

WATT'S UP

AT LA PLATA ELECTRIC ASSOCIATION

MAY 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:

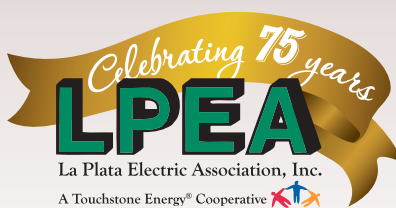
Greg W. Munro

Next Board Meeting:

9 a.m. | Wednesday, May 21, 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.



YOU are invited!

BY DAVIN MONTOYA | BOARD PRESIDENT | DMONTOYA@LPEA.COOP

This year your electric cooperative celebrates 75 years, so we're kicking things up a notch for our Annual Meeting, which is set for May 22 at the Community Concert Hall at Fort Lewis College. We hope all of you can join us.

Registration opens at 5 p.m. including what I'm told will be a sumptuous offering of tasty appetizers provided by Kennebec Café. Also, we'll have some great entertainment for you to enjoy as one of our great local country singer/songwriters Tim Sullivan will be performing with his band. The business meeting starts at 6:30 p.m.

As you hopefully know, we're in the midst of an election in three of our LPEA districts. You should be receiving your election packet any day, and if you haven't yet voted, be sure to consider the candidates carefully and mail your ballot before May 19 (remember mail goes to Albuquerque and takes two days!). Every single vote counts. You can also vote at the Annual Meeting, but arrive early to register and submit your ballot before the meeting officially starts so that your vote is counted. The election results will be announced by the end of the meeting.

During the business meeting we will share important information about your cooperative, as well as report on the company's financial performance over the last year and discuss the challenges of providing reliable power at the lowest reasonable cost, while remaining environmentally responsible.

As a special treat, we have a key note speaker this year – Mr. Ted Case. Ted is the executive director at the Oregon Rural Electric Cooperative Association, plus he spent quite a few years in Washington DC. Perhaps that is where he got intrigued with how the history of rural electric cooperatives was shaped by all of our U.S. Presidents, from FDR on. Ted has chronicled this history in a great book, *Power Plays*. He's a dynamic and fascinating speaker and I think you will really enjoy his presentation.

In addition, Kent Singer, executive director of the Colorado Rural Electric Association (CREA), of which LPEA is a member, will address the assembly. CREA is our legislative watchdog in Denver, plus provides its member cooperatives with a number of benefits. Mike McInnes, interim Executive Vice President/General Manager from Tri-State Generation and Transmission, LPEA's primary power supplier will also discuss the challenges faced at the generation level.

Remember, if you register at the meeting, you'll get a \$5 credit on your electric bill plus some nice gifts – and be eligible for a wide variety of door prizes.

So I hope to see you there. We make history every day, and you are part of it. ⚡



LPEA Annual Meeting

Thursday, May 22, 2014 Community Concert Hall at Fort Lewis College

Registration – 5 p.m., featuring hearty appetizers from Kennebec Café and musical entertainment by Tim Sullivan and Narrow Gauge

Business Meeting – 6:30 p.m., featuring Key Note Speaker Ted Case, author of *Power Plays*

DISTRICT 2 ELECTION CANCELLED

Each year, in accordance with LPEA's bylaws, one seat in each of LPEA's four districts comes up for election. Should the incumbent in any given district have no challengers, or if only one candidate runs in a district, the election in that district (or districts) is cancelled.

This year in District 2, which represents members in south and west La Plata County, incumbent director Davin Montoya was not challenged and was the only candidate to submit a petition to run for the board. Thus, with only one nominee, the election in District 2 will be cancelled and Montoya retains his seat on the LPEA Board of Directors.

To learn more about serving on the LPEA Board of Directors, and to review the bylaws and policies that govern the cooperative, visit www.lpea.coop. ⚙️



LPEA offices in Durango and Pagosa Springs will be closed on Monday, May 26 in observance of Memorial Day.

Board elections...

Two vying for seat in District 1

The approximately 8,000 LPEA members in Archuleta County will elect a representative to the Board of Directors from a field of two: Incumbent Ken Fox and challenger Bob Lynch. The winner will be announced May 22 at the Annual Meeting.

Ken Fox is the incumbent candidate for District 1:



I seek a second term on the LPEA Board of Directors for some very compelling reasons. Your cooperative is in a time of transition, a polite way of saying we could easily head down the wrong road. Ideological issues have surfaced during the past year, and partisan politics has replaced common sense. "What's in the best interests of the Customers?" is no longer the top priority for some who have placed their agendas above the good of the cooperative.

