

# THANK YOU AND GOODBYE!

BY REG RUDOLPH GENERAL MANAGER

I came to San Isabel Electric over 13 years ago with a vision to help deliver more value and better service to the members of San Isabel Electric. I never imagined the challenge would be as difficult, nor the result so rewarding.

Over the past few years, we have seen growth in new members and electricity sales we had not seen for over a decade. San Isabel Electric is in excellent condition — reliability for 2021 was the highest it has ever been. With challenging weather and terrain, the average time a member is out of power is 1.5 hours annually. That means our members have power 99.98% of every hour — quite an accomplishment for our service territory that is the size of Rhode Island, Delaware and Connecticut combined.

San Isabel Electric has had one rate increase since 2009. Working hard to control costs keeps money in your pockets, which is what an electric cooperative is all about: providing value. I know the members appreciate San Isabel Electric's efforts, because member satisfaction scores are among the highest of ALL utilities in the nation.

The members need to be proud of these accomplishments. San Isabel Electric is one

of the best electric cooperatives in the United States. As we look to the future, it is time for a new perspective and leadership. After 13 years as general manager, I have submitted my resignation to the board of directors.

I am headed to Tri-State Generation and Transmission Association, San Isabel Electric's power supplier. I will be the chief energy innovations officer working on beneficial electrification, demand-side management and distributed energy resources. I am excited about the new challenge and the opportunity to stay in Colorado working with San Isabel Electric and the other Tri-State member cooperatives.

I am so thankful to have had the opportunity to work with San Isabel Electric members, board of directors and employees over the years. In 2008, my wife Tamra and I moved to Pueblo West from North Dakota with 9- and 12-year-old sons. Today, Dayley, my older son, is a staff accountant at Poudre Valley Rural Electric Association, an electric cooperative in Fort Collins. And Dalton, my younger son, is a junior at the University of Southern California studying business. This is the longest I have ever lived anywhere in



REG RUDOLPH

my life because of my love for the area and people of southern Colorado.

I want to thank the members of San Isabel Electric for the trust and confidence you have given to me. I have always worked to make sure our members had a voice and were represented with the respect they deserve. The employees fully understand how important our members are to the success of San Isabel Electric, and serve you with conviction and respect — for that I thank them for their support, hard work and commitment.

It is difficult for me to fully describe my appreciation for everything San Isabel Electric has done to make my time so rewarding. The only thing I can say is... thank you and goodbye.



## February 2022 Energy Efficiency Tip of the Month

About 30% of a home's heating energy is lost through inefficient windows. Caulk and weather strip windows to seal air leaks. When running your home heating system, lock all operable windows to ensure the tightest seal possible.

Source: U.S. Dept. of Energy



## IMPROVED RELIABILITY DUE TO SYSTEM UPGRADE PROJECTS

San Isabel Electric members on average are experiencing less than half the number and length of outages than they were seven years ago.

In 2015, the average length of an outage spread out over the entire membership, was 211.8 minutes. In 2021, it was 89.9 minutes. That's a one-hour-and-52 -minute reduction in the last six years.

What happened? In 2017, the co-op began rebuilding the entire system. The goals were simple. Reduce outage frequency and length, make the system more resilient to storms and natural disasters, and reduce wildfire risk. The rebuild included adding and updating equipment to help locate damage and isolate outages, allowing fewer meters to be affected by an outage.

"The December 15 windstorm was a testament to the improvements that have been made on the system and to our talented workforce. Our strategy has been to get ahead of outages, rather than respond to them," General Manager Ryan Elarton said.

In 2020, most of the upgrade projects were completed. Contract crews and San Isabel Electric's 22 lineworkers have replaced more than 1,300 poles and 67,000 feet of line from Pueblo West to the New Mexico state line.

### Enhanced fire mitigation

A few days before the December 15 storm, the co-op started putting equipment into fire protection mode, modifying operations of automatic switches and reclosers.

Any time Stage 2 Fire Restrictions are issued, SIEA changes the system to immediately blow a fuse before a recloser operates to prevent reclosing into any situation that could potentially start a fire, reducing the

possibility of electricity holding something on the line and catching fire or sparking a fire.

The enhanced fire mitigation measures can increase the frequency and length of outages for small groups of members. However, the consequences of wildfires are not taken lightly by San Isabel Electric employees. Safety of our members and employees is our top priority.

