

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

**MAY 2019**

## Listen to your kids!



This is a story about how we indeed need to listen to our kids, plus a reminder of how LPEA's safety information education is invaluable.

Addie Fuqua (age 10) was riding her scooter in her family's Durango West II driveway and heard a "sizzling and popping sound, kind of like popcorn popping."

"I looked up and saw the power lines hitting the branches of a tree," she says. "I knew the power lines could be dangerous, so I stayed away from the tree and told my dad as soon as he got home."

"Dad" Brad Fuqua is the Engineering IT Specialist at LPEA, but he didn't immediately think Addie's assessment was accurate.

"Addie told me that the power lines running across the end of our driveway were making a weird buzzing sound and had fallen into a tree," he says. "I told Addie that the lines were much higher than the tree and I didn't think they could be making contact with it. Turns out, I was wrong. As we drove out of the driveway, I could see the lines had fallen into the tree."

The source of the problem turned out to be that the utility pole holding the lines in the Fuqua's neighbor's yard had burned. With the pole top burned, the crossarm had fallen to one side causing the power lines to fall into the tree. If Addie hadn't noticed the issue, significant damage to LPEA's system

or, worse, a neighborhood fire could have resulted.

"In order to work on the burned pole safely, our crews had to de-energize the neighborhood for a few hours," says Justin Talbot, manager of operations. "Our crews made a temporary repair and we will replace the pole once the snow is melted and a truck can access the area."

Fuqua is very proud of his daughter for her awareness. "More importantly, I am proud of Addie for knowing to stay away from the lines and a potentially dangerous situation."

"Addie is a classic example of why we organize our education programs," says Amanda Miles, who coordinates the new High Voltage Demonstration trailer "appearances" as well as oversees the smaller table-top demonstrations that help educate children. "Even though she is only 10, Addie knew what she was looking at. She had learned the 'power' of electricity."

LPEA provides tailored electricity demonstrations free of charge to any organization or school. Miles will be taking her "show on the road" for the annual Safety Town this June, so about 120 kindergarteners will begin to garner a respect for electricity. To schedule an educational demonstration, contact Miles at [amiles@lpea.coop](mailto:amiles@lpea.coop) or 970.247.5786.

*Addie is a (stellar, can we say?) 4th grade student at Park Elementary, with an interest in arts and music.*

## LPEA NAMES NEW CEO

Jessica Matlock has been named as the new Chief Executive Officer of the cooperative, filling the position held by the retiring CEO Mike Dreyspring. She will assume her role July 22, 2019.

Matlock comes to LPEA from Snohomish County Public Utility District (PUD) No. 1, the 12th largest public utility in the U.S. She currently serves as Assistant General Manager overseeing customer and energy services, and external/government affairs, including leadership of the PUD's efforts to develop and operate solar energy, energy efficiency, electrification of transportation, and demand response programs. Matlock also leads the PUD's "Utility of the Future" efforts to modernize and enhance customer experience.

Previously, Matlock held a number of positions with the Bonneville Power Administration, including a fellowship with a U.S. Senator as a lead energy expert for the Energy Policy Act of 2005, as well as serving as a power marketing specialist, constituent account executive for the State of Idaho, and fish and wildlife project manager. She serves and has served on various boards/councils related to hydropower, clean technology, SmartGrid, energy efficiency/conservation, cybersecurity, and fish and wildlife.

A Colorado native, Matlock, who grew up on the family's horse ranch, holds a Master of Public Administration from Portland State University and a Bachelor of Science degree in chemical oceanography from the University of Washington. Matlock also served in the United States Coast Guard.

## Update on the Power Supply Committee

As planned, consultants retained by the Power Supply Committee (PSC) of La Plata Electric Association (LPEA), have completed their initial studies, and the LPEA Board of Directors reviewed the findings in Executive Session during the Board's April Committee of the Whole, with full public presentations made during the open board meeting today (April 17, 2019).

The PowerPoint presentations from the consultants will be posted on the LPEA website, [www.lpea.coop](http://www.lpea.coop). Also, the "live stream" of today's meeting will be archived and available for review on the website.

Specific consultant findings, including financial information, will not immediately be released to the general public to avoid impacting future negotiations with alternative power suppliers and current primary power supplier Tri-State Generation and Transmission.

"Initial studies by the consultants indicate that there is potential savings for LPEA to engage with alternative power suppliers while maintaining reliability," said LPEA CEO Mike Dreyspring. "But we've got more work ahead of us. We need to have further study of the transmission system – the availability of us to get electricity to our service territory from out of the area – and the costs affiliated with that."

