

K.C. ELECTRIC ASSOCIATION

DECEMBER 2020

K.C. ELECTRIC STAFF

David Churchwell
General Manager

dchurchwell@kcelectric.coop

Bo Randolph

Office Manager and CFO
brandolph@kcelectric.coop

Paul Norris

Operations Manager
pnorris@kcelectric.coop

George Ehlers

Member Services Specialist and
IT Manager
gehlers@kcelectric.coop



ph 719-743-2431

tf 800-700-3123

fax 719-743-2396

web www.kcelectric.coop

Our mission is to provide our members with safe, reliable service at the lowest cost, while maintaining an environmentally responsible, accountable and sustainable operation now and in the future.

CAPITAL CREDIT RETIREMENTS AND NO RATE INCREASE FOR 2021

BY DAVID CHURCHWELL
GENERAL MANAGER

We're quickly approaching the end of another year, so I would like to take a few moments to let you know what has been going on at your electric cooperative. First, I want to thank those consumer-members who were able to attend our member appreciation open houses in October; it was great to see everyone.

In September of each year, K.C. Electric Association staff begin the process of developing our annual capital and operation budget for the ensuing year. Our final budget will not be approved by our board of directors until later this month, but I'm pleased to announce that all indicators suggest that we will not need to have a rate increase in 2021. The K.C. board, employees and staff continue to look for ways to reduce costs and become more efficient, while at the same time ensuring our reliability isn't negatively impacted and that we continue to stay financially sound.

In November, the K.C. Electric Board of Directors approved a general retirement of over \$1.1 million in capital credits to our consumer-members. In addition, K.C. Electric has retired capital credits in excess of \$100,000 to estates in 2020. Due to COVID-19, continued drought conditions and low commodity prices, the board of directors also approved a special (one-time only) capital credit retirement of an additional \$850,000 for a total capital credit retirement of over \$2 million. We thank you, our consumer-members for your continued support of K.C. Electric and hope this special



DAVID CHURCHWELL

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Through October, energy sales and revenue have been above previous years. Although large power loads have declined this year due to the pandemic, the majority of our rate classes have used more energy this year when compared to last year's usage.

Crews continue to stay busy working on distribution line rebuild projects that are a part of our four-year construction work plan and also various wind farm-related projects, as well as system maintenance.

Annually we hire a contractor to trim trees in our service territory to help increase system reliability. Our goal is to trim all the trees on our system on a three-year rotation. This year our contractor focused on trimming trees in Cheyenne County and took care of various danger trees throughout our service territory. We also annually hire a contractor to test a specified number of our distribution and transmission poles to ensure they can continue to withstand the various weather conditions we experience each year. Our goal is to test all our distribution and transmission poles on a 10-year cycle. If any poles are found to be deficient, the poles are immediately staked for replacement by K.C. crews.

High school seniors are encouraged to submit a scholarship application to be

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The Pros and Cons of a Permanent Standby Generator

According to Fixr.com, there are several cost considerations in having an all-house standby generator installed, which should be done by licensed and bonded mechanical and electrical contractors.



Installation should include:

- Assessing home energy needs to select suitable equipment. To project energy needs, total the kilowatts needed to power appliances and household systems you wish to run.
- Selecting equipment and getting installation requirements from contractor or supplier.
- Preparing the site nearest to current electrical meter and power panel.
- Getting an appropriately sized concrete pad poured.
- Having a propane or diesel fuel tank installed to feed the generator during use. This must be done by a utility company. The tank can be buried or positioned next to equipment and professional connection by a licensed contractor is usually required. (Note: Carbon monoxide detectors are required in homes using fossil fuel.)
- Having a new subpanel installed near the original electrical panel, as well as an automatic transfer switch.
- Creating a detailed plan of which appliances and electronic devices should be disconnected during use. Usually the installer configures which items will not be powered, such as televisions and computers, which could be damaged by the generator's fluctuating energy supply.
- Bringing electrical wiring and lighting to code. This depends on the amount of work required, but electricians charge an average of \$65 to \$85 (or more) per hour. This project might be priced on a per item basis, or the electrician might simply base it on the square footage.

affordable ways to
LOWER HEATING COSTS
and keep you warm

Cut Heating Costs This Winter

- Cut up to a fifth of your bill by sealing exterior wall air leaks and drafts.
- If there are leaks or holes in your ducts, use sealant or metal tape. Air leaks in ducts can account for about 20-30% of wasted heat.
- Lower the temperature while sleeping or away. A programmable thermostat can save up to 15%.
- Water heaters account for nearly a fifth of heating bills. Set yours to no more than 120 degrees.

CAPITAL CREDIT RETIREMENTS

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eligible for one of the many scholarships that K.C. will be awarding in February 2021. For more information on these opportunities, check out our website or contact one of our offices.

Looking ahead to 2021, we hope you will share your opinions with us. We recognize that our members have a valuable perspective, and that's why we continually seek your input.

As we prepare for next year, we look forward to the opportunity to serve you and the greater community. ***On behalf of the K.C. Electric family, we hope your holidays are indeed merry and bright.***

2020 MEMBER APPRECIATION

We completed our Member Appreciation Open Houses during Cooperative Month in October. They were held in Hugo, Cheyenne Wells and Stratton and we demonstrated and had test rides in the Tri-State Tesla during these events.



David Churchwell (left) speaks to consumer-members about the Tesla electric vehicle provided by Tri-State Generation and Transmission.



