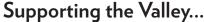
ENEWSBOY

News for Members of San Luis Valley Rural Electric Cooperative

Concern for Community





As a cooperative, it's important for SLVREC to always strive to better the communities where we live, work and play. *Above*: Employees hang Christmas lights at Ski Hi Complex and Carnegie Library (*far right*). *Center top*: Free WiFi was installed at the new fitness park in Del Norte. *At right*: Employees took part in the Annual Career Fair at ASU.



Member Info

Is a heat pump right for your home?

How would you like a personalized comfort zone within your home... One where the temperature is customized to your liking and may be different than the temperature in the shared living areas or other rooms in the house? This flexibility and customization are precisely why mini-split systems, also known as ductless air-source heat pumps, and their energy efficiency aspects are so popular.

Let's unpack some mini-split basics and explore whether this type of system is a good choice for your home heating and cooling needs.

A mini-split system is a type of HVAC equipment used for heating and cooling, allowing you to control the temperature in individual rooms or spaces. Similar to central heating and cooling, mini-split systems have two main components— an outdoor compressor and an indoor air-handling unit(s). A narrow conduit links the indoor unit(s) to the outdoor compressor.

While central heating and cooling systems feature an indoor unit connected by long lengths of ductwork,

mini-splits are typically ductless. This means energy is not lost traveling through long stretches of ductwork. Installing the air-handling unit in a desired room or area enables you to control the temperature more precisely, reducing energy consumption. That's because you're adjusting the temperature to a single room or space rather than the whole home.

Is a mini-split system right for you?

Mini-split systems are a popular option in home additions or to supplement heating and cooling in a space that may be furthest away from the main living area, such as a finished attic or basement. In these instances, it may not be feasible to install

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THIS ISSUE Concern for Community/Member info Conservation/Ciello Eric Eriksen Article continued Recipe of the Month

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HEAT PUMP

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or extend the ductwork required in traditional central cooling and heating systems. In contrast, mini-splits are relatively easy to install requiring a small hole for the conduit connecting the indoor and outdoor units. Most systems can handle up to four indoor rooms or zones connected to one outdoor unit. Each of the zones can be customized because each includes a thermostat that enables you to heat or cool the space as needed, saving energy and money over time.

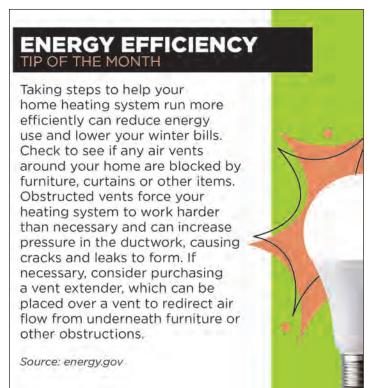
Cool solutions

Mini-split systems bring additional benefits. They are quiet, improve indoor air quality and are typically easy to install. Many come with remotes to make temperature control even easier, and because of their smaller size, mini-split systems have many placement options for indoor and outdoor units.

One of the greatest benefits of mini-splits is that they typically have a higher SEER (seasonal energy efficiency ratio) rating than traditional central heating and cooling systems. The higher the unit's SEER rating, the more energy efficient it is.

Additional considerations

However, according to the Department of Energy, "mini-splits cost about \$1,500 to \$2,000 per ton of





cooling capacity. That's about 30 percent more than central systems (not including ductwork) and may cost twice as much as window units of similar capacity."

If you're considering an upgrade or additional heating and cooling equipment, check out SLV REC's Electrify and Save On-Bill Repayment Program at slvrec.com (programs tab).





Looking back on 2024

To our members

Colorado's second oldest rural electric cooperative turned 87 on August 10, 2024. including Ciello —compared to 52 in Serving 13,273 meters across the Valley, we grew about .7 percent in 2024. It was one of the wettest years and the second warmest year.

our amazing employees and supportive new electric meters across the Valley. members will always persevere. Your San Luis Valley Rural Electric Cooperative closes out 2024 financially sound and reliable. We are ready for 2025.

Best Internet provider

Ciello, our independent subsidiary, has been providing high-speed Internet for over 10 years now and serves over 8,400 customers. Voted the "Best Internet Provider" according to the Valley Courier's contest for four years straight. Thank you, San Luis Valley!!

