

LPEA Currents



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BOARD OF DIRECTORS

- Terry Alley, president — District 1
- Jerry McCaw, vice president — District 2
- Pam Patton, secretary — District 4
- Joe Wheeling, treasurer — District 4
- Jeff Berman, director — District 3
- Herb Brodsky, director — District 4
- Harry Cole, director — District 1
- Tom Compton, director — District 2
- Bob Formwalt, director — District 1
- Harry Goff, director — District 3
- Bobby Lieb, director — District 3
- Davin Montoya, director — District 2

MISSION STATEMENT

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

NEXT BOARD OF DIRECTORS MEETING:
WEDNESDAY, JULY 24, 9 A.M.
LPEA HEADQUARTERS, DURANGO



A Commitment Yesterday, Today and Tomorrow

BY MARK SCHWANTES, MANAGER OF CORPORATE SERVICES

As manager of corporate services, part of my responsibility to you, the members is to keep informed, so I do a lot of reading and research. In separate pieces I found the two following excerpts offering good advice to LPEA members:



Mark Schwantes

“In his speech Wednesday evening, the President of the United States called upon the nation to take a number of steps aimed at conserving energy. This company’s policy has been, historically, and is presently, to support the government in matters of great national concern. The conservation of energy is such a concern.”

“Conservation and efficiency are good starts. Switch to compact fluorescent light bulbs when a bulb needs replacing. Buy the most efficient appliance you can afford when the time comes to replace your present unit. Turn out the lights when you leave a room for more than a few minutes. There are hundreds more. LPEA itself has employees who can help you reduce your consumption of electricity ...”

Perhaps you’re saying to yourself, “That’s nothing new,” and you would be correct. The first quote was written 35

years ago, taken from a company newsletter published in 1973. The second was excerpted from a Letter to the Editor penned by Marilyn Brown and the League of Women Voters of La Plata County that recently appeared in the *Durango Herald*. What it reminds me is that LPEA has always considered the efficient use of electricity a top priority. Your board of directors and employees have always supported programs, services and products that offer options for you, our members to use energy wisely.

This doesn’t mean LPEA hasn’t evolved, for we certainly have — right along with technology in the energy industry. Members who attended our annual meeting in May received an energy efficiency kit that included a CFL bulb, water-saving showerhead and a weatherization sealer. Services we currently offer at LPEA include analysis of your electric bill and energy walk-throughs of your homes or businesses, sharing information and discussing options to help you save your energy.

Information is also available in our Durango and Pagosa Springs lobby areas, including a small brochure entitled “101 Low-Cost/No-Cost Home Energy-Saving Measures.” It’s got some [continued on page 6]

Rate 10 Standard	2007	1997	1987
No. of customers	28,928	22,924	16,756
Annual kWh used	212,692,129	175,625,960	143,546,544
Monthly kWh/customer	613	638	714

LPEA Directors Name Officers for 2009-2010

Respected Pagosa Springs resident Terry Alley (District 1) has been elected president of the board of directors of La Plata Electric Association. As per the LPEA bylaws, officers are elected each year at the first board meeting following the electric cooperative's annual meeting, this year held May 9.



Terry Alley, president

Jerry McCaw (District 2) was elected vice president, with Pam Patton (District 4) and Joe Wheeling (District 4) chosen as secretary and treasurer, respectively. Harry Goff (District 3) will again represent LPEA on the Tri-State Generation and Transmission Board. Representatives to the Colorado Rural Electric Association and Western United are, respectively, Tom Compton (District 2) and Bob Formwalt (District 1).

"These are challenging times in the energy business, and we will have some important decisions to make in the coming months," says Alley, who has served on the LPEA board since 2001. "As always, however, at La Plata Electric we will continue our focus on providing safe, reliable electricity at the lowest

cost to our membership while at the same time being environmentally responsible."

A graduate of Pagosa Springs High School, Alley received his bachelor's degree from Fort Lewis College, master's degree from Western State College and superintendent endorsement from the University of Colorado. He retired after 31 years with Archuleta County District 50 JT, where he served as teacher and coach, school principal, and, for his last 21 years, as district superintendent.

Over the years, Alley has been extremely active in Archuleta County, involved in numerous organizations. He currently is on the board of directors for Archuleta Housing, Charles Hughes Foundation, Archuleta Scholarships in Escrow and Archuleta Housing for the Elderly. He and his wife Jennifer have four children.

Alley assumes the seat held by director Pam Patton since September 2006, and as LPEA CEO Greg Munro notes, "Overseeing the LPEA Board of Directors is not a small job, and we sincerely appreciate the conscientious and thoughtful leadership Pam has shared. Terry has proverbial big shoes to fill, but we look forward to his leadership in the coming year."

A Commitment Yesterday, Today and Tomorrow

[continued from page 5]

fantastic energy saving hints. Give us a call at 970-247-5786 and we'll send one out to you. Or visit our website for links to more information regarding efficiencies and conservation.

