

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

FEBRUARY 2019



Safety in Winter: Always top priority

Yes, we're celebrating the moisture, but when heavy, wet snow comes around, it's not always a friend to LPEA's electrical system. Heavy snow can bring down trees, damage pole cross arms, and cause wires to bounce and fuses to blow.

"When a big snow storm comes in while the temperature is around 32 degrees, we know that any kind of accumulation could impact our system," says Justin Talbot, manager of operations. "If it's warmer, the snow melts. If it's colder, the snow is light and fluffy. Wet snow around 32 degrees sticks to everything."

LPEA's electricity distribution system is programmed such that when any foreign object comes in contact with the energized wires, the system automatically operates, going through a set amount of programmed operations (blinks), allowing the object to clear, then locks open (or stops the flow of electricity) until the problem can be determined.

During storms, wind can indeed blow wires together or cause tree branches to briefly touch a line. Also, during many winter storms, snow will pile up on the wires, and then unload or abruptly fall off, causing the wires to bounce and interact with each other or nearby objects. Any of these occurrences will prompt the system to automatically cut power to avoid potential fires or further damage to the system, as well as give the interfering object a chance to clear the line.

"Most often our customers will experience only a few 'blinks' as the system resets itself," says Talbot, noting that wires interacting with each other can also cause fuses to blow. "A worst case scenario is that the wet snow brings wires down and damages equipment, or causes a tree to fall through a line."

If members experience a few blinks, it's not necessary to call LPEA immediately, according to Talbot. If, however, after about 15 minutes the power has not been automatically restored, members are encouraged to call the main LPEA line, 970.247.5786, or use the SmartHub App to report the outage.

Members can also help LPEA's line crews zero in on a fault location by taking notice of their surroundings to see if they can spot any physical damage, whether it be overhead or underground.

"Then let us know," says Darrick Robinson, superintendent in charge of LPEA's Dispatch team. "If a line is down in the snow, do not go near it. The power at your house could be out, but the line may still be energized, and electricity conducts quite well through the snow."

"Safety is our first priority, and our crews work as quickly as they can to restore power, especially in the middle of winter," says Talbot. "It's a team effort to keep the power flowing and the lights on. Thank you to everyone for your help and, when necessary, patience. We're out there serving you."

BENEFICIAL ELECTRIFICATION WORKSHOP

Wednesday, Feb. 27, LPEA will reprise its free community education workshop program with a discussion of Beneficial Electrification, 11:30 a.m. – 1 p.m., lunch included. All community members are invited.

“Beneficial Electrification is the wise use of electricity and something we here at LPEA have been implementing for decades,” says Dominic May, energy management supervisor, who will conduct the workshop. “The electric industry as a whole recently coined the broad term of Beneficial Electrification to better define the concept for consumers.”

As May notes, there are opportunities for all LPEA consumer-members to function in a more efficient way and lower utility costs with a resource – electricity – that is becoming increasingly more renewable. Thus, Beneficial Electrification.

“I look forward to presenting a high level view to help our members understand things they can easily do. This will be a continuing educational effort and we at LPEA look forward to the information process,” says May.

As lunch will be provided, reservations are required. Email May to reserve a seat at dmay@lpea.coop, or call LPEA, 970.247.5786 for additional details.

A final salute to the holidays

Yes, the 2018 holidays are in the rear view mirror, but as a final salute to the season of lights and community giving, we want to celebrate LPEA’s support participation – and our community’s support of its fellow citizens.

On Dec. 15, LPEA sponsored one of the Project Merry Christmas Blanket Drives – a radio remote where on-air talents Chad Hare and Kim Emanuel were live on Four Corners Broadcasting stations KIQX and KRSJ, encouraging donations for Project Merry Christmas.

Dozens of local citizens came by the LPEA parking lot with donations, including the Creeper Jeepers organization, bringing toys, clothes, blankets AND a check for \$1,500 to help warm the hearts of families during the holiday season.

LPEA’s employees also contributed payroll donations which supported Angels on the Project Merry Christmas tree in the Durango Mall. The Royalty from the La Plata County Fair and Fiesta Days assisted LPEA PR Coordinator Jeannie Bennett in “shopping,” to bring holiday joy to these families in need.

Through LPEA’s Giving Trees – where members could select ornaments from the trees in each of LPEA’s offices and donate extra dollars to be applied to other members’ electric bills – more than \$8,000 was gifted, assisting 250 families with their electric bills this winter.