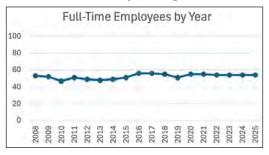
We are excited to be selected for a \$410K USDA grant to serve Spar City, within Mineral County. Grants are very competitive. It was a testimony to our talented people when we were also recognized for the highest application score. The families in Spar City will be receiving access to high-speed Internet safety program. I observe this every day and an improved way of life.

In 2022, we received a \$2M grant 2024 we reach record safety milestones from the USDA to build 54 miles of high-speed Internet service around the areas of Zapata, Capulin and Great Sand Dunes National Park. In December 2024, after two years of project studies and permitting we've received the "Go Ahead" authorization from the USDA to proceed with construction— A big milestone!

Welcome to the team

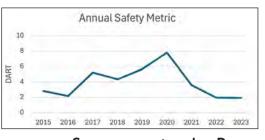
In 2024 we had 54 full-time employees, 2008. That's incredible to be nearly the same number of employees in almost 20 years, especially considering we've built a large high-speed Internet company with Like we've done over the past 87 years, over 8,400 customers and grown 1,105

> We welcomed new babies into the SLVREC family, as well as two new employees Boyd Wagner (staking engineer) and Jarrod Dalton (system operator).



Safe work zone

The safety of our employees is paramount ensuring thev always go home to their friends and families. Setting clear expectations, accountability, education, training, high standards, and a caring culture led by employees is our recipe for an excellent at SLVREC. I am happy to report in



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BOARD OF DIRECTORS

719-849-8304

Stephen Valdez, Vice President

Wade Lockhart, Secretary

Carol Lee Dugan

Scott Wolfe 719-852-0966

Kim Wakasugi

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CEO

Eric Eriksen 719-852-6630

SLVREC Office (toll free)

PUBLISHER'S STATEMENT

The Newsboy (publication #551-450) is an official publication of the San Luis 3625 US Hwy 160 W, Monte Vista, CO 81144. The Newsboy is published Periodical postage paid at Monte Vista, CO 81144.

Postmaster, send Form 3579 to Vista, CO 81144-3625.





www.twitter.com/SLVREC

including over 2 million miles of safe driving, over 747 days of continued no lost time accidents— and our lowest industry benchmark in 10 years.

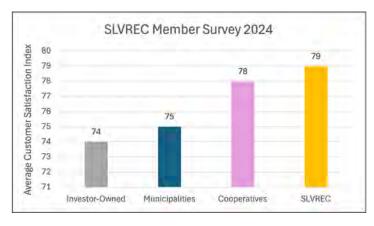
Crushing 2024 goals

The SLVREC team delivered exceptional achievements for you in 2024, exceeding all six of our industry benchmarks and completing 94 percent of our project goals. We were on time and under budgeted expenses. Thank you for helping me recognize our SLVREC employees. They take great pride in serving you and in achieving one of the most successful years to date. Here are a few notable accomplishments:

- Customer satisfaction better than industry average
- Controllable expenses less than budget
- Reliability better than average
- Launched Electrify & Save Program
- Renewed Collective Bargaining Labor Agreement
- Awarded over \$2M in grants
- Upgraded billing software
- Offered improved Internet and phone services
- Launched Lean Six Sigma training

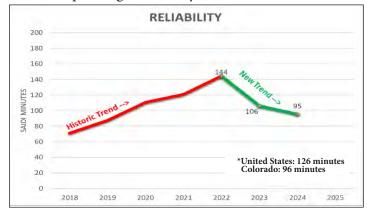
We always ask: What's best for members?

Thank you for completing our member survey. The ACSI is a national survey that measures how satisfied US consumers are with products and services used. Instead of a percentage, this number represents a weighted average of three key member perception factors: satisfaction, expectation and performance. It helps us learn what we are doing right and what we can do better to serve you. The chart below shows that SLVREC members are happier than most electric consumers across the country. It also shows that we need to constantly work on improving.



