

# “The Access Charge is Outrageous!”

BY REG RUDOLPH GENERAL MANAGER

“The access charge is outrageous” was a comment submitted to San Isabel Electric for this year’s virtual annual meeting. The access charge question is probably the most common question I receive so I’m going to take this opportunity to provide a more in-depth explanation.

San Isabel Electric has invested over \$230 million in utility plant to serve the membership. Whether a member uses 100 kilowatt-hours or 10,000 kWhs per month, that fixed cost investment needs to be recovered through a rate structure. Breaking down \$230 million into each member’s monthly share of that cost, it comes to \$31.25, which is over 50% higher than what is now being charged.

The next set of costs are the operations and maintenance of the cooperative. These costs cover property taxes, insurances, costs for employees, restoring outages and even sending out those dreaded electric bills. This set of costs is even higher than fixed costs.

The third piece of the pie is to pay for power costs. Two-thirds of San Isabel Electric’s operating costs go to covering the costs of the electricity purchased that is delivered to each member.

When it is all stacked up, the access charge recovers just a fraction of the actual

costs of delivering power to each member. Every utility — water, sewer, natural gas and telephone service — has some form of access fee to recover the infrastructure investment.

I realize people who use just a little electricity every month see the access charge on their residential account being \$20 and the charge for actual electricity sometimes being less, and they don’t like it and think it’s unfair. But when you consider the investment made to deliver one kilowatt-hour of electricity and the costs to operate and maintain San Isabel Electric, \$20 is one heck of a deal.

For reference, the average access charge for a rural electric cooperative in Colorado is \$25.74. The average access charge among all electric utilities in Colorado, including municipals and investor-owned utilities is \$19.95. Making comparisons requires background and understanding of all the data points. The statewide cooperative average of \$25.74 includes cooperatives with access charges closer to \$10. That means there are also many higher than \$30.

San Isabel Electric constantly monitors rates. Over the last 10 years, San Isabel Electric has only had one rate increase and that was driven by a purchased power increase. As we look to the next few years, we feel confident that the total revenue



REG RUDOLPH

being collected will cover expenses. As I mentioned, we’re also working with Tri-State Generation and Transmission, our wholesale power provider, to possibly deliver lower costs, which is great news.

But when it comes to the access charge, it’s not going away. In every utility, and especially in every electric cooperative, out of fairness to every member, costs need to be allocated equitably to each account. As I have attempted to explain here, at \$20 per month, the current access charge is providing substantial value to all members, especially those with lower monthly usage. There is no easy or clear way to explain the costs that go into the access charge, which is why we keep getting these questions. But I will summarize in one sentence: For \$20, you’re getting a great deal on a \$230 million investment.

## FALL INTO ENERGY SAVINGS

Contact us for more energy-saving tips!

- Check to see if your home insulation levels are up to par.
- Seal air leaks around doors, windows and electrical outlets.
- When heating your home, set the thermostat to 68 degrees to save energy.



San Isabel Electric has several scholarship opportunities to help a high school senior's dreams become a reality. Eligibility requirements and applications are available at [siea.com/scholarships](http://siea.com/scholarships).

**\$1,000 SIEA SCHOLARSHIP OPPORTUNITIES:**

- 🎓 San Isabel Electric Scholarship
- 🎓 Vocational Scholarship
- 🎓 At-Large Scholarship
- 🎓 Continuing Education Scholarship
- 🎓 First-to-Attend Scholarship

**\$5,000 POWERED-UP SCHOLARSHIP:**

Typically, the San Isabel Electric Board of Directors awards one \$5,000 Powered-Up scholarship every year. Any applicant whose primary address is within SIEA's service area, and who has a GPA of 3.5, and an SAT score of 1200, is automatically eligible to compete for the Powered-Up Scholarship.

WE CHECKED IN ON THREE 2020 SIEA SCHOLARSHIP RECIPIENTS TO SEE HOW THEIR FRESHMAN YEAR OF COLLEGE IS GOING.



*Cenon Caramanzana*

In reflection of the past six months of the year, one statement defines the perpetual uncertainty of it all, "Oh, the stories we will be able to tell." This watershed period has put one's ability to adapt at the forefront of pushing society to be more understanding of the health and social concerns revolving the lives of millions. Whether we are 600 miles or 6 feet apart, the importance of education remains as a fundamental connection between individuals, specifically students, and the ever-changing world. Although I am not staying up late studying in Butler Library on Columbia University's campus or riding the NYC subway to see a Broadway show, Pueblo West is serving as my "Zoom University" filled with amenities like no other: a comfortable bedroom without a roommate and unlimited dining swipes in my own kitchen. With a break from Zoom fatigue and all jokes aside, San Isabel Electric Association has made it possible for me to continue to pursue my education by providing me the opportunity to apply for academic scholarships. I encourage everyone to research SIEA's scholarships to see the immense impact and assistance that can be granted. Without hesitation, SIEA's Powered-Up Scholarship is laying the path for me to make my dreams a reality in the hopes of becoming the speech writer for the president of the United States. P.S. - Make sure you vote!



