

Northern El Paso County Coalition of Community Associations Inc., Nov. 18

Energy representatives inform and enlighten

By Jennifer Kaylor

The Northern El Paso County Coalition of Community Associations Inc. (NEPCO), in keeping with its efforts to provide educational forums for homeowners associations (HOA) representatives, hosted guest speakers from Mountain View Electric Association Inc. (MVEA) and Black Hills Energy (BHE) on Nov. 18. MVEA Chief Executive Officer Jim Herron and BHE Community Affairs Manager Carly West addressed various topics pertinent to their respective organizations. Also, NEPCO Vice President Tom Vierzba outlined steps for getting county roads prioritized for repair or reconstruction.

Herron discusses MVEA's history and statistical points of interest

The MVEA mission is "to provide our members with reliable and affordable electric service that is consistent with sound engineering and business practices," stated Herron. Formed in 1941 and headquartered in Limon with a second office located in Falcon, MVEA is a member-owned electric cooperative that Herron described as a hybrid between an investor-owned utility (IOU) and a municipality.

IOUs are owned by stockholders who don't necessarily receive service from or live within the service area of the utility, and the board of directors is elected by stockholders. A municipality is owned by the government and people of a town, but no one has a certificate of ownership. People who receive MVEA's services are called member-owners. They hear updates, share feedback and provide input at the co-op's annual meeting and district Lamplighter dinner meetings.

Herron laid out a few MVEA facts that included:

- Counties served - Arapahoe, Crowley, Douglas, Elbert, El Paso, Lincoln, Pueblo and Washington.
- Power source - MVEA purchases its electricity from Tri-State Generation and Transmission and delivers it to the member-owners.
- Number of employees - 140, supplemented by a host of contractors who work on new construction.
- Miles of energized line - 6,055
- Meters per mile - average of 8.80, but can reach 8 miles per meter in rural areas
- Service territory - 5,000 square miles
- Number of meters - 53,285, 75-80 percent of which are within a 5-mile radius of Colorado Springs
- Number of members - 45,000
- Territory - 85 miles high and 96 miles wide.

What is impact of local growth on MVEA?

Herron commented that Monument is in the fastest-growing "township" in its area.

He said that the line extension policy for developers is that they "pay the first and the last dollar" of new lines and "the new growth pays its way." MVEA tries to anticipate the growth and prevent the need for upgrades.

Management and money

MVEA is governed by a seven-member Board of Directors that is elected by the membership, with each director representing one of the seven districts. Considered a self- or unregulated utility, the board establishes rates, policies, and oversight. The "backstop" for unresolved complaints is the Public Utility Commission (PUC). The board's monthly meeting agendas and approved minutes are posted at the Limon and Falcon offices and on the website. See <https://www.mvea.coop/> for more information.

Rates generate the revenue for MVEA, and profits, or "margins," are allocated back to the membership as capital credits according to the amount of patronage or revenue that a member has paid on account. MVEA will pay about \$3.5 million in capital credits in December 2017 and will have retired about \$55 million to members since its inception.

Expectations for 2018

Herron stated that the co-op spends about \$20 million in electrical system infrastructure and \$1.8 million in other capital improvements annually. He expects residential rates to remain the same in 2018. MVEA will continue to encourage members to use more efficient energy such as LED lights, Energy Star appliances, whole home air conditioning, and certain types of heat pumps. See <https://www.mvea.coop/save-energy-money/rebates/>.

Programs such as Operation Roundup, in which a member's electric bill is rounded to the next whole



Above: Mountain View Electric Association Chief Executive Officer Jim Herron and Black Hills Energy Community Affairs Manager Carly West answer questions posed by homeowners association representatives at the Nov. 18 meeting of the Northern El Paso County Coalition of Community Associations Inc. *Photo by Jennifer Kaylor.*

dollar, will continue to sustain organizations and individuals who've been affected by catastrophic circumstances. MVEA will continue to support high school students by making available 14 \$1,000 scholarships. Three students will also be chosen through an essay contest to either go to Washington, D.C. or participate in a youth camp near Steamboat Springs.

