

WATT'S UP

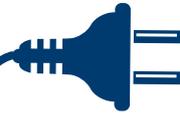
AT LA PLATA ELECTRIC ASSOCIATION

JANUARY 2015

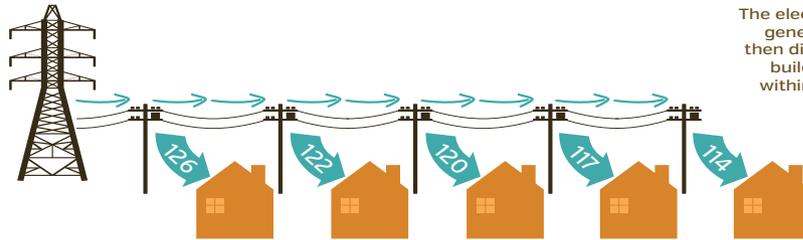
LPEA

La Plata Electric Association, Inc.

A Touchstone Energy® Cooperative



Voltage Reacts to Generation and Load



The electric grid, nationwide, was designed for centralized generation - large, centralized power plants that would then distribute power out to end users. Engineers design, build and maintain the power lines to keep the voltage within a range that provides safe and reliable electricity to all customers along the line.

120 volts
[126-114 voltage range]



The electric grid was also designed to deliver power when demanded, not designed to take power as delivered back on to the grid. With the increased support of renewable generation - known as distributed generation - on homes and businesses, engineers need to pay attention to energy being pushed back on to the power lines in places not expected. In other words, your solar system is generating electricity when it is not being demanded by your usage, so the electricity is fed back on to LPEA's electric grid and being used elsewhere.

117 volts
[126-117 voltage range]



Now, an increasing number of requests for solar installations are being received at LPEA. Not all can be accommodated with the electric grid as it currently exists. Too many solar systems generating power when it is not required cause the voltage to go above the electrical grid's design limits, impacting the entire line.

128 volts
[126-128 voltage range]

Renewables impacting LPEA's system

Voltage reacts to generation and load, and the increase of renewable energy generation systems in LPEA's service territory is impacting the local grid. It's new technology butting up to existing technology, and they don't always work in harmony.

"LPEA is fully in support of members installing renewable generation at their homes or offices," says Ron Meier, manager of engineering. "We need our members, however, to understand the merging of the existing and new technologies can create challenges. Ultimately LPEA is looking to ensure safety and reliability."

The electricity grid, nationwide and locally in Archuleta and La Plata counties, was designed for centralized generation - large, centralized power plants [such as Tri-State] that generate the electricity and distribute it out to end users. LPEA designs the power lines to keep the voltage within a range that provides safe and reliable electricity to all customers along the line. [Reference graphic above - top]

The electric grid was also designed to deliver power when demanded, not designed to take power as delivered back on to the grid.

"With our increased support of renewable generation

- which is distributed generation - on homes and businesses, engineers need to pay attention to energy being pushed back on to the power lines in places not expected," says Jake Wills, staff engineer. "In other words, your solar photovoltaic system may be generating electricity when it is not being demanded by your usage, so the electricity is fed back on to LPEA's system and being used elsewhere." [Reference graphic above - middle]

Today, LPEA is receiving an increasing number of requests for solar installations [the number in 2014 alone exceeded the total requests in the three years prior]. Not all requests can be accommodated with the electric grid as it currently exists. [Reference graphic above - bottom]

"Too many solar systems generating power when it is not required cause the voltage to go above the electrical grid's design limits, impacting the entire line," explains Wills. "This is why we must ask everyone interested in installing renewable generation and being interconnected to LPEA's system to call us first."

To secure an engineering review for potential installation of renewable generation, contact Richard Archuleta, 970.382.3504.

From the Board Room

“Opt out” policy for “Smart Meters”

The LPEA Board of Directors has approved Board Policy 215, AMI Opt-out Program, which delineates the specifics of those eligible to “opt out” of the Advanced Metering Infrastructure (AMI) installation.

LPEA, in concert with most utilities across the country, is in the process of replacing its analog meters with the AMI system (sometimes referenced as “Smart Meters”). Approximately three-quarters of LPEA’s 41,000 meters are now AMI. According to LPEA officials, the new meters are already proving beneficial, streamlining efficiencies and saving money, as well as enabling members with the AMI meters to securely monitor their energy usage via LPEA’s SmartHub at www.lpea.coop.

“While we have endeavored to educate our members about the myths and facts of this new metering system, we understand that there are those who still do not want the technology at their home,” says Ron Meier, manager of engineering. “We have to recoup some of the costs of manually reading these handful of old analog meters scattered across our service territory, and we will assess a fee whenever a meter is manually read.”

