

RESTORING THE CALM IN THE DARK

BY TOM WALCH CHIEF EXECUTIVE OFFICER

Here in the United States, we are fortunate to have an advanced power grid in place. Power transmission and distribution is reliable in our country, and we are proud to deliver the electricity you depend on each day. Excluding outage times attributed to major weather or other catastrophic events, electricity consumers in our country typically experience under two hours of total power interruptions per year, according to the U.S. Energy Information Administration. When outages due to major events are taken into consideration, the EIA reports the total outage time at five hours a year. Grand Valley Power compares favorably, as our average outage minutes using the same benchmarking data, were 74 minutes per consumer. Only one cooperative in the state of Colorado finished with a better mark, and we ended up just outside the top ten percent nationwide.

Our team members have a lot to do with this success. We've implemented a robust vegetation management plan that ensures we clear trees or other vegetation from our energized lines on a regular basis. In addition, with the deployment of new enhanced meters, having a two-way communication with enhanced meters helps pinpoint the exact location of outages more quickly, meaning a faster response time, and fewer outages, blinks and surges. The new system

identifies variances in voltage or potential line conditions to help GVP maintain a more reliable power distribution system and alert us of potential issues before they become larger problems.

While our reliability numbers are good, we know that there is always room for improvement. The rugged terrain in Mesa County can be breathtakingly beautiful, but it makes it challenging to serve folks who live in remote areas. Simply put, it is difficult and costly to build electric lines to these areas. Consequently, many of our meters are on radial feeds. That means that we only have one path to follow when delivering electricity to these meters. When something interrupts the delivery of power along that path we can't send the electrons over other lines to reach these customers. Their power will be out until we can fix the problem that caused the interruption. We continue to explore cost effective ways to address reliability issues in these remote areas.

What happens on our end when your power goes out? Rest assured we swing into action in a safe and efficient manner to ensure your power is restored. Thankfully, lengthy outages do not happen on a regular basis. That does not mean you should not prepare for them, however.

At a minimum, have a storm kit ready that includes flashlights, bottled

water, non-perishable food, battery-operated radio, batteries, portable cell phone chargers that are fully charged, hand sanitizer and first-aid supplies. It's important to



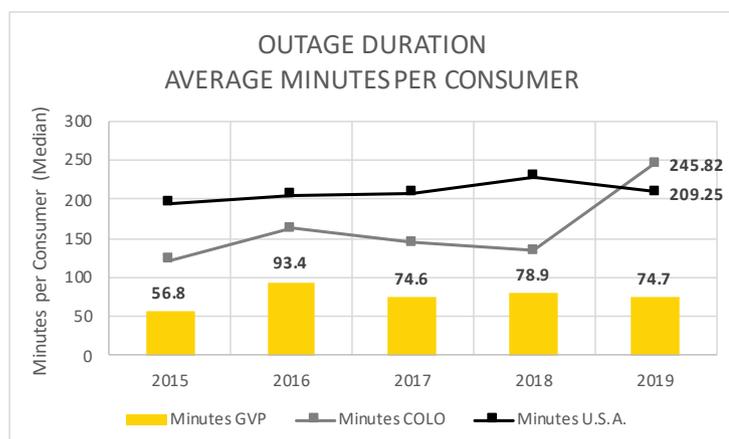
TOM WALCH

also have a discussion with others you live with and ensure all family members (and pets or livestock) are part of the plan.

During a power outage:

- Report outages through our SmartHub app or on the web during large outages. This helps free up valuable personnel time. Alternatively, you can call us at 970-242-0040.
- Keep freezers and refrigerators closed to preserve food.
- Only use generators outdoors and away from windows and doors; do not use them in a garage.
- Have alternate plans for refrigerating or accessing medicines and using power-dependent medical devices.
- Do not use a gas stove to heat your home.
- Disconnect appliances and electronics to avoid damage from electrical surges.
- If needed, go to an alternate location for heating or cooling.
- If weather conditions allow, check on neighbors. This is especially important since cell phone and internet communications may be disrupted and they may be unable to call for help.

Regardless of the reason for an outage, know that when the lights go out — even during extreme weather — we are doing all we can to safely and efficiently restore power. You're not alone in the dark and we're working for our members 365 days a year. For more information about outages, electrical safety and storm preparation, visit our safety resources at gvp.org/safety-resources or gvp.org/Outage-Center.



