

EMPIRE ELECTRIC ASSOCIATION

Echoes of the Empire

AUGUST 2023

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2023 ANNUAL MEETING RECAP

BY ANDY CARTER, MEMBER ENGAGEMENT MANAGER



ANDY CARTER

Empire Electric Association, Inc. held its 84th annual meeting on Thursday June 15. After the meeting was called to order, District 4 Director Norman Butler gave the invocation followed by the pledge of allegiance led by District 7 Director Larry Archibeque.



Board President and District 6 Director David Sitton speaks at the Annual Meeting.

The first speaker was board president and District 6 Director David Sitton. Sitton gave an overview of director responsibilities and expectations, and invited members to monthly board meetings to provide feedback. He then provided insight on the challenges that EEA and the electric industry faces. The challenges include the required grid expansion to “electrify everything” and maintaining a reliable power supply. EEA’s power supplier, Tri-State Generation and Transmission Association, is a cooperative like EEA and has been very reliable while keeping rates affordable.

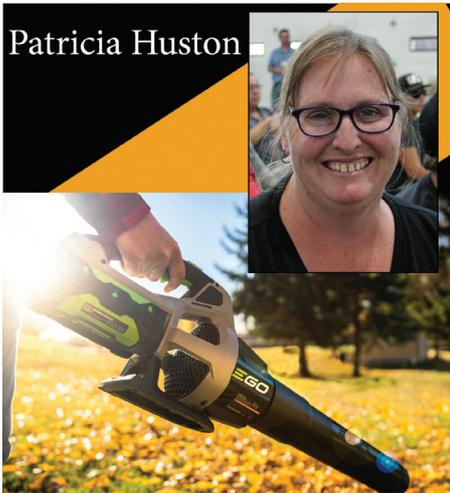
Sitton reported that EEA reviewed the option to buy out of our power supply contract with Tri-State. The cost would be between \$146 million to \$195 million depending on the outcome of FERC proceedings on methodology; that fee does not include the cost of finding another power supplier and adding staff to replace

additional services Tri-State provides EEA. Buying out brings higher risk for EEA in power delivery reliability and the prospect of having a power supplier whose business model is to make a profit and not necessarily be a partner. Weighing the cost and risks of switching power suppliers, EEA has chosen to continue to partner with Tri-State to ensure our membership has reliable and affordable power.

Jerry Fetterman, District 1 Director and Secretary/Treasurer, was next on the agenda with a financial report for 2022. Fetterman provided a summary of EEA statistics and reported that EEA continues to see growth in its service area. EEA continues to be financially sound and has exceeded all financial metrics required by the financial goals policy. He also reported that EEA has retired over \$37 million in capital credits to members since the co-op’s formation in 1939.

Fetterman was followed by Tyler Denning of Newbold Chapman & Geyer PC, EEA’s legal counsel. Denning provided an overview of the services he performs for EEA on behalf of his firm and was happy to report that there are no material matters confronting EEA at this time. The routine business matters Denning has consulted on included renewable power supply agreements, procurement, and policy review. He also assisted in EEA’s director election.

EEA General Manager Josh Dellinger delivered his report and began with a reminder of EEA’s mission statement, a summary of grid operations, and a review of our service territory. Dellinger pointed out we have continued to operate safely and have kept our reliability of power delivery



Patricia Huston is the winner of the leaf blower giveaway at the annual meeting.

Energy Efficiency

Tip of the Month

Ceiling fans can help improve indoor comfort year-round. In the summer, operate ceiling fans in a counterclockwise direction. Reverse the direction to clockwise during winter months and set fans on a low speed so warm air can circulate from the ceiling to the lower parts of the room. Remember, ceiling fans cool people, not spaces. Be sure to turn them off when you leave the room.

Source: Dept. of Energy



consistently above 99%. EEA has accomplished all of this while maintaining a laser focus on costs that has left our rates stable with only one rate increase since 2012. The current inflation trend will likely require a rate increase in January 2024.

Dellinger acknowledged the increased time it is taking EEA to design and construct new services. We have seen a marked increase in new service requests, and that, coupled with supply chain issues and a new engineering staff, have put the time it takes beyond what we know is acceptable. He assured attendees that we have taken steps to reduce the time and we expect in the next few months to have the time reduced.

Following Dellinger was Duane Highley, Tri-State CEO, who began with an overview of Tri-State and the membership it serves. He emphasized that EEA and Tri State have a great deal in common as fellow cooperatives. Highley acknowledged that power purchased from Tri-State is EEA's largest cost; that fact, along with our need for reliability, is top of mind for his team as Tri-State works to make sure they deliver what EEA needs.

