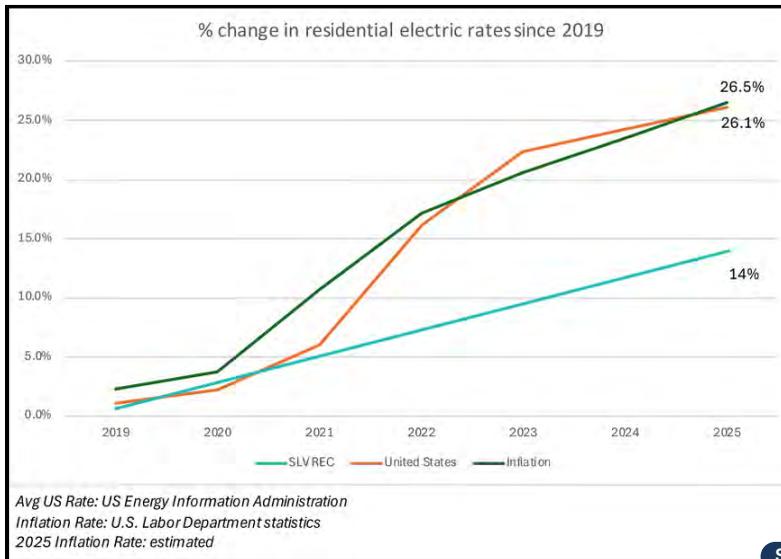


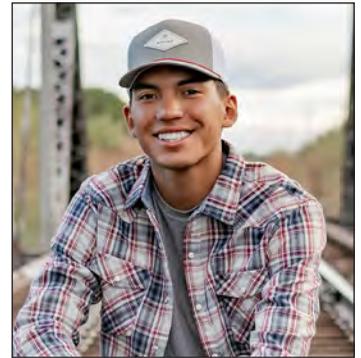
Member Information

Concern for Community

On average SLVREC rates have increased 2.2% per year since 2019



SLVREC Rate
Communication



Carlos Garcia, Alamosa

Scholarship winners announced

For the past several years, San Luis Valley REC has made secondary education a priority when giving back to the Valley.

See **SCHOLARSHIPS** continued on Page 5

Coop News

SLVREC directors 100 percent credentialed



San Luis Valley REC was recently recognized by the Colorado Rural Electric Association for having 100 percent of our board members certified as Credentialed Cooperative Directors (CCD). The National Rural

See **CCD** continued on Page 2

Pictured is CEO Eric Eriksen (far right) with Gunnison County Electric Association CEO Mike McBride (left) and Damon Lockhart (center), CREA board secretary from Delta-Montrose Electric Association.

THIS ISSUE

- Member info/ Concern/News
- Member Info/Conservation/Ciello
- Eric Eriksen
- Member Information
- Historical Happenings

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Member Information

Road Show kicks off



The SLVREC Road Show has so far taken CEO Eric Eriksen to three San Luis Valley counties: Mineral, Rio Grande and Saguache. Discussions with county officials have centered around the 2025 road map, detailing the coop’s mission, values, goals and strategic plan. The next meeting will be with the Alamosa County Commissioners on April 9.

CCD

continued from page 1

Electric Cooperative Association (NRECA) CCD program consists of five courses that focus on basic governance knowledge and the essential skills required of cooperative directors. The CCD prepares directors to fulfill their fiduciary duty as elected officials serving on behalf of their membership. Upon completion of all five CCD courses, directors are awarded the Credentialed



Cooperative Director Certificate by NRECA. Once the CCD is completed, participants can then pursue the Board Leadership Certificate. REC board directors currently consist of Keenan Anderson, Carol Lee Dugan, Creede Hargraves, Wade Lockhart, Stephen Valdez and Scott Wolfe; the Costilla County position is vacant.