WHEN THE LIGHTS GO OUT

POWER RESTORATION

TOP OUTAGE CAUSES

SAFETY RESOURCES

By Christmas Wharton | Communications Manager
& Dana Poger | Communications Specialist

HOW IS POWER SAFELY RESTORED?

When conditions are favorable for a storm, severe weather can take down power lines or disrupt your electric service in several ways. Slick roads can also play a role when vehicles strike a power pole or padmount transformer and cause prolonged service disruptions. Please know that when the power does go out, we are doing all we can to safely and quickly restore power. Here are the steps we take when restoring power safely:



STEP 1: ASSESS THE DAMAGE

We assess the damage to utility equipment and power lines across the service area.



STEP 2: ADDRESS SAFETY RISKS

We address immediate safety risks, including downed power lines.



STEP 3: RESTORE ESSENTIAL SERVICES

We ensure that public health, emergency services and safety facilities are operational.



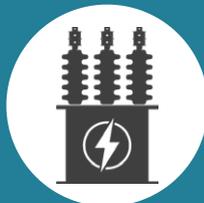
STEP 4: PRIORITIZE REPAIRS

We repair (usually in this order): transmission towers or lines, substations, distribution lines and then service lines to property.

The length of time it takes to restore your power depends on several factors, including the:



Extent of the storm's destruction



Severity of utility equipment damage



Number and extent of outages



Accessibility to damaged equipment



@GVRURALPOWER

Outage Updates: We post important updates about outages that are anticipated to be longer than one hour and affect 100 members or more on our social media pages and gvp.org/outage-center.



Electrical Medical Equipment

If you or a loved one relies on an electrically operated life-support system, we encourage you to call Grand Valley Power at 970-242-0040. It is very important that members with life-support systems notify the co-op of the current service address and provide a note from a licensed physician regarding the service accommodation. If there is a planned outage, GVP wants to be able to notify the consumers affected or emergency personnel so that the members welfare is not jeopardized. Member's can submit an electrical medical need form online at gvp.org/special-services or visit the SmartHub mobile app to update GVP with this important information.

Top Causes of Outages

Although we work hard to maintain our equipment, monitor power delivery 24/7, and do all we can to keep the lights on, there are circumstances beyond our control that can interfere with power delivery.

Storms: Winter weather is one example. Winter storms can impact the distribution of electricity due to ice, heavy winds, sleet and other extreme conditions. On October 25, 2020, a heavy storm system brought snow and high winds to the Western Slope, which resulted in multiple widespread outages across GVP's territory. Regardless of the reason, know that when the lights go out, even during extreme weather, GVP crews are working around the clock to safely and efficiently restore power.

Equipment issues and routine maintenance: The safety of our workforce and community is our top priority, which is why performing routine maintenance on our lines is essential. Although our crews are trained to safely work on live lines, some construction projects require a planned outage. Tasks including changing outdated poles or replacing damaged wire may require an outage to keep our crews safe. As always, Grand Valley Power crews work diligently to inspect and maintain the working order of all electrical equipment, but sometimes a malfunction can occur.

Grand Valley Power has an Avian Protection Plan that attempts to prevent electrocutions for all wildlife species, including birds of prey, with the goal of protecting valuable wildlife resources and improving electric system reliability.



Trees and vegetation: Although most trees do not present a problem, some of them grow into or crowd power lines or other utility equipment. When greenery becomes too close for comfort, we have to address it because overgrowth can interfere with power distribution and create a fire hazard. Power lines can give off a spark or arc that may land on a nearby branch and ignite. Additionally, the lights in your house may flicker when tree branches brush power lines during high winds. Stormy weather can also cause limbs to break off and land on lines. In fact, many power outages are caused by tree-related issues, which is why we have a robust vegetation management program.

Animal protection: We care for our furry friends just as much as you do! In areas with an abundance of wildlife, we install squirrel guards and raptor protection devices on utility poles to protect our wildlife. These devices safely and humanely guard against incidental contact with energized parts on our electrical equipment without causing injury or harm.

