

COO's State of the Co-op Address

I imagine by now, Week #8 of closed lobbies here at RGEC, everyone is getting as tired as I am of the social distancing thing, but it seems to be working and that makes it all worthwhile. I hope each of the mothers, grandmothers, and mother figures out there had a nice Mother's Day this past Sunday. It was hard on those of us who couldn't be with our Moms, but we do what we must to keep them (and everyone else) safe.

We have tentative plans to reopen lobbies to the public JUNE 1. There will be a strict social distancing policy in place, and we ask that you wear a mask/facial covering when at an RGEC office. Co-op employees will be wearing them, too. It's for everyone's protection. All of the Co-op's 150+ employees are still free of the COVID-19 virus, I am very thankful to report!

We are continuing to be socially distanced, and that means the RGEC Board of Directors, as well. They will be holding another remote board meeting via teleconferencing next week. Like the employees, and director election District Nominating Committees, they have not let a little thing like a global pandemic keep them from their responsibilities to you.

I told you previously about the possibility of some funding to help mitigate the effects business stoppages and slowdowns have had on the Cooperative. If we are able to secure these funds, it would be beneficial to both the Co-op, and thereby, it's members. It won't be known for several months the exact losses the shutdown of the Commercial/Industrial sector is having on RGEC's bottom line. For the present, the PCA, (Power Cost Adjustment), portion of your bill is remaining a credit. This means that your power is costing you less than the approved rate. CFO Shawn Stanley weighed in on the subject stating, "Wholesale Power Costs should be stable through 2020 for the Co-op. The Transmission Costs to get the Wholesale Power from the generators to the Co-op are based on 2019 energy sales. If we see a significant decline in energy sales (kilowatt hours) in 2020, the PCA factor may go up because there will be fewer kilowatts hours to spread the Transmission Costs over. The Co-op can delay recovery of these costs, or spread them out over time. We will be diligently evaluating options to mitigate the impact on members, as we navigate the impact of the pandemic."

As a reminder, we are still accepting requests for deferred payments from residential consumers who are struggling to pay their bills due to the COVID-19 virus, and the effects it has had on members' paychecks. To request deferred payments, please contact your local customer service representatives. They are listed at www.riogrande.coop/contact.

We have already been discussing the Annual Meeting. This one is a milestone for the Co-op. It will mark the 75th Anniversary of the founding of Rio Grande Electric Cooperative. We had hoped to pull out all the stops to mark the occasion. Right now, in light of the current situation, we are looking at different options. Some authorities believe that there may be a resurgence of the virus in the fall, and it certainly wouldn't be prudent to have a large gathering in a confined space, if that happens. We are evaluating exactly what type of meeting would satisfy the requirements of holding an annual meeting, which is required by the Bylaws. It may be a virtual meeting, with members logging in to view and register for prizes or account credits. Questions could be submitted electronically for the Q & A segment. Some northern cooperatives have held drive-in annual meetings, with members remaining in their vehicles and listening to the meeting on a public address (PA) system. Any feedback or ideas you may have on this are certainly welcome. You can submit them to webmaster@rgec.coop. We don't have to decide right now, but usually by this time of the year, arrangements are well under way, so we will be having to make some tough decisions in the not-too-distant future.

Storm season is upon us. Mother Nature isn't cutting us any slack. There have been some monstrous storms lately, and, it seems, even more hail than usual. I don't believe a single operations area has been spared system damage. There have been downed poles, downed spans of line, and LOTS of blown lightning arrestors. The rain has been very welcome, though, so we must take the good with the bad. We try to post information on social media to let

you know what storms may be headed your way and how they may be impacting your electric service. Even though the storm may not be at your precise location, it may be affecting the other end of the line. What happens to one end affects the whole line. So, just because you may not be having a storm at your house at the moment, that doesn't mean it is not affecting your service. When you call in during such times, please don't be upset if your call goes to voicemail. Each message is reviewed, and outage tickets are created the same as if a dispatcher had spoken to you personally. Please remember to provide your meter number when calling. You may also report outages via Facebook Messenger, and again, please provide your meter number. Please don't post it on the Facebook Timeline, for your own account security.

The calendar may still say "spring", but the thermometer has been saying "summer" for several weeks now. There are some free, and/or relatively inexpensive things you can do to save energy without sacrificing the comfort of air conditioning. Here are a few reminders:

- Draw curtains/drapes on sunny windows to prevent solar heat gain.
- Seal drafts/caulk to keep the cool air inside where you can enjoy it. This includes around windows, doors, plumbing, fireplaces, and electrical connections.
- Use the microwave instead of stove or oven when possible to keep from adding unnecessary heat to your home.
- Wash laundry in cool or warm water and air dry, when possible. Experts advise that is unnecessary to use hot water unless someone in your household is sick/quarantined.
- Skip the drying cycle on the dishwasher, and allow dishes to air dry. The sanitize cycle is only necessary if someone in your household is ill.
- Using LED bulbs saves energy, and prevents the heat that incandescent bulbs can add to your home.

You may also want to pre-chill your home and "coast the peak". By this, we mean getting your home extra cool and then setting your thermostat significantly up or off, in order for the cool to last through the 3-7 p.m. higher Time of Use rate, which is in effect May-September. Some members have used this method and report good results.

Until next week, remember that we're all in this together, and by working cooperatively, we will get through it. COVID can't beat Co-op!

Sincerely,

Theresa Quiroz, COO