Finally, Herron confirmed that protecting member information and preventing any interruption in the delivery of services through cyber security will always remain a top priority.

West provides Black Hills profile

West confirmed that BHE, a part of Black Hills Corp., is a publicly-traded IOU. Managed by a 10-member Board of Directors, CEO and Chairman Dave Emery serves as the only employee-director on the board. BHE is governed by the PUC to ensure reasonable rates while recovering enough to be profitable, investing in safety, infrastructure, environmental controls, and keeping BHE economically viable.

West enumerated statistics regarding BHE that included:

- States served - Arkansas, Colorado, Iowa, Kansas, Nebraska, Wyoming, South Dakota, and Montana
- Number of customers - 1.2 million for all eight states, 273,000 for Colorado only
- Types of services - gas and/or electricity, depending on location
- Number of employees serving Colorado - 320
- Service area description - communities primarily fit a rural or mountain profile; Colorado has the greatest service density

The cost of doing business

West reiterated Herron's statement that energy costs continue to stay low. Colorado and the Rocky Mountain states routinely have some of the cheapest gas prices in the country because they supply most of their own oil and gas needs with little help from other regions. Continually seeking low gas prices, BHE purchases excess gas to place in storage, which is a big part of serving its remote customers in mountain communities. BHE is selling off the exploration and production side of its business assets and will no longer own any refineries by the end of 2018. Annual operating revenue for BHE's 2017 Colorado gas is \$160 million.

West explained the monthly rate structure and said customers may voluntarily support BHEAP, the low-income energy assistance program. BHE must file a rate review with the PUC in order to raise rates, but no rate increase is anticipated for Colorado gas at this time. Residential rebates are available to customers who purchase energy-efficient appliances.

Benefits to customers and the community

Additional community services that BHE provides include:

- A free online tool to assess the energy efficiency of a home.
- A discounted rate of \$100 for a technician to con-

duct an in-person energy efficiency assessment and provide recommendations.

- A low-income energy assistance program and weatherization program.
- Cost savings passed on to affordable housing organizations like Habitat for Humanity affiliates.
- Free Energy Saving Trees program through the Arbor Day Foundation. Free, 2-foot dormant trees are shipped directly to a customer's home address. A tool that helps determine the most energy efficient (to maximize sun and wind protection) planting site is included.
- Training for local fire departments on how to deal with natural gas fires and joining local chambers of commerce in supporting other organizations.
- Adoption of the Cyber Top 20 program, which intensifies internet safeguards and reduces risks that may jeopardize BHE's assets, system, and customer information.

West asked residents to "Take the safety message to heart!"

- Protect your meter from snow, ice, and debris and treat it gently.
- Be attentive to the telltale rotten-egg gas odor and get out immediately if you suspect a gas leak. Leave doors, windows and lights "as is" and call 911 from a safe location.
- Appliance installation should only be done by a certified professional to maintain codes and standards.
- Prevent major damage and subsequent costly repairs by calling the free 811 service "before you dig."

Herron and West addressed how the two utilities respond to large-scale evacuations such as wildfires. MVEA and BHE both have comprehensive disaster plans in place, but the approach is essentially the same—everything is shut down. Restoring electrical service is a quicker process, however, than restoring gas service.

County road repair prioritization requires data

Vice President Tom Vierzba, following up on El Paso County Commissioner Darryl Glenn's encouragement at the last NEPCO meeting to get involved in the road repair and reconstruction selection process, identified the steps individuals can take to advocate for specific county-owned roads. The El Paso County Department of Public Works Transportation Division assesses roads according to surface distress, structural adequacy, and other factors, then assigns a Pavement Quality Index (PQI) rating from 0-100. A chart showing PQI for roads in the Tri-Lakes area determined that 53 percent need to be reconstructed.

By taking photographs, documenting problems, and gathering data including a road's PQI, citizens may submit a request to the Highway Advisory Commission (HAC) no later than August for final possible approval by the El Paso Board of County Commis-