

LA PLATA ELECTRIC ASSOCIATION, INC.

Watt's Up

JULY 2020



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UNDERSTANDING YOUR LPEA ELECTRIC BILL

After a three-month delay due to COVID-19, LPEA's new rates will take effect on July 1st. To help you understand how this rate increase will impact you, we've developed a resource page on our website with infographics, videos, and text answers to your most common questions at: lpea.coop/rates

Below is a small sample of this content. We encourage you to visit the webpage for more details. If you still have questions about the new rates, email us at comments@lpea.coop.

Q: Why is LPEA increasing its rates? Could you cut expenses to avoid the increase?

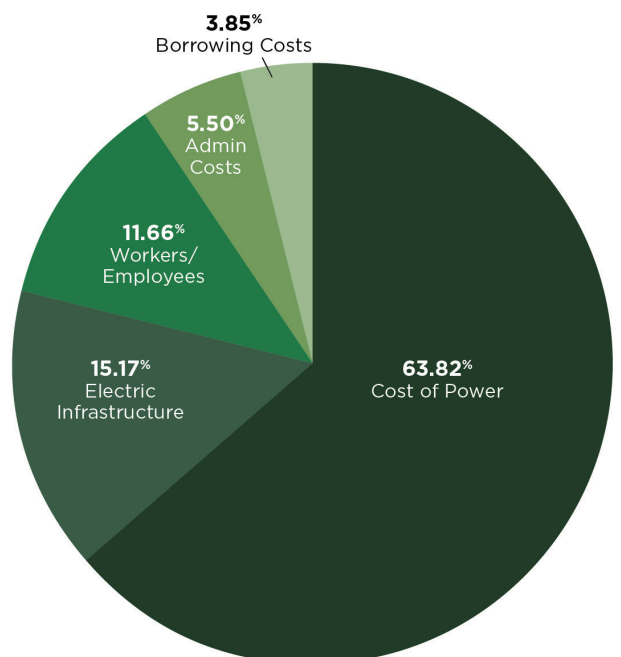
LPEA's board voted in January 2020 to raise rates – for the first time in four years – to adjust for the cost of inflation and to finance system improvement projects needed to maintain LPEA's reliability and proactively prevent outages. LPEA has been financing its infrastructure improvement projects via cash reserves for more than five years, and now cash reserves are low. The board approved the increase to generate needed funds in lieu of borrowing to avoid interest. This was done after LPEA trimmed nearly 1 million dollars from its budget. LPEA has budgeted for a total of \$16.2 million in capital improvements to our facilities in 2020.

To learn more about LPEA's budget, our monthly Finance and Audit Committee meetings are open to the public and live streamed: lpea.coop/finance-and-audit-committee

Q: How does LPEA determine its rates?

LPEA delivers power to you at cost. The purpose of LPEA's 12 rate classes are to recover the cost of providing electric service to each of our different customer types. These expenses primarily consist of two components: the cost of delivering power and the cost of the power itself.

LPEA procures 95% of its power from Tri-State. Tri-State charges LPEA \$19.34 per kilowatt for its "peak load", i.e. the one hour each month when LPEA's energy demands are the highest. That is 460 times higher than what they charge for normal or "off peak" power. That means that LPEA's members can save a lot of money by spreading out our collective power usage and decreasing that peak load.




NEW OFFICE HOURS

EFFECTIVE MONDAY, JULY 6TH* LPEA will reopen its lobbies to the public with new office hours designed to better serve our membership outside of standard working hours. LPEA's new customer service hours in Durango and Pagosa will be **7 a.m. to 6 p.m. Monday through Thursday.**

**Date is subject to change based on the ongoing COVID-19 pandemic. For the most recent updates, visit www.lpea.coop.*



La Plata Electric Association, Inc.

A Touchstone Energy® Cooperative 

Continued: Understanding your LPEA Electric Bill

Q: Why did LPEA choose to apply the increase as a Peak Power Charge?

The LPEA Board of Directors had several options in choosing how to apply the increase:

- It could have been added to the base charge, which members cannot affect.
- It could have been added to the energy charge, which members can affect only by using less electricity overall (and we encourage the use of electricity as a clean, efficient, power source).
- Instead, it was added in the form of a Peak Power Charge (for residential and small business members), which members CAN affect by shifting some of their electricity usage to avoid the on-peak hours from 4-9 p.m. LPEA's other rate classes already have similar mechanisms to help reduce peak load.

Q: I'm a residential member. How will this rate increase impact me?

If the average LPEA residential member does everything the same as they always have, they will see their bill increase roughly \$5 per month. If members shift some of their electricity usage to hours before 4 p.m. and after 9 p.m. (i.e. drying clothes, or running the dishwasher, or charging an electric vehicle), the increase will be less. In this way, we are giving members some control in how much the rate increase impacts them directly AND, we are incentivizing the use of electricity during off peak hours, when the cost of procuring power is cheaper.

Q: I'm signed up for Time of Use rates, how will this rate increase impact me?

