ADMINISTRATOR** for Western Area Power Administration (WAPA), effective January 4, 2007. Meeks is currently WAPA's Chief Operating Officer, and has previously served as the Maintenance Manager for the Sierra Nevada Region as well as the Assistant Administrator in the Power Marketing Liaison Office in Washington, D.C. Current WAPA Administrator Michael S. Hacsckaylo is retiring from Federal service at the end of the year after a distinguished career with WAPA and with the Department of the Interior. 💧

**THE NEXT QUARTERLY MEETING OF THE SOUTHWESTERN POWER RESOURCES ASSOCIATION (SPRA)** will be held January 9-11, 2007, at the Embassy Suites Hotel in Tulsa, Oklahoma. For registration and meeting information, contact Barbara DelGrosso, SPRA's Director of Member Services, at 918-622-7800 or [bdg18@sbcglobal.net](mailto:bdg18@sbcglobal.net). 💧



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directly with the repayment study process because the output of that is the input for the repayment study process. You apply dollars to those features, like how much revenue you're going to generate and how much your costs are going to be on a yearly basis."

His work "helping out" with the repayment study process garnered him a temporary assignment in 1976 to what would become known as the Division of Rates and Repayment. A year later, the assignment was made permanent, and Reeves became a Public Utilities Specialist. In 1979, when the head of the division retired, Reeves was named to take his place.

"I didn't have a formal financial background," says Reeves, "but it had always been something I'd been interested in. Also, by that time, I had been elected to the Board of Directors of the Federal Employees Credit Union, and in 1977, my wife Marcia and I bought a florist shop, and I did all the books. I learned by doing and found out I was pretty good at the financial stuff."



**SOUTHWESTERN POWER RESOURCES ASSOCIATION'S EXECUTIVE DIRECTOR TED COOMBES (TOP), SOUTHWESTERN'S EX-DIRECTOR OF CUSTOMER SERVICE VAN HORTON (MIDDLE), AND SOUTHWESTERN'S CURRENT DIRECTOR OF CUSTOMER SERVICE JIM McDONALD (BOTTOM), HONORED REEVES WITH THEIR UNIQUE BRANDS OF WIT AND HUMOR.**

Reeves says he was able to use his financial skills to accomplish a new rate design in 1979 that became the basis of what is still being used today. "Ultimately, it was put on computer spreadsheets and modified and adjusted, but when I did it, I had to do it all by hand because there were no spreadsheets back then. But that's one reason I know it so well. When you have to do it by hand, you tend to understand it better."

When asked about the competitiveness of Southwestern's rates, Reeves says he thinks Federal power will always be a bargain in the long run. "This last year, we've been pushing the envelope because of the drought, but I tend to look at things on a longer term basis. When you consider a normal year and the amount of supplemental energy Southwestern usually delivers, it averages out to be a pretty good deal."

After a dozen or so years architecting Southwestern's rate design and repayment analysis, Reeves was made Assistant Administrator in 1991 of what is today known as the Office of Corporate Operations. Although there have been various manifestations of the office due to changes in the structure of the organization, at one time or another, Reeves was responsible for managing the work of his former rates and repayment division, plus work in the areas of budget, contracts, engineering, financial management, information technology, operations, and power marketing.

In 1994, Reeves was tapped to become Acting Administrator when J.M. Shafer accepted the position of Administrator of Western Area Power Administration. Reeves spent nearly a year in the office and says his time there was a good experience for him. "It gave me a different perspective. Any time you move to the next level, you see the organization in a different way and it broadens your understanding."

Over the course of his four decades at Southwestern, Reeves says he has had some memorable experiences. Being part of Southwestern's first rate increase since 1957 was a big one.

"We had tons of public involvement," says Reeves of the 1979 increase. "The repayment process was new and so were the public forums. We had never done that kind of thing before."



Reeves says the 1979 rate increase, as well as the one following in 1983, were high profile not only because of their rarity, but also because of their magnitude, 25% in 1979, and 33% in 1983. He maintains that some of the reasons behind both increases would be familiar to Southwestern's customers today, essentially, drought conditions and the high cost of purchased power.

To combat the peaks and valleys that purchasing power can bring to rates and repayment was one of the main reasons Southwestern developed the Purchased Power Deferral account, Reeves says in explaining another event that he considers significant. "A lawyer in the department found a new accounting standard from the Financial Accounting Standards Board and asked if we could make it work," he explains. "Nobody had ever done anything like it before, but now we've been doing it for over 20 years, and the rest is history."

Reeves also found it stimulating to be part of the team that renegotiated the power sales contract with Associated Electric Cooperative Inc. (Associated) as the terms of Associated's existing power sales contract approached expiration in the late 1990s.

"We worked very hard to find something that would satisfy Associated and something that would satisfy us," Reeves says of the negotiation efforts. "The negotiations were pretty difficult and testy at times."

Fortunately, the negotiations turned out to be a compromise both parties could live with, and Reeves says this type of cooperation between Southwestern and its customers has been integral to the agency's success. "Our customers are critical to our success and to our future. They make us what we are."