Improving system reliability

As our system grows, ages and gets more complicated, it is not surprising to see a long-term historic trend of slightly decreasing reliability here and across the nation. Our goal is to be better than industry reliability benchmarks. This is a real challenge considering the vast diversity, distance and rural landscape across our service area. As reliability challenges are greater here, so are the impacts to rural life. In 2023 we made a strategic focus on reliability with the aid of data analytics, improved construction standards, vegetation management and replacement of aging equipment. We have continued this focus through 2024 and looking ahead. As a result, member reliability has started a new trend of improvement. We are better than in prior years and achieving our goal. You can see this in the graph below showing our annual reliability. Like Tom Bodett, "We'll keep the lights on for you."



Rates

Colorado issued a statewide requirement to generate 80 percent renewable energy by 2030. Our wholesale energy provider, Tri-State Generation and Transmission Cooperative, is transitioning to a 100 percent clean energy future. To help fund this energy transition, the Federal Energy Regulatory Commission approved Tri-State's request to implement a formulary rate process. This means that on Jan. 1 each year going forward we'll receive a new rate to purchase wholesale power from Tri-State based on a formula. This formulary process won't affect rates in 2025, but we are likely to see an increase in 2026 and subsequent years. Read more about the FERC approved wholesale formulary rate on Tri-State's

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Recipe of the Month



INGREDIENTS

- 2 T. olive oil
- 4 skinless, boneless chicken breast halves salt and ground black pepper to taste
- 1 onion, thinly sliced
- 4 cloves garlic
- 1 t. dried oregano
- 1 t. dried basil
- 1 t. dried rosemary
- ½ t. dried thyme
- ½ c. balsamic vinegar
- 2 (14.5-oz.) cans crushed tomatoes

SLOW COOKER BALSAMIC CHICKEN

- 1. Drizzle olive oil into the slow cooker. Place chicken breasts on top of oil and season each breast with salt and pepper. Top chicken breasts with onion slices, garlic, oregano, basil, rosemary, and thyme. Drizzle balsamic vinegar over seasoned breasts and pour tomatoes on top.
- 2. Cook in the slow cooker set to high until chicken is no longer pink in the center and the juices run clear, about 4 hours.

allrecipes.com

Historical Happenings will return next month

AHEAD

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website: https://tristate.coop. You can find detailed REC rate information online at slvrec.com (services tab).

We are all experiencing the rising cost of everything and the business landscape is changing faster than ever. This is a challenge that affects us right here at home. I wish SLVREC was immune to this but increasing costs do affect the cost of electric service. The SLVREC Board of Directors reviewed a presentation requesting a proposed rate increase beginning April 1, 2025. This was based on an independent third party rate study of our audited financials to validate a cost of service.

Also included were discussions on implementing a Power Cost Adjustment (PCA). A PCA is a means to directly pass through the formulary rate changes from our wholesale provider. Some utilities around the state are already using this methodology to mitigate financial risk from varying costs of power or natural disasters. More information will be coming soon.

2025 Road Map

The SLVREC team has developed a 2025 plan supported by a budget approved at the Dec. 17 Board

of Directors meeting. Expect to find the updated 2025 Road Map on our website in the month ahead and presentation at our annual membership meeting. Please reach out to request a "road show" presentation to your business or organization and feel free to walk in and visit anytime.

Here are a few notable goals:

- Develop Wildfire Mitigation Plan
- Complete Microgrid Study (adding batteries to utility solar projects)
- Develop Cyber Security Plan
- Complete Integrated Resource Study (future renewable energy projects)
- Member rate engagement
- Develop Technology Plan
- Install SLVREC HQ energy efficiency improvements
- We Care: Employee training & development

We're here whenever you need us. Connect with us online, in person or through our social media channels. However you choose to connect, please let us know how we can serve you better.

I wish you a Blessed and Happy New Year!



January 2025



REC's office is open from 7 a.m. to 5 p.m. Monday through Thursday.

ENERGY ASSISTANCE

866-HEAT HELP (866-432-8435) www.energyoutreach.org

Your Touchstone Energy Cooperative



SCHEDULED MEETINGS

Board Meeting: Tuesday, Jan. 28, 2025, 9:30 a.m. The REC Board of Directors typically meets the last Tuesday of each month unless otherwise stated. Members are welcome; advance notice required.

This institution is an equal opportunity employer.

