

LOOKING FORWARD TO A STRONG YEAR

BY REG RUDOLPH GENERAL MANAGER



REG RUDOLPH

As electricity rates are predicted to rise soon, there will be no rate increase in 2019 for San Isabel Electric Association member-owners. Forecasts also indicate rate stability into the near future. We have provided you with nearly a decade of rate stability because we've made investments to decrease outages and continue an efficient business model.

Since our formation in 1938, San Isabel Electric has been owned by those we serve. The result is an organization that exists only to provide low-cost electric products and services for our member-owners. That focus on service over profit has benefited southern

Colorado communities from Pueblo West to Branson.

Having stable and affordable electricity helps our membership enjoy their lives. We are proud to have only recognized one rate increase since 2009 because San Isabel Electric operates at cost, making just enough money to keep electricity flowing and expand the business.

Most utilities pocket leftover money as profit when revenues are more than expenses. Because San Isabel Electric operates at cost, we set aside that money for member-owners, based on the amount of energy they purchase. When it's financially safe to do so, we return

the money. Last year we returned nearly \$1 million to our member-owners with checks directly to their mailboxes, ranging from \$10 to hundreds of dollars.

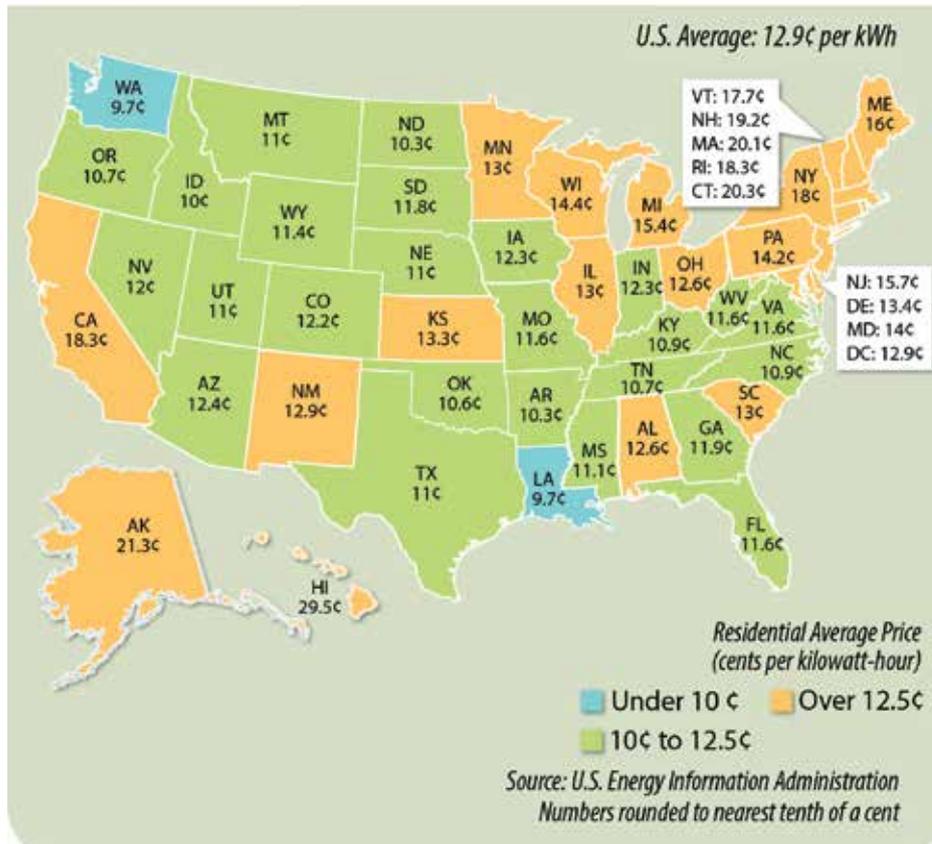
We've been able to keep operating costs down by making upgrades throughout the past few years. The new equipment is helping decrease outages. Fewer outages means fewer costs for replacing old, damaged equipment and less staff overtime. To date, more than 2,000 poles, dozens of miles of line and hundreds of transformers have been upgraded to newer, smarter, safer, stronger and more efficient materials.

