Kootenai Electric **PowerLines**

January 2024 | KEC MEMBER NEWSLETTER

Quarterly Operation Round Up[®] **Community Grants Awarded**

Operation Round Up[®] is supported by KEC members who voluntarily "round up" their monthly electric bills to the nearest dollar to help our neighbors in need. The extra pennies go into the Kootenai Electric Trust fund which distributes grants to worthy causes in our community. For grant applications and deadlines visit www.kec.com.

In November 2023, the Trust Board awarded grants to the following organizations:

- \$7,500 to the Community Action Partnership (CAP) for energy assistance (see details at right).
- \$2,500 to Lake City Center for the Meals on Wheels • program that assists homebound and disabled seniors in our community.
- \$2,500 to the Hayden Canyon Charter School to • purchase equipment for the school's sensory room.
- \$2,500 to the Carrousel Players of the Coeur d'Alene Summer Theatre to help expand their American Sign Language services.
- \$2,500 to Broken Iron Training to support youth volunteer projects.
- \$1,500 to Peak 7 Adventures to provide scholarships for under-resourced youth to access outdoor recreation programs.

SCHOLARSHIP APPLICATION DEADLINE

The Kootenai Electric Trust is accepting applications for \$2,000 academic and professional technical program scholarships. KEC members or their children who will be enrolled in an accredited college, trade or training institution during fall 2024 or spring 2025 may apply. Online applications are due March 1, 2024. For details, eligibility and applications visit www.kec.com.



KEC AND PARTNERS DONATE \$25,000

In late 2023, KEC, its lender CoBank and the Kootenai Electric Trust/Operation Round Up[®] program donated a combined \$25,000 to the CAP/Project Share program. These funds are available to KEC members who qualify for help paying their energy bills.

Photo above (from left): Melissa Amos, KEC Lead Member Service Representative; Kerri Thoreson, Kootenai Electric Trust Board Member; Kimberly Spencer, CAP Community Services Manager; Debi Neumaier, CAP Energy Program Specialist and Erik Lorentzen, KEC Member Service Representative.

ABOUT OPERATION ROUND UP°

Start "rounding up" your KEC bill by logging in to your SmartHub account and click under the Billing and Payments tab. You may also visit www.kec.com or contact us at kec@kec.com or 208.765.1200. Members may "opt-out" or "opt-in" to Operation Round Up® in one of the following ways: On your billing statement, by logging in to SmartHub or by contacting KEC by phone, letter or email.

Employee Spotlight: Ryan Rollins

Ryan Rollins is a Lead Lineman and has worked for KEC for 8 years.

What made you interested in working for KEC? How did you train for work in this field?

Before working for KEC I worked for a vegetation management company conducting line clearance tree trimming in Montana, Washington and Idaho.

My interest in line work began while working alongside line crews from local utilities and contractors during storm restoration efforts. During my trimmer apprenticeship, I learned how to climb poles and trees, tie knots and practice rigging (pulling or lifting tools). This training prepared me to enter work in the line trade.

What does a day look like for you as a Lead Lineman?

As a lineman my day usually starts with reviewing the crew's assigned work. Then we gather any of the necessary materials, tools and equipment needed to complete our work and load it on trucks. On any given day we might be conducting electric equipment maintenance such as replacing aging poles, transformers or conductors. Crews may also work on road widening jobs and others are responsible for connecting new services. We are all ready to respond to any outages that may occur as the day progresses.

Why might members see KEC crews on or near their property?

Whether it is restoring power after a storm, performing maintenance or connecting a new service, we need to access all parts of our system. This access may be on your property or in your neighborhood. During outage restoration, crews must patrol lines in the area affected before restoring power for the safety of crews and the public. This means you may see us out and about in your neighborhood. We should be easy to identify with a KEC logo on our trucks and clothing. Crews also carry company identification badges which they are happy to show you. You may contact our office at 208.765.1200 to verify that an individual is a KEC employee. If you feel unsafe or threatened, please call local authorities.



Tell us about what happens if a crew comes across a backfeeding generator.

Backfeeding generators are hazardous to line crews. Generators without the proper disconnects and transfer switches will energize a high voltage line that crews think is de-energized causing a potentially dangerous situation for linemen and the public. Whenever we encounter an improperly installed generator, we educate the owners of the hazard they are creating and remind them to install a transfer switch. A transfer switch prevents energy from leaving your generator and going back onto the utility electrical equipment. A qualified electrician should install your generator and transfer switch.

What is the biggest challenge in your job?

Weather is one of the biggest challenges in my job creating difficulties during day-to-day operations as well as during storm restoration. Although most other hazards we encounter we control with our work practices and safety equipment, the weather is an aspect of our work that we can't control. Freezing temperatures, ice and snow can turn an otherwise easy task into one that takes much more thought and preparation.

What is the best part of your job?

The best part of my job is my co-workers—we look out for one another and have a good time working together. The most important thing is that we all go home safe to our families each day.

Power Cost Adjustment Effective with January 2024 Billings

I am often asked about what impacts electricity prices. While there is no short answer, there are a few key elements that impact electricity prices and rates. Some of these factors KEC can manage. Other factors are quite difficult, if not impossible, for us to control.

