

ENERGY WISE

YOUR SAN MIGUEL POWER MEMBER NEWSLETTER



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**OCTOBER
2016**



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Both Offices:
M - TH, 7:00 a.m. - 5:30 p.m.

www.smpa.com
www.facebook.com/SanMiguelPower

In the event of a power outage, contact your local SMPA office. If it is after hours, you will be able to automatically transfer to our 24-hour dispatch.

QUESTIONS OR COMMENTS

Send your questions or suggestions for the editors of EnergyWise to:
energywise@smpa.com
(970) 626-5549 x212

HALLOWEEN SAFETY TIP



Keep costumes safe...

- Choose light colors and decorate with reflective tape or stickers.
- Choose face paint instead of masks which can obstruct vision.
- Have kids carry glow sticks or flashlights to see and be seen.

San Miguel Power Association is an equal opportunity provider and employer. If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W. Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

NOTABLES: SMPA Considers Energy, Access and the Wholesale Rate Increase

This year, your local electric cooperative, San Miguel Power Association (SMPA) received notice that the cost of wholesale power is going to increase by 4.2% in 2017. Since then, the member-elected Board of Directors has been considering how to cover the cost.

The increase will impact the largest segment of SMPA's expenses. *(The cost of wholesale power accounts for more than 56% of the total.)* Other costs are increasing as well. Under the circumstances, an increase in revenue is certainly needed in order for the cooperative to continue operating safely and to continue its mission of providing safe, reliable, affordable and environmentally responsible energy in one of the most geographically challenging regions in the country.

Due to this need, your democratically-elected Board sought to analyze the current billing rates and fees in order to determine the most fair and practical way to increase revenues to cover costs.

Rate making is both an art and a science that incorporates a wide variety of factors. This led the Board to retain the services of Power System Engineering, Inc., (PSE) one of the industry's most respected consulting firms.

PSE provided a cost of service study that addressed three different elements of the power bill: 1) the access charge, which every member must pay regardless of how much energy they use, 2) the energy rate, which is charged for every kiloWatt-hour (kWh) they use and 3) the demand rate which only impacts members who fit a certain load profile. (See www.smpa.com → Account Services → Understanding Your Bill for a

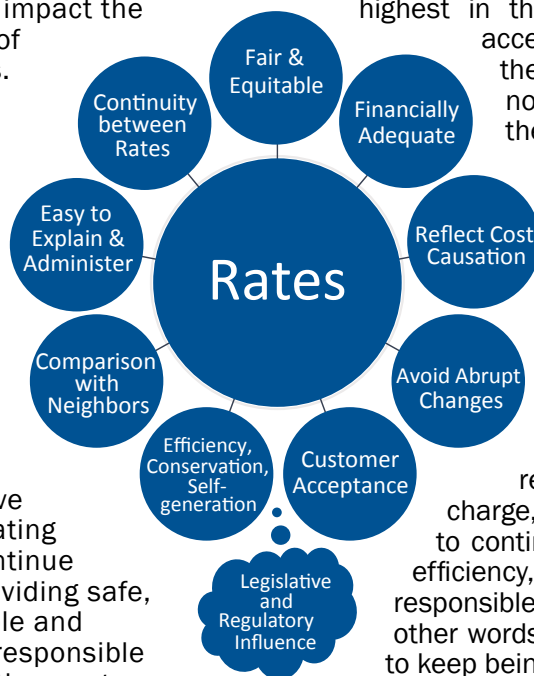
more detailed explanation.)

The study highlighted the fact that SMPA's current access charge of \$16.00/mo. is not enough to cover the fixed costs that it is supposed to cover. Furthermore, the Board noted that while SMPA's energy charge is one of the highest in the western slope, its access charge is one of the lowest. These are not the only reasons that the Board is considering an increase to the access charge.

The main reason is that SMPA doesn't want to be in the position of having to sell more energy in order to cover its fixed costs. If the fixed costs could be recovered with a fixed charge, it would enable SMPA to continue promoting energy efficiency, conservation and responsible use of electricity. In other words, it would allow SMPA to keep being SMPA!

Of course the Board and staff of SMPA would not be considering increasing the burden on the membership without looking internally first. Through attrition, automation and promoting from within, the management has been able to pare down the size of SMPA from 63 employees in 2010 to just 53 employees today. SMPA is also aggregating purchases, utilizing local power generation, and extending the life of its existing assets in order to save money and relieve upward pressure on your monthly bill.

SMPA will be giving more details and taking member feedback at three public meetings this month: The first meeting will be at the Wilkinson Library in Telluride on Monday, October 17. The next will be at the Ouray School Multi-purpose room on Tuesday, October 18 and the final meeting will be at the Naturita Public Library on Wednesday, October 19. All meetings will be from 6 pm to 8 pm. Please join us to hear more and to provide your feedback.

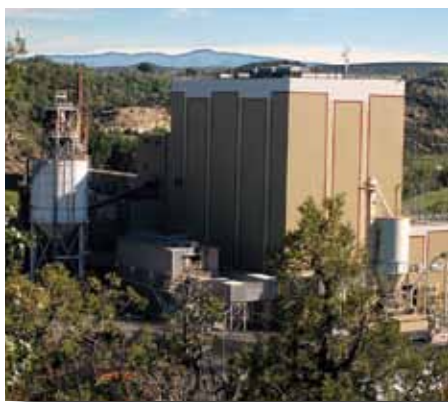


Guns and Power Lines...

Because game and other wildlife use our rights-of-way, we know sportsman want to use them too. Please be aware of all power lines and equipment, and avoid taking a shot that might hit them.

Nucla Power Plant Closure Scheduled

Tri-State Agreement Sets Date for 2022



Tri-State Generation and Transmission, along with other owners of the Yampa Project (Unit #1 and #2 of the Craig Power Station) came to an agreement with Regulatory Authorities and Environmental advocates to revise the Colorado Visibility & Regional Haze State Implementation Plan (SIP). The revision is to include measures to retire Craig Unit #1 by Dec. 31, 2025 and the Nucla Power Plant by Dec. 31, 2022. Both facilities will also be subject to more stringent emissions limits beginning 2020.

The New Horizon Mine is scheduled to stop producing coal by Dec. 31, 2022. Reclamation activities at the site will continue.

The proposed actions are estimated to reduce CO₂ emissions by 4 million tons. They should also reduce nitrogen oxides (NO_x) emissions and many other air pollutants.

Tri-State has committed to work with local officials and the State to develop a "Transition Team" for those impacted by the retirements.

The retirement of the generating station will not impact the reliability of electric service in the region.

Green Lights

SAVE, THEN KEEP SAVING.



Get up to **75% off** your next purchase of LED light bulbs.

Oct. 17 through **Nov. 18**

ECOACTION PARTNERS
TOWARDS A SUSTAINABLE FUTURE



Learn more at:
www.ecoactionpartners.org/greenlights

Youth Opportunities are Knocking... Will You Answer?

D.C. Youth Tour

June, 2017
Go to Washington D.C. on us!
Learn!
Explore!
Connect!
www.smpa.com → Community → Youth → Youth Tour



Deadline:
December 8th, 2016

Leadership Camp

July, 2017
Adventure and friendship at altitude!
www.smpa.com → Community → Youth → Youth Camp



Deadline:
December 8th, 2016

Art Contest

Create our Holiday Card & Win Cash!
1st: \$50
2nd: \$35
3rd: \$20



www.smpa.com → Community → Youth → Holiday Card Art Contest
Deadline:
December 1st, 2016