There are 8,760 hours in a year, and our goal is to have power on no less than 99.977 percent of the total hours in a year. That's a significant accountability standard we hold ourselves to. The last few years, we've faced significant fires and winter storms, but our crews still fight on in some of the most rural and remote terrain to ensure each member has the same level of reliability of service as their more urban counterparts. The battle against Mother Nature is unforgiving, but it's part of what serving a member-owner entails.

Working together we're accomplishing great things, bringing value to southern Colorado and providing momentum for a strong future. Rest assured, San Isabel Electric constantly strives to meet our members' needs and bring increasing value and services. We're looking forward to a strong year in 2019.

Average Prices for Residential Electricity

2017 figures, in cents per kWh





**MORE SCHOLARSHIP
OPPORTUNITIES THAN EVER!
VISIT WWW.SIEA.COM/SCHOLARSHIPS.**

We are committed to our communities. At San Isabel Electric, we are proud to contribute and support education and training for the next generation of our membership.

New Bill Design

Your San Isabel Electric bill will soon have a new and improved look. Beginning in February, your bill will have a simplified layout that makes it easier to understand. It will also provide energy usage charts that will give you more visual information to compare your usage from month to month and see your average daily consumption. Overall, it will be easier to locate, read and understand the information presented on your bill.

One of the major improvements to the bill is the ease of finding your account number, billing details and monthly readings. Before, locating information such as your meter number was confusing. In the updated account information area, the numbers and details are located directly below each box, making it easier for member-owners to quickly find what they are looking for.

The Monthly Energy Use Comparison and Your Average Daily Use graphs are two of the new features added to your bill. The Monthly Energy Use Comparison allows member-owners to compare this month's energy usage with the same month from the previous year. In Your Average Daily Use graph, member-owners can see their average daily use in both kilowatt-hours and the average daily cost.

The kWh Usage History graph in the old bill is updated on the new bill to the Monthly Energy Use graph. This graph visually displays your energy use each month for the last year, highlighting the most recent month and making it easier to compare usage throughout the different months of the year.

Three ways your bill has a new look

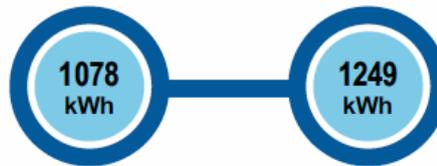
1 Account Information and Details

Account	Meter No.	Services From	To	Days	Readings Previous	Present	Meter Multiplier	kWh Usage	Rate	Bill Type
1036900	46057411	09/03/16	10/03/16	30	41773	42851	1	1,078	C1	Regular

2 New Features on Your Bill

Monthly Energy Use Comparison

Total Energy Use This Month Total Energy Use This Month Last Year



The **Monthly Energy Use Comparison** allows you to compare the current month's energy usage with the same month from the previous year.

Your Average Daily Use

Average Daily Use: Average Daily Cost



In **Your Average Daily Use** graph, you can see your average daily use in both kilowatt-hours and the average daily cost.

3 Monthly Energy Usage

Visit SmartHub for additional usage information.

MONTHLY ENERGY USE



The **Monthly Energy Use** graph visually displays your energy use each month for the previous year.

If you have any questions about your new bill or monthly charges, please contact us at 1-800-279-7432 and we will be happy to assist you. Member-owners can pay their bill online anytime using the SmartHub app. For additional information on ways to pay your bill, visit www.siea.com/waystopay.

Electric Vehicle Rates and Rebates Only for San Isabel Electric Members



Pueblo West's first EV charging station located at the Pueblo West library has one Level 2 charger and one Level 3 charger.