Dreyspring also noted that different generation mixes could impact delivery costs, and LPEA needs to secure a thorough understanding of potential financial transactions between LPEA and suppliers.

Taking the aforementioned into consideration, the Board voted in favor of the following directives to move the process to the next step:

- LPEA will obtain indicative pricing from wholesale suppliers with a fuel mix that is designed to meet LPEA's 50-30-70 goal, and includes some level of local renewable generation.
- LPEA staff will determine costs and data needs of a transmission study to be completed by Western Area Power Association and Tri-State Generation and Transmission to determine how they could serve LPEA transmission needs if LPEA were to purchase power on the wholesale market.
- The LPEA Board directed staff to host at least one public forum in each of the four Board Districts to update members by reviewing the consultants' public reports and discuss the planned next steps.
- The LPEA Board directed staff to put together a pro-forma spreadsheet to demonstrate what the potential buy-out and alternative power supply costs will do to LPEA's members' rates, and how all affect LPEA's cash flow.

"LPEA will be working over the coming months on these next steps," said Dreyspring. "We already had planned on organizing public presentations for members so we, LPEA, can tell you more about trends in the market and expand on what the electricity generation going forward might look like, so we're glad the Board supports that effort."

In September 2018, the LPEA Board formed the PSC specifically to study the challenges and opportunities of power supply, assess the value of LPEA's contract with wholesale power supplier, Tri-State Generation and Transmission, and identify options for increasing LPEA's flexibility to provide more local renewable generation.

Following an extensive search, and a thorough Request for Proposals process overseen by the Power Supply Committee, the LPEA Board of Directors authorized retention of two outside consulting entities to assist in study of LPEA's future power supply options.

- Albuquerque, N.M.-based Enchantment Energy Consulting, Inc. and Rio Energy, LLC (as partners for purposes of the LPEA project) - to conduct a study of the wholesale power contract between LPEA and Tri-State Generation and Transmission.
- Salt Lake City, Utah-based Energy Strategies - to conduct an analysis of wholesale power markets and potential opportunities that may be available to LPEA.

LPEA's Power Supply Committee was made up of three voting LPEA directors, Britt Bassett, Tim Wheeler and Kohler McInnis and one non-voting director, Jack Turner, along with two LPEA management team members, CEO Dreyspring and Dan Harms, manager of rates, technology and energy policy.

# Training future leaders

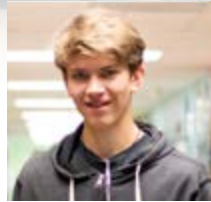
Local high school juniors Trevor Harms and Aiden Quayle have been selected by LPEA to participate in the Colorado Electric Education Institute Cooperative Youth Leadership Camp, an all-expenses paid educational/leadership camp set for July 13-18, 2019 at Glen Eden Resort outside of Steamboat Springs, 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.

Harms is a sophomore at Animas High School and involved in the Power House Intern Program, Animas Bike Team, the Solar Car Team, and the Maker Lab. He plans to study and pursue a career in engineering.

A sophomore at Durango High School, Quayle is an Honor Roll student and active athlete as well as an elected Student Ambassador and member of the Computer Science Club.

To learn more about the opportunity to participate in the Colorado Electric Education Institute Cooperative Youth Leadership Camp, contact [www.lpea.coop](http://www.lpea.coop).



Trevor Harms



Aiden Quayle

## LPEA Golf Tourney next month!

As has become tradition, the IBEW Local 111 Unit 26A “Brotherhood” in Archuleta County will once again host the La Plata Electric Golf Tournament, Saturday, June 15 at the Pagosa Springs Golf Club. Space is limited, and registration deadline is June 10.

Organized by LPEA’s line personnel, members of the International Brotherhood of Electrical Workers (Local IBEW 111 26A) based in Pagosa Springs, the LPEA Golf Tournament is open to all community members. Tournament proceeds this year will benefit Boy Scouts of America/Cub Scouts of America Troop 807, Venturing Crew 612, and Girl Scout Troops 25075 and 26237.

A new incentive for community members to participate is a special “Hole-in-One” Myrtle Beach Golf Vacation for two – value \$7,500.

The tournament is a four-person scramble, with four flights beginning with a 9 a.m. shotgun start, rain or shine. Entry fee is \$70 per person, which includes lunch, golf cart, \$5,000 in prizes and more. The field will be limited to the first 34 teams registered. Hole sponsorships are also available, and independent donations are welcome.

