

K.C. ELECTRIC ASSOCIATION

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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.

2020 YEAR IN REVIEW

BY DAVID CHURCHWELL
GENERAL MANAGER

What a year 2020 was. In January 2020, no one could have envisioned what was in store for us with the pandemic and everything that went along with it. There were many changes at K.C. Electric Association in the past year, but, be assured, one thing that will never change is our goal to provide our consumer-members with safe and reliable service at the lowest cost while maintaining a sustainable operation.

During 2020, K.C. crews kept extremely busy completing construction workplan projects and systemwide maintenance that bolstered our system and improved our ability to change the flow of power during emergency situations.

In June, our 2020 annual meeting was originally scheduled to be held in Cheyenne Wells, but due to the pandemic we conducted our annual meeting virtually via a telephone town hall. Incumbent directors Bob Bledsoe from Cheyenne County, and Kevin Penny and Dan Mills from Kit Carson County ran unopposed and were elected to additional three-year terms. Due to director Marvin Thaller moving out of state, a special election was held to fill that vacancy. Eric Poss submitted a petition for the vacant Lincoln County director position and was unopposed, so Eric will serve the unexpired term for the director he is replacing and then will be subject to the regular election process. Next year will be K.C.'s 75th anniversary, so I hope you will attend our 2021 annual meeting, which will be held on June 3 in Stratton.

In July, the Colorado Rural Electric Association, the statewide organization for Colorado electric cooperatives, recognized our employees for working 2019 without experiencing a lost-time accident. There



DAVID CHURCHWELL

are 22 electric cooperatives in Colorado, and it's not unusual for a number of them to work an entire year without a lost-time accident. In addition to the annual no lost-time accident awards that are handed out, CREA also recognizes one electric cooperative that stands out above the rest in regard to their culture of safety by awarding the Achievement of Excellence Performance Safety Award. For 2019, K.C. Electric not only received a no lost-time accident award but was also selected as the recipient of the Achievement of Excellence Performance Safety Award. I am extremely proud of the culture of safety that has developed over the years at K.C. Electric and the professional service our employees provide on a daily basis for our membership.

As I'm writing this article, our year-end financials are not complete, but we are projecting that we will finish the year with adequate margins to meet our lender-required financial ratios and will not need a rate increase for 2021.

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, due to COVID-19, continued drought conditions and low commodity prices, the board of directors also approved a special capital credit retirement of an additional \$850,000 for a total capital credit retirement of over \$2 million. K.C. Electric was formed in 1946 and has returned over \$22 million to our consumer-members since we began providing electric service.

Legislative, regulatory and environmental changes will continue to keep

the electrical industry changing at a rapid pace. With assistance from our statewide organization, CREA, and our national organization, the National Rural Electric Cooperative Association, we continue to monitor legislative activity on the local, state and federal levels to determine how it will affect K.C. Electric and you, our consumer-members.

K.C. is governed by democratic principles and you, the membership, elect our board of directors to guide and govern the cooperative. Along with approving rates and our annual budget, the board of directors also monitors K.C.'s equity, debt, capital credits and overall financial health. The K.C. Board of Directors and staff continually focus on controlling costs by managing debt, making investments to improve operating efficiencies and implementing technologies to improve internal processes.

The year ahead will continue to bring new challenges both financially and operationally for us, but the board of directors and employees of K.C. Electric will continue to do everything in our control to keep expenses down, and customer service and reliability high.

SAVE MONEY

Electricity is becoming cleaner every day and can save consumers money on their energy costs over time.



Did you know...

Replacing your HVAC system with an electric heat pump can **save you nearly \$1,000 per year** on your heating and cooling bills.¹



Did you know...

The average cost of **charging an electric car** is equivalent to **\$1.20 per gallon of gasoline**.²



Did you know...

Owning an electric vehicle can **save you over \$800** in annual maintenance.³

1. <https://www.forbes.com/sites/jeffmahon/2018/08/19/8-ways-youre-heating-with-propane-or-oil-study-says-go-electric/#208f8277a71>
2. <https://www.energy.gov/maps/egallon>
3. <https://www.bloomberg.com/news/articles/2017-11-29/electric-vehicles-drivers-save-a-lot-on-gas-money>



STANDBY GENERATOR SAFETY TIPS

Portable or permanently installed standby generators can come in handy during long-term power outages. However, if you do not know how to use them properly, they can be dangerous. Contact a qualified vendor or electrician to help you determine what generator is best suited to your needs. Before using, read and follow manufacturer's instructions.

If you are installing a permanent generator, it must have a transfer switch. The transfer switch prevents energy from leaving your generator and going back onto the utility electrical equipment, when it could be dangerous to a lineman or others near downed power lines, a process known as "back feed." A qualified electrician should install your generator and transfer switch.

Safe Electricity has the following tips to use portable generators safely:

- Operate it outdoors in an area with plenty of ventilation. Never run a generator in a home or garage. Generators give off deadly carbon monoxide.
- Do not plug a generator into the wall to avoid back feed. Use heavy-duty extension cords to connect appliances to the outlets on the generator.
- Turn the generator on before plugging appliances into it. Once the generator is running, turn your appliances and lights on one at a time to avoid overloading the unit. Remember, generators are for temporary usage; prioritize your needs.

