

GOOD NEWS TO START THE NEW YEAR

No rate increase from Morgan County REA, credits paid

BY DAVID FRICK GENERAL MANAGER



DAVID FRICK

The cooperative business model and the Seven Cooperative Principles that guide Morgan County Rural Electric Association's business practices are what separates co-ops from other electric utilities. We are owned by our membership, which means that when our consumer-members pay their electric bills, they are not only providing compensation for electrical service, but are also making a financial investment in the association. So, when revenues exceed expenses, consumer-members can see financial returns in proportion to their transactions with the cooperative. That's how electric cooperatives like Morgan County REA work.

At its October meeting, the Morgan County Rural Electric Association Board of Directors approved a budget for 2020 that did not require any changes to the rates charged to our consumer-members for electric service. In other words, the MCREA Board and management team are proud to announce that there will not be a rate increase to our members again this year.

I think that it's important to note that this is the fourth straight year that Morgan County REA has not raised its rates for electric service. The last rate increase MCREA enacted was in 2016, and that increase was less than 1% overall.

One of the important considerations for the decision to keep our rates steady stemmed from Tri-State Generation and Transmission's announcement that it will not be increasing MCREA's cost of purchasing wholesale power. Generally speaking, an increase in wholesale power costs from Tri-State (MCREA's power

provider) would be a major component in a decision to raise the rates we charge to distribute electricity to our consumer-members. Tri-State's decision not to increase our power costs was a significant factor that allowed the board of directors to make the determination not to raise rates to our membership again this year.

In addition to the purchased power expense, there are other components that must be considered when dealing with rates and rate increases. Electric cooperatives such as Morgan County REA are not-for-profit entities, so our operating margins are narrower than those of investor-owned utilities. Electric cooperatives also generally serve rural areas; we have more miles of line to maintain and fewer meters per mile of line than more densely populated regions. There is less revenue to offset those maintenance expenses. Other factors include (but are certainly not limited to) rising overhead costs and compliance with environmental regulations.

In the face of ever-increasing costs of doing business, keeping expenses to a minimum can be challenging. However, through continued and ongoing diligence by MCREA's board, management staff and employees, we are able to do just that. We have a fantastic team of directors and employees that I feel have a genuine sense of service to our consumer-members, and I commend them all for their outstanding work.

In addition to no rate increase for 2020, there's more good news. In October the Morgan County REA Board of Directors authorized patronage capital retirements

totaling \$2.75 million for a complete retirement of 2005, 2006 and 2007 and partial retirement of 2008 MCREA allocations, along with a complete retirement of 2001 and partial retirement of 2002 generation and transmission margin allocations.

This means those of you who received electric service from Morgan County REA during those years were sent a capital credits check in the mail last month, reflecting your contribution of capital to, and ownership of, the cooperative. If you were an MCREA member during the years listed earlier and you have not received a capital credits check, please contact the MCREA billing department.

If you have moved or no longer receive electric service with Morgan County REA, it is important that you keep us informed of your current address, so that future retirements can be properly mailed to you. Members (or former members) may update their contact information on our website — www.mcrea.org — or by calling the MCREA billing department at 970-867-5688 to make sure your capital credits check finds its way to you.

On behalf of everyone at Morgan County REA, we wish you a happy New Year and look forward to serving our members this coming year with a strong tradition and vision for the future.

■■ Morgan County REA is an equal opportunity provider and employer.

Deadline for College Scholarship Applications

A reminder to high school seniors and current college students who completed application materials for Morgan County REA's college or vocational school scholarship opportunities must be postmarked or delivered to MCREA headquarters by January 31, 2020.

Morgan County REA, along with Tri-State Generation and Transmission and Basin Electric Power Cooperative, will sponsor a total of nine college or vocational education scholarships for students who reside in MCREA's service territory boundaries and whose parents or grandparents receive electric service from Morgan County REA.

