

## Lucky 7 Project continues

### Thirty-four poles to be replaced



Photos by Jennifer Alonzo

Above: A helicopter flew in new poles for the Lucky 7 maintenance project on Highway 160 in mid-September. With the rough terrain in the area, a helicopter is the only way to get the new poles up the mountain.

Top right: Members of Ward Electric's crew take hold of the pole after the helicopter placed it down.



## Meet your co-op

### New utility locator named

Coming to SLV REC/Ciello from Stake Center Locating, Nelson Arambula has been named the new utility locator for the cooperative.

As a locator for Stake Center, Nelson did a lot of work for Xcel Energy covering parts of the San Luis Valley, Salida, Leadville and Pueblo. In his new position, Nelson is looking forward to not having to travel outside of the Valley. He is excited to learn the area around South Fork, Creede and Wolf Creek; he previously only covered as far as Del Norte.

In his new position, Nelson locates, identifies, and marks underground utilities before new service projects can begin. He also spends time interacting with members/customers and contractors, as well as installing

See **LOCATOR**  
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Nelson Arambula

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## Member safety



### Hunt responsibly; don't shoot near fiber, electric lines

A responsible hunter never pulls the trigger unless they are certain their action will not harm people or property. But apparently not all of those heading outdoors follow this most important rule.

Increasingly, electric co-ops are seeing their lines and other equipment damaged by careless shooting, leading to dangerous situations, expensive repairs and lengthy outages for members.

The issue is especially troubling for electric cooperatives providing fiber internet services. "It's always been this way: You shoot a bird on the wing, you don't shoot a bird on the wire," says Lynn Hodges, CEO of Ralls County Electric Cooperative and its fiber subsidiary, Ralls Technologies.

"I'm a sportsman too, I hunt. But some people just don't think about it. What they have to understand, as a lawful, ethical gun owner you are responsible for the shots that you take. You are also responsible for any damages that may occur from that shot."

"During a regular season we will experience somewhere between a half dozen to a dozen outages related to a shotgun blast,"

See **SAFETY** continued on Page 4



SLV REC and Cielo have been victim to "shooting accidents" in the past as evidenced by the section of fiber pictured above.

**ciello**  
*This is our why...*

"We are very grateful to Cielo for all of the services they've provided to the Center School District and the Town of Center. Cielo has been a great partner since the beginning of our working relationship and particularly throughout this pandemic. No matter how small of a request, Cielo has helped us with things such as providing Wi-Fi services to stream our football games on short notice, coordinating Internet installs for students' homes at the start of Center Schools switching to remote learning, and most importantly, providing us with reliable and fast Internet connections to our facilities.

The most recent service was the public Wi-Fi connection at our Community Park. This will be very beneficial to our students and our community as a whole.

We thank Cielo for having 'our backs!'"

*-Julio Paez, Center School District*

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Cielo, Powered by REC, is proud to feature testimonials from our satisfied customers in upcoming issues of the Newsboy.

Send your testimonials to [jalonzo@slvrec.com](mailto:jalonzo@slvrec.com) to be featured.

## Conservation corner

### Energy Efficiency Tip of the Month

Old, uninsulated and improperly installed exterior doors can waste energy and money.

Shut the door on wasted energy by weather stripping and sealing all exterior doors. If you have an old exterior door, consider replacing it with a newer, energy efficient model.

Source: [energy.gov](http://energy.gov)





## Results of the 2021 Cost of Service Study

Last month, this Newsboy column reviewed at a very general level how a cost of service study is performed. This month we are diving into the details of the study. Please

Class Cost of Service Summary -- Present Rates				
Rate Class	Revenue Present Rates(\$)	Revenue Requirement (\$)	Difference	
			Amount (\$)	Percent (%)
Schedule A	9,708,438	9,187,222	(521,216)	(5.4)
Schedule B	1,111,947	1,002,987	(108,960)	(9.8)
Schedule A TOD	2,627,387	3,471,629	844,242	32.3
Schedule I	15,251,275	15,934,152	682,877	4.5
Schedule LP-A	3,703,751	3,336,820	(366,932)	(9.9)
Schedule LP-A TOD	22,268	21,852	(416)	(1.9)
Schedule LP-B	707,871	467,658	(240,213)	(34.1)
Schedule A Commercial	1,390,349	1,097,628	(292,721)	(21.1)
Lighting	177,859	181,197	3,338	1.9
Total	34,701,146	34,701,146	(0)	

understand there is no way to review the intimate details of the study, but this is a review of a portion of the final results. The study used the financial information from 2020 to establish a baseline.

The above chart shows the actual revenue collected by rate class in 2020 and then, also shows what should have been collected by rate class in 2020. There is one exception which is that Schedule A included both residential and some small commercial accounts during all of 2020 but the study broke those accounts out separately. Starting in 2022, there will be a separate rate class for these small (Schedule A) commercial accounts. As you can see, some rate classes under-collected the revenue required and others over-collected. This is referred to as "cross class subsidization." One of the main reasons for performing cost of service studies is to reduce, if not eliminate, these subsidies between rate classes. To that extent, future changes in REC's rates will work toward reducing those subsidies.

