

UPCOMING RATE CHANGES

BY ANDY CARTER MEMBER ENGAGEMENT MANAGER

Wholesale power rate changes, increasing costs, and the need to continue to align costs with revenue collection will require an update of Empire Electric Association tariffs that will include a rate increase for some rates.



ANDY CARTER

Tri-State Generation and Transmission Association filed in June for a new rate structure that includes an increase of 6.4%.

Their new rate reduces the peak period from Noon to 10 p.m. to 1 p.m. to 9 p.m. Monday through Saturday. To continue to match how we incur expenses and collect revenue for services we provide, EEA is changing tariffs that feature on- and off-peak pricing to the new shorter peak period.

EEA is also increasing the Grid Access Charge for our residential and general service single phase rate classes. All Energy rates continue the move toward recovering costs with how we incur them, reducing subsidization from other rate classes, and increasing our financial stability. Both rates still recover some operation, maintenance, and overhead costs in the energy charge. This results in members with lower than the class average energy use being subsidized by those who use more. Both rates also receive subsidies from other rate classes.

EEA is spreading the GAC increases over two years to allow members to adjust to the different pricing. The second anticipated increase in January 2025 will remove subsidization from other rate classes for the residential and general service single-phase rates as well as remove some, but not all, of the operation, maintenance, and overhead costs from the energy charge.

EEA will make a small increase in the GAC for the residential Time-Of-Use Demand rate to eliminate subsidization from other rate classes. It will also have a change in the on- and off-peak energy charges and the peak-period window. The change is necessary to account for the change in the number of hours included in the peak period. The rate price is determined by dividing the revenue in dollars EEA must recover in purchased power costs during the peak period by the kilowatt-hours sold during the period. Peak period costs include Tri-State demand charges, which are the bulk of those costs. With fewer kWh sold in the shorter period to recover the same amount of demand dollars, the on-peak energy charges will be increasing. There will also be a decrease in the off-peak energy price because there are more hours and hence more kWh sold. The decrease will be smaller because there are no demand charges to recover (only energy charges).

The Large Power and Transmission Service rates will also be updated to continue to pass all purchased power costs to the individual member directly as they currently are. All other rates will remain the same except for

EMPIRE ELECTRIC ASSOCIATION

Echoes of the Empire

SEPTEMBER 2023

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changes required for the reduction of the peak period. The increase in Tri-State energy and demand charges that will take effect in January will be reflected in the Power Cost Adjustment that is updated each February. Each rate's PCA for 2024 will show the anticipated increase in purchased power costs plus any necessary adjustment for revenue under- or over-collection in 2023.

EEA's rate committee presented the changes discussed above to the full board at the August board meeting. The proposed changes were approved and will become effective January 1, 2024.

EEA RATE CHANGES EFFECTIVE JANUARY 1, 2024

| Rate Class | Rate | Current Grid Access Charge | GAC on 1/1/2024 | Proposed GAC on 1/1/2025 |
|------------------------------|--------------------|----------------------------|-----------------|--------------------------|
| Residential | All Energy | \$38.00 | \$45.00 | \$52.00 |
| Residential | Time-Of-Use Demand | \$32.00 | \$32.40 | \$32.40 |
| General Service Single Phase | All Energy | \$38.00 | \$42.50 | \$47.00 |
| General Service Single Phase | Time-Of-Use Demand | \$32.00 | \$32.00 | \$32.00 |



LOOK UP AND LIVE

DURING HARVEST SEASON

Keep an eye out for overhead power lines. Use a spotter when operating equipment near lines and poles.

Safe Electricity.org



Monthly Calendar

September 1 – Applications for EEA's 2024 youth trips are available online at eea.coop.

September 8 – Empire Electric Association'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.

September 15 – Nonprofit donation requests due for 2024. Visit eea.coop for more details.

Energy Efficiency Tip of the Month

Did you know fall is the perfect time to schedule a tune-up for your heating system? Home heating accounts for a large portion of winter energy bills, and no matter what kind of system you have, you can save energy and money by regularly maintaining your equipment.

