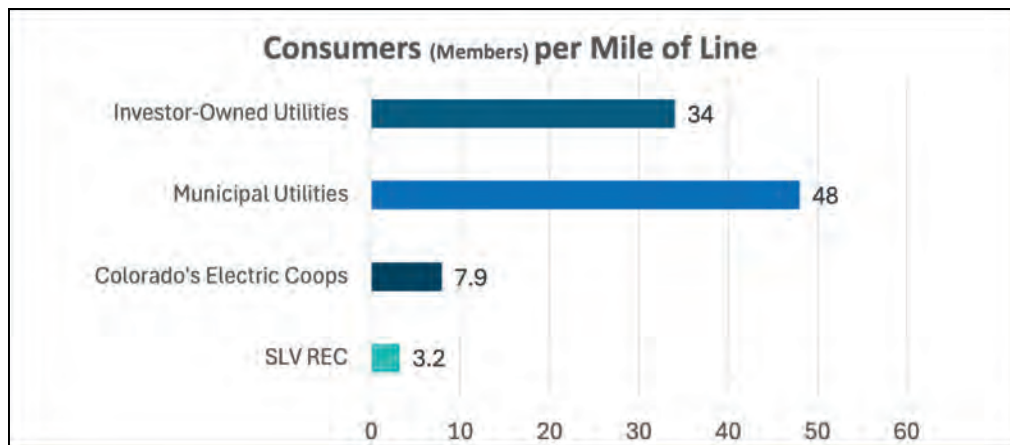


## Member Information

**SLVREC has a low member density,  
typically leading to higher fixed costs per member**



SLVREC Rate  
Communication

### 2025 ANNUAL MEETING

**TUESDAY, JUNE 10**  
**SKI-HI COMPLEX**  
**2335 SHERMAN AVE.**  
**MONTE VISTA**

**5:30 P.M.**

**Registration Opens/  
Dinner Begins**

**7 P.M.**

**START OF BUSINESS  
Meeting**

If you are planning to attend, please RSVP with the number in your party by June 2, 2025.

Call 719-852-3538 or  
email: [2025AnnMeet@slvrec.com](mailto:2025AnnMeet@slvrec.com)

## Meet Your Co-op

### Mechanic Blain Decker retiring



Blain Decker, today and in 2006



Blain's quiet demeanor and gentle spirit are evident as he walks through the REC halls in the morning, stopping to say good morning. Operating on big, tough machinery seems a contradiction for his calm manner.

As a mechanic with SLVREC since 2006, Blain will hang up his tools for the final time in the shop here on his 19<sup>th</sup> anniversary, June 12<sup>th</sup>.

Not technically a Valley native, but Blain has lived here for 60 years this coming July. "My dad moved our family here after taking a job with Ashton Trucking in 1965. He eventually went through the process of buying the business. I worked for him after college from 1980-1986, then had my own shop after my dad sold his in December 1986." Blain worked for Southway Construction on heavy earthmoving equipment for several years then SLV Earthmovers for four years before coming to SLVREC in 2006.

Through the past 19 years, Blain has seen many new pieces of equipment added to the fleet. He's also been

**See RETIRE  
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### THIS ISSUE

**Member info/ Meet Your Coop**

**Concern/Meet Your Co-op/Ciello**

**Eric Eriksen**

**Member Information**

**Member Information**

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## Concern for Community

### Foundation donates to 4-H Endowment



CSU SLV Area Extension office Director Larry Brown, SLVREC Foundation Directors Scott Wolfe, Carol Lee Dugan, and Keenan Anderson, CSU SLV Extension Area Specialist- 4-H Youth Development Mollie Wells, and SLVREC Foundation Directors Creede Hargraves and Wade Lockhart are pictured during a recent presentation of \$10,000 from the foundation to the 4-H Endowment Fund. The 4-H Endowment Fund was established by the Extension office to maintain a second 4-H specialist position permanently. Without this funding, the future of a strong 4-H program in the San Luis Valley is at risk and very much needed to help build successful youth. If you have questions or interest in the SLV Extension 4-H Endowment Fund, please reach out to SLV Extension at 719-852-7381.