## Molly Wolyn

I am attending the University of Hawaii at Manoa this semester, studying Asian Studies with a concentration in China and Japan. Online courses have been hard to get used to and motivation is sometimes hard to find. However, it is nice to have more time to study with not having to worry about rushing to your next class. Usually, when I am tired of looking at a screen for too long, I go for a walk or get up and stretch. The SIEA scholarship made it easier this semester as I don't have to worry as much about earning money, and thanks to the scholarship I was able to attend the University of Hawaii at Manoa which has an excellent Asian studies program. Here I hope that I will be able to learn more about Asian culture while attending school. I do not have any major tips for the scholarship, but make sure to start early on the application so that you have time to make any changes. Another thing that helped me was having people read my essays to make sure that I did not have any major errors in my writing.



## Colby Kleven

Hello! I'm Colby Kleven and I'm studying French Horn performance at the Juilliard School. It's hard to truly say how things are going as I'm still not able to take classes in person. However, the few music classes I do get to take have been surprisingly challenging and I feel they have already made me a better musician. Virtual learning is a far cry from what we can do in person, but I've still been able to connect with classmates even from halfway around the world. There are of course, the added stresses of figuring out eventual living arrangements and payments, but thanks to the SIEA scholarship, some of those worries are less stressful and I have that much more headspace to pursue improvement and excellence.

### Tips:

**Screen Fatigue:** Limit online time outside the virtual class. Natural light is good. As soon as a meeting is over, I find it best to switch my mind to something completely unrelated to the class (like a game or food or the cat) to give myself a mental break.

**Scholarships:** I'll always say never wait till the last minute to do anything on the scholarship because that's the crime I'm most guilty of committing. Be sure you can write well, but don't bloat. Do apply for scholarships even if you don't think you'll win because now you have added writing and application experience under your belt.

APPLICATION  
DEADLINE  
*February* 28 2021



### WHY APPLY FOR

## SCHOLARSHIPS?

### 1. Pay for college expenses:

Scholarships can cover more than just tuition. Some can be used for books and housing too! Find the right scholarships and you could leave without any student loan debt!

### 2. Networking opportunities:

Organizations that award scholarships often host a scholarship dinner. This is a wonderful time to meet new people. You will be surprised how far you can get by knowing the right people, so mingle!

### 3. Real world experience:

Scholarships require applications, essays and sometimes even interviews. Preparing for all of these will give you experience that will be beneficial to your college career and post grad life.

### TIPS:

- Start your scholarship search sooner rather than later
- Apply early and apply often
- Read directions thoroughly and write down deadlines
- Don't ignore small scholarships for big scholarships
- Don't procrastinate



◀ SIEA Board of Directors President Jacquie Sikes (left) presents Walsenburg's Museum of Friends with funds to help the facility become completely ADA accessible.

## San Isabel Electric Sponsors Museum Upgrades

Three organizations have donated a combined \$7,500 to assist Walsenburg's Museum of Friends in making sure art is accessible to all.

San Isabel Electric, Basin Electric Power Cooperative and CoBank are proud sponsors of the Museum of Friends. The funds will be used to assist in the construction of a restroom that follows the Americans with Disabilities Act. The addition will be the last ADA amenity needed to make the building completely ADA accessible.

"The cooperative model allows San Isabel Electric to make community one of our main focuses. We are grateful for the opportunity to partner with other organizations to continually help meet community goals," said Jacquie Sikes, San Isabel Electric Board of Directors president.

For 15 years, the MOF has been dedicated to using art as a tool to educate and create opportunities for the Walsenburg and Huerfano county communities.

The intent in opening the museum was to share the extensive collection of art that museum owners Maria Cocchiarelli-Berger and Brendt Berger accumulated throughout the years. The purpose soon changed when the couple discovered that the museum could be used to positively impact the community.

The museum began to host events and classes that support education and growth through local partnerships. Programs include those that teach elderly individuals how to work at the museum to make a stipend to supplement for limited funds provided by Social Security. In the last three years, classes have been provided as art therapy to adults recovering from substance abuse. At-risk youth are also encouraged to attend art classes to occupy their free time in a safe environment.

"That's what the museum really is. It is not about highbrow art; it is about involving the community, creating jobs and creating educational opportunities," Brendt Berger said.

The museum has continued to grow and now occupies both the upstairs and downstairs of its downtown building. Although the expansion was exciting, Brendt Berger soon realized that most of the museum's guests who were elderly or wheelchair bound could not easily access both levels of the museum. This realization launched the ADA project.

Today an elevator is available to easily transfer visitors from one floor to the next. In the next few months, the museum will begin breaking ground for the new restrooms. Guests can visit the MOF

to view these new features and explore the new exhibit, "COVID-19: Crisis or Opportunity." The show will run through November 30, 2020. If you are unable to visit the Museum of Friends, a virtual tour is available via the museum website at [museumoffriends.org](http://museumoffriends.org).



November 2020

### Energy Efficiency

Tip of the Month

Keep cold air out to save energy. Seal air leaks around pipes and any gaps around chimneys and unfinished spaces behind cupboards and closets.

Source: [energy.gov](http://energy.gov)