Combining proper equipment maintenance and upgrades with recommended insulation, air sealing, and thermostat settings can save about 30% on your energy bills.

Source: Department of Energy



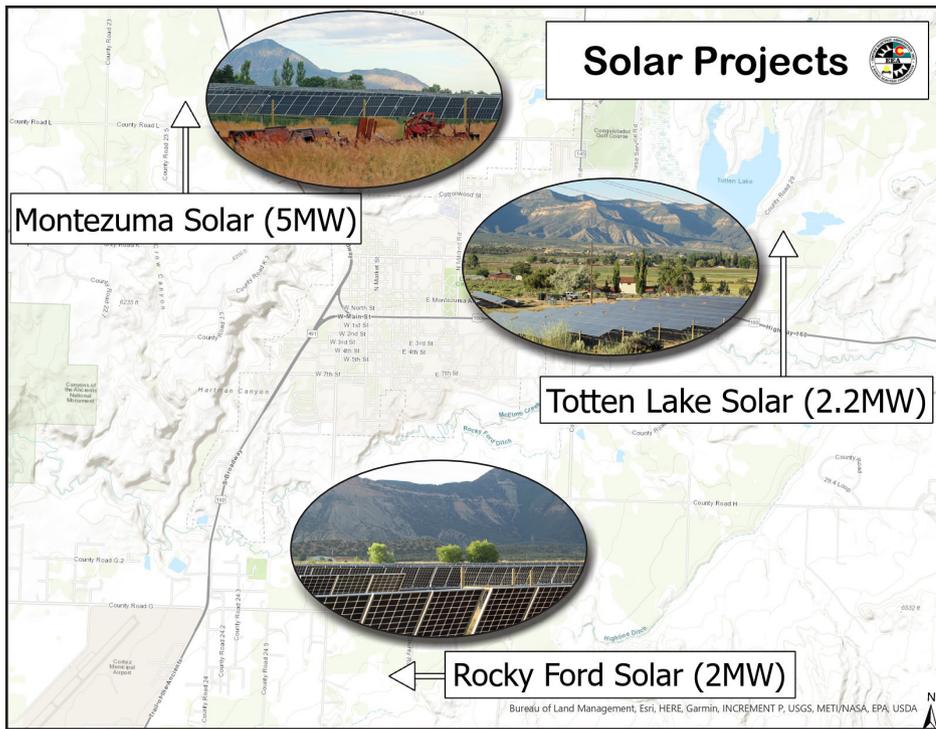
▲ "Rubber Rabbitbrush at Park Point" by Denise Moore.



**ENERGY
OUTREACH
COLORADO**
Together We Power Stability

You can help keep Colorado homes warm, healthy and safe this winter.

EEA members can sign up to make a monthly donation to EOC on their bill, and EEA will match your monthly donation. You can also make a one-time donation at energyoutreach.org/donate.



be in the know! Is your contact information up to date with EEA?

Update your contact information to get important notices regarding outages, scheduled maintenance, events, and more!

970-565-4444 & SmartHub

Commercial Production Achieved

The Montezuma solar generator achieved commercial production on July 13, 2023, joining the Totten and Rocky Ford solar generators in producing power Empire Electric Association purchases for its members. EEA negotiated purchase agreements that are economically beneficial for all cooperative members and help keep electric rates affordable.

EEA purchases the bulk of its power supply from Tri-State Generation and Transmission Association, a wholesale electric cooperative that supplies power to rural electric cooperatives in Colorado, Nebraska, New Mexico, and Wyoming. EEA's agreement with Tri-State allows us to purchase up to 5% of our power from renewable generation located in our service area. EEA has reached the 5% threshold allowed.



▲ The Montezuma solar generator delivers 5 megawatts of capacity and utilizes single-axis tracking to follow the arc of the sun to maximize energy production. It produces enough energy to supply over 1,600 homes for an entire year. Photo by Denise Moore, EEA

Tri-State is in the third year of its energy transition where it is working toward cleaner energy while maintaining reliability and affordability. Allowing member cooperatives to purchase their own clean energy is helping them achieve their goal of 50% clean energy supply by 2025 and 70% by 2030. The transition has continued to emphasize the need to retain a portfolio of dispatchable resources that can be called on to ensure that power deliveries meet member needs.

