

# WATT'S UP

AT LA PLATA ELECTRIC ASSOCIATION

APRIL 2014

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### Board of Directors:

Davin Montoya, President - District 2  
Heather Erb, Vice President - District 4  
Ken Fox, Secretary - District 1  
Joe Wheeling, Treasurer - District 4  
Britt Bassett - District 3  
Jeff Berman - District 3  
Tom Compton - District 2  
Bob Formwalt - District 1  
Mark Garcia - District 1  
Jerry McCaw - District 2  
Michael Rendon - District 3  
Jack D. Turner - District 4

### Chief Executive Officer:

Greg W. Munro

### Next Board Meeting:

9 a.m. | Wednesday, April 16, 2014  
LPEA Headquarters, Durango

### Mission Statement:

La Plata Electric Association provides its members safe, reliable electricity at the lowest reasonable cost while being environmentally responsible.



## Change on the wires

BY DAVIN MONTOYA | BOARD PRESIDENT | [DMONTOYA@LPEA.COOP](mailto:DMONTOYA@LPEA.COOP)

Change is in the air at LPEA. As most of you probably have heard by now, Greg W. Munro, our Chief Executive Officer, has announced he will step down from his position in July 2014. Greg has been with the cooperative for 21 years and has grown to be a friend to many of us, in addition to excelling in a professional capacity. He will be missed and his shoes will be difficult to fill.

A native of southwest Colorado, born in Silverton and raised in Montrose, Greg holds degrees in Civil Engineering, Electrical Power Systems Engineering and Business Management, and he's amassed more than 40 years' experience during his career, serving in various capacities.

Greg joined LPEA in 1993 as Economic Development Director and Assistant District Manager, based in Pagosa Springs. In 1995 he was named Chief Operating Officer and transferred to the Durango office. His leadership was impressive, which was why the Board of Directors ultimately named him CEO.

Greg has proven to be a solid leader and business executive who has steered the cooperative through some challenging waters and kept us on an even keel. He's made sure LPEA has always met our financial obligations, and he's built a tremendously qualified, strong and cohesive staff, while contributing to the community as a whole. Your Board of Directors wants to maintain this established culture.

Because Greg was always looking ahead, the cooperative will be in good hands. Your LPEA staff, which is made up of very talented professionals, has the experience and ability to keep the company moving forward while the Board determines a course of action for hiring a new CEO. The team will maintain LPEA as a leader in the industry.

Your Board of Directors is tasked with finding a CEO replacement that will not disrupt the good work of the co-op, so we will not be hasty in replacing Greg. We take our responsibility to bring the right person into the organization very seriously, so, it will likely take some months to find the right candidates, and make a final decision.

LPEA has elections for four seats on the Board of Directors coming up. Ballots will be mailed May 1 with the results announced at our Annual Meeting on May 22 at the Community Concert Hall at Fort Lewis College, (registration begins at 5 p.m.). It will be these directors who will help shape the future of the cooperative as we select a new CEO. I urge you as members to pay attention to the issues affecting your co-op. This is your future too. ⚙️



## LIVE WIRES

**E Save the Date!**

The annual LPEA Golf Tournament is set for Saturday, June 21 at the Pagosa Springs Golf Course. Proceeds will benefit Archuleta County's Search & Rescue and local food banks. Team registration is currently underway, plus sponsors and volunteers are needed. Contact Mike Alley (970.382.7721) for all details.

**E Lighting Workshop  
April 23**

LPEA will host a free Lighting Technology Workshop, 11 a.m. to 1 p.m., on Wednesday, April 23, 2014 at LPEA's headquarters in Durango, 45 Stewart St. [Bodo Park]. All those interested in learning more about the seemingly ever-changing lighting technology, and saving energy and dollars through energy efficient lighting, are invited to attend. RSVP required as lunch will be served. Contact Ray Pierotti, 970.382.7770.

**E Chamber Eggs  
& Issues**

The Durango Chamber of Commerce has invited La Plata County candidates (Districts 2, 3 and 4) running for the LPEA Board of Directors to participate in a candidates' forum during its regular Eggs & Issues informational breakfast. The moderated forum will provide attendees an opportunity to learn more about LPEA director candidates prior to the election, as well as ask questions. Eggs & Issues is set for Tuesday, April 22, 8-10 a.m. at the DoubleTree Hotel. RSVP at 970.247.0312. ⚙

## Watch your mail

"Your vote makes a difference." It's something of a cliché, but when it comes to electing the directors who oversee the current and future policies of LPEA, every vote truly does make a difference. Ballots for LPEA director elections will be mailed Thursday, May 1, 2014.

"We want our members to be involved," says Greg Munro, CEO. "We have many challenges, and our board members will need to be thoughtful and conscientious going forward. This election is important. We encourage all LPEA members to get to know the candidates and vote."

In accordance with LPEA's bylaws, one seat in each of LPEA's four districts comes up for election annually. As of press time, the full slate of candidates was unknown. Incumbent directors are Ken Fox (District 1-Archuleta County), Davin Montoya (District 2-South and West La Plata County), Jeff Berman (District 3, City of Durango) and Joe Wheeling (District 4-North and East La Plata County).

