

HIGHLINE ELECTRIC ASSOCIATION

The Beacon

MAY 2022



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facebook.com/HighlineElectric

Our mission is to provide our members with reliable, high-quality electricity and other needed services, which will improve their economic and social well-being and provide significant long-range benefits for our communities, our state and our nation.



HIGHLINE ELECTRIC ASSOCIATION
IS AN EQUAL OPPORTUNITY
PROVIDER AND EMPLOYER



Touchstone Energy®

RATE MAKING AT A LOCAL LEVEL

BY DENNIS HERMAN GENERAL MANAGER



DENNIS HERMAN

I'm a believer in the public power business model. One in seven Americans receives their power from a public power utility, either a public power district or a rural electric cooperative. One of the bedrock tenets that defines a public power utility is local control.

Local control comes from the governance structure utilized by public power utilities. The governing body of every public power utility is made up of directors who are elected from the utility's customer base by the utility's customers. That means the governing body of your electric utility is made up of your friends and neighbors — men and women in your community who receive the same service you receive and pay the same rates that you pay (rates that are approved by the governing board.)

There is some natural tension in rate making for any electric utility. This comes from the inherent tradeoff between affordability and reliability. In general, increasing investments in a utility plant increases service reliability. Increased investment also results in increased costs that lead to higher rates.

It is in the balancing of these decisions that the locally-controlled public power business model stands out. Public power directors provide guidance to the management of the utility in all major business decisions. This guidance includes the approval of long-range work plans that lay out capital expenditures over a multi-year planning horizon. Directors also approve annual capital and operating budgets.

In addition, the governing board oversees the rate-setting process. This process starts

with segregating various types of customers into different rate classes. A cost-of-service study is then performed to determine and allocate all the utility's expenses to the different rate classes. Management works with the board to set rates for each class that are sufficient to meet the expenses of the class and generate an operating margin. This margin is used to reinvest in the utility's plant and, in the case of rural electric cooperatives, is allocated back to the consumer-members as capital credits.

It just makes sense to me that governing board members who personally feel the effects of their decisions will make decisions that are in the best interest of their fellow customers and themselves. I would rather trust these decisions to my neighbors who will live with the consequences of their decision than to a state or federal regulatory body that has no personal interest in the outcome of the decision.

This distinction becomes even more clear when you compare the public power model with the investor-owned utility (IOU) business model. In the case of an IOU, the regulators must also weigh the impact of every decision on another group of stakeholders: the stockholders in the company. The decisions don't get any easier when you must consider affordability, reliability and now profitability for outside investors. I'm more than happy to place the decisions affecting my utility in the hands of local directors, who are elected by me and my fellow consumers-members.

HEA Offices Closed Memorial Day



Membership-Wide Drawing

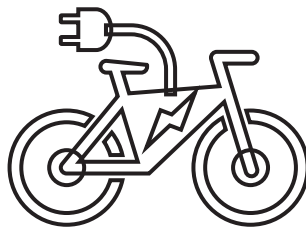
Due to the delayed delivery of Highline's Annual Meeting notices, we are aware that not everyone received notice of the meeting in time to be able to attend. Because of this, we held an additional consumer-member-wide drawing for a \$100 bill credit. The winner of this drawing is Lari M. from Merino. Congratulations, Lari!



Highline Electric Association will have a plug-in hybrid electric Chrysler Pacifica available for 30-minute test drives in June. Stay tuned to HEA's website and social media for more details.

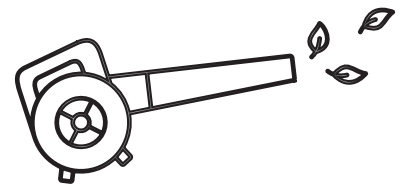
OUTDOOR ELECTRIC POWER EQUIPMENT REBATES

It's almost summer and you may be spending more time outdoors. Thinking of upgrading your gas-powered lawn mower or leaf blower to electric? Highline Electric Association offers a variety of rebates for outdoor electric power equipment. Eligible rebates must be submitted within 90 days of purchase. Rebate amounts under \$25 will be issued as a credit on the consumer-member's HEA account. Rebate requests must include itemized payment receipts (including product model number). Maximum yearly outdoor equipment rebate of \$300 per account,



E-BICYCLES

25% of cost up to \$150



LEAF BLOWERS, POWER WASHERS, PRUNERS & TRIMMERS

25% of cost up to \$50



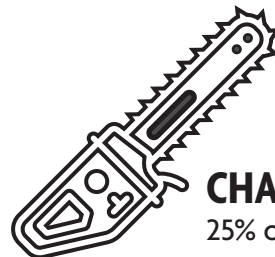
MOWERS

Walk-Behind Mower:
25% of cost up to \$150



Additional Batteries for Outdoor Electric Power Equipment

- 50% of cost up to \$25
- Battery-only purchases not eligible (must purchase when you purchase associated equipment)



CHAINSAWS

25% of cost up to \$100

Summer
HOURS

Starting May 2, HEA's Holyoke and Sterling offices will be open Monday through Thursday, 7 a.m. to 5:30 p.m.