The message is clear. Energy efficiency and conservation are important — whether we're talking about the past, present or future. Reducing your energy usage will not only help protect our natural resources and reduce green house gas emissions; you could save some money on your energy bills as well.

A few years ago San Juan Citizens Alliance asked the LPEA board to reduce energy usage by 10 percent by 2013. Our board members already had similar goals, and with their support, we are indeed reducing the amount of energy used by each member. (See table on page 5.)

You're doing a great job making the most out of each and every kilowatt-hour of energy delivered. Thank you for your continued support.

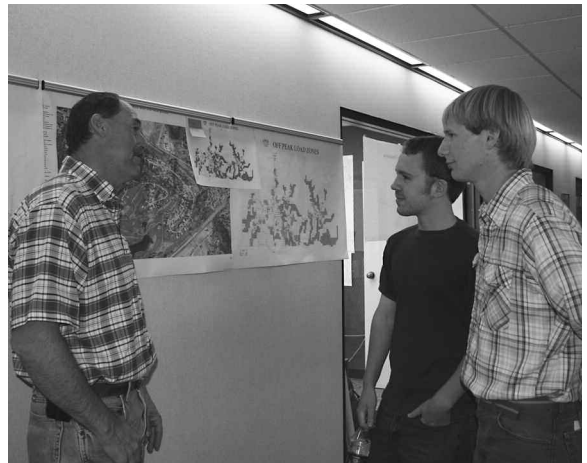
INTERNS LEARN THE "WIRES" AT LPEA

With an eye for the future, La Plata Electric Association once again initiated a paid internship program for graduating seniors, or young people 18 years of age.

Two Durango High School graduates, Wes Glasco and Philip Ouellette, were selected to learn "the ropes" (or more colloquially appropriate to LPEA, "the wires") and assisted in LPEA's operations and engineering departments.

"We enjoy opening our doors to young people," says Linda Looman, human resources director, noting that LPEA scholarship students Ben Southworth and Shanti Johnson are also working at LPEA through the summer. "They bring a great energy to the organization, plus have an opportunity to see what goes on at an electric cooperative, gain some on-the-job experience, and possibly establish career goals for the future — while also earning a wage."

The 2009 LPEA internship program ran June 1 through July 2, incorporating a four-day work week for the students. To keep current on further opportunities, visit www.lpea.coop.



Don Short (left) explains LPEA's GIS mapping to interns Wes Glasco and Philip Ouellette.

Stable, Affordable Heating Available with ETS Units

With energy prices creeping steadily upward, Electric Thermal Storage heaters offered through LPEA are helping shift energy demand and relieving member-owners of at least some financial burden.

ETS technology converts off-peak (lower priced) electricity to heat, which is stored in special, high-density ceramic bricks within the unit. When the room thermostat calls for heat, this stored electric heat is discharged into the home or application, such as an in-floor hydroponic system, to satisfy the heating requirements 24 hours a day.

“Our customers in Archuleta and



Suzy Bynum explains the benefits of ETS heaters to visitors at the Durango Home & Ranch Show.

La Plata counties have realized significant savings, but it's also been tremendously beneficial to LPEA's system as well,” says Suzy Bynum, LPEA energy management specialist. “With our current ETS customers, we are able to shift 17 megawatts of controllable load to the off-peak or lower demand times.”

By leveling this demand for electricity, LPEA has been able to postpone the new construction and upgrade of a number substations and electric power

lines, which ultimately has saved LPEA and its customers millions of dollars.

LPEA member-owners purchasing ETS units, also receive energy efficiency

credits, the amount varying depending on the size of the unit(s). The ETS units are also expected to qualify for the federal American Recovery and Reinvestment Act's tax credit of \$1,500.

“The energy management team here at La Plata Electric would like to extend our thanks to our existing ETS customers. As it turns out, you are our best sales people,” says Bynum. “Thank you for recommending ETS heaters, and by extension ‘off peak’ power usage, to your neighbors. An increasing number of homes are now enjoying stable, manageable and affordable room heating.”

For more information on ETS heaters, in La Plata County, contact Bynum, 970-382-3506, or in Archuleta County, Debbie Bass, 382-7722.

**ATTENTION:
POLE
INSPECTIONS**

To help ensure safety and reliability of electricity transmission, LPEA and its contractor, Sundance Power Pole Inspections, are conducting power pole inspections throughout the summer in various areas of La Plata and Archuleta counties.

Inspections, which involve hand digging beside each pole, boring two test holes in the pole and performing a complete visual inspection of

poles and associated lines and hardware, may require access through backyards and fenced areas. Every effort will be made to avoid inconveniencing property owners.

LPEA customers with additional questions or concerns are urged to call Roland Pack, 970-382-7183 or Ben Cordova, 970-382-3534.

CO-OP MEMBERS ASK

Q: *Why do the off-peak hours on the Time-of-Use Wattwatcher program change seasonally? Isn't electricity all the same?*

A: Electricity cannot be stored, so as you demand it, by turning on the television or the oven or an air conditioner, it is generated and transmitted to you instantly, 24 hours a day.