And LPEA’s line crews saved Christmas in Downtown Durango. The lights on the giant spruce community tree in Buckley Park went out. The Business Improvement District manages the tree, but had no possibility of finding the fault in the hundreds of feet of LED lighting strung in the tree. Between Eagle Crane (who originally strung the lights) and a stellar crew from LPEA, the fault was found and the lights have since been glowing at the corner of Main and 12th in Downtown Durango.

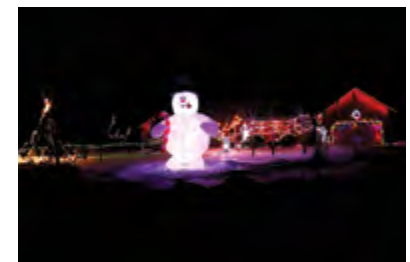
Plus congratulations go out to the winners of LPEA’s Holiday Lights Decorating Contest. The “elves” from LPEA toured La Plata and Archuleta counties, discovering all the wonderful LED lighting decorations.

Winners in Archuleta were: 1st place, Mike and Lorna Medici on Northshore Circle; 2nd Colorado Dream Homes, Brittan Jones on Eagle Dr.; and 3rd, Kristi Bush on Stevens Circle.

In La Plata, 1st went to Nancy Linscott on CR 120 in Hesperus; followed by Rex and Donna Emengger on Sundance Circle, Durango, and Sheryle Hunter, Browning Ave., Ignacio in 2nd and 3rd, respectively.

For their efforts, our consumer-member winners received gift cards to our local hardware stores (perhaps to purchase more lights for next year?).

LPEA thanks everyone for embracing the holiday spirit.



New Working Foreman



Journeyman Lineman Matt Gallaway has been promoted to Working Foreman LPEA.

A Working Foreman is one of the four men who make up a hot crew, which works on LPEA's system in the field. Gallaway's responsibilities include supervising the crew, ensuring that his men know the scope of the job or project, and that they're doing it safely and efficiently.

Gallaway joined LPEA's Operations Team in 2016, settling in Ignacio. He originally entered the electric utility business immediately out of high school in his hometown of Stilwell, Okla., accepted by Ozarks Electric Cooperative in that rural electric cooperative's four-year Apprentice Lineman program. He "topped out" earning his Journeyman in 2000 and ultimately served Ozarks for 13 years. In the electric utility industry, linemen are responsible for constructing and maintaining electric power transmission and distribution lines and facilities.

He worked as a Lineman for Sulphur Springs Valley Electric Cooperative in Arizona for four years before moving to Oregon and stepping into the investor-owned utility world with Pacific Power. There, in both Oregon and Wyoming, he garnered experience in Substation Maintenance and as a District Lineman.

Board Election Packets available

Election packets for those interested in running for a seat on the LPEA Board of Directors are now available at co-op offices in Durango and Pagosa Springs and online at www.lpea.coop. To be placed on the ballot, candidates must return completed petitions to either LPEA office by 1 p.m. on Mar. 4, 2019.

As per LPEA bylaws, one-third of the directors' seats are up for election annually, one in each of LPEA's four districts. Candidates are required to be members in good standing and permanent residents of the district they seek to represent, and cannot work for a competing enterprise or supplier of the cooperative, plus not be employed or have a spouse or child employed by the cooperative in any position. A complete list of director qualifications can be reviewed in LPEA's bylaws, available on the LPEA website.

"LPEA is a cooperative, owned by and operated for the benefit of those who use its services," says Mike Dreyspring, LPEA CEO. "So, if you purchase your electricity from La Plata Electric, and haven't opted out of membership, you are entitled to run for a director seat and join the board that determines company policy."

Ballots will be mailed to the membership in mid-April, and all those returned tallied by an independent third party. Results will be announced at LPEA's Annual Meeting set for Thursday evening, May 2, 2019 at the Community Concert Hall at Fort Lewis College. Candidates with questions should contact Jeannie Bennett, 970.382.3505 or jbennett@lpea.coop.

CO-OP MEMBERS

Ask...

Q: I like the Usage Explorer in LPEA's SmartHub application on your webpage. Thank you for making that available. I'm wondering if there is an option to download a CSV of the data?