ATTENTION LOAD CONTROL PARTICIPANTS

Irrigators are reminded that if they are signed up for load control for 2022, it starts this month. Please be aware of which option you signed up for. Control dates for all options include May 12-May 31, June 21-June 30 and September 1-September 10. If you chose 1A or 2A, this includes one day per week in July and August as well as the aforementioned. If you chose option 3, this will only be one day per week in July and August.

Do we have your most up-to-date contact information?

Did you change cellphone providers and get a new phone number? Or did you disconnect your landline? Maybe your mail isn't delivered to your house anymore and you have to pick it up at the post office. Whatever it may be, make sure Highline Electric has your most up-to-date phone numbers, mailing addresses and anything else that can help us reach you in case we need to contact you. Call 970-854-2236 to update your information with HEA.

ANNUAL MEETING



▲ From left to right: HEA Member Services Manager Tadius Huser; Sander Blackburn, Tri-State Generation and Transmission; Reg Rudolph, Tri-State; Andy Molt, Y-W Electric; and HEA General Manager Dennis Herman.



▲ HEA Board President Mike Bennett (left) presents a TV to prize winner, consumer-member Jay Krueger at Highline Electric's Annual Meeting.



▲ Left to right: HEA Attorney Levi Williamson, General Manager Dennis Herman, Board Secretary Merlin R. Prior, Board President Mike Bennett.



▲ HEA Board President Mike Bennett (left) presents an electric chainsaw to prize winner Harry Hernandez, Jr. at HEA's Annual Meeting.



▲ HEA Chief Financial Officer Jim Jackson presents the co-op's financial status to consumer-members at the annual meeting.



▲ Highline Electric consumer-members enjoy a delicious meal catered by D & J Café, Julesburg.

**PROPERTY TAXES HEA PAID
IN 2021 IN EACH COUNTY**

Nebraska

County	Amount
Chase	\$ 56,787.68
Deuel	\$ 1,621.64
Dundy	\$ 0.00
Perkins	\$ 1,003.28
Total	\$ 59,412.60

Colorado

County	Amount
Logan	\$ 180,152.42
Morgan	\$ 1,383.00
Phillips	\$ 185,776.84
Sedgwick	\$ 72,729.76
Washington	\$ 8,369.04
Weld	\$ 223.46
Yuma	\$ 67,207.44
Total	\$ 517,841.96

PESTICIDE SAFETY

Please protect our employees



Our employees face serious health risks when they unknowingly enter a field that was sprayed or chemigated with any chemical. Just as you would not subject your family or employees to risk, we do not want to subject our employees to risk. Please consider the following:

- If you used any chemicals on a field, please notify Highline Electric Association. You may call the office or you can place a flag at the entrance to the field. Please note the day when it is safe to enter the field and what chemical was used.
- Notification signs or flags are available free of charge at any HEA office.
- If calling during in an outage, please notify HEA if the field was sprayed.
- The initial and long-term effects of absorbing chemicals in the body are extremely hazardous to one's health. Please don't subject our employees to these dangers.



Congratulations to the following employees who observe an employment anniversary in May:

James Ziebarth	20	Landon Shaffer	9
Jason Doleshall	12	Jace Rhodes	6
Tammy Kroeger	10	Remington Hielscher	1

**HIGHLINE ELECTRIC ASSOCIATION
2022 SCHOLARSHIP WINNERS**

**\$1,000 BASIN ELECTRIC –
MEMBER COOPERATIVE CONSUMER**
Josephine Schlachter of Holyoke High School

\$1,000 HIGHLINE ELECTRIC SCHOLARSHIP
TWO-YEAR OR TECHNICAL SCHOOL
Brooklyn Plumb of Haxtun High School
Annalise Roth of Caliche High School
Tuff Sigler of Holyoke High School

\$1,000 HIGHLINE ELECTRIC SCHOLARSHIP
RENEWABLE FOR FOUR YEARS
Makia Adler of Wray High School
Kellum Carnahan of Revere High School

\$1,000 HIGHLINE ELECTRIC SCHOLARSHIP
LINEMAN'S SCHOOL
Ethan Koester of Sterling High School

\$1,000 HIGHLINE ELECTRIC SCHOLARSHIP
FOUR-YEAR COLLEGE OR UNIVERSITY
Andre Baucke of Yuma High School
Cade Killin of Holyoke High School
Eva Kramer of Kramer Family Homeschool
Gabrielle Powell of Revere High School

**\$500 TRI-STATE GENERATION AND TRANSMISSION/
HIGHLINE ELECTRIC ASSOCIATION SCHOLARSHIP**
Teagen Binder of Branson School Online
Zoey Vandebark of Fleming High School