Members who elect to opt out of AMI must complete the Opt-out Request Form signifying their agreement to the Terms and Conditions outlined on the form. These

members will be allowed to self-read their analog meters, but will be subject to a quarterly “true-up,” manual meter read by an LPEA representative.

Members who decide to opt out after an AMI meter has been installed during the current deployment phase of the system (through 2015) will not be assessed the change-out fee of \$40.

“Members ineligible for the AMI Opt-out Program include those who have services or optional rates that require the AMI system, such as pre-pay or net metered accounts,” says Meier. “Also those with new, net metered accounts for their renewable generation systems are ineligible. The AMI helps us monitor the flow of electricity from their generation systems.”

Others ineligible for opt out include those who have tampered with their meters; those found to not accurately or in a timely fashion participate in the self-read meter program; those who have received a notice of Disconnect for Nonpayment; and those whose meters are inaccessible. A complete version of Board Policy 215 including all specifications of the AMI Opt-out Program is available at www.lpea.coop.

The full list of proposed tariffs, as well as additional information on LPEA’s AMI system, is also available on the LPEA web site, or contact LPEA at 970.247.5786.

Commitment to Community:

On-air radio personalities from Four Corners Broadcasting Simone and Bear (popular on “Your Brand of Country – KRSJ”) hosted the final Project Merry Christmas live radio remote at LPEA on Dec. 13, braving the cold for four hours to gather toys, food, cash and more for the non-profit organization that seeks to help enhance the holidays for those in need in La Plata County. LPEA is an annual sponsor of Project Merry Christmas.



Simone interviews the Fiesta Days Royalty, who helped out during the Project Merry Christmas event.

CO-OP MEMBERS

Ask...

Q: Does “rounding-up” on my electric bill really make a difference in our communities?

A: Absolutely! When our members opt to sign up for the LPEA Round Up Foundation and “round-up” their bills to the next highest dollar (average donation is \$6 a year), those pennies do add up to the benefit of our communities. Each month, an independent Round Up board reviews applications from non-profit organizations and funds worthy projects, plus provides funds to La Plata and Archuleta counties’ emergency assistance funds. Since Round Up’s formation in 1996, nearly \$1.2 million has been allocated to help our area’s non-profits and those in need. Learn more and sign-up at www.lpea.coop, or give us a call, 970.247.5786.

College scholarships available

To assist high school seniors and their parents with the application process for college scholarships available through LPEA, the cooperative will host a special Open House, Thursday, Jan. 22, 2015, 5:30-7 p.m. at LPEA's Bodo Park headquarters [45 Stewart St., Durango].

All high school seniors in La Plata and Archuleta counties, including home school students, who receive their electricity from LPEA, are eligible to apply for the variety of funding opportunities. Deadline for application is Monday, Mar. 2, 2015. Attendance at the Open House is not a requirement of application.

LPEA directly offers two LPEA Scholarships [four-year] to any college or university, and two LPEA/John Voelker Memorial Scholarships [two-year] for vocational students. Additional affiliated rural electric scholarships/awards offered by Tri-State Generation and Transmission and Basin Electric Power Cooperative are also available.

For further information and to download applications, visit www.lpea.coop or contact Jeannie Bennett at 970.382.3505, or jbennett@lpea.coop.

Commitment to Community:

LPEA's linemen to the rescue: The D&SNG Railroad and the property managers in Rio Grande Land were distressed with the look of their giant holiday tree, and invested in new LED lights – 60 strands. LPEA Operations employees, including Crew Foreman Pat Fahrion, Equipment Operator Randy Dunton, Linemen Bill Holtsford and Ryan Carmen, and Apprentice Linemen Michael Juliano and Ty Mortensen, took time one afternoon prior to Christmas stringing the lights as a service to the community.



Sitterding new Journeyman Lineman

Dustin Sitterding has joined LPEA as a new Journeyman Lineman, bringing his experience and expertise to help ensure the reliability of LPEA's electrical system.

Originally from Columbus, Ind., Sitterding joined the Marines upon graduation from high school, and spent four years in the Marine Corps Infantry. Stationed out of Camp Pendleton, Calif., he saw two deployments: the South Pacific and Iraq.

"I got to see the world, and I enjoyed my experience in the Marines," he says, but looked to move on to the next phase in his life, returning to his hometown to enroll at Indiana University.

"My father is a substation maintenance mechanic, and he told me about being a lineman," says Sitterding. "It is my calling. It's what I am supposed to do."

Sitterding entered the Lineman Apprentice program at Duke Energy, topping out as a Line Specialist and earning his Journeyman Lineman in 2013. He also completed college degree at IU, studying business during the evenings.

An avid mountain biker who loves the mountains and enjoys skiing in the winter, Sitterding seized the opportunity to come to Durango after five years with Duke Energy.

