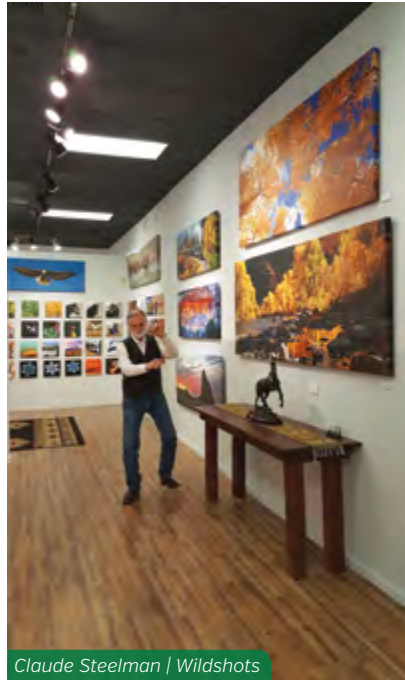


Shaping the future by building trustworthy community partnerships as an innovative, forward-thinking industry leader, delivering excellence in our member-owned cooperative.

NOVEMBER 2017



Frank Comisar | Scenic Aperture



Claude Steelman | Wildshots



LPEA's Ray Pierotti advises Claude Steelman during construction of Wildshots

Making the colors "pop" with LEDs

Perhaps Frank Comisar, photographer and proprietor of Scenic Aperture photography gallery in Downtown Durango said it best: Without light there literally would be no photography.

"Once I have my image, it needs to be presented well to those who walk through the door," says Comisar. So when Comisar was designing Scenic Aperture back in early 2015, LPEA's "Lighting Guy" Ray Pierotti was there to help with advice on LED lighting.

"I spent a considerable amount of time with Ray testing colors of the different lamps, to find the best for showing these pictures," says Comisar.

The same proved true for fellow photographer and owner of Wildshots gallery Claude Steelman, who earlier this year moved from what he called "a bowling alley" to new space at 842 Main Ave. Because Steelman's original gallery was so dark, and without good ventilation, he was one of the first galleries in Downtown to explore LED lighting some six years ago to control the heat. LED lamps solved his summer swelter.

"Claude had first generation LEDs, and I remember them being really, really white," says Pierotti, "probably 5000 kelvin. After working with both Claude and Frank, we settled on 3000 kelvin lamps that give a warm glow and make the colors in all their photographs really 'pop' off the wall."

Indeed, the nature shots of both talented photographers "shine" in the LED lighting, but an added bonus of their work with Pierotti has been the energy

savings they both now enjoy. Based on records of the shop that occupied 708 Main before Scenic Apertures, Comisar reduced energy consumption by 2.44 kilowatts.

"And he added more fixtures," says Pierotti. "He's got more, and better lighting now, and he's using less electricity."

To help with the installation, Comisar also received a rebate of \$506 from LPEA.

Similarly, when Steelman retrofitted his new gallery, he reduced kilowatt consumption from the previous tenant by 1.74 kW (even though the previous tenant had been using LEDs). Steelman received a rebate from LPEA for \$314. Pierotti estimates that Steelman will realize a return on his investment in about four months.

"We help our commercial members save money on their electric bill, plus LEDs last for years, so they avoid that additional labor and expense," says Pierotti. "Then there's the savings on air conditioning because LEDs emit no heat. And look at all this great light on these gorgeous photographs."

Both Scenic Aperture and Wildshots feature the wildlife, nature and landscape photography by their proprietors. View a sampling of their work at www.scenicaperture.com and www.wildshots.com.

"But go visit the galleries and really SEE the photographs," says Pierotti. "And check out the lighting!"

For more on commercial lighting consultation and rebates, contact Pierotti at rpierotti@lpea.coop, 970.382.7770.

Kibel new Electronic Technician



Matt Kibel has joined the Operations team at La Plata Electric Association (LPEA) as an Electronic Technician. In his new position, Kibel helps protect LPEA's automated SCADA relaying system, working both via computer and in the field, ensuring reliability of the local electricity grid.

From Farmington, N.M. where he attended San Juan College to secure his technical expertise, Kibel began his career with PNM, New Mexico's largest electricity provider, serving at the San Juan Generating Station as an Instrumentation Controls Electrician.

"I decided I wanted to move to the transmission/distribution side," says Kibel, who also enjoys recreating in the high country with his family, backpacking, fishing, hunting and more. "I'm very pleased to be working at LPEA, assisting the cooperative in maintaining the system for the benefit of our members."