OUTAGE SAFETY RESOURCES

SCAN ME



You've heard the adage, "By failing to prepare, you are preparing to fail." Do you have a plan for when power is out for a couple hours during a storm? Do you have an emergency kit at home and in each vehicle? Disasters don't wait. Make your plan today with our resources available at gvp.org/outagesafety.

2021 BUDGET APPROVED

The Grand Valley Power Board of Directors approved the 2021 budget at the December board meeting. The budget is the co-op road map for the year, and management will use it to guide the business. Conditions and situations may vary that could potentially change the budget during the year, and during that time, the budget may be amended. The following is a comparison of the 2020 budget, the estimated actual results for 2020 and the 2021 budget.

	2020 Budget	2020 Est Act	2021 Budget
Operating Revenue & Patronage Capital	<u>\$33,555,854</u>	<u>\$33,051,946</u>	<u>\$33,942,517</u>
Purchased Power	18,418,339	17,864,087	18,604,922
Transmission Expense	68,482	14,836	67,618
Distribution Expense: Operations	2,322,998	2,291,574	2,533,956
Distribution Expense: Maintenance	1,310,492	945,526	1,558,292
Customer Accounts Expense	1,024,703	972,823	1,146,572
Customer Service & Information	390,519	476,568	484,110
Administrative & General	<u>2,633,769</u>	<u>2,696,540</u>	<u>3,103,138</u>
Total Operations & Maintenance	<u>\$26,169,302</u>	<u>\$25,261,954</u>	<u>\$27,498,608</u>
Depreciation & Amortization	3,249,118	2,868,569	3,001,743
Tax Expense: Property	775,171	707,004	742,354
Interest on Long-Term Debt	1,838,754	1,838,754	1,788,611
Interest Expense: Other	200	200	100
Amortization of RUS Premium Payoff	52,868	52,868	52,868
Other Deductions	<u>232,397</u>	<u>624,325</u>	<u>142,632</u>
Total Cost of Electric Service	<u>\$32,317,810</u>	<u>\$31,353,674</u>	<u>\$33,226,916</u>
Patronage Capital & Operating Margins	<u>\$1,238,045</u>	<u>\$1,698,273</u>	<u>\$715,601</u>
Nonoperating Margins: Interest	35,000	35,000	35,000
Nonoperating Margins: Other	12,500	14,563	1,078,541
Capital Credits & Patronage Dividends	<u>260,000</u>	<u>255,000</u>	<u>260,000</u>
Total Patronage Capital or Margins	<u>\$1,545,545</u>	<u>\$2,002,836</u>	<u>\$2,089,142</u>

NOTICE OF ANNUAL MEETING & ELECTION

Board of Director elections will take place at the Annual Meeting of the Members on **Thursday, August 5, 2021**, at Colorado Mesa University. Directors whose terms expire in 2021 are Dennis Haberkorn, Bill Rooks and Jesse Mease. More information about the incumbents and election information will be forthcoming in the months ahead. You can also visit gvp.org/director-elections to read more about GVP's election policy.



February 2021 Energy Efficiency Tip of the Month

Use wool or rubber dryer balls in the clothes dryer to reduce drying time and static. Wool dryer balls can also absorb extra moisture. These are an efficient alternative to dryer sheets, which can create buildup on the dryer's filter and reduce air circulation. If you prefer dryer sheets, scrub the filter once a month to remove buildup.

Source: energy.gov

COMMENTS TO THE CEO

You are a member of a cooperative and your opinion does count. If you have any questions, concerns or comments, please let me know by writing to Ask the CEO, P.O. Box 190, Grand Junction, CO 81502, or send an email to me at twalch@gvp.org. Check out our website at gvp.org.

BOARD MEETING NOTICE

Grand Valley Power board meetings are open to the members, consumers and public, but due to current COVID-19 health concerns, please call us at 970-242-0040 if you are interested in attending the meeting remotely. Regularly scheduled board meetings are held at 9 a.m. on the third Wednesday of each month at the headquarters building located at 845 22 Road, Grand Junction, Colorado.

The monthly agenda is posted in the lobby of the headquarters building 10 days before each meeting and posted on the GVP website. If anyone desires to address the Board of Directors, please let us know in advance and you will be placed on the agenda.