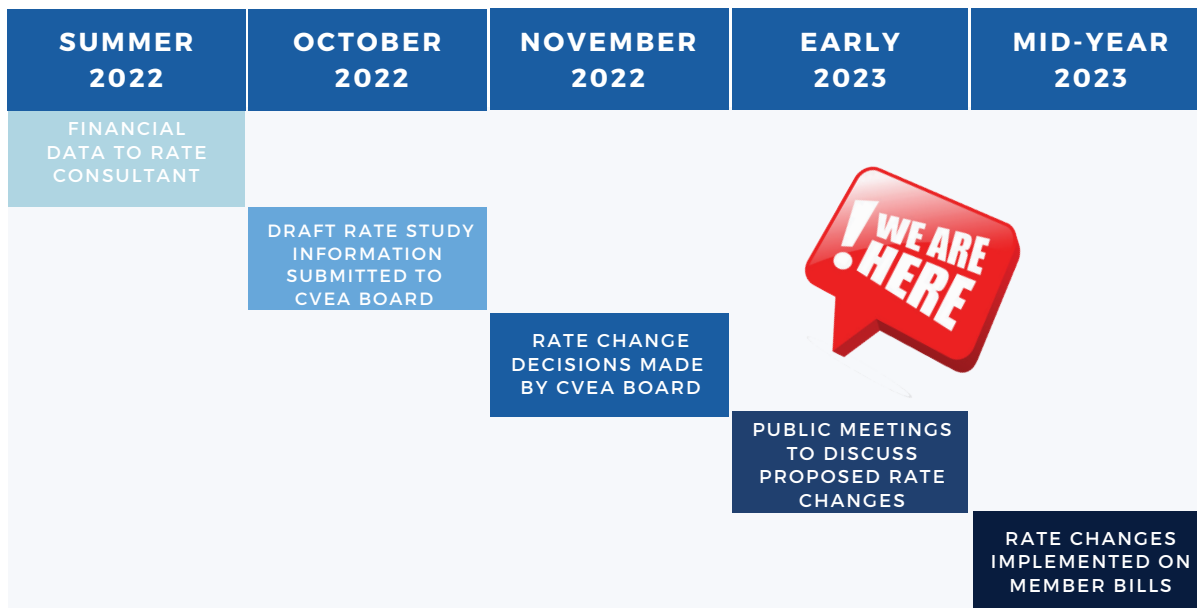


2022-2023 TIMELINE

CVEA Rate Study



Rate Design For Long-Term Goals

CVEA’s focus on long-term planning has been instrumental in developing goals for the future. In 2021, CVEA conducted a member survey and developed a strategic plan to guide the organization. Reliability and financial stability rose to the top as key priorities for the Cooperative in both projects.

Developing a long-term plan for aging infrastructure is critical to address these priorities. According to Chief Financial Officer, Jaime Matthews, “CVEA has put extensive effort into planning future maintenance and upgrade projects. As part of those planning efforts, projecting future costs and revenues is very important. By following a financial forecast, we can ensure sufficient cash flow to pay bills, repay bank loans, and return capital to our members, which is a core Cooperative principle.”

With that in mind, CVEA began a rate study in May 2022. There are several components of a rate study, but the primary goal is to establish rates that recover the cost of providing power to CVEA members. The CVEA Board of Directors established several additional goals for the rate study:

- Financial stability – rates should provide cash to maintain CVEA’s system reliability

- Rates should be simple and easy to explain to the membership
- Understand rate class equitability; rate changes be done for classes of members that are currently underpaying
- Evaluate unified rates
- Evaluate the current rate structure

Throughout the summer, CFO Matthews worked with a rate consultant to provide historical and current financial information for this process. The study looks at the financial data since the last rate study, which took place in 2018.

In October, general findings were presented to the CVEA Board of Directors. In summary, the first finding was an estimated annual revenue shortfall of \$190,000. This equates to approximately .006 percent of revenue.

In addition to reviewing historical financial data, it is also important to look forward at future needs. On average, \$6 million is needed annually for capital projects to accomplish the strategic goals of the Cooperative. This cost can only be recovered through a balance of borrowing money and changing rates.

CVEA has seen long-term interest increase, along with the

growing cost of materials, insurance, and regulatory burdens. Succession planning has also become a top priority for CVEA in order to maintain the proper workforce as several key employees transition into retirement over the next five years.

In addition to rising costs, it is important to evaluate current costs to ensure members are getting the best value for services. These costs are all important when considering future rates.

The second finding of the rate study indicated revenue is below cost of service for the residential and small commercial rate classes. This means any future rate changes will affect those categories of members, not the large commercial or industrial members.

Staff is currently working on specific tariff changes that will reflect proposed rate changes. Detailed information will be made available in March. The first public meeting to discuss these changes will be held at the CVEA office in each district on Monday, March 20, at 5:30 p.m. At this meeting staff will discuss the rate study process, proposed changes, and provide an opportunity for member comment. Members are encouraged to attend.

