

WATT'S UP

AT LA PLATA ELECTRIC ASSOCIATION
MAY 2016



Come to your Annual Meeting!

Rock the vote!

→ If voting by mail, mail ballots TODAY to ensure delivery.

→ Ballots may be delivered in person up to 4 p.m. Friday, May 6 at LPEA offices in Durango and Pagosa; La Plata County Clerk; La Plata County Administration in Downtown Durango; Bayfield Town Hall.

→ Vote in person at the Annual Meeting prior to 10:30 a.m. [Ballots will not be accepted after 10:30 a.m.]



Greg Aliff

Election results... a complimentary lunch... news about your electric cooperative... door prizes... an update on our energy future from keynote speaker Greg Aliff... all part of the LPEA Annual Meeting, set for Saturday, May 7 at Sky Ute Casino and Resort, Ignacio. Registration begins at 9 a.m., with the business meeting set to start at 10:30 a.m.

"It's the one time during the year that our membership can join together, see friends and neighbors and learn more about your rural electric cooperative that is truly part of everything you do," says CEO Mike Dreyspring. "We're also very honored to have industry specialist Greg Aliff as our keynote speaker. I know everyone will find his presentation extremely enlightening and informative."

Greg Aliff is president of the Reston, Virginia-based GE Aliff Group LLC, the advisory company he founded in June 2015 to serve the energy and resources industry. For nearly 40 years prior he served with Deloitte LLP, most recently as Vice Chairman and Senior Partner. During his tenure he led Deloitte's U.S. Sustainability Practice and was Deloitte's U.S. Energy & Resources Industry Leader for 10 years.

Aliff co-authored the annually updated industry treatise "Accounting for Public Utilities," also authoring a series of papers (the "Math Series") that examines

the foundational changes occurring in the U.S. electric industry that will shape the successful electric business models of the future.

"We have changes coming in the industry," says Dreyspring. "We want our members to be informed."

In addition to Aliff, presentations during the LPEA Annual Meeting will include reports from CEO Dreyspring, Board President Michael Rendon, Treasurer Karen Barger, Attorney Barry Spear, CREA Representative Jeff Berman and Tri-State Generation and Transmission Representative Joe Wheeling.

Election results in three districts are expected to be announced prior to the complimentary lunch. In accordance with LPEA's bylaws, annually one seat in each of LPEA's four districts comes up for election. This year in District 3 (City of Durango), Doug Lyon is the only nominee, thus the election in that district is cancelled and Lyon will assume the seat of retiring incumbent Michael Rendon.

District 1 (Archuleta County) candidates are Mike Alley, incumbent Mark Garcia and Calum McNeil. District 2 (south and west La Plata County) candidates are Dan Huntington and Lori Smith Schell, PhD. District 4 (north and east La Plata County) candidates are John Beebe, Ron Bishop and incumbent Jack D. Turner.

Learn more at www.lpea.coop or call 970.247.5786 with any questions.

Training our future leaders

Local high school juniors Jenna Engelken, Delaney Khung and Miranda Talbot have been selected by LPEA to participate in the Colorado Electric Education Institute Cooperative Youth Leadership Camp, an all-expenses paid educational/leadership camp set for July 17-22, 2016 at Glen Eden Resort outside of Steamboat Springs, Colo.

Each summer, the Cooperative Youth Leadership Camp brings together approximately 100 high school students selected by electric cooperatives in Colorado, Kansas and Wyoming to learn about the organization and operation of a cooperative, as well as to build leadership skills designed to assist students in meeting future challenges.

Engelken is a junior at Durango High School and a member of the National Honor Society, National Art Honor Society, Varsity Tennis, DHS Band, DECA and the Mayor's Youth Advisory Commission, among other activities. She intends to pursue study in chemistry.

A junior at Pagosa Springs High School, Delaney Khung is involved with the Future Business Leaders of America, Student Council as well as the Jazz/Concert Band, Cross Country and Track, plus is a member of the National Honor Society. She plans to focus on the sciences in her college career.