Robert Bledsoe, K.C. Electric Association board member, is behind the table visiting with one of our consumer-members.

Four Ways Santa Saves Energy in his Workshop

BY ABBY BERRY



The holiday season is finally upon us, and Santa and his elves have been especially busy as they gear up for their biggest night of the year.

It's no secret that Santa is known for running an efficient workshop— how else could he make all those toys in time for Christmas Eve? Rumor has it that one way Santa ensures an efficient work space is through energy-saving measures.

Here are four ways Santa saves energy in his workshop:

1. Santa leaves his decorations up year-round and by using LED holiday light strands, he saves on his monthly energy bills. LED holiday strands can last up to 40 seasons, which make them a great option for any festive home.
2. Santa requires several power tools to make a year's worth of new toys. That's why he insists on using cordless power tools with the Energy Star® rating. According to EnergyStar.gov, if all power tools in the United States used Energy Star®-rated battery chargers, 2 billion kilowatt-hours of electricity could be saved — that's equivalent to reducing greenhouse gas emissions by 1.7 million tons.
3. Santa and Mrs. Claus love to keep warm by the fire in the evenings, and Santa knows to close the fireplace flue when they are not enjoying a fire. While a fireplace can keep a small area of your home cozy and warm, it can also pull heated air from the room through the chimney.
4. Santa also saves energy by using power strips. Power strips are ideal for workshops, craft nooks, game rooms and other spaces in your home. With one simple switch, Santa conveniently controls several devices and electronics plugged into the power strip.

This holiday season, take a page from Santa's energy-savings guidebook and remember to save energy when possible. With these four tips, you'll be well on your way to savings (and hopefully, Santa's "nice" list!).

Abby Berry writes on consumer and cooperative affairs for the National Rural Electric Cooperative Association.

Holiday LIGHTING Safety

- Use only holiday lights that have been safety tested and have the **UL label**.
- Before using, **check each strand** for broken sockets, frayed cords, or faulty plugs.
- Don't string together more than **three** standard-sized incandescent sets of lights or you could **overload the circuit**.
- Don't throw lights** over tree branches that are **near power lines** and service connections.
- Always unplug lights** before leaving your home or going to bed; a timer can help with this.

Learn more at [SafeElectricity.org](https://www.SafeElectricity.org)

Attention High School Seniors, Parents and High School Guidance Counselors

It is that time of year again to begin the process and complete your 2021 scholarship applications.

We at K.C. Electric Association are once again proud to offer and award eight various scholarships to high school seniors within our membership. We sponsor five scholarships offered by K.C. Electric Association. We are the stewards for three scholarships offered by our generation and transmission cooperatives — Tri-State and Basin Electric Power Cooperative.

- **2** \$1,000 scholarships – K.C. Electric Association
- **3** \$750 scholarships – K.C. Electric Association (Note: one of these will be awarded to a technical or trade school applicant. If no eligible applications are received we will then award this as a general scholarship.)
- **2** \$500 scholarships – Tri-State Generation and Transmission
- **1** \$1000 scholarship – Basin Electric Cooperative

Applications are on our website at www.kcelectric.coop under the Community tab, or you can stop by our Hugo office to get a copy. Please read it carefully and fully to comply with the guidelines of this application. The deadline for the applications is February 11, 2021, at 5:30 p.m.

Your school counselors have received a copy of the application via email.

Any questions can be directed to George Ehlers, manager of member services at 719-743-2431.

Claim Your Savings

Each month, members have a chance to claim a \$20 credit on their next electric bill. All you must do is find your account number, call the Hugo office at 719-743-2431 and ask for your credit. The account numbers are listed below. How simple is that?

You must claim your credit during the month in which your name appears in the magazine (check the date on the front cover).

Samantha Mangus, Burlington
— 1100870008

Terry Eiring, Cheyenne Wells
— 423530000

Bryan Milburn, Arriba — 111119100
Keith or Marla Rice, Hugo
— 652200002

In October, three consumer-members called to claim their savings: Russel L. Short, Seibert; Harold Eisenbart, Stratton; and Larry D. Nestor, Cheyenne Wells.

CAPITAL CREDIT RETIREMENTS

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We thank you, our consumer-members for your continued support of K.C. Electric and hope this special retirement will help you this year. K.C. Electric was formed in 1946 and has returned over \$22 million to consumer-members since it began providing electric service.

As a cooperative, K.C. Electric operates as an at-cost, consumer-owned organization,

and any margins are credited to cooperative members each year based on how much electricity they purchased. These funds are called capital credits and are used to help meet the expenses of the cooperative, such as buying new equipment to serve members and paying debt. Capital credits help keep rates at an affordable level by reducing the amount of funds that must be borrowed to grow and maintain the electric system.

Each year K.C. Electric's board of directors determines if financial conditions allow for the retirement of capital credits. The board of directors recently approved the retirement of capital credits for patronage capital allocated in 1998, 2002 and 2019. If you were a member of K.C. Electric in any of these years, you will receive a check in December. The minimum check amount will be \$20. Any amounts under the \$20 minimum will be

held in the individual's name and added to a future refund.

Paying capital credits to our members is one of the many factors that make electric cooperatives unique and differentiates us from investor-owned and municipal utilities. If you decide to move out of our cooperative territory it is important for you to keep us informed of your current address to ensure delivery of any future refunds.