Tri-State Generation and Transmission, LPEA's power supplier, has a finite amount of electricity that it can generate at any given time, so if electricity users on the transmission network make demands beyond generation capacity, Tri-State must purchase extra power on the open market at a higher cost. (Or if electricity just isn't available, that's when brown-outs and black-outs occur, as we've seen in California). The system is strained, the need for new power generation (possibly a new coal or a nuclear power plant in

addition to wind or solar) is again revisited, and costs go up to consumers.

By practicing demand-side management — in other words, by many of us shifting demand for electricity to those periods of the day or night when the system isn't strained — costs are maintained and the need to build new power generation is delayed.

Over the years, energy companies such as LPEA and Tri-State have been able to chart energy usage and are able to identify those times when member-owners use more or less electricity. This is how the time-of-use hours are determined. For example, we know electricity demand is going to go up across the state as a summer day warms up as consumers turn on air conditioners, fans or swamp coolers, and our farmers and ranchers irrigate their properties, while also firing up their ovens to cook dinner and turning on the flat panel television — thus between 10

a.m. and 10 p.m. in the summer there will be a peak demand for energy. It's compounded if you do laundry or turn on any additional high energy consumptive appliance during that period.

To encourage consumers to shift use of as many energy hogs as they can to the traditionally lower demand times, Tri-State charges less for electricity in off-peak periods. It helps the entire system, and you save money as well. Getting in sync with the off-peak hours does require consumers to pay attention and engage in energy saving things like installing a timer on their water heaters, or running the dishwasher in the morning in the off-peak period instead of right after dinner.

By participating in the time-of-use program, and paying attention to the off-peak times of day, LPEA customers saved \$1.2 million worth of electricity last year. That figure continues to increase as you “save your energy” with time-of-use.

Tri-State's Transmission Improvements Projects to Bolster Power Delivery Network

Abundant natural resources, oil and gas sector growth and quality of life are a few reasons for steady growth in the San Juan Basin. This growth also carries with it the need for infrastructure to deliver reliable power, relieve transmission constraints and offer economic development opportunities through renewable energy investments.

Improvements and additions to the electric system have been made over the years, and while these improvements help, a tremendous need to import more power into the region to meet demand still exists.

Tri-State Generation and Transmission, which provides power to LPEA and 43 additional cooperatives over a network of more than 5,200 miles of transmission line across Colorado, Nebraska, New Mexico and Wyoming, is working with its member co-ops and other utilities on the following projects in the region:

Durango to Bayfield Rebuild

This summer, Tri-State will begin rebuilding its existing Bayfield-Durango 115-kilovolt transmission line. Originally constructed in 1958, this line has served the citizens of Durango and Bayfield for more than 50 years. Tri-State will be setting new structures, installing new conductors and improving access along the line to meet the increasing demand for power in the region and ensure electrical reliability.

San Juan Basin Energy Connect

Tri-State is proposing a new project that would involve the construction of a 230-kilovolt transmission line from the Farmington area to Ignacio that would boost the electric transmission backbone of the entire region. The project will improve the power delivery infrastructure by increasing the load serving capabilities for residential, small business and industrial electric consumers. As the area looks to develop its renewable resource potential, the line also would provide the necessary pathway to deliver the power.

Before constructing the line, Tri-State will work closely with LPEA as well as the Southern Ute Tribe, the Bureau of Land Management, the Bureau of Indian Affairs, Rural Utilities Service, Public Service Company of New Mexico and other regional utilities to conduct extensive environmental and routing studies.

Further information is available at www.tristate.coop/transmission.

The National Rural Electric Cooperative Association will be conducting an important telephone survey beginning in July. Calls will be made at random. If called, LPEA requests that its member-customers participate and contribute their thoughts and perspectives.

Thank you for your cooperation.



Tri-State's Strategic Communications Coordinator Karli Nelson and Executive Vice President/General Manager Ken Anderson were on hand at LPEA's annual meeting to discuss upcoming projects.

ENERGY TIP

Replace old light switches with occupancy sensors whenever possible. These turn the lights on when someone enters the area and then off again after a set time with no movement in the room. Install them in hallways, laundry rooms, basements, garages or any place where a light may be left on accidentally while the room is unoccupied or when hands-free operation is a factor. They are especially useful in homes with seniors or disabled people who might get disoriented or have trouble seeing at night.

A LITTLE EARLY FOR HALLOWEEN?

More than 200 volunteers participated in "Operation Thunderbird," an emergency exercise at Durango-La Plata County Airport, including LPEA staff members Sharilee Miller-Ferris, dispatcher; John Stephenson, operations superintendent; and Doug Moore, journeyman lineman. All three were "victims" of a "gunman," distraught over his job loss at the airport. Every three years the airport is required by the Federal Aviation Administration to conduct an emergency response drill.