Miranda Talbot is a junior at Bayfield High School. A member of the National Honor Society, she is active in a variety of athletics, including Varsity Volleyball where she is team captain. She has also led a number of school committees, including Prom organization. Her subject of choice is math.

To learn more about the opportunity to participate in the Colorado Electric Education Institute Cooperative Youth Leadership Camp, contact Jeannie Bennett, jbennett@lpea.coop or 970.382.3505, or visit www.lpea.coop.



Jenna Engelken



Delaney Khung



Miranda Talbot

Wheeling elected Vice Chair on Tri-State board

Director Joe Wheeling has been elected to serve as Vice Chairman on the Executive Committee of the Tri-State Generation and Transmission Association Board of Directors.



He previously served as one of three "at-large" officers on the Executive Committee.

A member of the LPEA Board of Directors since 2008, Wheeling is a Credentialed Cooperative Director, certified by the National Rural Electric Cooperative Association, and has represented LPEA on the Tri-State board since 2009.

Under the cooperative model, Tri-State's board is made up of one representative from each of its 44 member systems. Six officers and three at-large positions make up the Executive Committee.

"This is a great honor and very important for our members," says CEO Mike Dreyspring. "Joe is at the forefront of the table at Tri-State, our primary power provider, helping ensure that the interests of our members are addressed."

Wheeling has an MBA in finance from the Wharton School of Business, University of Pennsylvania. Prior to settling in Durango to become part of the family business, James Ranch, Wheeling served as the CEO of Red Roof Inns.

CO-OP MEMBERS

Ask...

Q: There's a tree on my property that looks like it could fall into the LPEA power line, what should I do?

A: Call us! LPEA will safely remove any Hazard Trees* that potentially impact our lines. LPEA has a comprehensive tree trimming/removal program to help ensure reliability and safety throughout the system. Our tree trimming contractors work almost year-round, but they can't always spot all the Hazard Trees during their rotation, especially deep into members' properties. LPEA members are encouraged to call the cooperative, 970.247.5786, if they spot a dead or precarious tree that may cause outages. Don't remove it yourself - let us do it safely. [* Hazard Tree - A tree that is dead, severely damaged, or shows evidence the root system may let go in the immediate future and allow the tree to fall on LPEA lines and facility.]

Operations on the move

With Bruce Crangle announcing his retirement as of this month, opportunities have opened up for others in LPEA's Operations team.

Journeyman Lineman Ryan Peacock is now training to assume Crangle's position in Substation Maintenance. Peacock's position as Working Foreman is now filled by veteran Journeyman Lineman Bill Holtsford. With linemen moving off of the crews, new linemen are needed, so Evan Moore has entered LPEA's Apprentice Lineman program.

Crangle retires after 39 years at LPEA. He came to the cooperative at age 20 working initially as a Groundman, but after five months he was able to enter the four-year Apprentice Lineman program. As a Journeyman Lineman, he worked the line crews for 17 years until moving into substation maintenance, the department responsible for maintaining LPEA's substations and regulators, ensuring reliability with the equipment that transforms high voltage transmission to reduced voltage for distribution on LPEA's system.

Newly arrived in Substation Maintenance, Ryan Peacock began his career in construction, during which time he began his Lineman apprenticeship. He joined LPEA in 1998 and completed his Journeyman Lineman in 2000. He worked the line crews for six years, served as a Serviceman for eight and was promoted to Working Foreman overseeing a crew in 2014.

Journeyman Lineman Bill Holtsford joined LPEA's line crews in 2013, though he had been in La Plata County for 15 years working for a variety of electric contractors. He has been in the industry nearly 40 years, employed in 20 different states. He earned his Journeyman in North Carolina, his "home" state. Now as a Working Foreman, he is one of the four men who make up a hot crew, and will oversee his team and ensure safety and quality control.

Part of LPEA's "next generation," Evan Moore was born and raised in Dolores, Colo. He sought a secure job following high school graduation and looked to the electric utility industry. He enrolled in Mesa Hotline School in Grand Junction, and upon graduation, joined LPEA's Apprentice Lineman program. Moore will earn his Journeyman Lineman in four years.

To learn more about job opportunities at LPEA, visit www.lpea.coop.