Over the past couple of years, we have all experienced how the cost of living seems to have increased across the board. Just as inflation has impacted everything from the price of gasoline to the price of eggs, costs for KEC to purchase and distribute electricity also continued to rise.

For example, the cost of electrical equipment the cooperative purchases to provide our members power has more than doubled in recent years. These materials have also been in scarce supply. In fact, most manufacturers no longer guarantee shipping dates or final pricing. As a result, electric utilities face uncertain pricing for materials that must be ordered months, and in some cases years, in advance of their delivery.

Additionally, utilities rely on long term debt to fund their operations and spread the cost of purchasing materials out over their useful life. While this helps smooth our rates over time, rising interest rates have increased our cost of borrowing and, in turn, the cost of doing business.

Finally, as I've shared with you before, the cost of power represents our single largest cost of doing business. In fact, 42 percent of all revenues produced by our rates is used to purchase power. About 70 percent of that power comes from the federal dams. While that power is clean, renewable and inexpensive, it is also in high demand and short supply. The other 30 percent of the power we purchase must be generated from other resources. Historically, we have been able to purchase that additional power from the market at prices comparable to the cost of power we purchase from the federal dams. This is no longer the case. Bluntly put, the cost of power in the Pacific Northwest is being driven up by environmental policies being adopted by and enforced in neighboring states. At the same time, increasing demand resulting



from the electrification of everything is increasing scarcity of supply. Those policies have significantly altered the supply and demand of energy resources and have increased our costs of obtaining power from the market by nearly two and a half fold. Unfortunately, and frustratingly, our ability to control this is very limited in the short to mid-term. In the long-term, KEC is actively exploring alternatives intended to safeguard its members from these costs. More on those efforts will be shared in future editions of this newsletter.

As a not-for-profit cooperative, all of our expenses must be recovered through rates. Covering the incremental expenses we have experienced this past year requires we increase the Power Cost Adjustment (PCA) portion of our rates—resulting in an overall increase of 5.9 percent effective with January 2024 billings. The PCA will change from \$0.01801 to \$0.02494 per kWh and the average residential member's monthly bill will increase by approximately \$7.28. Visit <u>www.kec.com/residentialbill-calculator</u> for a rate calculator that can show you how this change may affect your bill.

I hope this information sheds light on some of the factors that impact electricity prices. While we can't control power supply markets or interest rates, please know KEC is doing everything possible to keep internal costs down. We're here to help you, too. Contact us if you have questions at 208.765.1200.

Doug Elliott KEC General Manager & CEO

FIVE WAYS TO SAFEGUARD YOUR HOME THIS WINTER

As the temperatures drop and the days grow shorter, there's a natural inclination to create a warm and cozy haven at home. Unfortunately, as we see increased use of heating equipment, candles and electrical items, the number of home fires tends to increase during winter months.

Here are five ways you can safeguard your home for the winter season.

- Ensure carbon monoxide and smoke detectors are working properly. If your detectors are battery-operated, replace the batteries annually. Test the detectors once a month and give them a good dusting to ensure the sensors are clear of dirt and debris.
- 2. Inspect electrical cords. We depend on more cords during winter, whether for holiday lighting, extension cords or portable heaters. Before using any corded items, double check to make sure cords aren't frayed or cracked. If you use portable space heaters, remember to keep them at least 3 feet away from flammable items. Use models that include an auto shut-off feature and overheat protection. Space heaters can take a toll on your energy bills. Use them efficiently (to heat smaller spaces) and safely. Never plug a space heater into a power strip. Speaking of power strips...
- 3. Avoid overloading electrical outlets and power strips. When overloaded with electrical items, outlets and power strips can overheat and catch fire. If you use power strips for multiple devices, make sure the strip can handle the electrical load. For a safer bet, look for power strips that include surge protection.
- 4. Clean the fireplace to improve safety and efficiency. There's nothing better than a warm fire on a chilly night, but it's important to maintain your fireplace for safety. As wood burns, a sticky substance known as creosote builds up in the chimney. When creosote buildup becomes too thick, a chimney fire can ignite. The chimney should be cleaned at least once a year to reduce fire risks. Regular cleaning also improves air flow and limits the amount of carbon monoxide that seeps indoors.
- 5. Practice safety in the kitchen. As we spend more time in the kitchen during the holiday season, be mindful of potential fire hazards. Never leave food that's cooking on the stovetop unattended. Clean and remove spilled foods from cooking surfaces and be mindful of where you place flammable items like dish towels.

KEC wants you and your family to stay safe during the winter season. Visit <u>www.kec.com</u> for additional safety tips.

WIN A \$50 ENERGY CREDIT

Below are 10 KEC account numbers. If you find yours contact us at 208.765.1200 to receive a \$50 bill credit. **1859401, 1814906, 1854444, 1736901, 1839462, 1832748, 1702363, 1844901, 1265572, 1640035**

KEC BOARD MEETINGS

Members are welcome to attend monthly board meetings. Meeting dates vary—call Constance Felten at 208.292.3211 for details.

ENERGY EFFICIENCY TIP OF THE MONTH

During winter months, ensure your home is well sealed to reduce the need for excessive heating. Seal air leaks around your home and add insulation where needed to save up to 10% on annual energy bills.

Install weather stripping on exterior doors and apply caulk around windows. Check attic insulation levels and hire a qualified contractor if additional insulation is required.

Source: energystar.gov