Among our challenges, not the least of which is the on-going PUC complaint concerning Tri-State's unfair rate structure, is working through the "red tape" to get the Pagosa Biomass plant up and running and on the grid. This project is near and dear to my heart as it will not only help make Archuleta County more energy independent, it will help spur our economy and protect our forest and water. Plus, I'm excited about the possibilities to tap Pagosa's geothermal energy. This is indeed a time for stability and strong leadership.

For more than 26 years I have been actively involved in the Archuleta Community. My command and staff experience with the U.S. Air Force, as well as my experience working in a team environment, has served me well on the LPEA board. I hope to continue the efforts we've begun while keeping the cooperative fiscally strong as we move toward an affordable AND sustainable energy future.

I have the experience, drive and passion to help LPEA succeed in these challenging times. I would sincerely appreciate your vote in this year's election. ⚙️

Bob Lynch is a new candidate for District 1:



I am running for the LPEA Board of Directors representing District 1 because my business experience has prepared me to help LPEA navigate the challenges and opportunities we face. In my 25 years of business management consulting I have worked with senior business leaders across many industries. I understand how large organizations work and know the role of a board member in helping establish a vision for the future, and establishing a long term strategy for achieving that vision.

My 15 years of cattle ranching has added to my preparation for the board. In ranching, being a steward of the land and water resources and working within the natural cycles is critical to success. Ranching requires a longer view, wise investment and being fiscally conservative.

LPEA must maximize all of our options for power generation, so that we have a mix of power sources available, now and into the future. We must plan for a time when traditionally generated power may not be as cheap and available as it is today. Multiple options, including biomass, solar, hydro and geothermal will increase our independence and may help keep costs in line. Our energy security is enhanced when we have multiple sources of generation, particularly local sources.

As an LPEA board member I can contribute by being problem solving oriented and willing to explore facts and options before determining the best solution. I bring independent thinking, fact-based methods and creative problem solving to our challenges and will work collaboratively with all board members. ⚙️

Board elections... Durango voter options...

In LPEA District 3, which is essentially the City of Durango, new candidate Bill Waters challenges incumbent Jeff Berman. District 3 includes about 7,900 eligible voters. The winner will be announced May 22 at the Annual Meeting.

Jeff Berman is the incumbent candidate for District 3:



Serving as an LPEA Director since 2005, I have been

a diligent advocate for greater clean energy and energy efficiency programs, which has helped reduce electricity usage for the last three years running. I played a leading role in development of our groundbreaking market-based Community Solar Garden policy - with a half dozen solar gardens now approved to help drive prices down for the maximum benefit to our members. And in the last year as LPEA's representative to the statewide lobbying group, the Colorado Rural Electric Association, I have been working with colleagues statewide to better ensure rural electric cooperative leadership embraces rather than challenges the need to move toward cleaner energy sources.

I graduated from the University of Florida in 1992 with a degree in Electrical Engineering. I worked for a local solar installation company until last year, and am currently developing several new business opportunities. If re-elected, I will continue to advocate for greater energy efficiency and clean energy policies that help LPEA's members keep their bills low, encourage conservation, and increase the percentage of our energy coming from local renewables like solar power. I will also continue to promote transparency, rate equity, sound financial decision-making, and careful consideration for both current and long term future reliability and safety of the extraordinary benefits that our electric grid provides. ⚡

Bill Waters is a new candidate for District 3:



My wife and I are 5th generation natives of La Plata County with deep roots. We've always been active in this community because we care about it. We have four grown sons and our sincere hope is that they will be able to raise their families in this beautiful area.

The direction La Plata Electric has taken in the last couple of years has troubled me. My business experience has taught me that volatile energy practices have a big impact on the local economy and our personal lives, especially when trying to raise a family. Electricity must be affordable. The less affluent folks in our community should be able to live comfortably and not have to make a choice between groceries and electricity. It's unclear to me how some current LPEA directors can maintain electric rates are too low. LPEA's members are diverse, and I believe they all deserve fair treatment.

I do believe renewable energy should be a goal for LPEA, and I know local generation projects can be developed while maintaining the fiscal integrity of the cooperative. Unlike some, I have no conflicts of interest and will judge every project on its merits and not promote any pre-determined agendas. LPEA should not be involved in partisan politics, which is one of the most troubling changes I have seen at LPEA. LPEA is a business and should be run as a business. If you will elect me, please know I can and will work with the entire board. I respect diverse opinions and will consider everyone's. You can be assured ultimate decisions I make will be in the best interests of the entire cooperative. ⚡

HEAR THE HISTORY OF COOPERATIVES



In special celebration of its 75th Anniversary, LPEA will welcome Ted Case as Key Note Speaker for the Annual Meeting.