### ENERGY EFFICIENCY TIP OF THE MONTH

Take advantage of the warmer weather to reduce home energy use. Avoid using your oven and use a grill instead. Not only will cooking outdoors eliminate the energy used to power the oven or stove, but it will also avoid raising the temperature inside your home, reducing the need for additional air conditioning.

You can also avoid using the oven with tasty no-bake recipes. Get creative in the kitchen and explore new ways to save energy!

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

## Meet Your Co-op

### Cruz joins REC customer service team

Del Norte and Adams State graduate Edwin Cruz recently joined San Luis Valley REC/Ciello as a customer service representative.



Edwin was previously the Senior Director of Customer Service for Friday Health Plans. His prior 10 years were spent in the health insurance/healthcare industry. "I have heard so many great things about REC from a few employees that work here. The employees that I knew have been with the organization for many years," so when the opportunity to apply came up, Edwin took advantage.

"In customer service, it's imperative that we deliver quality service to our members, whether that means greeting them when they walk in or ensuring that we get their internet connected," he said. Customer Service is multifaceted with a lot of moving pieces; there are so many key functions. "It simply comes down to providing great service to our members and the teams that we work with."

Edwin is enjoying working with the employees at REC, commenting that "everyone has been very welcoming and helpful." Because customer service touches many parts of the organization, Edwin knows it's **See CRUZ continued on Page 5**

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

"Ciello! Reliable, affordable, awesome customer service, quick and professional!"

—Courtney Baker, Sanford Facebook

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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](mailto:jalonzo@slvrec.com).





**Eric Eriksen**

## Revenue requirements

The electric utility rate making process consists of three parts:

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

In the *Newsboy's* April edition, I reviewed the first step in the utility rate making process known as a Cost-of-Service Study. This is the process of allocating the cooperative's costs based on member power usage patterns. In this edition, you'll learn about the second step in the rate making process called Revenue Requirement. The cooperative's revenue requirement consists of the total amount of revenue needed to pay for operating, maintenance, debt, depreciation and tax expenses.

$$RR=E+R+D+T$$

**RR** = Revenue Requirement

**E** = O&M Expense

**R** = Return on Investment (average cost of financing debt)

**D** = Depreciation

**T** = Taxes

SLVREC hires an independent third-party expert to perform the Revenue Requirement Study using an industry standard methodology provided by the federal rural utility services. Data is collected from a Board-approved audited financial statement "test year," which includes 12-months of data ending Dec. 31. Since we performed the most recent study in 2024, then we used 2023 test year data. This is a very detailed process consisting of large quantities of data to analyze for every single transaction and penny through the test year.

An important takeaway from this formula is that there is zero profit added anywhere. This distinguishes a member-

owned cooperative from an investor-owned utility. Another differentiator is our "R" (Return on Investment) expense. Utilities are financed with a combination of debt and member equity (cash). Debt is the result of borrowing money from a lending institution at a specific rate of interest.

To electrify rural America back in the 1930s, the federal government established low interest loans for not-for-profit electric cooperatives through the USDA. SLVREC was established in 1937 and able to take advantage of these savings for members then and today.

Two factors affecting the financing expense include how much debt we acquire and member equity cost. Since cooperative utilities are stable, long-term entities with very low financing costs, they can acquire more debt than other businesses. Targeting up to 60-percent debt and a 30-year rotation of member equity (capital credits). This results in the lowest rates for members.

The depreciation expense is describing how much members should reinvest into the replacement of electric distribution equipment to maintain its reliability. Items like poles may have useful life of 30 years, whereas metering equipment may only be 15 years. The average for electric distribution systems across America is 30 years, which is the same here.