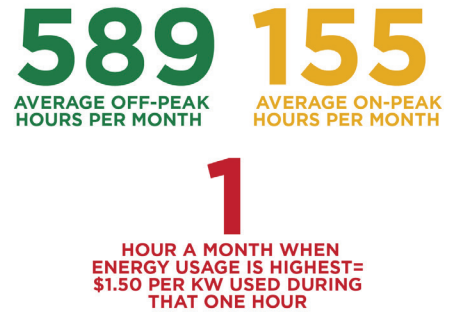
Most everything will stay the same except the charge for electricity usage during Time of Use on-peak hours (6-9 a.m. and 5-10 p.m.) will increase, resulting in an average 4.5% increase per month. Time of Use members are NOT affected by the new residential Peak Power Charge. The charge for off-peak hours remains the same. In this way, LPEA is giving an even-deeper incentive to use electricity during off-peak hours.

Q: What is the Time of Use rate and could it save me money?

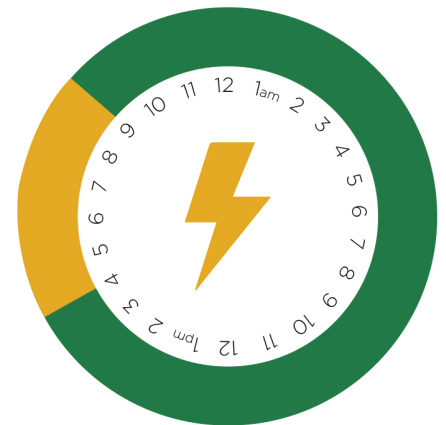
To help reduce our peak load and decrease power costs, LPEA began offering Time of Use rates to members in 1990. This optional program charges members different rates for their power based on the time of day. They are charged a higher rate during the "on-peak" hours and lower rate during "off-peak" hours. LPEA currently has more than 4,000 members who have opted-in to Time of Use rates, some of whom save \$100+ per month on their bill by shifting their electric usage to different times of the day. Call us at 970-247-5786 to get a rate comparison based on your specific usage, to see if Time of Use rates may save you money.

For more resources visit: lpea.coop/rates

One Billing Cycle



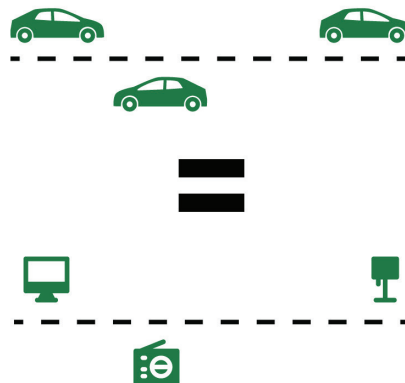
Hours to Watch



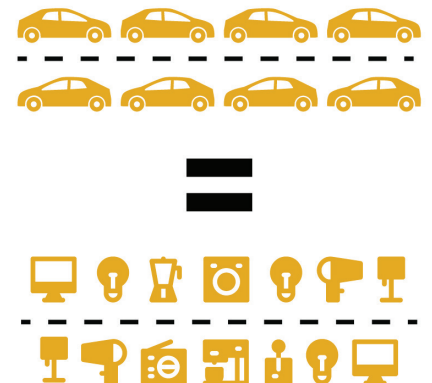
Off-Peak Hours
9 p.m. to 4 p.m.

On-Peak Hours
4 p.m. to 9 p.m.

Off-Peak Energy Usage (9 p.m. to 4 p.m.)



On-Peak Energy Usage (4 p.m. to 9 p.m.)



WANT TO HELP YOUR COMMUNITY RECOVER FROM COVID-19? 'ROUND UP' YOUR BILL!

During times of crisis, it's hard to know how we, as individuals, can really make a difference in our communities. Just know that your pennies are powerful! By electing to round up your electric bill to the next highest dollar every month, you can make a real difference. Since LPEA's Round Up program began in 1997, more than 780 grants have been provided to 1,200 area non-profits totaling \$1,168,499.

Since January 2020, the Round Up Foundation has approved \$20,005 in grants for the following non-profits located in Archuleta & La Plata County.

- Bayfield Primary School
- Celebrating Healthy Communities
- Durango Arts Center
- Food System/Food Equity Coalition
- iAM Music
- La Plata Family Centers
- Pagosa Springs Medical Foundation
- Southwest Organization for Sustainability
- The Hive

Round Up today by calling 970-247-5786 or sign up through your account on SmartHub.

Did you know that LPEA offers rebates for outdoor electric power equipment?

We'll refund you 25% of the price (up to \$100) for your purchase of an electric snow blower or lawnmower and 25% of the price (up to \$50) for the purchase of a leaf blower, trimmer, pruner, chainsaw or other: lpea.coop/outdoor-electric-equipment



LPEA 2020 DIRECTOR RESULTS ANNOUNCED



District 1: Bob Lynch



District 2: John Lee Jr.



