

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

DECEMBER 2017



Ryne Waggoner, Jaime Wisner and Ray Pierotti enjoy the historic nature of the 11th Street Station.



Photo: Ray Pierotti

“Back to the Future” at the 11th Street Station

LPEA Staff Engineer Ryne Waggoner isn't Marty McFly, but he got a taste of traveling “Back to the Future” during a special tour of the new 11th Street Station, which includes the anchor establishment, Ernie's bar, named after his grandfather.

In the 1950s, Ernie Schaaf ran the Conoco gas station on that very corner of 11th St. and Main in Downtown Durango. The renaissance, under owner Jaime Wisner recreated the feel of the '50s with authentic décor, [items he sourced in junk yards and antique stores from Albuquerque to Denver], and he paid homage to Waggoner's grandfather with the christening of the bar.

But one thing that's not authentic to the gas station of Waggoner's grandfather's day, and something Waggoner now embraces as part of LPEA's on-going efforts, is the energy efficiency. Indeed, in the permanent building on the site, lighting design incorporated energy efficient LEDs. Using LEDs is key to keeping costs down as the coffee nook – Taste Coffee – opens at 6:30 a.m., and Ernie's bar closes in the wee hours of the morning.

“He's got a lot of lights, and the interior ones are on for many hours,” says LPEA's lighting guy Ray Pierotti, who began working with Wisner early on in the remodel. “Then outside in the food cart courtyard, he invested in more than 200 LED lamps.”

The strings of lights crisscrossing the courtyard may not look like the typical LEDs, but they are. Technology continues to improve, so Wisner was able to install what are known as “Edison-style” lamps. They look like the light bulbs Edison invented in the day, and have a warm glow typical of the early lamps, but they are energy

efficient LEDs.

Pierotti estimates that because Wisner didn't install incandescents or fluorescents, he's avoiding kilowatt consumption of 6.82 kW, or a total annual savings of approximately \$2,390.

“His up-front cost was higher, of course,” says Pierotti. “The lamps cost about \$1,844, but after his LPEA rebate of nearly \$922, he'll begin realizing a payback in about four months. Plus, there's the advantage of the long life of LEDs. He won't be replacing these anytime soon.”

Pierotti's next focus is to assist the food carts, which are all independent businesses, and sub-metered, so the proprietors can actually see the amount of electricity they use. In addition to the varied [and delicious] food options, 11th Street Station is truly a museum.

“I wasn't alive when my Grandpa had the gas station, so seeing all these historic pieces is amazing,” says Waggoner, who appreciated the old black and white photos of his grandfather that grace the interior walls of Ernie's. “The family has talked about the business over the years, but all that Jaime has pulled together helps with our family's genealogy, which my mother truly appreciates. And meshing the heritage with new technology is really fantastic, and I'm proud LPEA has been a part of it.”

In 2017, LPEA's Commercial Lighting Program will have assisted businesses reduce more than 1 megawatt of electricity consumption, saving thousands of dollars on their electricity bills.

To learn more about LPEA's Commercial Lighting Program, contact Pierotti at 970.382.7770 or rpierotti@lpea.coop.

Calling high school juniors!

Application deadline is Monday, Jan. 8, 2018 for high school juniors to apply to participate in two very special [all expenses paid] programs:

- The National Rural Electric Youth Tour to Washington D.C., set for June 7-14, 2018.
- The Colorado Electric Education Institute Cooperative Youth Leadership Camp – an educational/ leadership camp set for July 14-19, 2018 at Glen Eden Resort

The Washington D.C. Youth Tour features an intimate look at the federal government and the sights and experiences found in the city, including museum and monument tours, plus interaction with Colorado's elected representatives. Social activities are also part of the adventure.

With the Youth Leadership Camp, "It's not just another camp," says Lonnie Tucker, who is coordinating the application process. "This is an experience that will help students build for their future and gain valuable leadership and interpersonal relationship skills that will benefit them in an increasingly competitive world."

To be considered, high school juniors must reside in LPEA's service territory and complete the applications available for download at www.lpea.coop or from high school counselors. Home school students are eligible.

Direct questions to Tucker at 970.382.3511 or ltucker@lpea.coop.

Barger and McInnis earn credentials

LPEA Directors Kohler McInnis and Karen Barger, representing members of District 2 and District 4, respectively, in La Plata County, have completed the required courses and earned their Credentialed Cooperative Director (CCD) certificates from the National Rural Electric Cooperative Association (NRECA).

"Education is the cornerstone of effective self-governance, and LPEA's members are best served by directors who are well-versed in democratic principles and who understand the industry and how this industry can move forward to meet changing demands," says Mike Dreyspring, CEO. "Today's electric utility environment imposes new demands on electric cooperative directors, particularly increased knowledge of changes in the electric utility business, new governance skills and a working knowledge of the cooperative principles. We applaud Kohler and Karen for their commitment."