The second chart from the study (pictured below) breaks out the elements of providing electricity including capacity, energy and consumer cost for both power supply and distribution. In general, capacity costs are fixed costs and revenue to cover these costs is collected through demand charges, i.e. kilowatts. Energy is collected through the energy portion of the bill, i.e. kilowatt-hours. Consumer costs are collected through the customer charge.

Class Cost of Service Class Allocation Summary Summary						
Rate Class	Power Supply		Transmission	Distribution		Total COS
	Capacity (\$)	Energy (\$)		Consumer (\$)	Capacity (\$)	
Schedule A	1,207,244	2,858,297	1,247,409	3,923,391	1,606,822	10,843,163
Schedule B	114,673	350,952	118,488	255,468	215,147	1,054,727
Schedule A TOD	374,487	968,279	386,946	800,507	1,258,202	3,788,421
Schedule I	2,230,257	3,974,767	2,304,458	3,404,862	2,819,020	14,733,364
Schedule LP-A	497,882	1,449,892	514,447	201,603	891,963	3,555,787
Schedule LP-A TOD	1,678	7,016	1,734	1,316	13,761	25,505
Schedule LP-B	60,299	204,598	62,305	6,581	178,882	512,665
Lighting	9,338	53,738	9,648	93,090	21,700	187,513
Total	4,495,858	9,867,539	4,645,436	8,686,817	7,005,496	34,701,146

The bottom line with this study, as it was with the 2018 cost of service study, REC does not need a rate increase in 2022. That does not mean that the rates implemented in 2022 will not impact your bill. It means that any rate changes implemented will be revenue neutral to the REC if electric consumption usage patterns remain the same. The REC Board of Directors considers revisions in the design of each of the rates in an ongoing effort to reduce cross-class and inter-class subsidies.

The cost of service study was presented to the Board of Directors at the August meeting and further reviewed at the September meeting. Changes in any of the rates is expected to be approved at the October meeting with implementation sometime after January 2022.

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Your email will be forwarded based on the direction you provide in your subject line.

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## COVID-19 impacts material price/availability

The quick development of an effective vaccine for COVID-19 has allowed businesses to return to some version of normal for the first time since early 2020. Strict requirements on screenings, mask rules and quarantines have been somewhat relaxed in our service area. Although COVID-19 may seem like it's in the rearview mirror, the truth is the impact of the pandemic will be felt for many years to come in our communities and our co-op.

SLVREC's team will continue to work directly with members who face difficult financial circumstances. Our team is experienced with helping members apply for payment plans and connecting them with community organizations that can offer bill payment assistance.

Another long-term impact of COVID-19 we're starting to see come to life is an increase in the price and availability of various materials. Demand for electrical equipment is high and supplier pricing has followed that trend in recent months as many parts remain on backorder. Due to these ongoing supply issues, the timeline for receiving materials could be up to one year delaying new service installations.

SLVREC is fortunate to have an on-site warehouse with direct access to much of what's needed to maintain our electrical grid, but pricing and purchasing challenges may be here to stay for the near future. For example,



something as simple as a 20-foot stick of 3-inch PVC pipe that was \$23 a year ago is now \$107 for the same piece (\$1.15/foot to \$5.35/foot). A 40' pole cost \$597.96 a year ago, and now the price is \$713.27. These materials are used regularly in maintenance work and new installations. New transformers are nearly unobtainable, so refurbished transformers are being considered.

All of these individual costs add up and impact the cost of doing business. Every department in our co-op is working to keep costs down so that the organization can remain in a strong financial position. SLVREC remains focused on continuing to achieve our mission of providing utility services with diligence, effective communication, leadership, responsiveness and innovation that enhance the lives of our membership and surrounding communities.

## SAFETY

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Lynn says. "Shooting at these lines can result in possible physical injuries, lawsuits for costly damages and possible criminal prosecution for the shooter."

He says it's not unusual for damages from these incidents to total \$1,500 and it can go up, topping \$10,000 in some cases. "It is not fair for our membership to subsidize repairs for that line when we can identify who is responsible," he adds.

It can be difficult to locate damaged fiber lines. At SEMO Electric's GoSEMO Fiber, one outage caused by a shooter lasted from the evening well into the next day.

"We went from 8:30 Wednesday evening and it was not back on until 4 p.m. Thursday," says Nathan Hull, administrator of fiber construction for GoSEMO. "That's working nonstop, five hours with six guys to replace it. People are working from home, and this is very frustrating for those depending on our internet to complete a job and get paid on Friday."

Adds Lynn, "Fiber has become a critical infrastructure

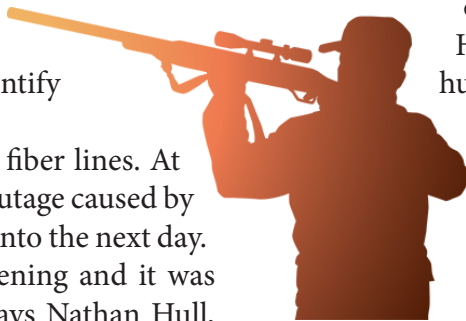
piece. With the dependency on these internet connections and the ability to work from home or do schoolwork, people squeal pretty hard when it goes out. It is a terribly bad reflection on the co-op when the system is out for four or five hours while we make the repair. It reflects on the overall consistency of the service we offer."