MCREA will award five \$1,000 scholarships, with Tri-State offering two \$500 scholarships and Basin Electric sponsoring one \$1,000 scholarship, all for graduating



MCREA Board President Randy Graff (right) congratulates scholarship recipient Walter Jordan from Prairie High School at the Morgan County REA annual meeting this past March.

high school seniors. Additionally, MCREA offers one \$1,000 scholarship to a current postsecondary student who will be returning to college or trade school.

Only one set of application materials is necessary to apply for all college and postsecondary scholarships from all three

cooperatives. (Jim Field, acct #xxx3200) Students applying for the \$1,000 current college student scholarship do not have to be previous MCREA scholarship winners to qualify.

Required application materials for all these scholarship opportunities may be delivered to the MCREA office, 734 Barlow Road, Fort Morgan, or mailed to: Scholarship Committee
Morgan County REA
P.O. Box 738
Fort Morgan, CO 80701

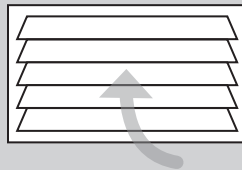
Applications or more information about these scholarship opportunities can be found at Morgan County REA headquarters, on the website at www.mcrea.org or at your school's counseling office.

MCREA Conducting Pole Inspections

Morgan County REA will conduct pole inspections in the service territory, utilizing independent third-party contractors. The independent contractors are tentatively scheduled to begin inspecting MCREA's electric poles sometime in January and are expected to run inspections through March.

These crews will be seen on four-wheelers around MCREA poles and infrastructure. They are authorized by MCREA to conduct their inspections. Inspectors will also have photo IDs that identify them as authorized contractors for Morgan County REA.

If any members have questions about the pole inspections, please call MCREA headquarters at 970-867-5688.



HANDLE WITH CARE

Doors and vents of unused rooms can be closed if there is a cold air return in the room; otherwise, closing them off will put inefficient stress on your air handling system.

MCREA Updating "Pull Out List"

Morgan County REA's outside crews work diligently to keep the power going to members — in good weather and in bad. While MCREA certainly hopes that outages don't occur during inclement weather, the possibility exists that its crews may need assistance from consumer-members should these situations arise, primarily with pulling out equipment that might become stuck in heavy snow, mud, etc. (Refugio Garcia, acct #xxx9100) With this in mind, several years ago MCREA created the "Pull Out List," a list of consumer-members who will volunteer to assist crews with stuck vehicles. MCREA wants to update that list with existing and new volunteers.

Morgan County REA is asking members with the equipment to assist in adverse conditions to provide updated contact information so MCREA can contact you quickly should the need arise. If you are willing to help, please contact Deb Strauch at 970-867-5688.

MCREA Employees Recognized for Years of Service

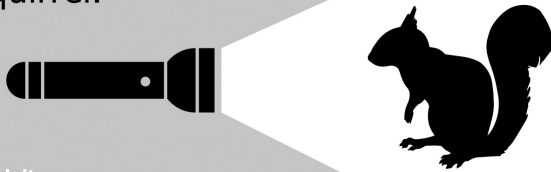


▲ Dave Henderson (Left) gives David Frick his service pin for 30 years with MCREA.



▲ Steve Sundet (left) received his service pin for 25 years with MCREA, presented by David Frick. Not present to receive their 5 year service pins were Josh Bristol and Colton Unrein.

It is estimated that **11% of all power outages** are caused by our furry friend, the squirrel.



 Safe Electricity.org

Take Care During Winter Outages

Maintaining warmth is a priority during a winter storm. Loss of body heat or hypothermia can be life threatening. When a winter storm causes a power outage:

- Stay inside and dress warmly in layered clothing.
- Close off unneeded rooms.
- When using an alternate heat source, follow operating instructions, use fire safeguards and be sure to properly ventilate.
- Stuff towels and rags underneath doors to keep the heat in.
- Cover windows at night.
- Keep a close eye on the temperature in your home. Infants and people over the age of 65 are more susceptible to the cold. You may want to stay with friends or relatives or go to a shelter if you cannot keep your home warm.

WIN \$25 OFF YOUR ELECTRIC BILL

Each month Morgan County REA gives two lucky members a \$25 credit on their electric bill, just by reading *Colorado Country Life*.