In Southwestern's future, Reeves sees potential issues with industry restructuring and open markets. "One of the biggest challenges will be how we will fit in the market," he says. "We keep running up against things that make it difficult for us to function in that type of environment. The way we've operated for the last 40-50 years or so has to change."

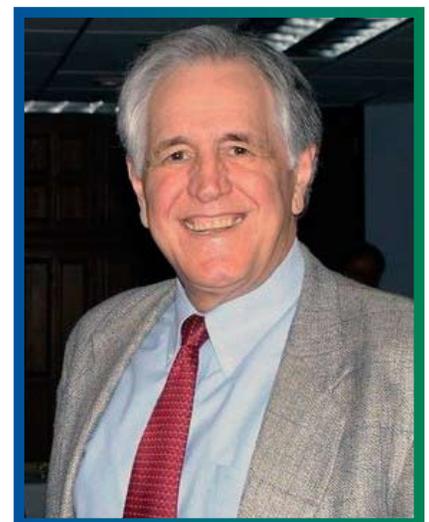
And with his retirement, Reeves will surely be facing some changes too. He says he plans to spend the time he used to spend at Southwestern traveling with wife Marcia, coaching basketball, and playing golf. He also plans to continue working on his favorite hobby, genealogy.

"I've done a lot of it on the Internet, and I've gone to some places; but for the most part, I'm at the point now where I really need to go to the places where the records are to do some research. Till now, I really haven't had time."

Reeves says he's a little concerned about filling up eight hours a day after his time at Southwestern, but the people – not the work – are mostly what he'll miss. "I know I'm going to miss everybody, but I also know what happens to retirees. When they go, they rarely get any calls about work, no matter how valuable they might have been. The people that remain decide to pick up the baton and run with it, and that's the way it should be." 💧



**REEVES 40-YEAR CAREER AT SOUTHWESTERN HAS SPANNED FIVE DECADES. SHOWN HERE ARE HIS CIRCA 1970s "MOD" LOOK (TOP) REPLETE WITH TINTED GLASSES AND MUTTONCHOP SIDEBURNS, HIS CONSERVATIVE LOOK (MIDDLE) FROM A 1989 PHOTO SHOOT FOR AN EXTERNAL PUBLICATION, AND HIS MORE RELAXED LOOK AS HE NEARS HIS RETIREMENT DATE (BOTTOM).**



# Swartzlander Named Assistant Administrator



Gary Swartzlander, former Director of the Division of Financial Management, was named Assistant Administrator of Southwestern's Office of Corporate Services, effective April 2, 2006.

Swartzlander began his career at Southwestern in 1980, after serving in the Army and then working as an Accountant at the U.S. Army Corps of Engineers. After receiving several promotions at Southwestern, he was named Accounting Officer in 1986; and in 1992, he was promoted to Division Director.

The Assistant Administrator position became available when Southwestern reorganized in late 2005 in response to industry changes, budget considerations, and the impending retirements of many management-level positions within the agency. A reorganization in 2003 had consolidated several functional areas under two Assistant Administrators.

Administrator Mike Deihl says that in considering the 2005 reorganization, he was focused on planning for the future. "I asked myself, 'What am I going to do when our corporate knowledge starts walking out the door?' You can't pick up corporate knowledge in a day or two. We did the reorganization to prepare for retirements and other changes so Southwestern will be ready for the future."

As the new Assistant Administrator of Corporate Services, Swartzlander assumes responsibility for the Division of Acquisition and Facilities Services, formerly under the direction of Dallas Cooper, Assistant Administrator of the Office of Corporate Facilities; the Division of Financial Management, formerly under the direction of Gene Reeves, Assistant Administrator of the Office of Corporate Operations; and the Division of Human Resources Management, formerly under the direction of Administrator Mike Deihl. 💧

## Short Heads Financial Management Division



Donna Short was promoted to Director of the Division of Financial Management in late July 2006.

This marks the second time Short has served in the Director's position. From February 2002 through April 2003, she headed up the division while former Director Gary Swartzlander was temporarily detailed to the Division of Acquisition, Property, Real Estate and Administrative Services.

Short, who has worked for Southwestern for over 15 years, says her time at the agency has gone by fast. "Before coming here, I'd never stayed at a job for more than a few years. It's been pretty challenging, but it's been fun or I wouldn't have stayed so long."

After graduating in 1981 from Northeastern State University in Tahlequah, Oklahoma, with two bachelors' degrees – one in Accounting and one in Psychology – Short started out on her road in financial management as a Budget Analyst with the Cherokee Nation of Oklahoma.

She accepted a job as Revenue Agent with the Internal Revenue Service (IRS) in 1982, which brought her and her family to the Tulsa area. After working for the IRS for three years, she made the move in 1985 to the Tulsa District of the U.S. Army Corps of Engineers (Corps) as a Quality Assurance Accountant. In 1988, she was promoted to Budget Analyst with the Corps, where she served for two years.