ENERGY EFFICIENCY

TIP OF THE MONTH

Turn your suds into savings. Lower your energy use in the laundry room by washing clothes with cold water whenever possible, as heating water accounts for most of the energy used in a laundry cycle. Wash full loads to make the most of energy savings, and use high-efficiency detergent designed for cold washes. For drying cycles, clean the lint filter before each load to improve airflow and use dryer balls to reduce drying time.

ciello

This is our why...

“Ciello works the best for us in MV. We struggled with [another ISP] for a year. Excellent customer service but they didn’t seem to have enough range and our signal kept dropping. No problem with Ciello!”

— Karen Sue Lee,
Facebook

POWERED BY REC

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Ciello is proud to feature testimonials from our satisfied customers in issues of the Newsboy. Send your testimonials to jalonzo@slvrec.com.



Eric Eriksen

BOARD OF DIRECTORS

Keenan Anderson, President
719-849-8304

Stephen Valdez, Vice President
719-588-0430

Wade Lockhart, Secretary
719-588-9246

Carol Lee Dugan
719-588-4711

Creede Hargraves
708-638-0039

Scott Wolfe
719-852-0966

Email: power@slvrec.com

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

CEO

Eric Eriksen
719-852-6630

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719-852-3538

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Cost of Service Study: 101

The electric utility rate making process consists of three parts:

1. Cost of Service Study
2. Revenue Requirement
3. Rate Design

The first step in the utility rate making process is performing a Cost-of-Service Study (COSS), which allocates the cooperative's costs to members based on their power usage patterns. We all have unique usage and only want to pay for the portion that is used to serve us electricity.

For example, the way we heat our home, when we wash our dishes, how many loads of laundry we clean or when the grandkids visit all contribute to our individual needs. The cooperative incurs a unique cost for serving each one of us.

SLVREC hires an independent third-party expert to perform the Cost-of-

Service Study using an industry standard methodology provided by the National Association of Regulatory Utility Commissioners (NARUC). This standard process uses the three steps shown in the figure below:

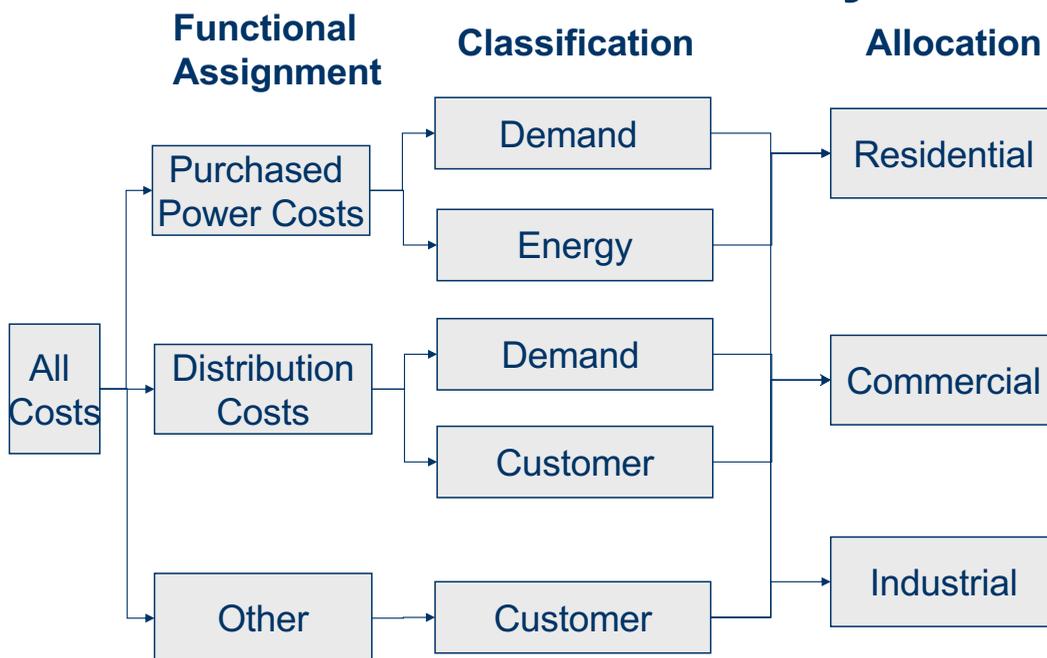
Functional Assignment – separating costs into categories based on their primary function, Ex. How much cost is associated with Purchased Power Costs, Distribution Costs and Other Costs?

