The Value of Your Electric Cooperative Membership

By Alliy Sahagun Member Relations Supervisor

recently had a chance to visit with a GCEA member from Lake City who was struggling to understand why his electric usage and monthly bills were high. He visited the GCEA office and shared with me how he heats his home, launders his clothes, and cooks his food — all with electricity. He had recently learned about

GCEA's time-of-use rate and wanted to change his usage habits so he could take advantage of a lower kilowatt-hour energy charge during off-peak times.

He was delighted to learn about SmartHub, an app that may be used on his desktop computer or mobile device. On the app, he found that he could explore his electric usage to pinpoint opportunities where he could shift his usage off-peak to save money. He also learned how to move his payments to auto-pay and sign up for paperless billing. He accomplished all that in about 15 minutes and walked out the door with a swag bag of GCEA goodies. What a fantastic way to start his day! This experience — along with so many others — is why being a member of an electric cooperative like GCEA is so valuable.

WE CARE

First and foremost, GCEA cares about you, our members, and we are here to serve you. We seek to be your trusted energy advisor and community partner; we put you first in all that we do. GCEA is community-focused and works to improve the sustainability and well-being of our local and surrounding communities.



WE SHARE

As a nonprofit organization, GCEA's financial focus is to carefully budget for planned expenses, and return excess revenue or margins to our members in the form of capital credits. In December, GCEA retired \$706,604 in patronage capital back to our members. Unclaimed capital credits fund our care for education

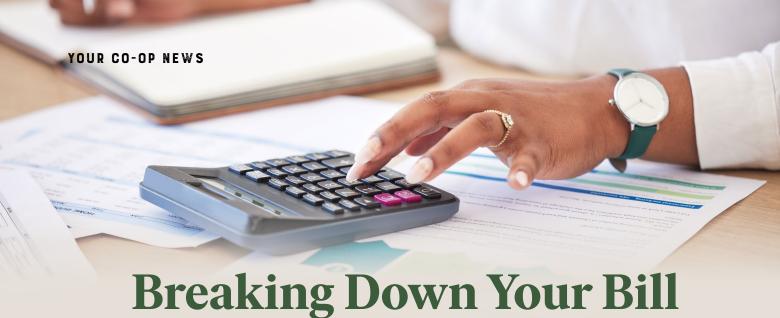
and community funds that provide generous scholarship and donation opportunities. We continue to seek ways to give back to the community and be a part of what is important to you, our member.

WE ARE FAIR

GCEA follows a democratic process and allows each of our members to vote in board member elections. Driven by member feedback, questions, and concerns, the GCEA Board of Directors meets monthly to discuss the needs of the co-op and thoughtfully makes decisions to best accomplish GCEA's strategic goals and initiatives.

We hope you find value in your GCEA membership beyond the convenience of flipping the light switch. We invite you to engage with us. Visit our offices in Gunnison and Crested Butte or join us during a monthly board meeting. Find us this summer at our annual meeting in June or at other community events. When you interact with our staff, let them know how we can serve you better. Let us know how we can "Power Your Possibilities."

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Understanding the Service Availability Charge

ave you ever considered all the costs that go into the electric infrastructure that makes up "the grid?" Power poles, wires, conductors, insulators, transformers, and substations are just a few of the electrical components that make up GCEA's distribution system. That equipment plus the labor and administrative support needed to run our electric cooperative all have associated costs. These costs are incurred regardless of how much electricity is used each month. The grid is built with capacity in mind so that we can deliver power to our members when they need it. Accessing electricity is effortless for you because we have built and maintained our system to be reliable and powerful for all your electric needs whether you're watching television, heating your home, or powering your business.

And just like any business that incurs operating costs, GCEA must recover those costs through the rates we charge to our members. But how do we properly recover the fixed costs of building and maintaining roughly 1,100 miles of line while charging each member fairly for access to that line? We do that by charging a service availability fee. It's the flat amount charged each month to provide you, our member, with the opportunity to use your power any time of the day, 365 days of the year. This fee helps cover the cost of providing electric service, just like insurance covers your car in the case of an accident. If our lines go down in a storm or a piece of equipment fails, our linemen restore power and repair damaged equipment without any additional cost to the members directly affected.

In GCEA's sparsely populated service territory, we serve approximately 10 meters per mile of line. Compared to the City of Gunnison Utility that serves 88 meters per mile of line, GCEA's fixed costs are spread amongst fewer members. GCEA's meters are primarily residential and our electric usage per consumer is very low. If we had a lower service availability charge, it would require a higher energy charge, which means members using more electricity would pay for more than their share of the cooperative's fixed costs. This kind of rate structure would create a subsidy for those members who are either seasonal homeowners or who install distributed generation at their homes, such as rooftop solar or wind.

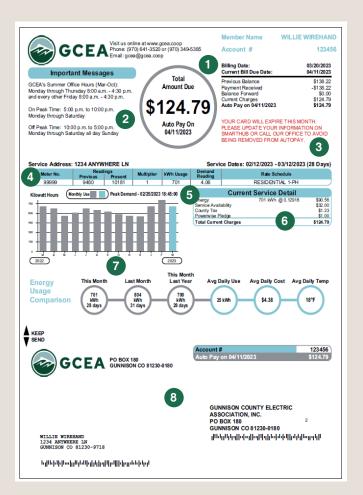
The service availability charge ensures that all members are treated fairly and prevents subsidization from one consumer-member to another. GCEA believes its rates need to be structured so that all members pay their share of the cooperative's fixed costs, regardless of their electric usage or interest in installing renewable resources.

GCEA conducts cost-of-service studies with an independent rate consultant. Recommended changes to rates and rate structure are reviewed and approved by the board of directors who are consumer-members just like you and represent you on the board. GCEA's staff wants to provide fair and reasonable rates and a safe, reliable power supply to the communities in which we live. We are continually reviewing our rates and business practices to do so.

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READING YOUR GCEA BILL

- **1. Amount Due** Total amount due, bill due date, account information, and activity since last billing.
- **2. Co-op Information** Check this area for important GCEA information.
- **3. Account Alerts** Important information regarding your account status.
- **4. Meter Details** Meter location, service dates, meter reading information, and rate schedule.
- 5. **Demand Reading** Peak demand date and time is added to all electric bills for information purposes. Demand reflects the moment in time when the highest demand for electricity for that service took place during the billing month.
- 6. Current Charges -
 - Energy Charge How much energy you use in a month.
 - Service Availability Charge –A flat monthly fee that covers the cost of bringing power to your meter, including such things as electrical wire, transformers, poles, maintenance and administrative costs, regardless of how much electricity you use.
 - PowerWise Pledge Taking the PowerWise Pledge shows your commitment to supporting local renewable projects and promoting beneficial electrification.
- **7. Energy Use Comparison** Track your energy usage over the last 13 months.
- **8. Remittance Stub** Please return the bill stub with your payment.





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CURIOUS HOW YOU CAN SAVE ON YOUR ELECTRIC BILL?

SCHEDULE A FREE ENERGY EVALUATION WITH GCEA TODAY!

WHAT IS AN ENERGY EVALUATION?

- Electric usage review
- **✓** Discuss your concerns and goals
- Home or business walk-through to collect electrical inventory
- Infrared camera images help identify areas of heat loss in the building

TO SCHEDULE YOUR EVALUATION, VISIT WWW.GCEA.COOP OR CALL 970-641-3520.





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