- Generators pose electrical risks, especially when operated in wet conditions. Use a generator only when necessary when the weather creates wet or moist conditions. Protect the generator by operating it under an open, canopy-like structure on a dry surface where water cannot form puddles or drain under it. Always ensure your hands are dry before touching the generator.
- Be sure the generator is turned off and cool before fueling it.
- Keep children and pets away from portable generators. Many generator components are hot enough to burn you during operation.

Safe Electricity suggests these safety guidelines and basic operating instructions be posted in the home and with the generator.



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).

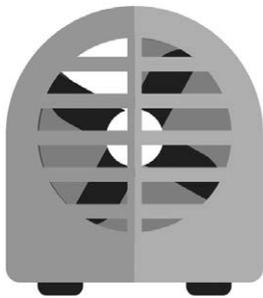
Amanda Arensdorf, Flagler — 808200003

Charles Helderman, Vona — 1006350002

Gary Mulch, Burlington — 1103880001

Edward Cure, Burlington — 1187392800

In November, two consumer-members called to claim their savings: Breck Vassios, Flagler, and Robert Beek, Arapahoe.



86% of home heating fire deaths involve space heaters.

Source: National Fire Protection Association (NFPA)

Safe Electricity.org®

HELPFUL HINTS FOR WORKING FROM HOME

TO HELP WITH WORK-LIFE BALANCE



CREATE A DEDICATED SPACE

Not everyone can do this, but it helps if you can have a separate space to keep your work area (and your workday mindset) separate from other areas of the home.

SET A SCHEDULE

Try to set a workday schedule and stick to it as much as possible so that work and home do not constantly intertwine.



CREATE BOUNDARIES

Just as a workspace serves as a physical work boundary, try to set other at-work boundaries: discuss work hours, deadlines and interruption ground rules with others under your roof.

BE REALISTIC

Creating boundaries is more difficult with children and teens around. If you can, try to create a work schedule around their most demanding hours or juggle coverage with another adult.



TAKE A STAND

Researchers at Columbia University found that adults who sit for one to two hours at a time without moving have a higher risk of early death than those who get up more often. Aim to get up and move every 30 minutes.

TAKE BREAKS

Working nonstop might make you feel heroic, but it actually decreases productivity. Consider scheduling brief breaks and taking them – outdoors if possible.



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January 2021

Energy Efficiency

Tip of the Month

Replace standard power strips with advanced power strips. Advanced power strips look like ordinary power strips, but they have built-in features that are designed to reduce the amount of energy used by standby electronics that consume energy even when they're not in use (also known as phantom load).

Source: nrel.gov

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

K.C. Electric Association is once again proud to offer and award eight various scholarships to high school seniors within the co-op membership. K.C. sponsors five scholarships directly by K.C. Electric Association and is the steward for three scholarships offered by generation and transmission cooperatives Tri-State Generation & Transmission and Basin Electric 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, K.C. will then award this as a general scholarship.)
- **2** \$500 scholarships – Tri-State Generation and Transmission
- **1** \$1,000 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 the instructions 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.

We have also submitted a copy of the application to your school counselors via email.

Questions?

Contact K.C. Electric Manager of Member Services George Ehlers at 719-743-2431.

Five Ways to Stay Cozy this Winter

BY ABBY BERRY

Baby, it's cold outside! When you're feeling chilly at home, there are several budget-friendly ways you can keep comfortable without turning up the thermostat.

Here are five easy ways to stay cozy:



1. Whether you're experiencing extremely cold winter temps or you simply "run cold," an electric blanket can deliver quick warmth that a regular throw or blanket cannot. Electric blankets can include a variety of features, like timers and dual temperature settings (if your cuddle buddy prefers less heat). This winter, consider an electric blanket instead of turning up the

heat and your energy bill will thank you.

2. One of the easiest ways to stay cozy at home is to keep your feet warm. Our feet play a critical role in regulating body temperature. When your feet are warm, your body automatically feels warmer. Try a pair of comfortable wool socks or house slippers to stay toasty.

3. On winter days when the sun is shining, take advantage and harness natural warmth from sunlight. If you open all curtains, drapes and blinds in your home to let the sunshine in, you'll feel the difference.

4. Another way to make your home cozier is to use a humidifier. Cold air doesn't hold water vapor like warm air, so adding humidity inside your home



can help you feel a little warmer. A favorable level of humidity inside your home can also help clear sinuses, soften skin and improve sleep.

5. Beyond adding visual appeal to your home, area rugs can also provide extra insulation and a warm surface for your feet on cold winter days. Use large area rugs in rooms where you spend the most time. You'll enjoy the new colors and textures of the rug, and the additional warmth will help keep your home comfortable.

These are just a few ideas to stay cozy this winter without turning up the thermostat. **Don't forget the hot chocolate!**

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