Cash or checks (made payable to the “Brotherhood Fund”) will be accepted (no credit cards) via mail to LPEA, P.O. Box 305, Pagosa Springs, Colo. 81147, or in person at LPEA’s Pagosa Springs office, 603 S. 8th St.

To participate as a Hole Sponsor, or field a team (first come, limit 34), contact Garrett Hammer, 970.946.9434, Jeremy Matney, 970.759.8881 or Daron Selph 970.749.1473.

## Turner earns “Director Gold”

LPEA Board member Jack Turner has earned the Director Gold credential offered by the National Rural Electric Cooperative Association (NRECA).

This certificate recognizes directors who have earned their Credentialed Cooperative Director (CCD) or Board Leadership Certificate (BLC) and are committed to continuing their education throughout their service on the board. Turner has served on the LPEA board since 2013 and is a Credentialed Cooperative Director.

The Director Gold credential helps directors comply with laws, understand evolving technologies, and apply leading governance practices.

## LIVE WIRES

### Board meeting May 15, 9 a.m.

The next meeting of the LPEA Board of Directors is set for Wednesday, May 15, at LPEA headquarters in Durango. The agenda will be posted 10 days in advance of the meeting at [www.lpea.coop](http://www.lpea.coop). All members are reminded that public comment is heard at the beginning of the meeting. Also, LPEA’s Board meetings are now being transmitted live, and transmissions will also be archived on LPEA’s website.

### LPEA offices closed

In honor of Memorial Day, LPEA offices in Durango and Pagosa Springs will be closed on Monday, May 27.

### Be fire aware

Though we’ve had a wonderfully snowy winter, May and June are typically dry and hot. As conditions require, LPEA will implement enhanced safety measures, helping ensure that equipment damage or repair efforts don’t contribute to fire danger. What this may mean is that, in the event of an outage, it will take crews a little longer to restore power. At a location where line/equipment damage has prompted an outage, linemen will do extra patrols of the affected section of line to make certain no other flammable objects are touching the electrical equipment. Only then will the all-clear be given and the line re-energized.



# Traveling the path toward power supply solutions

BY RON MEIER | MANAGER OF ENGINEERING AND MEMBER RELATIONS  
RMEIER@LPEA.COOP



For those who have read *The Hobbit* (or seen the movie), recall in the story when Bilbo (a Hobbit) and the dwarves were walking the path in the forest of Mirkwood.

In the story, Mirkwood was this very dark and dense forest that travelers must past through on their path to grand adventures with a dragon and a heart of a mountain to reclaim past lineage and glory. The party was warned not to stray off the path for it was dangerous to do so and they would get lost and suffer the perils that awaited in the forest.

Even for those of you who have not heard this story, I suspect you know what happened. The party left the path after seeing lights in the forest, thinking there was a better way, which led to giant spiders and more.

The LPEA Power Supply Committee has been on a path much like Bilbo and his companions. But unlike in *The Hobbit*, they have made it to the other side of the forest by staying on the path set forth.

During the April Board Meeting, the full Board heard the results from the Power Supply Committee in executive session, due to the sensitive nature of the findings of the studies. The PSC was asked to consider

questions: How does the wholesale electric market operate and what risks and benefits might lie there for LPEA? And what is the value of our wholesale supply contract with TSGT?

Much like Bilbo, the PSC found dwarven companions to help on this journey by hiring two (actually three) outside consultants that have the expertise to help answer these questions. Over the past several months, the PSC along with Energy Strategies and Rio Energy in partnership with Enchantment Energy Consulting traveled through the forest.

While LPEA isn't to the point of being able to share any actual numbers as to the value of the contract or any potential savings that the market might yield, we are able to say that there could be opportunities worthy of more in-depth, focused work.

We can expect the reliability of delivery to be as good as we now have. Entities that manage the reliability of the electric transmission system for all the utility companies do exist. We, however, still need to get a better understanding on the costs to get power delivered to our area, seek firmer numbers around other supply options and ultimately understand how the financing works through our financials.

While Bilbo and the dwarves left the path in the forest for some shiny lights in the distance that led to danger, we now know some of those lights we see might actually lead to more flexibility in our power supply while potentially saving our membership money,

But there is a bit more path on which we must travel.



#### 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](http://www.lpea.coop)

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#### Chief Executive Officer:

Michael A. Dreyspring