Election materials are mailed to all member-owners (residential and commercial customers). Ballots must be returned by mail by Wednesday, May 21 (remember mail goes to Albuquerque before returning to Durango) or physically brought to the LPEA Annual Meeting for their vote to be counted.

Election results will be announced at the LPEA Annual Meeting, planned for the Community Concert Hall at Fort Lewis College, Thursday, May 22. Registration begins at 5 p.m., with the business meeting to commence at 6:30 p.m. Appetizers and non-alcoholic beverages will be served.

For information on LPEA Director Elections, visit [www.lpea.coop](http://www.lpea.coop). ⚙



## How best to communicate with YOU?

Did you know you can read these pages on line?

*Colorado Country Life*, and LPEA's inserted newsletter "Watt's Up" are designed to keep cooperative members informed of industry issues as well as local news at LPEA.

"An increasing number of people are gathering their news via the web and foregoing 'hard copy' magazines and newspapers," says Greg Munro, CEO. "We want to make it convenient for all our members to receive important information from LPEA, and we continue to look at different communication tools."

Those who wish to stop receiving the hard copy version of *CCL* are asked to either call LPEA at 970.247.5786, or visit [www.lpea.coop](http://www.lpea.coop), and click on "Contact Us" to send an "opt out" email. To receive an email notification when LPEA's "Watt's Up" is posted to the web page each month, please include an email address.

To follow LPEA on Twitter, click on the little blue Twitter bird on the homepage. Notification of "Watt's Up," as well as co-op news and outage information is disseminated via Twitter.

The on-line version of the full *Colorado Country Life*, produced by the Colorado Rural Electric Association, is available at [www.coloradocountrylife.com](http://www.coloradocountrylife.com). ⚙

## LPEA newsletter wins awards

LPEA has once again been honored for newsletter excellence by the Colorado Rural Electric Association (CREA) for its publication "Watt's Up" included in CREA's monthly magazine, *Colorado Country Life*. CREA annually organizes the newsletter competition among the rural electric cooperatives it serves throughout the state.

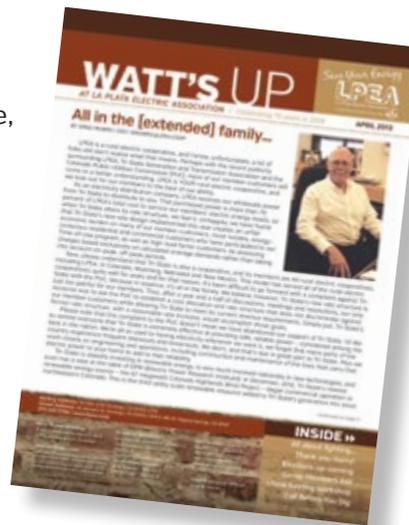
Each year, LPEA is eligible for eight awards, and this year LPEA received seven of those eight awards, thus nearly sweeping its division of cooperatives with 25,000 meters or more. LPEA was honored for both writing and photography.

LPEA CEO Greg Munro took 1st Place in the "Industry Issue" category with his article discussing the relationship of LPEA and Tri-State Generation and Transmission, LPEA's power supplier, in "All in the Family."

Manager of Operations Steve Gregg received 1st Place honors for the "Best Safety" article, titled "Safety is Everything," with Indiana Reed, marketing communications specialist and "Watt's Up" editor, taking 2nd Place in the Safety category for the article "Electricity and Fire Safety."

Reed also was honored with 1st and 2nd Places in the remaining two categories, Best Community Article and Best Photo. The "community" articles covered energy efficiency and lighting retrofits at Stoneage ["Stoneage No Dinosaur"] and LPEA's program to help install solar on area middle schools ["Solar to the Schools"]. Reed's photos, which accompanied articles "Rounding Up Emma Sweeney" and "Protecting our Feathered Friends," earned 1st and 2nd Place, respectively.

"This is the first time we have won so many awards," says Greg Munro, LPEA CEO, noting that communicating to members is a top priority. "Indiana Reed is a very talented writer and a trained, award-winning journalist, so she continues to work to make our *Colorado Country Life* newsletter informative, readable and enjoyable for our members. As a contractor, she has been a true professional and remains an asset, helping LPEA meet our on-going goal to keep our membership informed. We really encourage our members to read CCL each month." ☀



## CO-OP MEMBERS

# Ask...

**Q:** Are there tax implications for the REC payments I receive from LPEA for my renewable generation system and for funds received from LPEA if my solar system produces excess generation?

**A:** We believe so, on both counts. When an optional REC contract is signed by the owner of a net metered, solar PV system, LPEA is purchasing the Renewable Energy Credits (REC) or Environmental Attributes. The IRS thus requires that a Form W-9 be filled out by the system owner, and at the end of the year, LPEA is required to issue an IRS 1099-MISC form to the system owner for the amount of the REC payment (as long as the payment exceeds the IRS reporting threshold for that current tax year).

