

\$5 GRID ACCESS CHARGE INCREASE COMING IN 2023

BY RYAN ELARTON GENERAL MANAGER

Our mission at San Isabel Electric is to deliver on the promise of service and value. Thank you for your trust in us to provide you with reliable, affordable electricity. Our cooperative business model is built on that trusting relationship, and we take this commitment very seriously. From making investments in our system to improving reliability, to closely monitoring expenses, your Board of Directors works to ensure we follow that mission for you, our members. We know you've seen cost increases at the gas pump and in retail stores. At San Isabel Electric, we've seen cost increases in nearly everything we need to run the cooperative. From fuel to materials to support services, everything in the world we share together is more expensive today.

Our industry is facing change. As we look to 2023, everything we need to continue providing affordable electricity and maintaining our system is more expensive. Just like you are experiencing in your daily lives, we too feel the impacts of COVID, supply chain issues, and inflation.

Not having a rate increase since 2014 is something we are very proud of. Think back to 2014 – that was three U.S. Presidents ago. The world hadn't even thought of something like COVID impacting us all. But that was the last time we increased rates – 2014. Not many businesses can say that! Right now, the projected inflation rate in the state of Colorado is an 8.2 percent increase. This has a direct impact on all the goods and services we purchase. Inflation also impacts the interest rates we pay on loans to fund upgrades and maintain our system. Tri-State, our power supplier, is also experiencing increased costs.

So, let's say you call us because you want to build a house. We'll need a transformer, a pole, some wire & a few other items to get this done. Today, the materials involved to finish that job are about 60% more expensive than they were in 2021. Today, a 40-foot class four power pole costs \$793. That same pole in 2021 cost \$489. That's a 62 percent increase!

Electric cable, underground conduit, wooden cross arms, transformers, and most all of the materials required to



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maintain our system have significantly increased as well. And labor and overhead costs to recruit and maintain a qualified workforce continue to rise.

We are looking at a small increase in our grid access charge to cover these increasing costs in 2023. For Residential and Small Commercial members, the board has approved an increase of \$5 per month. The grid access charge will remain the same for members with a pump rate and for residential members on the time-of-use rate. For more information about rate changes for other rate classes, such as large commercial and industrial, please visit siea.com/rates. Thank you for trusting us to provide you with reliable, affordable electricity since 1938.

Sincerely,
Ryan Elarton
General Manager

NEW GRID ACCESS CHARGE

EFFECTIVE JANUARY 1, 2023

Look for this change on your bill due February 12, 2023.

RESIDENTIAL	SMALL COMMERCIAL C1	SMALL COMMERCIAL C4	LARGE COMMERCIAL	TIME OF USE *	PUMPS
\$5 INCREASE from \$20 to \$25	\$5 INCREASE from \$31 to \$36	\$5 INCREASE from \$50 to \$55	\$20 INCREASE from \$150 to \$170	NO CHANGE \$30	NO CHANGE \$20

*The Time-of-Use (TOU) rate is available to all members with qualifying electric storage equipment, such as heating, battery storage, or electric vehicle charging. Visit siea.com/timeofday to learn more.

OUR KIDS, OUR FUTURE

For decades, southern Colorado companies have faced the dilemma of losing young skilled workers to communities with more opportunities and amenities. Confronting the impending retirement of a generation of employees across all utility roles, the modernization of the electric grid, as well as supporting new products and services innovations, it's easy to see the staffing challenges ahead.

San Isabel Electric has added a new workforce development and recruitment program for our member high schools. The program gives kids in vocational classes an introduction to the electric cooperative industry — who we are, what we do, and the wide range of career opportunities available. Employees from different trade-based departments, including meter shop, mechanic, linemen, tree trimmers, engineering, substations, energy services, warehouse, dispatch, and geographical information systems, all provide interactive hands-on experiences to show the kids what they do every day and why their jobs are vital to our communities. The goal is to present to every high school in San Isabel Electric's service area this school year.

"We want to give students from our service territory an introduction to a career in energy as an alternative to the traditional 4-year college route after high school. We

hope to have some of these students as employees one day," Chief Business Officer Lisa Folga said.

San Isabel Electric is already the direct benefactor of similar industry workforce development and recruitment programs. Geographic Information Systems (GIS) Specialist Willie Martinez is living proof. Martinez was a senior in high school when a trade school recruiter came to talk to students about architectural drafting at a college in Arizona.

"I went home and told my parents that's where I'm going. That's what I'm doing," Martinez said.

And he did just that. He obtained an associate degree from the National Education Center and came back to Colorado where he worked in architecture and construction. San Isabel Electric was a client for the company he worked for. He helped build and design several projects for the utility including the Bear Creek Warehouse in Walsenburg.

Later he was hired by SIEA as a meter reader. At the time, GIS technology wasn't as widely used as it is today. The information was there, and the geographical mapping techniques existed, but the two were not blended. In 2007, he took a job in the mapping department using the same AutoCAD software as he previously used

in his architecture career and he still uses it today! He's now served the San Isabel Electric membership for 17 years.

"We want students to understand that there are great career opportunities in their backyard at San Isabel. If possible, we prefer to hire employees who live in or near our service territory. We want to give them the opportunity to have a successful career without having to uproot their lives from family and friends," Folga said.

San Isabel Electric is investing in programs to help the future electric cooperative, our communities, and our local kids succeed.