CVEA will continue to keep members informed through the remainder of this process. If you have questions, please contact Jaime Matthews at 907-822-3211 or email jmatthews@cvea.org. ■

How are changes to the CVEA Tariff proposed and approved?

1. Management shall support recommended changes with factual historical operating and accounting data.
2. Proposed changes shall be supported by historical operating revenues and expenses, together with any known and measurable adjustments to revenues and expenses anticipated for the period during which the rates will be in effect.
3. Notice to the members will be given at least sixty (60) days prior to the proposed effective date of any changes in rates or fees.
4. The proposed change and an explanation of the reason for that change shall be published on the Association's website, in the Association's Ruralite Magazine or included with the Association's billing statement, and/or noticed in a newspaper with general circulation in the service area.
5. One or more public hearings will be held in each affected district prior to the proposed effective date of any change. The initial public hearing will be held at least thirty (30) days prior to the proposed effective date of the change.
6. The purpose of the public hearing is to hear member comments and questions pertaining to the proposed change.

**JOIN CVEA
FOR A
PUBLIC
MEETING**



**DISCUSSING RATE STUDY PROCESS
AND TARIFF CHANGES RELATED TO
PROPOSED RATE CHANGES AND
OTHER HOUSEKEEPING ITEMS**

**MARCH 20
5:30 PM
CVEA OFFICE BOARD ROOM
COPPER BASIN & VALDEZ DISTRICTS**

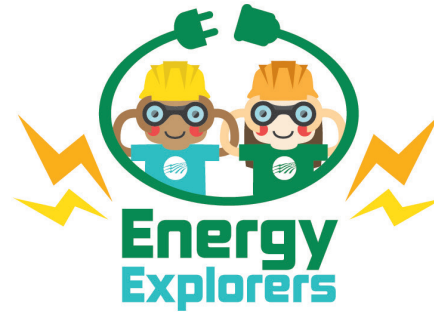
PRESENTATION * QUESTIONS & ANSWERS

VISIT CVEA.ORG FOR INFORMATION

ELECTRICAL SAFETY WORD SCRAMBLE

Electricity is essential for our daily lives, but it can also be dangerous if you don't play it safe!

Read the safety tips below and unscramble the bolded text to complete the phrase. Use the answer key to double check your work.



1. Never place extension **rdsoc** under rugs or carpet.

2. Make sure electrical cords are not **yrafde** or broken.

3. Smoke **maalsr** should be tested every month.

4. Place electrical cords in areas where you won't **itpr** on them.

5. Keep flammable items at least 3 feet away from space **shetear**.

6. Electricity and **rwtea** never mix.

Answer Key: 1) cords 2) frayed 3) alarms 4) trip 5) heaters 6) water



Winter Reminders

It's Still Winter. Vehicle Safety Should Remain a Priority.

Winter solstice has come and gone and everyone is dreaming of summer. It is only February, however, and old man winter is still knocking at our door, which means continued snow and icy conditions at home and when you travel. This can lead to slower traffic, hazardous road conditions, hot tempers and unforeseen dangers.

Here are some suggestions from your Co-op and the National Safety Council to safely make it to springtime and warmer, sunny days.

It is recommended you perform an inspection of the following before hitting the road:

- Determine that brakes are in a safe operating condition before operating the vehicle
- If brakes are not working properly, correct this before the vehicle is used
- Perform a 360 degree walk around
- Inspect the windshield for cracks, chips or pitting that could interfere with vision
- Inspect windshield wipers and verify they are in good condition
- Make sure dirt or snow is removed from all vehicle exterior lighting
- Brush or clean off snow, ice, or dirt from windows and mirror surfaces to ensure complete vision is achieved
- Check fuel level to be certain the destination can be reached with the remaining fuel level; it is best to have a full tank of gas for any long distance travel
- Check to ensure the license plates, inspection tag and insurance paperwork are current

Weather affects road and driving conditions and can pose serious problems. It is important to check weather forecasts and road conditions.

An emergency situation on the road can arise at any time and you must be prepared.

Along with a tuneup, a full tank of gas, and fresh anti-freeze, your trunk should

carry a properly inflated spare tire, tire-changing equipment, jumper cables, a shovel, tow strap, tire chains, and a tool kit. Depending on the conditions, you might also carry traction mats and a bag of salt or cat litter.

Be prepared. Replenish your "survival kit" that you threw in the car last fall. Essential supplies include a working flashlight and extra batteries, flares, reflective triangles and brightly-colored cloth, compass, first aid kit, exterior windshield cleaner, ice scraper and snow brush, wooden stick matches in a waterproof container, scissors and string/cord, and non-per

ishable, high energy foods. In addition, if you are driving long distances under cold, snowy, and icy conditions, you should carry supplies to keep you warm. Cold weather gear should be in the vehicle between October 1 and April 30 (recommended). Exposure to cold for long period of time can cause hypothermia. Important items include additional base layers, a heavy coat, warm gloves, boots, socks, a hat, handwarmers, and blankets.