Highley spoke of the impact of winter storm Uri in 2021. Because of the depth and diversity of Tri-State's generation portfolio, its members were shielded from outages and the price spikes that affected other Colorado cooperatives that are not members of

EEA 2022 SYSTEM STATISTICS

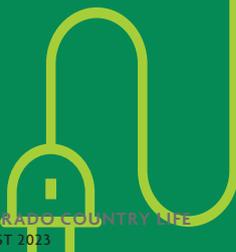
Total Active Services:	16,858
Total Miles of Line	1,958
Kilowatt Hours Sold	617,395,517
System Peak Demand (kW)	90,743
Operating Revenue	\$ 58,882,800
Expenditures	\$ 57,519,703
Operating Margin	\$ 1,363,097
Capital Credit Retirement	\$ 1,723,900

Tri-State. Tri-State's work to keep rates affordable is proven by the fact that it held rates flat from 2017 through 2020 and then had a decrease in 2021 and 2022. He acknowledged inflation is increasing costs for everyone, and Tri-State is not immune. Tri-State recently filed a redesigned wholesale rate at FERC and it will include an average rate increase of 6.4%. EEA will see an increase of approximately 5.9% because of our higher load factor.

The annual meeting concluded with election results for two open board seats. Elise Goggin and Kent Lindsay competed for District 5. Jennifer Magnuson and David Sitton competed for District 6. Lindsay was re-elected with a vote of 1,440 to 1,191 and Sitton was re-elected with a vote of 1,479 to 1,144.



Tri-State Generation and Transmission CEO Duane Highley addresses EEA members at the annual meeting.





▲ A Cortez-area resident takes a spin around the rec center parking lot to get familiar with his new bike.

eBIKE PROGRAM ROLLS FORWARD

Thanks to a generous grant from the Colorado Energy Office and the efforts of the Four Corners Office for Resource Efficiency (4CORE), 23 income-qualified seniors from Cortez and the surrounding area were given eBikes or eTrikes that provide a healthy mode of transportation and a regained sense of freedom. The funds are from the Community Access to Electric Bicycles Grant Program that aims to increase access to eBikes for income-qualified individuals while maximizing air quality benefits and greenhouse gas emissions reductions. Along with their new rides, participants were given helmets, gloves, and locks to keep themselves and their eBikes safe.

eBikes allow riders to cover more miles than they would normally be able to ride. eTrikes allow riders with mobility or balance issues to continue to enjoy outdoor exercise. Equipped with baskets, the eBikes and eTrikes are just the ticket for errands around town, grocery shopping, or going to the library. Judging by the smiles we saw when the second round of eBikes and eTrikes were given out, we think they also pack a lot of joy.

Additional support for the program was provided by several community members: Kokopelli Bike & Board assembled the eBikes and eTrikes and provided rider safety and operation training; the City of Cortez provided space at the Recreation Center where

the participants received training and orientation; and Empire Electric Association provided financial support through the Tri-State Generation and Transmission Association eBike rebate program. Financial support was also provided by Richard Ballantine with the *Cortez Journal*.



▲ Eli F. trains a new owner on eBike controls and functions.



▲ Pete E. shows new eBike owners how to remove the battery.



▲ Many things can cause a power outage, including when distracted drivers hit a power pole with their vehicle. Photo by Drew Hollen.

Outages Happen

Keeping the lights on can be challenging considering the environment EEA's electric grid must survive in. From heavy, wet winter snow to lightning and wind that accompany summer thunderstorms, our system takes a beating. Add in the furry and feathered critters that find themselves as the shortest path to ground from high voltage lines and impatient or distracted drivers that prove two objects cannot occupy the same space simultaneously when they veer off the road and shear a power pole in two, we are grateful for linemen that are always up to the task.

Outages will happen despite our best efforts. Be prepared and have a plan, especially if you or a loved one has a medical device that requires electricity. Find out how to prepare for an outage at eea.coop.

If you encounter a downed power line, stay at least 50 feet away and call 911 or EEA at 970-565-4444.

Old School Energy Savings

Installing a clothesline is a great way to save energy. Not only will you save on dryer costs, you can also save on cooling since unwanted heat from the clothes dryer won't be added to your home.

Photo Source: Daniel Spase



Co-op Photo Contest Winner August 2023 – "Hawkins Preserve" by Errin Walker.

STORM READY

Weather radios are an excellent way to stay informed. From incoming storms to national disasters, make sure your family is prepared.



Safe Electricity.org®


Monthly Calendar

August 11 – EEA's board meeting begins at 8:30 a.m. at its headquarters in Cortez. The agenda is posted 10 days in advance of the meeting at eea.coop. Members may attend in person or remotely. Instructions to attend remotely are included on the agenda.

5 Factors to Consider Before Installing Home Solar

Find out your home's energy use

Look at your energy bill(s) to review kWh usage for the past 12 to 24 months and calculate the average monthly usage.

1

2

Contact your electric utility

Because most residential systems are tied to the power grid, reach out about connection requirements, fees and possible incentives.

Location, location, location

Start considering panel location. Assess the age, size and condition of your roof as well as available ground space.

3

4

Get several quotes

There are costs other than equipment, such as permitting, installation and inspection. Make sure all costs are included in quotes.

5

Do your homework

Ensure the company you are considering has installers who are specially trained and certified to install solar, among other factors.

To learn more, visit energy.gov and search for "Homeowner's Guide to Going Solar." Use the drop-down titled "How Much Power Can I Generate with Solar" for information on PVWatts, a solar energy production and cost estimator.

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