### Rate stability

The reliability improvement upgrade projects are also part of the co-op's long-term strategy to keep operational costs down and ensure steady rates for many years to come. Because the upgraded equipment is brand new, there will be fewer outage-related repair costs and maintenance costs.

San Isabel Electric member-owners have only experienced one rate increase in the last decade and rate increases are not anticipated soon.

### What's next

The co-op will take a holistic view of all work completed on the system that can impact the member. Whether the work is construction, maintenance, or operations, it will be evaluated by the impact it has on providing reliable electrical service to the membership. Resources will be allocated to projects that reduce outages and risk, and projects that increase power quality and member satisfaction. Specific areas that will be addressed include tree trimming, pole replacements, maintenance, line patrol, pole testing, sectionalizing, and power quality.

*More information about all of San Isabel Electric's upgrade projects, including interactive maps and frequently asked questions, is available at [siea.com/systemupgrades](http://siea.com/systemupgrades)*

### Rural Trinidad east of I-25 upgrade project (300 meters affected)

**Summary:** In January of 2019, construction for a complete ground-up upgrade began on the eight-mile section of line between Highways 160 and 350 in eastern Las Animas County.

**Status:** Completed summer 2019  
**Impacts:** In addition to reducing the frequency and length of outages, the upgrade is providing increased capacity and redundant power to the surrounding areas.

**Website:** [siea.com/TrinidadUpgrades](http://siea.com/TrinidadUpgrades).

### Aguilar substation (500 meters affected)

**Summary:** Replacement of the Aguilar substation. The substation has some of SIEA's oldest equipment and is due for an upgrade.

**Status:** In-progress  
 Estimated completion date: Summer 2022

**Impacts:** Additional capacity to the Town of Aguilar, a secondary redundant power source, faster outage restoration times and increased safety for San Isabel Electric's employees.

**Website:** [siea.com/AguilarUpgrades](http://siea.com/AguilarUpgrades)

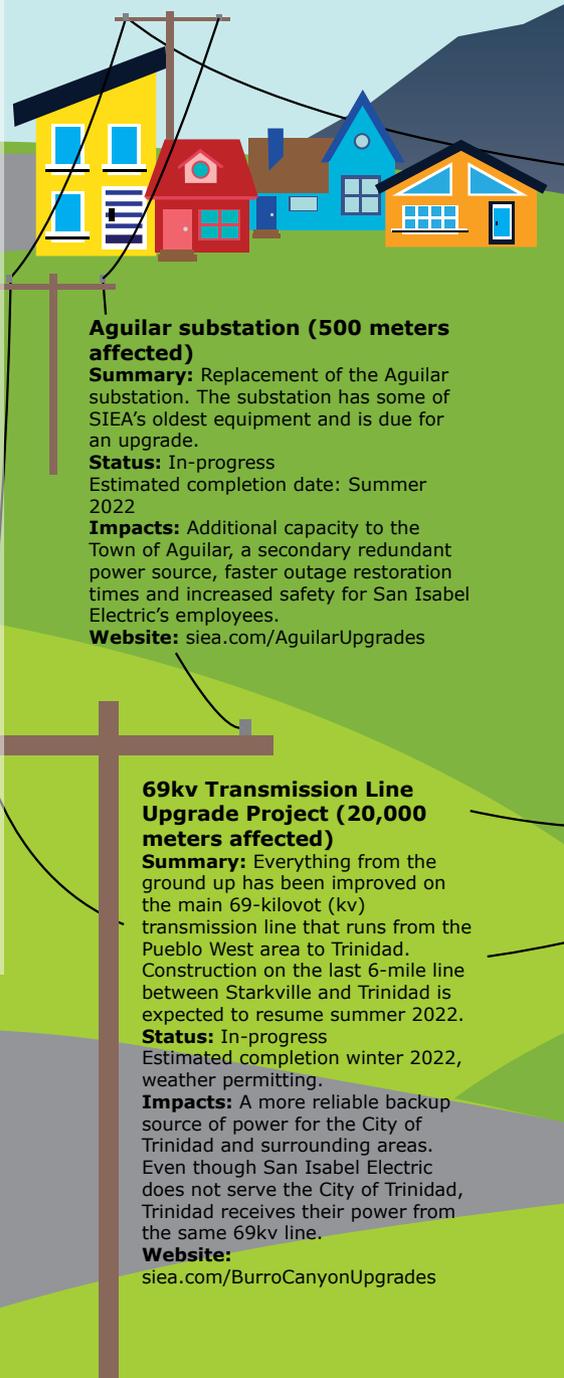
### 69kv Transmission Line Upgrade Project (20,000 meters affected)

**Summary:** Everything from the ground up has been improved on the main 69-kilovolt (kv) transmission line that runs from the Pueblo West area to Trinidad. Construction on the last 6-mile line between Starkville and Trinidad is expected to resume summer 2022.