San Isabel Electric employees teach students from John Mall High School in Walsenburg how to use surveying equipment and how to check meters.



San Isabel Electric Scholarship Timeline

San Isabel Electric offers scholarship opportunities for students and adults with various backgrounds and career goals. **For an application and scholarship requirements visit siea.com/scholarships.**



SCHOLARSHIPS OPEN

Scholarship applications open every year on **November 1st**. Visit siea.com/scholarships to start your application.

STEP
01



DECEMBER

December is a great time to get a head start! Contact teachers, advisors, and others who you plan to ask for a letter of recommendation. SIEA requires two letters of recommendation to apply.



STEP
02

JANUARY

Request a copy of your most recent high school or college transcript. Attach your transcript to your online application.

Make sure the personal and background information are complete in your application to prevent any delays or denials.

STEP
03



LATE JANUARY

Begin planning your essay. It should describe why you should be awarded a scholarship from San Isabel Electric. Additionally, you should describe your chosen career path and why. Topics covered should also include items like school and community involvement, volunteer experience, and leadership.



STEP
04

EARLY FEBRUARY

By this time, you should have completed all of the application requirements and submitted all of your final materials to San Isabel Electric. You should receive an email confirmation if your application is complete or a denial if it is incomplete.

STEP
05



SCHOLARSHIPS CLOSE

San Isabel Electric's scholarship application period closes on **February 15**.

Questions? Email communications@siea.com or call 719-647-6230.

Small Business Energy Audits

San Isabel Electric Association (SIEA), in partnership with the energy efficiency non-profit, Energy Smart Colorado (ESC), and Tri-State Generation and Transmission (TSG&T), has been awarded funding from the United States Department of Agriculture (USDA) to build a program that can provide comprehensive energy audits to rural, small businesses across much of Colorado.

We often hear about home energy audits, but what about commercial buildings? Large and mid-sized engineering firms can often serve our larger commercial buildings, however the cost associated with their services is often prohibitive for many smaller businesses that do not own or maintain a significant amount of building square footage.

To better serve our small businesses, we have worked with ESC to compile a network of mostly independent, qualified energy analysts who can affordably assess commercial buildings at this scale. Thanks to the funding from the USDA, 75% of the cost of these audits will be covered by our program, including the auditors' travel fees.

Who's Eligible?

Small businesses located in "rural" areas, which the USDA defines as communities with a population of less than 50,000 residents are eligible. The business must also be a private, for-profit entity, including sole proprietorships, partnerships, corporations, or cooperatives. Finally, the business must also meet the Small Business Administration's (SBA) small business size standards per the North American Industry Classification System (NAICS). To look up your business's eligibility, please refer to the Small Business Energy Auditing website link posted below.

Why Participate?

Our energy audits and assessments are invaluable tools for better understanding which energy improvements may provide the biggest return on investment (ROI) for your specific building. The customized reports that you receive will show all relevant opportunities for improvement, alongside projected savings, and ROI.

SIEA is also here to help you implement your recommendations. Our Energy Services team can coordinate the appropriate contractors and on-bill finance the improvements at very competitive interest rates.

Grants

Another significant benefit of having a comprehensive energy report for your facility is that it positions your business well for new and existing state and federal funding opportunities. The Rural Energy for America Program (REAP) provides guaranteed loan financing and grant funding to agricultural producers and rural, small businesses for energy efficiency improvements and renewable energy systems. Grants are available for up to 25% of eligible project costs (between \$2,500 and \$500,000) and loans are available for up to 75% of eligible costs.

Improvement Types

- HIGH EFFICIENCY HEATING, VENTILATION, AND AIR CONDITIONING SYSTEMS (HVAC)
- INSULATION AND AIR SEALING
- LIGHTING
- COOLING OR REFRIGERATION UNITS
- DOORS AND WINDOWS
- REPLACEMENT OF ENERGY-INEFFICIENT EQUIPMENT
- RENEWABLE ENERGY CONSIDERATIONS

To take advantage of the REAP funding opportunity, the USDA requires applicants to demonstrate that they have received a comprehensive, third-party energy audit or assessment. This new program seeks to fulfill this application requirement for business owners at a very reasonable cost. An additional goal of SIEA is to support member businesses in completing the REAP (and any other available state or federal funding) application process(es) to bring more money into rural, southern Colorado. We are here to help you navigate this often time-consuming and complex process

How Can I Participate?

To sign up for an energy audit, check your eligibility and complete the enrollment form on the Energy Smart Colorado website at energysmartcolorado.org/energy-auditing-assistance-program.

To prepare for your audit, please collect your energy bills or reach out to your energy providers (electricity, gas, and/or propane) for at least twelve months' worth of energy usage and cost data. This will be important for the calculation of potential energy savings. Also take a minute to make a list of priorities for your building, including comfort concerns, equipment replacement plans, carbon reduction goals, lighting needs, expansion plans, or other priorities. A discussion of your goals will better inform the energy auditing process and be included in the final report.

Ineligible Businesses

If your business does not meet these program requirements, SIEA is still here to support you. Our Energy Services and Business Development team can still connect you with the appropriate contractors, rebates, and funding programs, as well as offer on-bill financing for your upgrades. Please don't hesitate to contact us at energyservices@siea.com or 719-647-6250.