With the excess generation produced by your system, LPEA is purchasing that generation from you, so we do believe that this may be also considered income, and declared as such when you submit your income tax.

As always, LPEA recommends that its members consult a tax expert for tax questions specific to each individual situation. ☀

## "Solar Farms" moving ahead

During its February and March meetings, the LPEA Board of Directors granted approval for four Applicant/Subscriber Organizations (with six projects) to proceed with contracts for licensing of a variety of community solar gardens (CSG) at various locations in La Plata County.

The CSG program is designed to encourage the development and deployment of distributed solar electric generation facilities. These "gardens" will provide LPEA members, who have poor or no solar rooftop space, the ability to participate in solar electric generation, and also allow renters, low-income members and others unable to install solar generation the ability to own interests in solar electric generation facilities.

LPEA will not be the developer, and the solar gardens are not owned by the cooperative. Once contracts are signed with LPEA (enabling LPEA to purchase power generated at the CSGs), the independent developers are expected to proceed with construction and secure subscriptions in the solar gardens from interested LPEA members.

The development groups participating in the inaugural CSG program are Armadillo Community Solar Garden, LLC, Clean Energy Collective, Solar Garden Partners [2 projects], and Sun Mesa Solar Gardens [2 projects]. ☀

## DON'T FALL PREY TO PHONE SCAMS

Unfortunately, some of LPEA's members have recently been targeted by phone scammers attempting to secure what might seem to be quick cash.

The requests have varied, but all attempts to defraud members have come via the telephone. Members have been accused of having delinquent accounts (sometimes to the tune of thousands of dollars), and threatened that a disconnect will occur if the account is not settled up immediately. The requested methods for "settling up" have varied – some asking for credit cards, others for money to be wired.

"We hope our members will remember, LPEA doesn't do business that way," says Betsy Lovelace, customer service representative supervisor. "If you have any doubts at all, please call us immediately."

In compliance with federal regulations, LPEA's Customer Service Representatives do not accept credit card payments over the phone. If a member calls in to pay by credit card, the member is directed to a secure, automated voice system.

Also, when an account is past due, LPEA customers receive a series of notices and are given adequate time to settle their bills before any disconnect would take place. Further, LPEA does not disconnect members on a holiday or a weekend. ⚙️

## Integrating PV and the Grid

LPEA, while supportive of local, net metered solar photovoltaic (PV) generation, now must caution members that, given the grid infrastructure and existing equipment, not all locations can automatically sustain a PV system – and it's more than a few too many trees in the way.



"When we had smaller systems scattered about our service territory, it wasn't an issue. We could accommodate the electric generation with the existing distribution system," says Mark Schwantes, manager of corporate services who recently attended a national conference that addressed this issue and how it is affecting utilities across the country. "We're all running into voltage and safety issues as homeowners install increasingly larger systems in more locations than cannot always sustain the power generation."

When a solar system is interconnected to LPEA's electrical grid (often referenced as net metered) it has the opportunity to feed electricity back on to the system when the PV is producing more electricity than is being consumed in the home. Typically this is in the middle of the day when PV production is greatest and consumption is less, as homeowners are often at work.

"So in a flash we have an overabundance of electricity being back fed onto our system," says Schwantes. "Our system is constructed to meet the electrical demand of a neighborhood, and designed and constructed to accommodate electricity flowing from the wires to the home – not necessarily from the home back up to the electric grid."

With an excess of electricity being fed back along LPEA's lines, it not only often causes a solar system's inverter to cut off, shutting off the generation, it can also cause an outage or perhaps higher voltage levels that may adversely affect the entire neighborhood.

To envision what is happening, consider a steady, regular stream of water in a small drainage. It maintains itself well within its boundaries, but when a sudden release of water from a thunderstorm or other issue upstream causes the flow to increase and travel with greater force, it escapes its boundaries and causes damage all along the way.

"As said, this wasn't an issue when we had isolated systems being installed," says Schwantes. "But today, say three of your neighbors have already installed large, 8 kW systems, with net metered flow being handled by one substation. The wires and the equipment are maxed out when it comes to what can be fed back on to the system. If you're coming in now with another 8 kW system, the equipment cannot support it."

LPEA is in the position of now having to disallow PV generators free or unlimited use of its electric grid. Or when people do not contact LPEA in advance for an engineering review and they go ahead and install the system, the co-op may not be able to allow the system to be turned on for safety and system management reasons.

"This situation is not unique to LPEA," says Schwantes. "It's happening all over the country. The electric distribution power grid has not been constructed to handle erratic ebbs and flows that can occur when electric power is generated from hundreds of small generators scattered throughout the service territory – the solar PV generators, of which you may be one."

LPEA is proactively addressing the challenge of increased local, distributed generators. It's an opportunity to provide solutions for the membership.

"And, as one presenter at the conference mentioned," says Schwantes, "it truly is an exciting time to be a power systems engineer tasked with developing, testing and implementing solutions to safely integrate solar, PV generation onto the grid." ⚙️