Join the holiday lighting challenge!

While LPEA isn't encouraging members to channel Clark Griswold from the Chevy Chase movie *National Lampoon's Christmas Vacation* (and trigger an outage in your neighborhood), the cooperative looks forward to celebrating exterior holiday lighting efforts across its service territory this season.

LPEA is holding an exterior holiday lighting competition, rewarding members with the best lighting displays in La Plata and Archuleta counties with \$50 gift cards to their local hardware stores.

"Holiday lights, especially when we have a winter wonderland of snow, add a special glow to our communities around the holidays," says LPEA CEO Mike Dreyspring. "With the great, new decorative lighting available, we're excited to encourage our members' creativity."

Creativity is important, but a requirement for eligibility is majority use of LED lights, according to LPEA Energy Management Advisor Nancy Andrews.

"LED holiday lights are energy efficient and cost effective on all fronts - from initial purchase to the amount of electricity they draw," says Andrews. "Plus the jewel tones are beautiful. For safety, be sure to install those specified for exterior use, and never puncture the cords when hanging."

Lighting displays will be judged the week of Dec. 18, and members decorating their homes must alert LPEA of their participation by Dec. 1.

"We have a big service territory, so we might not find you," says Andrews, who asks that members submit email registration, 2017lightcontest@lpea.coop, or call 970.247.5786. "Please let us know if you want to be part of the fun. Most important is that we know your address, so we know where to find your lovely holiday lighting effort."

Additional information is available at www.lpea.coop.



Capital credits refunds underway

LPEA members who have paid their electric bills since at least 2016 are currently receiving capital credits refunds totaling \$3,925,000.

The majority of the capital credits (also known as patronage capital) are being applied to electricity bills, though refund amounts larger than \$100 will be mailed as checks. Since incorporation in 1939, LPEA has refunded nearly \$64 million to its members.

"Capital credits represent our members' investment in LPEA," says CEO Mike Dreyspring, noting that LPEA is a not-for-profit corporation with a 501 (c)(12) tax designation. "As part of that tax designation, which establishes us as a cooperative, we are required to allocate margins in the form of capital credits to our members as annually determined by our board of directors. Refunding capital credits to our members is one of the many things that make electric cooperatives unique."

Thank you Pat Fahrion!



In October, LPEA bid adieu to Working Foreman Pat Fahrion, retiring from LPEA after serving 22 years.

Additional Service Awards were presented in October to Fleet Mechanic Jeremy Gurule and Lead Meter Reader Collector Joel Mann who've served the members of LPEA for 10 years, and Controller Rachel Gilman, Dispatcher Rachel Killinen, Control Specialist Robert Lloyd, and Equipment Operator Dennis McCarthy who have been a part of the co-op team for five years.

LPEA to survey members

To help determine members' opinions of electricity delivery practices and reliability, plus better serve its members in the future, LPEA has contracted with NRECA Market Research Services to survey a sampling of households in La Plata and Archuleta counties. The telephone and online surveys are scheduled to begin Nov. 13, 2017.

"The overall objective of the study is a continuation of our effort to measure current residential member satisfaction with the co-op and the trends over time," says Ron Meier, manager of engineering and member relations who is working with NRECA, the National Rural Electric Cooperative Association. "Each time we have NRECA conduct a study we learn more about our members' evolving attitudes and opinions, and we use the information to shape the cooperative's practices and goals."

Survey telephone calls will be placed during evening hours, between 5 and 9 p.m. and no calls will be made on Sundays. More than 400 households will be arbitrarily selected and surveyed, and LPEA requests that those who do receive the calls or email notifications participate. The survey takes about 5 minutes, and responses are confidential.

"However, if a member has a specific issue or question and wants to speak with a representative of LPEA, the surveyor will take down the contact information, and we will follow up and do what we can," says Meier.

Direct additional questions to LPEA at 970.247.5786.

Help LPEA "Fill the Bucket"

The "bucket trucks" will be at both City Market and Hometown Food Market in Pagosa Springs to collect non-perishable food items (canned goods or boxed/bagged dry goods). Donated food will be distributed to community food banks in Archuleta County.