A: Thank you for taking advantage of our Usage Management opportunities. Yes, on the Usage Management page (at www.lpea.coop) consumer-members can download data to either an XML or CSV file. You can download up to a 14-month span of monthly, daily or hourly data and track your energy usage.

The XML file is in the Green Button format, which is an industry-led initiative to provide utility customers with easy and secure access to their usage information in a consumer-friendly and computer-friendly format. The XML data can be uploaded to an online service to assist with energy management. To learn more, visit www.greenbuttondata.org/residential.html.

LIVE WIRES

Board meeting Feb. 20, 9a.m.

The next meeting of the LPEA Board of Directors is set for Wednesday, Feb. 20. 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 shortly after 9 a.m. The Board meeting will be streamed live on LPEA's social media platforms.

President's Day closures

LPEA's offices in Durango and Pagosa Springs will be closed Monday, Feb. 18 in observance of President's Day.

Scholarship Deadline

Reminder: The deadline for high school seniors to submit applications for LPEA college/vocational scholarships is Monday, Mar. 4. Applications at www.lpea.coop.

Round Up Grants

The LPEA Round Up Foundation Board awarded Round Up and Educational grants to

- Sexual Assault Services Organization (SASO) – Program Support
- Durango Bluegrass Meltdown – Schools Program Support
- Hope Community Christian Academy – Technology Upgrades
- Sunnyside Elementary School – Program Support: Reset Room



Giving our “profits” back to you

BY DENNIS SVANES | CFO | SVANES@LPEA.COOP



What sets cooperatives, like La Plata Electric, apart from other types of businesses? One of the primary differences is what we do our margins or “profits.” We are not owned by some third-party person or company. We are a not-for-profit company owned by the consumer-members we serve. That means that the money we make at the end of the year goes back to customers.

How does that work? We calculate how much of the “profits” came from each consumer-member and we allocate that to each of our customers – which becomes capital credits. In 2017, a consumer-member who used an average of 700 kilowatt hours per month earned about \$70 in capital credits. This was 5 percent of the total amount the consumer-member paid to LPEA.

Over time, we retire those capital credits. This last fall, LPEA sent out \$5.3 million to our consumer-members. Most of it went to the oldest capital credits, but some was for new years as well. Most of the payments to our current members went on each bill as a credit – Oct. 30 through Nov. 27. LPEA has now retired \$70 million to our consumer-members.

When we retire our capital credits, we mail checks to former consumer-members using the most current mailing address we have for that member. Many of those checks get returned to us. In early February we will be printing a list

of all of those who did not cash their checks in an attempt to contact those individuals. If we do not hear from those individuals or companies, the unclaimed capital credits are forfeited three years after that list is published. What is done with those forfeited capital credits? In 2018, LPEA gave scholarships totaling more than \$86,000 and grants to non-profits for almost \$350,000 all from the unclaimed capital credits. While these funds that are donated do wonderful things within our community, we would like to get the money to those who earned it through their capital credits.

Another difference in how LPEA operates is that we have ownership in other cooperatives. We buy products and services from other cooperatives from which we earn capital credits and get cash when those capital credits are retired. We buy insurance from Federated Rural Electric Insurance Exchange, electric line materials from Western United Electric Supply, accounting and billing software from National Information Solutions Cooperative, long-term debt from National Rural Utilities Cooperative Finance Corporation, tires and fuel from Basin Coop, and electricity from Tri-State Generation and Transmission Association, Inc. In 2018, we received \$2.4 million in cash from the retirement of capital credits from those cooperatives. We have already in 2019 received almost \$3 million in cash from Tri-State. We also get a say in how those cooperatives are run. This process keeps our costs lower and our costs to our consumer-members lower as well.

In summary, La Plata Electric, has been a good steward for our consumer-members for the past 80 years. We were formed in 1939 to provide our community with electricity. One of the major differences that we provide is giving our “profits” back to our customers – our consumer-members.



Mission Statement:

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

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

Board of Directors:

Bob Lynch, President (District 1)
Britt Bassett, Vice President (District 3)
Dan Huntington, Secretary (District 2)
Tim Wheeler, Treasurer (District 4)
Mike Alley (District 1)
Rachel Landis (District 3)
Doug Lyon (District 3)
Kohler McInnis (District 2)
Davin Montoya (District 2)
Kirsten Skeehan (District 1)
Jack Turner (District 4)
Guinn Unger (District 4)

Chief Executive Officer:

Michael A. Dreyspring