District 3: Rachel Landis



District 4: Sue McWilliams

Results for the 2020 LPEA Board of Directors election were announced in May at the LPEA's partial virtual annual meeting. This partial meeting was held solely for the purpose of electing and seating new directors. The remainder of the meeting will be postponed until later this year when it can be held in person.

Detailed results:

- **District 1** (Archuleta County): Current LPEA Board President Bob Lynch was the only candidate to submit an election petition and has been reappointed to the board.
- **District 2** (south and west La Plata County): Two new candidates vied to

fill the seat of retiring Director Davin Montoya. John Lee Jr. emerged as the winner with 1,286 votes. Doug Fults received 1,259 votes.

- **District 3** (City of Durango): Incumbent Rachel Landis won the race with 1,764 votes. Challenger Dave Nulton received 693 votes.
- **District 4** (north and east La Plata County): Challenger Sue McWilliams won the race with 1,330 votes. Incumbent Guinn Unger received 1,261 votes.

"We want to thank our members for taking the time to consider all candidates and casting their vote for LPEA's directors,"

said LPEA CEO Jessica Matlock. "As a cooperative, we are owned by our members and depend on their involvement, feedback and input to ensure we serve our community effectively. I hope in future years we can convince more of our membership to vote to make sure their voice is heard in the LPEA boardroom."

Out of 25,534 ballots mailed in Districts 2, 3 and 4, a total of 7,603 LPEA members cast votes for an almost 30% return. This is an increase from the 26% return rate in the 2019 election. Return rates in 2018, 2017, 2016 and 2015 were 26%, 28%, 22%, and 23% respectively.

I HIT A POWER POLE OR OTHER ELECTRICAL EQUIPMENT: NOW WHAT?

PUBLIC VIRTUAL MEETINGS FOR JULY

We all think it will never happen to us, but it can, and in an instant.

Drivers veer off the road and run into a power pole. Farmers make contact with a power line while driving tractors or other machinery. Dump or feed truck drivers raise or lower their bed and snag a power line.

People can become dangerously close to entering electricity's path and knowing what to do in that situation can save your life. Incidents with power lines or other utility equipment break the electrical current's usual path. This can make the ground, vehicles and other equipment electrified.

If you hit a power pole, pad-mounted transformer (green box) or other electrical equipment, do not get out of the vehicle or cab. Instead, call 911 and wait for utility crews to come and de-energize power. Here are some examples; in all instances, call 911:

- Your tractor or car strikes a guy wire (guy wires are the wires staked into the ground that stabilize utility poles). Under normal conditions the guy wire is neutral, but if the wire is weakened, pulled out of the ground or otherwise damaged, it could become energized.
- You see an accident that involves a downed power line. Do not approach the scene.
- You hit a pad-mounted transformer or other type of electrical box.
- Your vehicle hits a substation.
- You ran off the road and hit a pole but because it is dark out, you don't know if lines are down.
- If you hit a patch of ice, go off the road and hit a utility pole, or you are

in a car accident and one of the vehicles strikes a power pole.

Only get out of the car if there is smoke or a fire, otherwise stay put. If there is a fire, make a clean jump or hop from your car or truck without touching it, and hop with your feet together or shuffle, keeping your feet on the ground, at least 30 feet to safety. Think of the downed line sending electrical current across the ground in a ripple-like effect. Each ring of the ripple represents a different voltage. If you step from one ring to another, this is called step potential and it can electrocute you.

Other circumstances:

- There is a branch resting on a power line: do not try to clear it.
- You get a drone or remote-controlled device stuck in a power line: do not try to retrieve it.
- You see kids climbing or sitting on pad-mounted transformers: tell them not to sit or play on it.
- You are carrying a tall ladder or pole: Look up for power line locations and keep at least a 10-foot clearance at all times.
- You see kids climb trees that have power lines above: warn them not to climb trees near power lines.
- You are using a portable generator: never plug it into a wall outlet. This can cause back-feeding into the line and kill a line worker or neighbor.

For questions about any of these scenarios, call us at 970-247-5786. For more information about electrical safety, visit SafeElectricity.org.

LPEA WIRE

The latest news, services, programs, and resources from LPEA. Have a question or comment? Email us at comments@lpea.coop.



BOARD MEETING:

The July LPEA Board of Directors meeting is Wednesday, July 15th. The agenda and access/location details will be posted online 10 days in advance of the meeting. Public comments are heard at the beginning of the meeting shortly after 9 a.m. All meetings are open to the public and live streamed.

More at: lpea.coop/board-directors



FINANCE & AUDIT COMMITTEE MEETING:

The July Finance and Audit Committee meeting is Thursday, July 9th from 2-5 p.m. All meetings are open to the public and live streamed.

More at: lpea.coop/finance-and-audit-committee



ACCESS YOUR LPEA ACCOUNT

LPEA offers free access to detailed information about your electricity use, and tools to analyze and manage it, through the SmartHub Mobile and Web apps. You can access real-time usage data, manage your account, pay your bill, report issues, and set up notifications regarding your electric usage all via your phone or computer. Sign up today by creating an account on our website or calling 970-247-5786