**Status:** In-progress  
 Estimated completion winter 2022, weather permitting.

**Impacts:** A more reliable backup source of power for the City of Trinidad and surrounding areas. Even though San Isabel Electric does not serve the City of Trinidad, Trinidad receives their power from the same 69kv line.

**Website:** [siea.com/BurroCanyonUpgrades](http://siea.com/BurroCanyonUpgrades)



**Cuchara Valley upgrade project (400 meters affected)**

**Summary:** The Cuchara/Panadero upgrade project began in May 2019 improving the overall system throughout the entire Cuchara Valley. Crews replaced an old underground line that caused numerous outages in the area that had reached the end of its usable life. The wire was replaced with new construction techniques and new technology that make the wire more reliable and longer lasting.

**Status:** Completed summer 2020

**Impacts:** Improved power quality, reduced blinks and outages, temporary fixes were replaced with permanent repairs.

**Website:** [siea.com/CucharaValley](http://siea.com/CucharaValley)

**Pueblo West underground replacements (500 meters affected)**

**Summary:** A large portion of the underground cable is being replaced in Tract 331, between Abarr and Palmer Lake Drives and between Maher Drive and Joe Martinez Boulevard.

**Status:** In-progress

The replacement project began in June 2019. When the upgrades in Tract 331 are complete, upgrade work will continue throughout Pueblo West, moving south.

**Impacts:** More than 1.5 miles of old underground line that has caused numerous outages in the area and has reached the end of its usable life, will be upgraded to more reliable and longer-lasting wire.

**Website:** [siea.com/PuebloWest](http://siea.com/PuebloWest)

**City of Walsenburg upgrade project (3,268 meters affected)**

**Summary:** Portions of Walsenburg's old system were built in the early 1900's, before San Isabel Electric was formed as an electric co-op. When the old system was built, Walsenburg's micro-grid was powered by a power plant. In 1956, Walsenburg tied into San Isabel Electric's 69 kilo-volt line. In 2013, San Isabel Electric began upgrading Walsenburg's old system with modern materials. In July 2017, a full-time crew was dedicated to the project and others as needed.

**Status:** Completed spring 2020

**Impacts:** The smarter, more efficient, modern materials of the new system require fewer repairs, less maintenance, more reliable energy, fewer outages, fewer unexpected costs and help ensure steady rates.

**Website:** [siea.com/WalsenburgUpgrades](http://siea.com/WalsenburgUpgrades)

**City Ranch tie line (1,600 meters affected)**

**Summary:** Work to upgrade the power line west of the City of Walsenburg along the Hogback was completed in the summer of 2020.

**Status:** Completed summer 2020

**Impacts:** More reliable service to Majors Ranch, Gardner, and the surrounding areas. This upgrade will also help segment SIEA's system, separating the City of Walsenburg from the surrounding area. Segmentation allows problems to be located faster, and those problems to be isolated, allowing fewer meters to be affected by an outage.

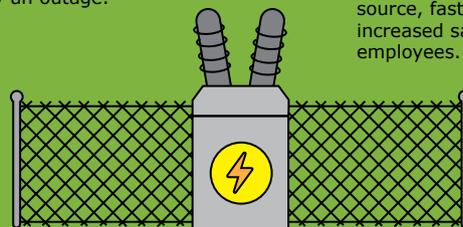
**Walsenburg substation replacement (4,608 meters affected)**

**Summary:** The main transformer at the Walsenburg substation was close to its maximum capacity and showing signs of aging. As a preventive measure the transformer is being replaced with a larger one and upgrades are being made to the facilities in the Walsenburg substation.