Both Barger and McInnis were elected to the LPEA board in May 2015, and have served in leadership capacities on the LPEA Board, as well as represented LPEA on the Colorado Rural Electric Association board, Tri-State Generation and Transmission board, the LPEA Round Up Foundation and FastTrack Communications.

Barger is an entrepreneur and owner of Seasons Rotisserie and Grill in Durango, as well as founder of the Durango Wine Experience. McInnis, also an entrepreneur and business investment advisor, is widely known as the owner of the former Kohler's Printing and Copying, as well as other ventures in the community.

The NRECA Credentialed Cooperative Director program requires attendance and demonstrated understanding of the basic competencies contained in five core courses:

- Director Duties and Liabilities
- Understanding the Electric Business
- Board Roles and Relationships
- Strategic Planning
- Financial Decision Making

NRECA is the national service organization that represents the nation's more than 900 private, not-for-profit, consumer-owned electric cooperatives, which provides service to 42 million people in 47 states.



Ribera named Working Foreman



Journeyman Lineman Archie Ribera has been promoted to Working Foreman at 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. Ribera'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.

A native of Ignacio, and current resident of Bayfield, Ribera joined LPEA in 2007, originally as an Equipment Operator. After a year, he applied for and was accepted into LPEA's 4-year Journeyman Lineman apprenticeship program, and subsequently earned his Journeyman Lineman in 2012.

Prior to joining LPEA, Ribera worked for the Colorado Department of Transportation on Wolf Creek Pass.

Have LUNCH and support the Salvation Army

In an effort to assist the Salvation Army over the holiday season, LPEA will once again host its Stuff the Kettle Green Chili Lunch, Wednesday, Dec. 13, 2017, at the cooperative's Durango headquarters, 45 Stewart Street in Bodo Industrial Park. No reservations required.

From 11:30 a.m. to 1:30 p.m. guests can enjoy a variety of green chili stews (featuring local Sunnyside meats and prepared by Bart's Deli), tortillas or corn bread, and a beverage for a donation to the Salvation Army of any amount (suggested donation \$5). Desserts available for an extra donation.

"Just come on by the office during your lunch hour. We'll have everything set up in the lobby and front conference room," says Jeannie Bennett, public relations coordinator. "Not only will you enjoy a warm, hearty lunch, you'll know you've helped your fellow La Plata County residents in need."

The fundraising lunch coincides with the regular meeting of the LPEA Board of Directors. Directors will be joining the community effort and will be available to speak over lunch with cooperative members.



LPEA's Salvation Army Elves: Jeannie Bennett, Jeannette Simpson and Amanda Miles.

Board elections up-coming

LPEA members interested in running for the LPEA Board of Directors are advised to begin their education about the cooperative and understand obligations and fiduciary duties of the directors.

Visit the website, www.lpea.coop, for policies and company information, and interested candidates are encouraged to attend LPEA board meetings, which are typically the third Wednesday of each month beginning at 9 a.m. at LPEA headquarters in Durango. Election packets for those interested in running for a seat will be available in March 2018, at LPEA offices in Durango and Pagosa Springs, as well as online.

Pursuant to LPEA bylaws, one-third of the director's seats are up for election annually, one in each of LPEA's four districts. Incumbent directors are Bob Formwalt (District 1 - Archuleta County), Kohler McInnis (District 2 - south and west La Plata County), Britt Bassett (District 3 - Durango proper) and Karen Barger (District 4 - north and east La Plata County).

Ballots will be mailed to LPEA's full membership in April, and results announced during the LPEA Annual Meeting, set for May 12, 2108 at Sky Ute Casino-Resort.

CO-OP MEMBERS

Ask...

Q: About this time of year, every entity seems to be announcing rate increases. Nothing's come out at LPEA. What's happening with our electric bills?

A: Your electric cooperative is very cognizant of costs, and part of our mission is to provide you with reliable electricity service at a reasonable rate.

Your LPEA employees have worked diligently on the 2018 budget with an eye to trim expenses and keep costs down. Plus our power supplier Tri-State Generation and Transmission is not raising the wholesale power costs in 2018. The good news is:

LPEA WILL NOT BE INCREASING RATES IN 2018.

LIVE WIRES

Board meeting Dec. 13, 9 a.m.

The next meeting of the LPEA Board of Directors is set for Wednesday, Dec. 13. 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.

Project Merry Christmas

LPEA once again in partnership with Four Corners Broadcasting, will host a live radio remote on Saturday, Dec. 16, encouraging donations for Project Merry Christmas. Help deserving families in our community. Bring your new toys, blankets, canned goods or cash to LPEA's offices in Durango between 11 a.m. and 3 p.m.

Round Up Grants

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

- People Improving Community & Kids (PICK)
- Be Fit Be Able
- Big Brothers Big Sisters of Archuleta County
- Durango Nature Studies
- Powerhouse Science Center
- Miller Middle School

Holiday office closures

LPEA's offices in Durango and Pagosa Springs will be closed Monday, Dec. 25, and Monday, Jan. 1, 2018 in honor of the Christmas holiday and New Year's Day celebrations.