"I think this is probably the best place in the United States to be for cycling," says Sitterding. "And I really enjoy being a lineman."

LIVE WIRES

Board of Directors Meeting

The next meeting of the LPEA Board of Directors is set for Wednesday, Jan. 21, 2015, 9 a.m. at LPEA headquarters in Durango. The agenda will be posted 10 days in advance of the meeting at www.lpea.coop. All members are reminded that public comment is heard at the beginning of the meeting.

Application deadlines

High school juniors are reminded to apply for two very special programs:

- The National Rural Electric Youth Tour to Washington D.C., set for June 12 – 18, 2015.
- The Colorado Electric Education Institute Cooperative Youth Leadership Camp – an all-expense paid educational/ leadership camp set for July 12 – 17, 2015 at Glen Eden Resort outside of Steamboat Springs, Colo.

Application deadline for both programs is Monday, Jan. 12, 2015.

Filling the bucket

During the annual Fill the Bucket food drive in Pagosa Springs, LPEA's IBEW members gathered more than 1,600 lbs. of non-perishable food and some \$750 in cash, all to support the food banks in Archuleta County over the holidays. All as part of LPEA's commitment to community.



Director's Corner Working with our power supplier, Tri-State

BY JOE WHEELING | LPEA BOARD MEMBER | JWHEELING@LPEA.COOP

I am honored to have been elected by the LPEA Board of Directors to serve on the board of our power supplier, Tri-State Generation and Transmission Association.

Tri-State, founded in 1952, is a cooperative just like LPEA. There are 44 cooperatives from Colorado, Nebraska, New Mexico and Wyoming that make up Tri-State. As such, Tri-State has 44 board members, and each has a single vote. It is a geographically diverse group of cooperatives: very rural to more urban; very small to quite large. The board members at Tri-State have also elected me to serve on the Executive Committee, which is called on, from time to time, to research issues in greater detail and give recommendations to the full board.

LPEA's membership in Tri-State provides value in a number of areas, some of which are apparent, others perhaps not so obvious. With more

than 5,000 miles of high voltage transmission lines and a balanced portfolio of coal, natural gas and renewable energy resources, Tri-State is able to responsibly serve its member co-ops with affordable and reliable electricity. In fact, Tri-State has one of the largest transmission systems of any power supplier, which is critical to serving our unique, rugged Rocky Mountain terrain.

In 2013, 20 percent of the electricity Tri-State supplied its members, including LPEA, came from carbon-free renewable energy, including hydropower, wind and solar resources. In 2014, the amount of renewable energy delivered to members trended even higher, plus Tri-State will add at least another 150 megawatts of wind power in the next 24 months. Since 2008 Tri-State has added more than 800 megawatts of renewable energy to its portfolio mix.

Tri-State is also an advocate of its members' distributed and renewable energy goals, and LPEA is the largest beneficiary of Tri-State's support. Working with Tri-State, LPEA and our members have brought forward waste heat recovery, hydropower, solar projects, and community solar gardens that benefit our members and our local communities.

LPEA members are among Tri-State's most avid advocates

of energy efficiency technologies. To support these technologies, Tri-State provides LPEA significant support through rebates (\$240,941 in 2013; \$276,168 through October 2014) that we pass on to our members. That's because when LPEA members are efficient with the energy they use, it saves our members, LPEA and Tri-State money.

Today, Tri-State faces many challenges: additional government regulations; determining the appropriate system life of some coal assets; difficulties building needed transmission lines; member unrest over rate allocations between member systems; and meeting member desires for more distributed and renewable resources. These are all difficult issues, but two things remain a constant. First, Tri-State will comply with every law regulating the industry, and second, all 44 members will have a say in the strategy of Tri-State. Getting 44 members to agree can be a slow process, but it is also a process that keeps Tri-State from making quick or under-analyzed decisions.

In partnership, LPEA and Tri-State are committed to working through the challenges ahead in a way that ensures that our members and communities are guaranteed reliable power from a balanced portfolio of sources. Unlike most utilities, we do have a say!

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45 Stewart St. Durango, CO 81303
603 S. 8th St. Pagosa Springs, CO 81147

970.247.5786 | www.lpea.coop

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

Chief Executive Officer:
Michael A. Dreyspring

Board of Directors:
Michael Rendon, President - [District 3]
Heather Erb, Vice President - [District 4]
Mark Garcia, Treasurer - [District 1]
Jeff Berman, Secretary - [District 3]
Britt Bassett [District 3]
Tom Compton [District 2]
Bob Formwalt [District 1]
Bob Lynch [District 1]
Jerry McCaw [District 2]
Davin Montoya [District 2]
Jack Turner [District 4]
Joe Wheeling [District 4]

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.