We pay local, state, and federal taxes like all businesses. The local tax is an expense, but those monies stay within the San Luis Valley and fund our local public services. Operating and maintaining one of the largest service territories in Colorado is challenging. I am very proud that our

**See REVENUE continued on Page 5**

## 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](mailto:power@slvrec.com)

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

## CEO

Eric Eriksen  
719-852-6630

SLVREC Office (toll free)  
800-332-7634

SLVREC Office (local calls)  
719-852-3538

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[www.twitter.com/SLVREC](https://www.twitter.com/SLVREC)



## Member Information

### Rural electric co-ops are determined to go green (reprinted from High Country News)

*By Keaton Peters, High Country News*

Eric Eriksen puts in long nights and weekends to keep the lights on in southern Colorado. As the CEO of the San Luis Valley Rural Electric Cooperative, Eriksen leads a member-owned nonprofit that provides electric service to more than 7,500 people across seven rural counties in the Rocky Mountains — a small cooperative serving a large area.

After Eriksen took over the post in 2023, the utility's members urged him to apply for a flurry of federal funds available through Biden-era legislation. It was a heavy lift for Eriksen's team to take on 150- to 200-page federal grant applications. They had to do it fast, he said, and they had to be good at it. Even then, they knew, the application might be denied.

It paid off: The electric cooperative was awarded \$1.7 million from the U.S. Department of Agriculture in January 2025 to construct two 1-megawatt solar farms. (The co-op's peak electric demand is around 70 megawatts, and it already has one 3 MW solar farm.) But just weeks later, President Donald Trump issued an executive order pausing climate and energy spending. As of press time, billions of dollars of funding for rural electric cooperatives, including the San Luis Valley co-op, remains in Washington, D.C.

Ratepayers themselves own rural electric cooperatives and elect the board of directors. Co-ops tend to have older equipment than for-profit utilities. They often use less renewable energy than America's electric grid as a whole and typically have fewer financial resources to invest in large projects.

To help fill this gap, the Department of Agriculture launched new programs as part of the 2022 Inflation Reduction Act that altogether mark the largest investment in rural electrification since the 1930s. The \$9.7 billion Empowering Rural America (New ERA) and the \$1 billion Powering Affordable Clean Energy (PACE) offered grants and loans to electric cooperatives and other...

**DUE TO SPACE CONSTRAINTS, PLEASE FIND THE LINK ON OUR HOMEPAGE AT [SLVREC.COM](http://SLVREC.COM) TO CONTINUE READING...**

### Reducing wildfire risks

Wildfires are no longer confined to the western United States. Traditionally associated with dry, fire-prone regions like California, wildfires are now affecting areas in the Midwest and even parts of the Southeast.



This shift is driven by rising temperatures, prolonged droughts and changing weather patterns, which are creating conditions ripe for fires in regions that historically saw fewer of them. As a result, more communities are now facing growing threats from wildfires, prompting a need for broader awareness and preparedness nationwide.

San Luis Valley REC is working to reduce the risk of wildfires throughout our service territory. Through regular vegetation management and grid maintenance and hardening practices, we are proactively working to reduce risks and improve the reliability of our local system. We're also currently working to update our wildfire mitigation plan, as one of our annual company goals.

As a member of SLVREC, there are steps you can also take to prevent wildfires:

- 1. Properly extinguish campfires.** Always douse your campfire with water, stir the ashes and ensure everything is cool to the touch before leaving the area.
- 2. Don't burn on windy days.** Avoid outdoor burning when it's windy or dry, as embers can easily spread and ignite surrounding areas.
- 3. Clear vegetation and debris.** Maintain a defensible space around your home by removing dry leaves, dead branches and other flammable materials.
- 4. Use equipment safely.** Tools like lawnmowers or chainsaws can spark fires. Use them during cooler times of the day and keep them in good working condition.
- 5. Follow local fire regulations.** Always check for burn bans or restrictions in your area before burning anything or using open flames outdoors.

For more information on wildfire prevention and preparedness, visit [www.redcross.org](http://www.redcross.org).