Tax credits, rebates and incentives

Colorado has the greatest amount of electric vehicle tax incentives and rebates available to residents. Incentives are claimed when buyers or lessees file their U.S. income taxes. Rebates are claimed at the time of purchase or lease. San Isabel Electric members are eligible to receive \$3,000 off of the 2018 Nissan LEAF until April 1, 2019. To claim the Nissan LEAF rebate, San Isabel Electric members must present a San Isabel Electric bill with the buyer's name on the bill and proof of residence to a participating Nissan dealership.

Colorado residents who buy or lease a new electric vehicle are eligible to receive:

- Up to \$7,500 in federal tax incentives.
- Up to \$5,000 in Colorado EV tax incentives for the purchase of a new electric vehicle.
- Up to \$2,500 for the lease of a new electric vehicle.

More information on incentives can be found at Colorado.gov and the U.S. Department of Energy's website.

Save money by charging your electric vehicle at home

Two electric vehicle rebates are available only to San Isabel Electric member-owners.

- A \$500 rebate for purchasing an eligible electric vehicle
- A rebate for 50 percent of the cost of installing an eligible electric vehicle charging station at home, up to \$500.

Information to claim the rebate is available online at siea.com/rebates or by calling the energy services department at 719-647-6242. Residential member-owners who install an

eligible electric vehicle charger at their home or business can also save money by applying for a special electric storage time-of-day rate for an additional \$10 monthly access charge.

To apply for the rate just call San Isabel Electric's main number, 800-279-7432 or 719-547-2160. The time-of-day rate is a relatively simple concept — rates are lower when demand for electricity is low, but costs increase when demand is high. On the time-of-day rate, you pay more for electricity when it's used during time of high demand (on-peak hours) and less when it's used during the other hours of the day with lower demand (off-peak hours). During the winter, between September and April, San Isabel Electric's off-peak hours are between 11 p.m. and 7 a.m. as well as between 10 a.m. and 4 p.m. During the summer months, May through August, San Isabel Electric's off-peak hours are only between 11 p.m. and 7 a.m.

Residential member-owners who choose to charge their electric vehicles at home can pay as little as the equivalent of 59 cents per gallon of gasoline, depending on the amount of electricity used during the billing cycle. Members signed up for the electric storage time-of-use rate who choose to charge their electric vehicle off-peak, will pay 8 cents per kWh or the average equivalent of 73 cents per gallon of gas for the first 1,000 kWh. After the first 1,000 kWh the rate goes down to just 60 cents per kWh or the average equivalent of 59 cents per gallon of gas. Member-owners choosing to charge their electric vehicle during on-peak hours pay the average equivalent of \$1.43 per gallon of gas, still considerably less than the going price per gallon of gasoline.

Equivalent cost per gallon of gasoline equations were based on the U.S. Department of Energy's formula, available at <https://www.energy.gov/downloads/egallon-methodology>.

Some charging stations allow a plugged-in car to delay charging until a programmed time, to ensure charging only occurs during off-peak times, when it's most cost effective and still convenient.

For commercial electric vehicle charging rates as well as on- and off-peak times, go to www.siea.com/timeofday.

New EV charging station in Pueblo West

Pueblo West's first electric vehicle charging station is now operating thanks to San Isabel Electric, Bank of the San Juans, Pueblo County, the Pueblo City-County Library District and the Pueblo West Metropolitan District.

The station, located at the Pueblo West library, was strategically chosen by Pueblo County for its close proximity to the Highway 50 corridor as well as restaurants, shopping areas and parks.

The charging station consists of one Level 2 charger and one Level 3 charger. Level 2 chargers run on the same electric current in homes. Level 3 chargers operate on larger currents and are often referred to as fast or rapid chargers, because the larger current allows drivers to charge vehicles faster.

To use the charging station, drivers must pay a \$2 fee to set up a ChargePoint account. Electricity is sold at the same rate electricity is sold to residential San Isabel member-owners: 14.9 cents per kWh.