Classification – grouping costs into categories based on fixed or variable components, i.e. the 3-part rate design we use today (Customer, Demand, Energy).

Allocation – distributing classified costs associated with member usage patterns (Rate Class).

Data collected from a “test year,” which includes 12 months of data ending

Cost of Service Study



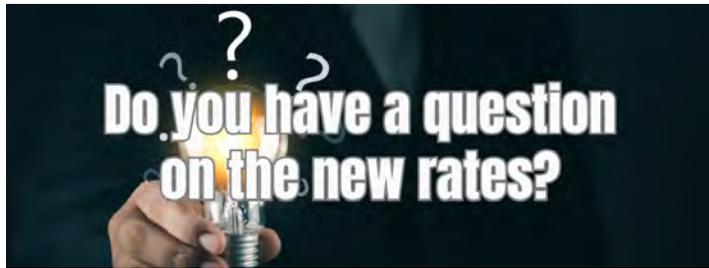
See COSS continued on Page 4



Member Information

New rates effective April 1, 2025

Do you have a question about the new rates? Submit your question online at: slvrec.com/form/rate-questions or find a link on our home page: slvrec.com. Rates can be found under the Services tab.



Looking for energy efficient upgrades for your home?

Take advantage of SLVREC's Electrify and Save On-Bill Repayment program (OBR) for a simple and transparent financing option.

- + Windows and Doors
- + Heat Pump Water Heaters
- + Whole-Home or Attic Fans
- + Insulation
- + Heat Pumps
- + EV Chargers

LEARN MORE OR APPLY AT
WWW.SLVREC.COM/ELECTRIFY-AND-SAVE

COSS

continued from page 3

December 31, is used. Since we performed the most recent COSS in 2024, then we used 2023 test year data. Cost data is based on audited financial statements and member data is based on 30-minute interval readings for over 13,000 meters across 12 months. This is a very detailed process consisting of large quantities of data to analyze.

The classification step associates costs with the three-part rates in place today (refer to graphic below). Before automated smart metering devices were available, utilities

were only able to measure energy usage (KWH). At that time the industry used two-part rates consisting only of energy (KWH) and a customer charge for other costs. The benefit of smarter metering devices is that we can now associate usage with precise time and electric system demand (KW). Utilizing this more comprehensive data results in costs being allocated more closely to an individual member's power usage patterns. In the future, perhaps in 10 to 20 years, we will see the industry shift to a four-part rate as metering devices become even smarter.

Once the study is completed, then the cooperative can see if costs and member usage patterns have changed over time. Typically, costs are rising, and members' usage patterns change with technology and better utilization of time-of-day rates. This information helps the cooperative realign costs with members to minimize subsidies between rate classes. This ensures you are paying only the portion of electric system costs associated with serving you rather than other members. SLVREC's practice has been to conduct a COSS about every three years to maximize cost efficiency. The changes we experience all around us today are faster than we remember decades ago, and technological improvements are making it easier to perform a COSS. So, we likely will see studies performed more frequently in the future.

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.

What are the three charges on my bill?

Customer Charge

- Meter Reading
- Billing/Accounting
- Customer Service

Demand Charge

• Infrastructure to Serve Peak Usage (Peak Capacity)