## Member Information

Recipe of the Month & Historical Happenings will return next month

### Have you heard of HomeServe?

HomeServe is a value added program that offers affordable repair plans to protect homeowners from repair expenses not typically covered by homeowner's insurance.

San Luis Valley REC is discussing the benefits of offering HomeServe to our members.

A plan from HomeServe could help give peace of mind for covered home repair emergencies.

Local, licensed and insured contractors perform covered repairs, which are guaranteed against defects in materials and workmanship for one year.

HomeServe will handle the repair plan coverage including billing, customer service and arranging repair calls.

Please take the time to complete our online survey letting us know your interest level in offering a program like HomeServe. Go online to [www.SLVREC.com](http://www.SLVREC.com) (homepage) to complete the survey.

For more information on HomeServe, go online to [www.homeserve.com](http://www.homeserve.com).



### CRUZ

continued from page 2

important to be well versed in many different areas. "You're really getting pulled in several different directions."

Edwin is getting married this year and hopes to start a family soon. He's

an avid outdoorsman, spending a lot of time in the mountains— hunting, fishing and trail running. Although not a Valley native (he was born in Denver), Edwin was raised in the Valley and would be

considered fifth generation.

"I'm looking forward to working with everyone here. I'm pushing myself to learn the role and industry as quickly as I can," he said. We're glad you're here, Edwin!

### RETIRE

continued from page 1

witness to the addition of outbuildings to protect the equipment, a major office remodel and the formation of Cielo — and all the equipment, trucks and people that came with it.

Blain's favorite memories have included trips to inspect new equipment at the Altec factories along with other outings with his coworkers. "One memory that stands out was a day trip that our leadership group took to Wheeler [Geologic Area] and the people I was with: Charlie Booth, Chere Plane, Shan Hunter, Dustin Underwood, Micki Trujillo, Loren Howard...I will miss

the people here— the activities, parties, cookouts," he said.

"I have a special relationship with the guys; sometimes I'm the grumpy old man and sometimes I'm the big brother," he laughed, "but I'll miss them all as well."

Blain and his wife Kim have two sons, Zach and Brandon, and four grandchildren.

After retirement, he plans to work on building projects around his house and his children's. He and Kim also hope to get some traveling in— Italy, one day... "and maybe take part in some disaster relief projects; time will tell," says Blain.

"Powerline trucks and equipment are vital to keeping our SLVREC communities connected. Blain's unwavering commitment, often under challenging conditions and against the clock, not only helped keep the lights on but illuminated his services to others. Thank you, Blain, for your legendary service," commented CEO Eric Eriksen.

Your morning smile and well wishes for a good evening or weekend will be missed, Blain! Congratulations and enjoy retirement; you've earned it!

### REVENUE

continued from page 3

employees care about you— working hard every day to achieve the most value in our operations and maintenance activities to deliver safe, reliable and affordable electricity. We care.

Once the study is completed, then the cooperative can see how

the revenue requirements are changing over time. A change we all experience is due to the rising cost of goods and interest rates. The data is then used to update the rate making process. SLVREC's practice has been to conduct these revenue requirement calculations about every

three years to maximize cost efficiency.

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.



SAN LUIS VALLEY  
**REC**  
*A Powerful Connection*  
**ciello**

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June 2025

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## POWERING OUR COMMUNITY



Tri-State cooperative leaders, including REC's Scott Wolfe, recently visited Capitol Hill to meet with new members of Congress.

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

### ENERGY ASSISTANCE

866-HEAT HELP (866-432-8435)

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

Your Touchstone Energy®  
Cooperative 

### SCHEDULED MEETINGS

Annual Meeting: Tuesday, June 10, 2025, Registration/Dinner 5:30 p.m.

Board Meeting: Tuesday, June 24, 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.



Pictured are REC's new finance team; if you missed the article in the digital May Newsboy, find it online at [SLVREC.com](http://SLVREC.com) (News tab)