**Status:** In-progress

Estimated completion spring 2022

**Impacts:** Additional capacity to the City of Walsenburg, a secondary redundant power source, faster outage restoration times and increased safety for San Isabel Electric's employees.



# MY ONE HOUR OFFICE RECEIVES PASS-THRU LOAN

Rare, 0% interest financing is now available to qualifying local businesses, nonprofits and public entities for economic development.

My One Hour Office, a coworking space located at 523 Main Street in Walsenburg, is the most recent recipient of a pass-through loan between San Isabel Electric and the United States Department of Agriculture's Rural Economic Development Loan and Grant Program.

REDLG helps rural local businesses with funding for job creation and retention programs. The USDA provides the loans to San Isabel Electric, which, in turn, pass through to local businesses for qualifying projects. The recipients repay the lending utility directly and the utility is then responsible for repayment to USDA.

My One Hour Office Owner Mary Jo Tesitor plans to use the REDLG loan funds to purchase virtual video conferencing equipment, a Wi-Fi management system and office furniture.

"With a manageable low- or no-interest loan of less than \$20,000, a small rural business can complete upgrades and improvements that may have been sitting on the back burner for a while. I think a revolving loan program for small businesses can make a real difference for rural Colorado and is a great use of USDA funds. Small business owners will pay back into the fund, recirculating that money and growing the economy," Tesitor said.

A previous REDLG loan was issued to the La Veta Fire Protection District to support the construction of its new fire station. San Isabel Electric is continually working with local rural businesses, nonprofits and public entities to process REDLG applications, but is actively seeking a nonprofit or public body partner in the service territory to establish a revolving loan fund (RLF). This RLF would allow San Isabel Electric to issue these types of loans more quickly and without having to wait for USDA approval.



Walsenburg's My One Hour Office Owner Mary Jo Tesitor (far right) accepted a check for a 0% loan from San Isabel Electric's (pictured left to right) Board of Directors President Edward Ray Garcia, Business Development Manager Laura Getts, and Board Director Jacque Sikes.

"To set up a revolving loan fund, we must issue a large loan to a nonprofit or public body entity such as a hospital or local government organization. As they pay it back to us, we bank it and then re-lend it. We can keep it going as long as we wish, as long as we're following the USDA's rules," said San Isabel Electric's Business Development Manager Laura Getts.

Intermediaries, such as San Isabel Electric, may lend up to \$1.5 million in total loans and up to \$300,000 in revolving loans.

"The San Isabel Electric Board of Directors carefully scrutinizes how much the cooperative is willing to lend and who it is willing to lend to, to ensure that we don't leave the cooperative on the hook for any bad debts," Getts said.

For more information, please contact Laura Getts by emailing [contactus@siea.com](mailto:contactus@siea.com) or calling 800-279-SIEA (7432).

# IT'S AMERICAN HEART MONTH: EVERY STEP COUNTS

February is American Heart Month and a good time to take stock of your activity, or, for some of us, the lack thereof.

Many people have good intentions to move more, but then the day unfolds with little else other than chair time. You get to work and have that sit-down meeting; a nice co-worker brings in doughnuts; and the day is filled with several work fires to put out. You vow to move more tomorrow, but the same cycle continues.



Instead of waiting for another day, find easy ways to increase movement today. The American Heart Association offers seven simple ways to boost your activity level with no gym membership required — although a gym is also a good way to get moving.

- 1. Grab the leash and walk your dog.** Both you and your four-legged friend will be healthier for it.
- 2. Take a walk with someone you love.** It is a great way to get face time without screens.

- 3. Try a 10-minute home workout.** Exercising in shorter increments can improve your health because the time spent moving adds up. People usually have an extra 10 minutes here or there throughout the day but may not be able to find a solid 30 minutes or an hour to exercise.
- 4. Walk and talk.** Or walk and work. Walk while you are on the phone or use a walking desk at work. If it is nice outside, have a walking meeting.
- 5. Tune into fitness.** Walk or jog in place, lift weights or do yoga while you binge watch your favorite television shows.
- 6. Ditch the car.** Park farther away from the building to get in extra steps, or bike or walk to your destination.
- 7. Take the stairs, even if just for a floor or two.** The elevator may go up, but your heart rate will not as you press the floor number and listen to nondescript, piped-in music.

Stop putting off until tomorrow what you can do today. Look for opportunities to move more. Your heart will thank you.