From the CEO

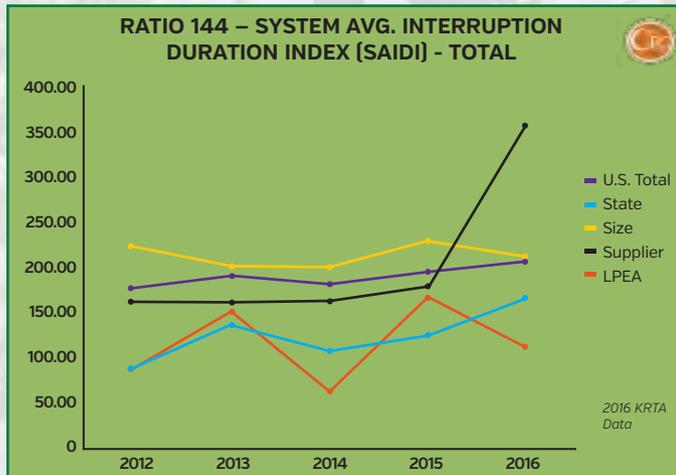
Always seeking to serve you

BY MIKE DREYSPRING | CEO | MDREYSPRING@LPEA.COOP

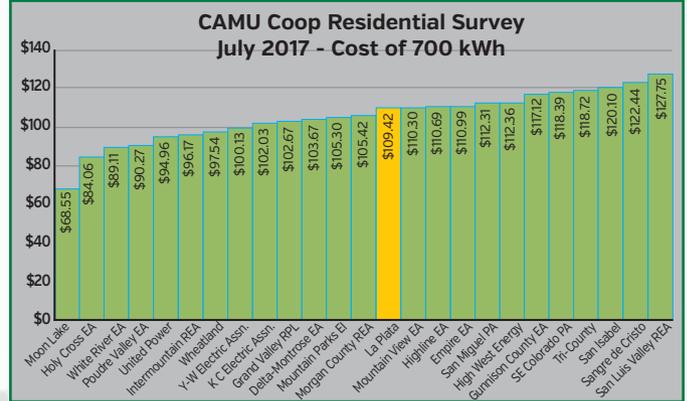
We've just had another survey. That's right, we asked you again – how satisfied are you with our service?

I've lost track of how many member surveys I've been part of over my career. In my experience, there have always been two resounding themes with the results, be it in Arkansas, Texas or Colorado – keep the lights on, AND lower our costs.

LPEA's reliability consistently outperforms other co-ops, and that's thanks to LPEA's incredible employees. Statistics don't lie as you'll see in the SAIDI [System Average Interruption Duration Index] metrics, which measures the duration of outages our members see during a year. The graph below compares LPEA with all co-ops in the nation, co-ops in the state of Colorado, co-ops roughly LPEA's size, [in number of meters], and so on. As you can see in the graph, LPEA consistently performs in the lower category, which is a good thing when considering our reliability.



When you consider our terrain, weather, and extreme events, like fire, that's pretty amazing. We're not resting on our laurels, however. We are constantly looking for ways to improve our reliability. We'll hear what you think about this with the survey. No matter what the peer review graphs tell us above, what counts is what you think about how we're doing. On the rate side of things, LPEA's cost of service is comparable to co-ops and municipal electric systems in Colorado. Check out the CAMU for how we compared this summer. LPEA is sensitive to how its rates compare with other electric utilities. And while we feel good about how we compare in Colorado, we know in comparisons with other areas in the United States, the median rates



tend to be lower than Colorado.

There will be no rate changes in 2018. We know it's important to keep electric rates stable and lower the rates where those opportunities present themselves to us.

LPEA provides members with tools to help you manage your energy use. On-bill Financing enables members to use a low debt cost tool to improve energy efficiency. We provide energy use assistance to help members understand how they use electricity, plus we also provide support for energy audits. So, it's a simple formula – your usage and LPEA rates equal your bill. This is why we work so hard to help members control their electric usage.

LPEA's best value option, in my opinion, is our Time-of-Use rate. Your off-peak kWh usage can be as low as approximately 6 cents per kWh. My wife and I are on the TOU rate and our annual savings compared to LPEA's regular rate is more than \$200. We've adjusted when we do dishes and the laundry (notice how I said "we"?). I believe you could benefit from using LPEA's Time-of-Use rate, and could possibly lower your electric bill. Check out the times of day and rates at www.lpea.coop/services/rates.

Give us a call or contact us via email via our website if you have questions about how we can help you manage your energy use or cost. I wish you a warm and wonderful holiday season.

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Board of Directors:
Davin Montoya, President [District 2]
Bob Lynch, Vice President [District 1]
Karen Barger, Secretary [District 4]
Doug Lyon, Treasurer [District 3]
Mike Alley [District 1]
Britt Bassett [District 3]
Bob Formwalt [District 1]
Dan Huntington [District 2]
Rachel Landis [District 3]
Kohler McInnis [District 2]
Jack Turner [District 4]
Guinn Unger [District 4]

Chief Executive Officer:
Michael A. Dreyspring



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