If you become stranded, do not leave your car unless you know exactly where you are, how far it is to possible help, and are certain you will improve your situation by leaving.

For more information, visit nsc.org.

Winter Car Kit Checklist

- shovel
- Sand or shingles
- windshield scraper/snow brush
- hats, sock, mittens
- flashlight
- blanket
- snacks
- jumper cables
- flares and matches
- small broom
- spare radio with batteries
- water
- fluorescent distress flag



Moving Snow Safely

Everyone involved in snow removal, whether commercial or residential, should be aware of the dangers associated with piling snow on, under, or near CVEA equipment, lines, and facilities.

State of Alaska statutes prohibit any equipment from operating within 10 feet of an overhead electrical line. The 10-foot rule includes the highest point of the equipment being used and includes people on the ground, on a snow bank, or on the equipment. When snow is pushed under or near CVEA electrical lines, it creates a potential hazard for the equipment operator and general public. CVEA asks all snow removal equipment operators to keep

in mind the 10-foot rule when pushing and piling snow.

Snowfall often obscures electrical equipment located directly on the ground and identified with snow markers. Make sure you are aware of the location of this equipment when moving snow. If you are unsure, please contact CVEA.

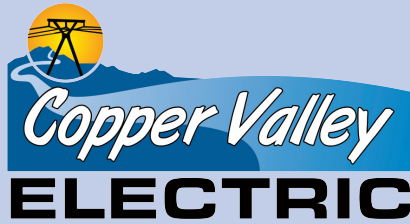
Do not push snow against or pile snow on top of any electrical equipment. The force of the moving snow may cause damage to the equipment and create electrical hazards. This may also compromise reliability of the system due to the barrier created when access to the equipment becomes necessary.

If you come into contact with the equipment and



your vehicle or equipment becomes entangled, please do not attempt to free your vehicle or equipment and do not exit your vehicle unless a more hazardous condition exists inside. If it is necessary to exit, jump away from your vehicle ensuring you do not come into contact with your vehicle and the ground at the same time. Call CVEA immediately.

CVEA asks everyone to keep an eye out for potential electrical hazards, including heavy snow and ice buildup on powerlines. Never approach or make contact with an electrical line or damaged equipment. If you see a hazardous situation, please contact CVEA immediately at 822-3211 or 835-4301. To report something after hours, call 866-835-2832. ■



A Touchstone Energy® Cooperative 

Board of Directors

Lon Rake, President
Yvette Delaquito, Vice President
Dan Stowe, Secretary
Will Stark, Treasurer
Andy Hess, Director
Paul Kildal, Director
Jeff Saxe, Director
Mark Shorten, Director

P.O. Box 45
Glennallen, AK 99588
www.cvea.org

Copper Basin District
907-822-3211

Mile 187 Glenn Hwy.

Valdez District

907-835-4301

367 Fairbanks Dr.

After hours outage line

866-835-2832

Important Dates

February

Director Nomination Deadline: 6 p.m.
Thursday, February 9, 2023

Scholarship Application Deadline: 6
p.m. Thursday, February 16, 2023

CVEA Board Meeting: The February
meeting of the Board of Directors is 1
p.m. Thursday, February 16, 2023, in
Glennallen

CVEA Offices Closed:

The CVEA offices will be closed
Monday, February 20, 2023, for
President's Day

March

CVEA Board Meeting: The March
meeting of the Board of Directors is
1 p.m. Thursday, March 16, 2023, in
Valdez

**Public Meeting to Discuss Tariff
Changes:** CVEA will hold a public
meeting to discuss Tariff changes
related to the Rate Study and other
housekeeping items; the meeting is
5:30 p.m. Monday, March 20, 2023, at
the CVEA office in each District

AK-34

Save the Date

2023 CVEA Annual Meeting

Valdez: Tuesday, May 2 Copper Basin: Thursday, May 4

Committee Volunteer Opportunities: Credentials & Election Committees

The Credentials & Election (C&E) Committee is responsible for validating signatures on the back of director election ballot envelopes and counting the ballots for Director elections and Bylaws amendments.

The committees, one for each district, are comprised of interested members who are not employees, directors, candidates, or close relatives of these persons.

Service on the C&E Committees will take place during April, with most of the work performed the week prior to the annual meeting.

Community Foundation Scholarship Selection Committees

CVEACF Scholarship Selection Committees review scholarship application packets, determine which students to interview, conduct the interviews and select who will receive the scholarships being offered this year.

Participation on the committees requires attending two meetings as well as time for reviewing and scoring applications, and is estimated to take up to 10 hours.

If you would like more information, or would like to volunteer for either of these opportunities to serve, please contact Sarah Jorgenson-Owen at 907-835-7004, or email sarahjorgensonowen@cvea.org. The committee volunteer deadline is Tuesday, February 14, 2023.