A dispatchable resource is a power plant that can provide power to the grid whenever needed if the generator is in working order and has fuel. Fossil-fuel generators are dispatchable and are instrumental in providing reliable power to the grid we have today. Renewable power generators like Montezuma solar are helping to reduce greenhouse gas emissions and keep rates affordable, but it is not a dispatchable resource. EEA is committed to providing reliable power and will work with Tri-State to ensure that, as the grid evolves to cleaner power sources, we can maintain high reliability.

Did you know you can access EEA's outage map and report an outage from your SmartHub account? Just click the links!



September is National Preparedness Month

As adults, we understand the importance of storm safety, but younger children and teens may not realize the dangers that storms pose. That's why it's so important to have a storm plan in place. There are ways you can help prepare your family for severe weather events.

Talk to your family about what to do in the event of a severe storm. Point out the safest location to shelter, like a small, interior, windowless room on the lowest level of your home. Discuss the dangers of severe thunderstorms and remember lightning can strike 10 miles outside of a storm. Remember, when you hear thunder roar, head indoors.

To make sure you are prepared, you can make a storm kit. It doesn't have to be elaborate, but it should include items like water, non-perishable foods, a manual can opener, a first-aid kit, flashlights and extra batteries, prescriptions, baby supplies, and pet supplies. Keep all the items in one place for easy access if the power goes out, and make sure your family knows where the storm kit is.

Pay attention to local weather alerts on the TV, your smartphone, or weather radio and understand the types of alerts. A thunderstorm watch means a thunderstorm is possible and you should be prepared; a warning means a thunderstorm has been spotted in your area and it's time to take action.

If the power is out, conserve your phone battery as much as possible, limiting calls and texts to let others know you are safe or for emergencies only. Stay off the roads if trees, power lines, or utility poles are downed. Lines and equipment could still be energized, posing life-threatening risks to anyone who gets too close. Remember to stay at least 50 feet from a down power line and call 911 or Empire Electric Association at 970-565-4444

Wear appropriate gear if you're cleaning up storm debris on your property. Thick-soled shoes, long pants, and work gloves will help protect you from sharp or dangerous debris left behind.



Clean up with care

Once the storm has passed, it is tempting to go straight into yard clean-up mode. However, take time for safety.

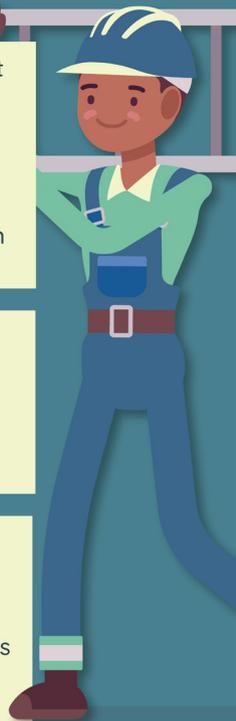
Do not go outside if there is a power outage. There could be a downed power line, which could cause electrocution. Sometimes, downed lines can be covered by branches, storm debris, water, snow or ice.

Keep these additional safety tips in mind:

- **Do not trim trees/branches** within 10 feet of a power line.
- **Read all instructions** and be familiar with equipment you intend to use.
- **Do not use a chainsaw for the first time** during cleanup.
- **Follow all safety recommendations** when using power tools.

- **Carry a ladder horizontally** instead of vertically.
- **Look for overhead power lines** before carrying a ladder.
- **Always look up** for overhead power lines before removing debris from gutters.

- **Take your time.** Rushing can result in serious injury.
- **Wear proper shoes and clothing** when using ladders and power tools.
- **Call your electric utility** to report branches in power lines; never try to remove them yourself.



Remember, wait until an outage is restored before going outside to assess the damage.