Y-W **ELECTRIC ASSOCIATION**

MAY 2024



MAILING ADDRESS

P.O. Box Y Akron. CO 80720



STREET ADDRESS

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Y-W Electric Association. Inc.

is dedicated to providing highquality, reliable electric service and related products to our members at competitive prices. Our members deserve and shall receive quality service unexcelled in our industry. We are committed to maintaining an environment where the Board of Directors and employees can perform at maximum potential to benefit our Y-W community.

OFFICE HOURS

7 a.m. to 5:30 p.m. Monday – Thursday

Supply Chain Constraints and What That Means to You, a Cooperative Member



BY TRENT LOUTENSOCK GENERAL MANAGER

e all have been affected by the inflation and volatility surrounding us in the post-pandemic economy. The products and services we use often take longer to get and are increasingly more expensive.

Our system operations work best when we can acquire materials and equipment in a timely fashion, at high quality, and at the best prices possible. All of these points are to ensure that we can keep your power as reliable, affordable, and delivered to you as safely as possible.

Post pandemic, the standard seems to have changed from those points mentioned. Lead times have been extended for many of the products and equipment that we utilize. Prices have risen considerably. And to exacerbate the problem, the quality of some products has suffered.

Y-W Electric Association, Inc. has made a shift in purchasing procedures to somewhat lessen the effects of increasing costs and significant delays in acquiring the equipment necessary to provide highly reliable power. [Levi & Amanda Klassen xxxxx07207]

I will choose the most common items that we use for constructing a three-phase power line for my example. In 2019, a 35-foot, class three pole had a lead time of two weeks at a cost of \$260. In March 2024, the same pole had a lead time of 21 weeks and cost \$1,136. To construct three-phase lines, we need 10-foot cross arms. In 2019, the cross arm had a one-week lead time and a cost of \$60. Today, the same cross arm has a one-month lead time and cost of \$124.

Constructing power line requires conductor (wire). I will use #2 aluminum conductor steel reinforced as my example. The lead time has not increased appreciably, but the price has. In 2019, the conductor cost \$0.18 per foot. In 2024, the same conductor costs \$0.32 per foot.

Items needed to build the power line to the point of a service — including the most common transformer that we use for a residential service — have become available in a timelier fashion, but costs have increased significantly. In 2019, a 15-kVA single phase transformer was available in two weeks and cost \$862. In 2024 the same transformer is available in two weeks but costs \$1,450. [Marcus Baucke xxxxx1102]

If you happen to request a three-phase service to power a larger load, lead times and costs have both increased significantly. A common transformer that we use on three-phase services including irrigation wells and sometimes grain bins happens to be a 277/480-volt 37.5-kVA transformer. In 2019, these transformers had a six-week lead time and cost \$1,100. In 2024, the transformer today, has a lead time of eight to nine months and cost \$1,800.

To finish preparing a new service for a member, electric meters and meter boxes are required. Lead times for meters have not really increased, but costs have risen more than 25% since 2019. Meter boxes have increased in cost and lead time. A single phase, 200-amp

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Y-W AWARDS SCHOLARSHIPS TO LOCAL STUDENTS

Each year, Y-W Electric Association awards scholarships to students who are continuing their education at a two- or four-year institution or trade school. Congratulations to these deserving students.

Y-W \$1,000 One Time Scholarships



Claire Gdanitz - Wray



Callie Richards - Idalia



Carter Wells - Otis



Kaitlin Kramer - Wrav



Jordan Glanz - Otis



Alli Hornung - Otis



Oscar Ornales - Idalia



Kiersten Wingfield - Idalia



Lilly Monat - Arickaree



Maranda Mason - Arickaree



Brooklyn Henschel - High **Plains**



Caelan Church - High Plains



Kale Morris - Idalia



Sydnee Cheek - Wray



Kalen Kemp - Akron



Kyndal Richards - Idalia



Keyondra Sampson - Akron



Terek Glanz - Idalia



Madisyn Johnson - Wray



London Breese - Lone Star



Isabella Young - Yuma



Alyssa Clark - Wray

Four Year Y-W \$2,000 Renewable Scholarships



Samantha Heath - Idalia



Addicyn Kessinger - Akron

Basin \$1,000



Emma Schippers - Akron

Tri-State \$1,000 Scholarship

CONGRATULATIONS!