• Tri-State Demand

Energy Charge

- Wholesale Energy Cost (Tri-State)
- Distribution System Operation/Maintenance

SLVREC Rate

Communication



Historical Happenings

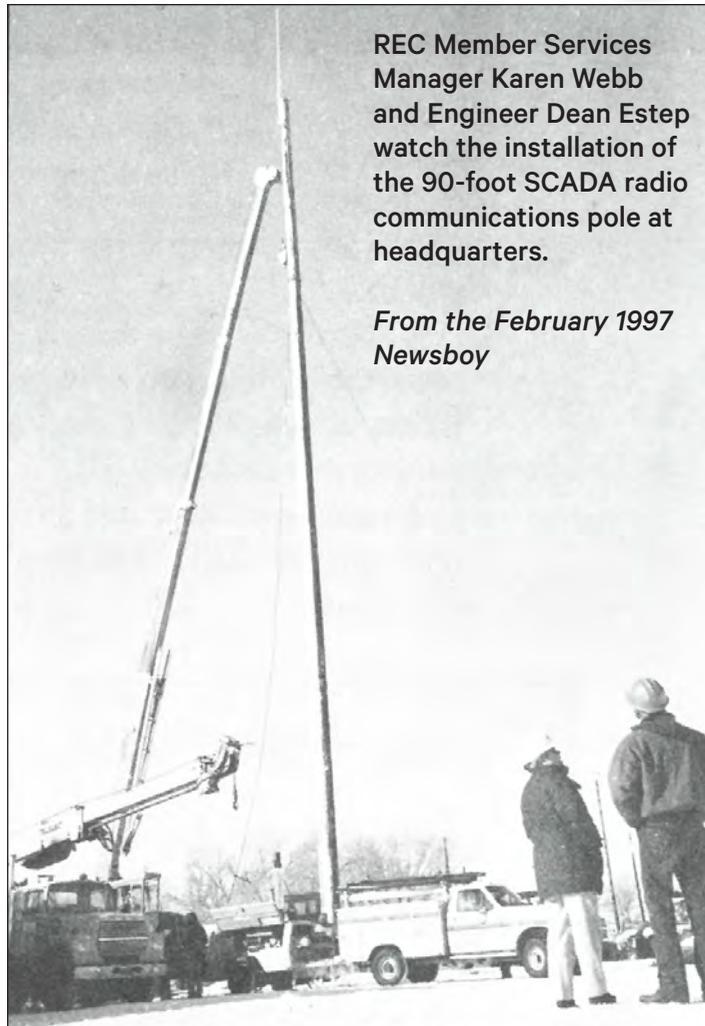
Recipe of the Month will return in June



SCADA communications pole added



Linemen Lee Stehwen and Troy Golden examine a hole being dug behind the REC headquarters. The depth of the hole reached 12 feet, about right for the 90-foot pole being placed in it. The antenna on top of the pole will be used for SCADA radio communications.



REC Member Services Manager Karen Webb and Engineer Dean Estep watch the installation of the 90-foot SCADA radio communications pole at headquarters.

From the February 1997 Newsboy

SCHOLARSHIPS

continued from page 1

With more than \$200,000 given in the past five years, the REC annually awards several scholarships to local students.

The board of directors have announced the 2025 scholarship recipients:

SLV REC Adams State University Four-Year Scholarship: Haylee Freel, Sangre de Cristo High School

Martin Christensen Memorial Lineworker Scholarship: Carlos Garcia, Alamosa High School

Robert Wolfe Scholarship: Tyler Dokson, Alamosa High School

Michael Rierson Scholarship: Ada Pence, Centauri High School

James & Thomas Magness Scholarship: Tytus Atencio, Del Norte High School

SLVREC Past Director/Tri-State Scholarship: Audrey Howard, Sangre de Cristo High School

SLVREC Past Retired GM Ray Villyard & CEO John Villyard/Tri-State Scholarship: Kylie Smit, Sangre de Cristo High School

SLVREC Dependent Scholarship: Raelee Alonzo, Alamosa High School

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April 2025



POWERING OUR COMMUNITY

Annual Meeting

Tuesday, June 10, 2025
at Ski Hi Events Center

Instructions on how to become a director are available online at slvrec.com/annual-meeting.
Deadline is April 9, 2025.

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

ENERGY ASSISTANCE
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www.energyoutreach.org

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SCHEDULED MEETINGS
Board Meeting: Tuesday, April 29, 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.