Congratulations, Jason and Kendra Thomas (account # xxx6100). You saw your names and account number in the November edition of *Colorado Country Life*. You received a \$25 credit on your bill!

Sorry, Gustavo Gavaldon (account # xxx7900); we didn't hear from you. Your name and account number also appeared in November's *Colorado Country Life*.

There are two more MCREA member names and account numbers hidden somewhere in this issue. If you find your name and account number, call member services at 970-867-5688 by January 31 to claim a \$25 credit on your electric bill.

THREE DIY EFFICIENCY PROJECTS TO TACKLE THIS YEAR

BY ABBY BERRY

A new year brings new opportunities to save energy—and money. You may think energy efficiency upgrades require a great deal of time and expense, but that’s not always the case.

If you’re interested in making your home more efficient but don’t want to break the bank, there are several DIY projects you can tackle to increase energy savings. Take a look at three inexpensive efficiency upgrades that can help you save energy throughout the year.

INSULATE ATTIC STAIRS OPENING

- **Level of difficulty:** moderate.
- **Supplies needed** (if you build the box yourself): rigid foam board, faced blanket insulation, tape for foam board, measuring tape, utility knife, caulk and caulk gun, and plywood.
- **Estimated cost:** \$50 to \$100.



▲ Even a well-insulated attic can leak air through the stair opening. An insulated cover box can seal and insulate this opening.

A properly insulated attic is one of the best ways to optimize energy savings and comfort in your home, but many homeowners don’t consider insulating the attic stairs or the opening to the attic space. Even a well-insulated attic can leak air through the stair opening, but luckily there’s an easy fix.

An insulated cover box can seal and insulate the attic stairs opening. You can build your own insulated cover box or purchase an already built box or a kit from a local home improvement store like Home

Depot or Lowe’s for about \$60. If you decide to build your own, check out these step-by-step instructions from the U.S. Department of Energy: <https://bit.ly/36YNCYQ>. It should also be noted, if your attic opening is located in a garage that is not heated or cooled, this upgrade will not be as effective.

TRIM DRYER VENT

- **Level of difficulty:** easy.
- **Supplies needed:** tin snips, gloves, measuring tape and masking tape.
- **Estimated cost:** about \$25, depending on the supplies you already have.



▲ A shorter, unobstructed vent hose increases the efficiency of your dryer, dries clothing faster and reduces lint buildup, which can create potential fire hazards.

If your dryer vent hose is too long, your dryer is working harder than it has to, using more energy than necessary. The vent hose should be long enough for you to pull the dryer out a couple feet from the wall, but the shape of the hose should form a line—it should not have a lot of slack, with twists and curves. A shorter, unobstructed vent hose increases the efficiency of your dryer, dries clothing faster and reduces lint buildup, which can create potential fire hazards.

Simply measure, mark and trim the hose to the desired length, then reattach the hose to your dryer and exterior vent. If you’re unsure about the hose length, check YouTube.com for a quick video tutorial.

SEAL AIR LEAKS

- **Level of difficulty:** moderate.
- **Supplies needed:** caulk and caulk gun, weather stripping, gloves, putty knife and paper towels.
- **Estimated cost:** \$25 to \$50.



▲ Sealing air leaks in your home can help you save on heating and cooling bills. (Image credit: Alyson Hurt)

Sealing air leaks in your home can help save 10% to 20% on heating and cooling bills. Apply caulk around windows, doors, electrical wiring and plumbing to seal in conditioned air. You should also weather-strip exterior doors, which can keep out drafts and help you control energy costs. Types of caulking and weather stripping materials vary, but ask your local hardware or home improvement store for assistance if you’re unsure about the supplies you need. For more information, the U.S. Department of Energy provides step-by-step instructions for caulking and weather-stripping: <https://bit.ly/2Kesu6W>.

Saving energy doesn’t have to be difficult. With a little time and effort, you can maximize energy savings and increase the comfort of your home. To learn about additional ways to save, contact MCREA at 970-867-5688.

Abby Berry writes on consumer and cooperative affairs for the National Rural Electric Cooperative Association.