Case is Executive Director of the Oregon Rural Electric Cooperative Association, a position he has held since 2009. He spent 20 years in Washington D.C., where he served on the staff of Congressman Bob Smith, and also served 12 years with the National Rural Electric Cooperative Association.

With a Master's degree in fiction writing from Johns Hopkins University, Ted spent two years working on *Power Plays*, the book he will discuss at the LPEA Annual Meeting.

In the 1930s, only one farm in 10 had electricity before President Franklin D. Roosevelt created the Rural Electrification Administration to bring rural America out of the darkness. FDR's partners were the nation's electric cooperatives. *Power Plays* explores the defining moments in the relationship between electric co-ops and presidencies throughout the decades.

Learn more at www.tedcaseauthor.com. ⚡

TIM SULLIVAN TO PERFORM



LPEA members are encouraged to arrive early for the Annual Meeting to enjoy the music of Tim Sullivan and his band Narrow Gauge. Sullivan will perform during registration, 5-6:30 p.m.

Award-winning singer/songwriter Tim Sullivan is one of Durango's favorite hometown performers. He began performing concerts across Oklahoma and surrounding states with his seven talented brothers and sisters at the age of six.

After graduating from Oklahoma University where he attended on a baseball scholarship, Tim moved to Los Angeles to pursue his singing career and performed with country stars such as Willie Nelson, Vince Gill and Glen Campbell.

Taking the stage for more than 175 live shows from coast to coast each year, Sullivan sings a compelling combination of his own songs and some old and new favorites enjoyed by audiences of all ages. His accomplished guitar work is a good match to his soaring tenor voice, and he tells a good story that keeps audiences engaged and yearning for more.

Learn more at www.timsullivanmusic.com. ⚙️

Board elections... And in District 4...

LPEA District 4 incumbent Joe Wheeling faces challenger Alison Dance. Nearly 8,000 eligible voters are in District 4, which covers north and east La Plata County, including part of Bayfield. The winner will be announced May 22 at the Annual Meeting.

Joe Wheeling is the incumbent candidate for District 4:



I have truly enjoyed my time serving on the La Plata Electric Association Board of Directors and am seeking re-election. In the six years that I have been on the board, I believe that I have benefited the board and the membership with my knowledge of business, finance and management.

I am the current Treasurer for LPEA as well as the LPEA representative to Tri-State Generation and Transmission, our power supplier, requiring a trip to Denver on a monthly basis. At Tri-State I am a member of the Executive Committee so I am positioned to bring positive change for LPEA, as well as long-term stability.

My life experiences in corporate management (most recently CEO of Red Roof Inns) and an MBA from the Wharton School of Business have given me solid resources to contribute a strong business background to LPEA in decisions concerning finance and management. I have enjoyed learning the financial models of a rural electric cooperative and especially recognizing that LPEA is on firm financial ground, something that all members should take confidence in.

My participation in the activities of this board has continued the passion of my family in western North Dakota who were instrumental in starting the local electrical co-op.

My family and business, James Ranch, are grounded in sustainable resource management, environmentally sound enterprises, and the support of our local community making those tenets the heart and soul of our livelihood.

I feel that I bring a balanced perspective to the LPEA board, a clear and focused business mind and a sound ethic toward sustainability and local environmental sensitivity. ⚙️

Alison Dance is a new candidate for District 4:



I am excited by the chance to represent you on the LPEA Board. I have long been an active leader and businesswoman in La Plata County, a founding member of Local First, and a member of SASCO. As a successful downtown business owner since 1996, thanks to this community, I am able to employ between 30-50 people, pumping over a million dollars into our economy yearly through jobs and sustainable, local purchases from farmers, ranchers and local suppliers. That multiplies with every dollar my employees spend in turn on rent, utilities, food, and fun. Buying local is a smart way to grow our county's economy from the ground up.

As your Director, I'd bring my small business background and commonsense questions to the LPEA Board, as well as my personal commitment to sustainability and our local economy. LPEA's website proudly cites their "history of inventiveness and determination." Let's embrace that inventiveness now. LPEA has the chance to craft a new energy policy to carry us forward into the 21st century – and that future must include renewables while guaranteeing affordable, reliable electricity for members. Rather than buying our electricity from distant, ageing coal-fired plants, let's keep those energy dollars here in SW Colorado. Solar and wind installations create local jobs, ensure clean air and water, and provide stable energy prices in an uncertain energy future.

As your next Board representative, I will pursue renewables aggressively and realistically, and seek to encourage all our co-op members who choose to participate in greater energy efficiency and local energy solutions.

I want LPEA to invest in our energy future, not in our energy past. With your vote, I will help make that happen. ⚙️