Molly Porteus - Akron

\$1,000 Line Tech Scholarship



Ryan McCaffrey - Akron



Landry Peeples - Arickaree

\$500 Continuing Education Scholarships



Mia Dischner – CSU



Colin Hardwick – South Dakota School of Mines



Brandy Henrickson - Wichita



David McCaffrey - Murray State



Hunter Molt -Central Community College



Emma Peeples – Texas Tech University



Nadalyn Poss – Black Hills State



Benjamin Rebis – University of Wyoming



Hailey Stivers – Laramie County Community College

YOUR CO-OP NEWS

Supply Chain Constraints and Solutions

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meter box in 2019 was available in three weeks and cost \$186. In 2024, availability is 30-40 weeks and costs \$375. [Stuart E. Tyner xxxxx1902]

Since not all of our lines are overhead, I will touch on costs and delivery times of materials and equipment for underground line. The delivery time for the conductor #2 underground residential distribution has not increased significantly, but the cost has. In 2019, this conductor was available in two weeks and cost \$1.85 per foot. Present day, availability is two weeks at a cost of \$3.03 per foot. Pad mount transformers are a different story, however. In 2019, a 25-kVA pad mount transformer had a delivery time of two weeks at a cost of \$1,230. In 2024 the delivery time is one year and a cost of \$2,320.

What is Y-W Electric doing about this?

Your cooperative is evaluating and forward-projecting work that needs to be completed in the time frame of material availability, raising inventory levels to have stock on-hand for storm event restoration, and working with our equipment supply cooperative, Western United Electric Supply Corporation, to hold additional inventory. [Earl D. Harwood xxxxx4602]

Y-W Electric is a member of the National Rural Electric Cooperative Association. NRECA is actively engaging with legislators and regulators in Washington, D.C., to highlight and address the critical problem of not having access to power supply equipment in a reasonable time frame.

Presently, NRECA is working to have President Biden prioritize steel production in the United States. Ready access to steel and raw materials is key for constructing the equipment needed to keep the lights on during a period of unprecedented demand for electricity.

Another issue we are facing is the ability to replace equipment. As you may know, equipment needs to be replaced from time-to-time. Y-W Electric prides itself in providing an excellent level of service, and that is what you, as a member, expect. To be able to do this, the equipment that we use on a daily or weekly basis must be in good working order. From time to time that means replacements must be purchased.

Lead times for trucks historically have been 12-18 months. When Y-W needs to replace a truck equipped with a boom and bucket, the purchase is approved during our annual capital budget process. This plans out the large equipment expenditures that we project for the next operating year. Items are approved, then ordered for the next year delivery. Problems arise in this process when lead times for large equipment increase to five years.

Cost increases are problematic to our process. For example, when we are preparing the capital budget, we get bids for equipment and then equipment is ordered. But it may not be delivered for two or three years. At delivery time, cost increases are added. This trait of the market is incredibly hard to plan for in a budget process.

Our solution to this problem is to reserve a slot in the production line to ensure we can replace equipment on a schedule to maintain the reliability of our fleet. If we wait until the time to replace a piece of equipment has arrived before ordering, the maintenance cost and downtime is unsustainable. [Jackelin Sandoval xxxxx09506]

With all of that said, rest assured that your cooperative is taking the aforementioned measures to ensure that we can provide the optimum service and stability to you, our member.



Win a Bill Credit

Each month, Y-W Electric Association offers its members a chance to earn a \$20 credit on their next electric bill.

If you find your name and account number in this magazine, call 800-660-2291 and ask for your credit. It couldn't be easier.

Get acquainted with your account number, read your *Colorado Country Life* magazine, and pick up the phone. You must claim your credit during the month in which your name appears in the magazine. (Check the date on the front cover.)



Congratulations to the winners claiming \$20 from the March issue:

James Thorn Charlotte Smith Raymond Stotler, Sr Merya Lambert Joshua Behrendsen

BILLING CORNER

or convenience, Y-W Electric offers the ability to pay your account with the Smart Hub app. This service allows you to pay your bill electronically with a credit or debit card or checking account. This is also a great place to go to get account information. Information on billing history, usage, payment history and past billing invoices are available. There is also a link to sign up for auto payment.

Reporting an outage is also available on Smart Hub. This information goes directly to our operations department in an email. This leaves our phone lines open for those who do not have Smart Hub available.

The app is compatible with iPhones and Android devices. Visit our website at www.ywelectric.coop for more information.