Bruce Crangle



Ryan Peacock



Bill Holtsford



Evan Moore

LPEA earns newsletter 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, *Colorado Country Life* names winners in four categories, and this year LPEA was honored in three.

CFO Dennis Svanes received 1st Place in the Best Explanation of an Industry Situation category for his article "Technology helps us serve you better."

Indiana Reed, marketing communications specialist and "Watt's Up" editor, received a 1st Place writing award in the Best Safety Article ["The power of electricity"] and 2nd Place in the Best Photography category ["A career for you"].

LIVE WIRES

May Board of Directors meeting

The next meeting of the LPEA Board of Directors will be the third week of May at LPEA headquarters in Durango. Watch www.lpea.coop for final dates and times, as well as the meeting agenda.

Save the Date!

The LPEA Golf Tournament at Pagosa Springs Golf Course is set for June 18. Stay tuned for more information.

LPEA offices closed

In honor of Memorial Day, LPEA offices in Durango and Pagosa Springs will be closed on Monday, May 30.

Update your LPEA profile

Go paperless. Visit www.lpea.coop and click on the SmartHub icon to update your member profile to receive electronic statement instead of (or in addition to) a paper bill.

Follow us on Twitter



From the President... Observations for all... going forward

BY MICHAEL RENDON | LPEA BOARD PRESIDENT | MRENDON@LPEA.COOP



It's been a great honor serving on the La Plata Electric Association's Board of Directors these last three years, and as President for the last two. LPEA is a strong organization with a dedicated staff doing their part to keep the lights on while tackling and anticipating the challenges the utility industry faces.

As well, your Board of Directors works to move the organization in the right direction. You might not agree with every Board member's perspective, but I have no doubt as to the sincerity of their motivation. They put in lots of hours because they care about the future of LPEA.

As I will be stepping down from the Board to work on a PhD, I wanted to pass on some observations that I have made while serving on the Board. The biggest is that the electric utility industry as an entity is undergoing

a fundamental change. There is no longer the threat of *if* it is going to change. It has changed, and it is going to continue to change even more quickly. Those utilities, co-ops, and board members who don't anticipate and adapt, will no longer be relevant.

Renewable energy is not going to go away - it is going to continue to grow. Currently, more than 60 percent of the energy that LPEA buys from Tri-State comes from coal, but that number is going to decline for several reasons, including increased cost of mining, reduced cost of other fuels, and additional regulation brought on by consumer demand.

As pressure continues to include more local distributed generation, the electric utilities will have to adapt with more advanced engineering, greater use of technology, and a perspective that looks years ahead, not just at the bottom line of the current year's budget.

Batteries and electric vehicles will be major game changers for utilities; the question is how soon.

President Obama predicted battery efficiency increasing by a power of 6 in his first State of the Union address roughly seven years ago. While that prediction was missed, the cost of batteries has reduced more quickly than anyone predicted. As electric utilities and cooperatives integrate this new technology, the grid will evolve from a one-way power supplier to one of distributed services.

Additionally, the quantity, location, and efficiency of electric vehicles (along with the batteries inside them), will require both a changed way of thinking and a changed grid.

While these and other factors will provide a challenging future for LPEA, they also offer opportunities for LPEA to play an exciting and more important role in local economic development in our area.

LPEA will have to balance all of these changes while still keeping to our core mission of providing electricity in a safe, reliable, affordable, and environmentally-responsible manner. I believe, with your support, LPEA will adapt to meet the challenges.

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

Board of Directors:
Michael Rendon, President [District 3]
Tom Compton, Vice President [District 2]
Karen Barger, Treasurer [District 4]
Jeff Berman, Secretary [District 3]
Britt Bassett [District 3]
Bob Formwalt [District 1]
Mark Garcia [District 1]
Bob Lynch [District 1]
Kohler McInnis [District 2]
Davin Montoya [District 2]
Jack Turner [District 4]
Joe Wheeling [District 4]

Chief Executive Officer:
Michael A. Dreyspring

Statement of Non-discrimination

LPEA is an equal opportunity provider and employer M/F/ Disability/Veteran.
If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