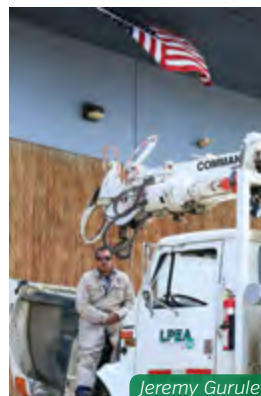
"We really love doing this every year, helping support our members," says Pagosa Fleet Mechanic Jeremy Gurule, who is assisting in coordinating the event. "Everything is expensive these days, and the need continues to grow, so we want to help people stock their pantries for this coming winter."

Cash donations for the food banks are also welcomed, and donors can make arrangements to give directly by calling Gurule at 970.317.0496, or bring a donation by the LPEA office in Pagosa Springs (603 S. 8th St.). Checks can be made payable to the IBEW Local 111 Brotherhood Fund. All donated funds will be distributed to the food banks.

For further information regarding the "Fill the Bucket" food drive, contact Jeremy Gurule, 970.317.0496.



Watch for the bucket trucks!



Jeremy Gurule

LIVE WIRES

Board meeting Nov. 15, 9 a.m.

The next meeting of the LPEA Board of Directors is set for Wednesday, Nov. 15, 9 a.m. at LPEA headquarters in Durango (Bodo Park). 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.

Last chance for Sight-In Days

The final two days for all hunters to sight their scopes during Sight-In Days at the Durango Gun Club outdoor range are Thursday and Friday, Nov. 2 and 3, 9 a.m. to 5 p.m. The free opportunity, open to all hunters, is courtesy LPEA.

Round Up Grants

The LPEA Round Up Foundation Board awarded Round Up and Educational grants to Sexual Assault Response Team (SART), Lisa Parker's Puppies, Cancer Coalition of Southwest Colorado, Be Frank Foundation, Southwest Colorado Math Teachers' Circle.

Closed for Thanksgiving

LPEA's offices in Durango and Pagosa Springs will be closed November 23-24 in celebration of Thanksgiving.



Your co-op in the age of change

BY DAN HARMS | MANAGER OF RATES, TECHNOLOGY AND ENERGY POLICY
DHARMS@LPEA.COOP



There is no denying, the electric utility industry is evolving.

As solar and wind generation become a larger percentage of the nation's generation resource mix at both the utility and consumer level, we at LPEA are working to accommodate these resources while maintaining reliability. Today, more than 30 percent of the electricity LPEA members consume comes from renewable resources.

LPEA recently held a series of public workshops to discuss the challenges and opportunities associated with adding more renewables to our system. We're working on it, and we want to help you understand... the challenges can typically be grouped into policy, physics or pricing.

POLICY

Since the 1950s, LPEA has worked under an established model of purchasing power from a generation and transmission cooperative. Today this is Tri-State Generation and Transmission. In exchange for Tri-State's commitment to meet LPEA's generation and transmission needs with large capital investments, LPEA agrees to purchase 95 percent of its power requirements from Tri-State. [Remember, this requirement does

not restrict our members' ability to generate behind their own meter.] With some LPEA members voicing desire to increase local renewable generation, LPEA is working with Tri-State to expand our ability to generate local power beyond the current 5 percent limit.

PHYSICS

The ability to provide reliable electricity at a steady voltage is often overlooked. I'm going to get a little technical here, but this is important to our business. Although transmission systems are looped and designed to accommodate power flows in all directions, rural distribution systems (such as LPEA) are radial and designed for power to flow one way to the end consumer. Solar generation (at your house) can cause reverse power flow that can cause voltage problems. Advances in energy storage and controls could help solve these challenges in the future.

PRICING

Equally challenging to policy and physics is pricing. LPEA has long had a practice, which is now required by state law, to credit a member for their generation at the same price they would be charged for their consumption. This is a fair and reasonable approach, but remember, LPEA's energy rate combines the costs of energy generation, transmission and distribution into a single rate. When

members produce excess generation, they are being credited the blend of these three rates, but only off-setting generation in return. Generation comprises only one-third of the expenses being recovered by the residential energy rate. The other two-thirds of what is being credited for member generation is not an expense that is being offset since members with solar still need full access to distribution and transmission facilities when the sun isn't shining.

This challenge has utilities across the nation pulling their rates apart to create a more sustainable and fair model so what is credited for excess generation more closely represents the benefit it provides.

I know... This is a lot of information. You can learn more viewing the videos of our recent workshops at www.lpea.com/education/workshops.html, and you can always give us a call.

Mailing Address:

PO Box 2750
Durango, CO
81302-2750

Street Address:

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

970.247.5786 | www.lpea.coop

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Michael A. Dreyspring



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