He urges landowners who let others hunt on their land to point out where power lines are located and declare those areas off limits to hunting.

Shooting into a power line is bad enough. It damages the wires and can cause problems that will show up down the road. But damaging a fiber line causes an immediate outage that will

affect many people, often including the shooter.

"It's embarrassing when you have to make a call that you just shot your own fiber out," Lynn says. "Hopefully it's just to themselves and not the 400 residents who live around them."







## Recipe of the month

### INGREDIENTS

- 1/2 c. unsalted butter
- 1/4 c. packed light or dark brown sugar
- 1 c. granulated sugar, divided
- 1 t. pure vanilla extract
- 6 T. pumpkin puree
- 1-1/2 c. all-purpose flour (spoon & leveled)
- 1/4 t. salt
- 1/4 t. baking powder
- 1/4 t. baking soda
- 2 t. ground cinnamon, divided
- 1 t. pumpkin pie spice
- 1/2 c. white chocolate chips or chunks

### White Chocolate Pumpkin Snickerdoodles

1. Melt butter in microwave. In a medium bowl, whisk melted butter, brown sugar & 1/2 cup granulated sugar together until no brown sugar lumps remain. Whisk in the vanilla and pumpkin until smooth. Set aside.

2. In a large bowl, toss together: flour, salt, baking powder, baking soda, 1-1/2 teaspoons cinnamon & pumpkin pie spice. Pour wet ingredients into the dry ingredients; mix together. The dough will be very soft. Fold in white chocolate chips. They may not stick to the dough because of the melted butter, but do your best to have them evenly dispersed in the dough. Cover the dough; chill for 30 minutes or up to 3 days. \*\*Chilling the dough is imperative!

3. Take the dough out of the refrigerator. Preheat the oven to 350°F (177°C). Line two large baking sheets with parchment paper or silicone baking mats.

4. Roll the dough into balls, about 1-1/2 T. of dough each. Mix together the remaining 1/2 c. of granulated sugar and 1/2 t. of cinnamon. Roll each of the dough balls in the cinnamon-sugar mixture and arrange on baking sheets. Slightly flatten the dough balls because the cookies will only slightly spread in the oven.

5. Bake for 11-12 minutes or until the edges appear set. The cookies will look very soft in the center. Remove from the oven. If you find the cookies didn't spread much at all, flatten them out with the back of a spoon when you take them out of the oven.

6. Cool cookies on baking sheets for at least 10 minutes

*Recipe by sallysbakingaddiction.com*

## Historical happenings

### June 1939

In June 1939 an irrigation rate was adopted with a fixed charge of \$6/season/hp and a use charge of 2.5 cents per Kwh for the first 100 Kwh, 1.7 cents for the second 100 Kwh and 1.2 cents for all additional use.



*From the March 2004 Newsboy*

Irrigation before electricity and center pivots.

### LOCATOR

continued from page 1

some new broadband services. He typically spends a lot of time driving. "I drove 260 miles yesterday. I drive a lot every day, but I like the views; seeing the Valley from the top of the mountains is beautiful," Nelson commented.

He also enjoys the people he works with; "everyone is nice. There are positive vibes, and it feels good to be a part of that environment. Everyone is also very helpful when I have questions, etc." Nelson said.

Nelson and his wife have two sons, ages 13 and 10. He is a native of Mexico, moving to the San Luis Valley in 2007. He enjoys cutting hair in his spare time and spending time with his family. Welcome to the team, Nelson!

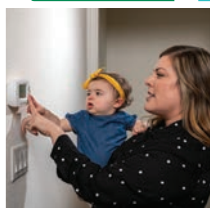


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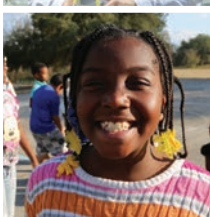
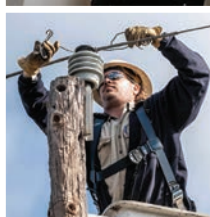
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October 2021



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## POWERING OUR COMMUNITY

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

### ENERGY ASSISTANCE

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[www.energyoutreach.org](http://www.energyoutreach.org)

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### SCHEDULED MEETINGS

Board Meeting: Tuesday, October 26, 9:30 a.m.

The REC Board of Directors meets the last Tuesday of each month unless otherwise stated. Members are welcome; advance notice required.

This institution is an equal opportunity employer.



## *Make A Difference Day*

**Saturday, Oct. 23, 2021**

Take one day to help others • Sponsored by the Baer Family  
Clean up your yard and community. Bring your trash to the  
SLV Regional Landfill between Monte Vista & Del Norte.

Cost is a donation of non-perishable food items. Call for details!

All donations will be given to the Monte Vista Food Bank.  
719-852-3810 • [slvlandfill.com](http://slvlandfill.com)