Short started with Southwestern in 1990 as Budget Officer. She was quickly promoted to Accounting Officer in 1992, where she served until assuming the Director's position for the first time in 2002.

In addition to her professional experience, Short is also a Certified Public Accountant, a Certified Government Financial Manager, and a Department of Energy Certified Financial Manager.

Short is very positive about her time at Southwestern and about the agency in general, saying, "For a small organization, it's ever-changing, but it is definitely a progressive organization in the area of financial management. In my opinion, we're way ahead of the curve." 💧

# Southwestern Chairs Successful CFC for Local Federal Employees

Tulsa's nearly 4,700 Federal workers enthusiastically exceeded their goal in the 2006 Combined Federal Campaign (CFC), raising in excess of \$465,000 for the Tulsa Area United Way's fund drive this fall. Through monthly pledges to be collected from employees throughout 2007, plus some in-house fund-raising events held during September and October, the total amount raised among the approximately 158 Federal organizations was \$30,000 over their collective goal, and set a new record for the CFC.



**(L-R) SOUTHWESTERN'S SENIOR STAFF, GENE REEVES, GARY SWARTZLANDER, MIKE DEIHL, DALLAS COOPER, AND LARRY YADON, ARE LEADERS OF THE PACK THAT ROCKED AND ROLLED TO VICTORY FOR THE 2006 TULSA AREA COMBINED FEDERAL CAMPAIGN.**

"I am really impressed with that number. I am ecstatic," says Sandra Thornton, CFC Director at the Tulsa Area United Way and coordinator of government organizations for the agency's annual fund drive.

According to Thornton, Federal donations have continued an upward trend despite reductions-in-force in recent years among some Federal employers. "Three years ago, the CFC struggled to reach \$360,000, and last year was our first year ever to break \$400,000. This year's total is a huge difference," she says.

Southwestern Administrator Mike Deihl served as the Local Federal Campaign Chairperson for the 2006 CFC, encouraging and overseeing participation from Federal employers like Southwestern, the National Energy Technology Laboratory, the U.S. Army Corps of Engineers (Corps), U.S. Postal Service (USPS) facilities, Federally run hospitals, and others. Deihl and Dallas Cooper, Assistant Administrator of Southwestern's Office of Corporate Facilities and Deihl's Vice-Chair, were responsible for meeting with CFC coordinators from other Federal organizations to set individual agency goals.

"The entire campaign went remarkably well," says Cooper. "We had a lot of the smaller organizations that actually were at or close to 100% participation this year."

Deihl is clearly pleased with the generosity of his fellow Federal workers. "Things went very well in the Federal sector this year," he says. "I would like to recognize Dallas Cooper and Sandra Thornton for running a great campaign, and also give a really big thank you to all the Federal employees and contractors who donated their time, energy, and dollars toward making this year's campaign such a big success. I think fun was had by all while opening our hearts and wallets to help those less fortunate."

The mission of the CFC is to promote and support philanthropy through a program that is employee-focused, cost-efficient, and effective in providing all Federal employees the opportunity to improve the quality of life for all. 💧



**PARTICIPANTS IN SOUTHWESTERN'S CFC BOWL-OFF GIVE A TURKEY'S SALUTE AFTER KNOCKING DOWN SOME PINS. AS IN YEARS PAST, THE SOUTHWESTERN POWER RESOURCES ASSOCIATION SPONSORED THE EVENT, WHICH CONTINUES TO BE ONE OF THE MOST POPULAR FUNDRAISERS OF THE CAMPAIGN.**

## **NEW EMPLOYEES**

**DARRICK MOE, DEPUTY ASSISTANT ADMINISTRATOR**  
**POWER MARKETING LIAISON OFFICE, WASHINGTON, D.C.**

**ROBERT NAGEL, LINEMAN**  
**DIVISION OF SPRINGFIELD TRANSMISSION MAINTENANCE**

**PAUL WORTHAM, EQUIPMENT OPERATOR**  
**DIVISION OF JONESBORO/GORE TRANSMISSION MAINTENANCE**

## **RETIREMENTS**

**HARLEY MACKEY, SYSTEM METER AND RELAY CRAFTSMAN**  
**DIVISION OF JONESBORO/GORE TRANSMISSION MAINTENANCE**

**RUTHA WILLIAMS, HUMAN RESOURCES SPECIALIST**  
**DIVISION OF HUMAN RESOURCES MANAGEMENT**

**GENE REEVES, ASSISTANT ADMINISTRATOR**  
**OFFICE OF CORPORATE OPERATIONS**

**JAKE GAGE, PUBLIC UTILITIES SPECIALIST**  
**DIVISION OF CUSTOMER SERVICE**

**OTIS KELLER, DIRECTOR**  
**DIVISION OF SPRINGFIELD TRANSMISSION MAINTENANCE**

**JIM CARNAHAN, SUPERVISORY POWER SYSTEM DISPATCHER**  
**DIVISION OF SCHEDULING AND OPERATIONS**

# **WATTS INSIDE?**



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