


The Kilowatt COURIER

February 2017

 Homer Electric
Association, Inc.


HEA MEMBERSHIP VOTES NO TO LOCAL CONTROL

Homer Electric members voted against deregulation from the Regulatory Commission of Alaska (RCA) this past December.

A special election was held for the members to vote on Local Control or continue RCA oversight on the final approval for any transaction involving rates, service or contracts between HEA and members.

A total of 6,894 votes were received and certified. The final count was 2,041 yes votes and 4,853 no votes.

To echo the membership's vote and being the sole member of its subsidiary, HEA voted against deregulating the Alaska Electric & Energy Cooperative (AEEC) from the RCA oversight as well.

The HEA Board of Directors would like to thank each and every one of the members for voting on this important matter. Almost one third of the membership voted which highlights one of the values of the cooperative model, enabling members to provide direction to their utility. 

**YOUR
VOTE
COUNTS**



**HEA offers
GREAT
OPPORTUNITIES
for students!**

**College Scholarships
Youth Rally Leadership Camp
Electrical Safety Poster
Contest**

NOMINATION PERIOD IS OPEN FOR SEATS ON HEA BOARD

There is an opportunity each year for Homer Electric members to make *8695003* a difference and participate in their cooperative by serving on the HEA Board of Directors.


The nomination period is open for members interested in serving on the cooperative's Board of Directors. Candidacy packets are available on HEA's website and in both HEA offices.

The nomination period will remain open until Friday, March 3, 2017, at 5:00 p.m. when completed candidate applications are due.

Director Qualifications for Candidacy


- Must be a "bona fide resident," which means a person whose primary residence is within HEA's service area.
- Must be a bona fide resident for at least twelve (12) month preceding the date which is forty-five (45) days prior to the meeting of the members.
- Lastly, candidates must obtain at least fifteen (15) member signatures within their district for official nomination included in their candidate application.

Election ballots will be mailed to the membership on April 3, 2017 and election results will be announced at HEA's Annual Meeting of the Members on May 4, 2017 at Soldotna High School at 6:00 p.m.

If you have any questions about the nomination or election process, contact Bruce Shelley at (907) 283-2324. 

COMMITMENT TO COMMUNITY: 2017 SCHOLARSHIPS

Homer Electric is committed to our community – one of the cooperative principles that sets us apart from other businesses. HEA values education and proudly awards academic or vocational scholarships each year. The scholarships are available for students of all ages – both graduating seniors and adults who wish to continue their education. Applications are available on the HEA website at www.homerelectric.com, at your high school's Guidance Counselor's office, and at HEA offices in Kenai and Homer.

The deadline to submit scholarship applications is Wednesday, March 1, 2017, by 5:00 p.m. If you have questions, please contact Tanya Lautaret at (907) 283-2305 or email tlautaret@homerelectric.com. 

RCA APPROVED RATE INCREASE EFFECTIVE JANUARY 2017

Homer Electric members will see a slight increase in their monthly bills beginning January 5, 2017, as a result of the two filings approved by the Regulatory Commission of Alaska (RCA).


In the first filing, made on November 23, 2016, as a result of the rate case originally filed in late 2015, HEA proposed an increase to both the residential and general service monthly customer charges from \$15.49 to \$20.00. It also proposed to decrease the residential service energy rate from the current interim rate of \$0.15366 to \$0.14866 and the general service energy rate from \$0.15497 to \$0.15473 per kilowatt hour.

This filing also changed the interim large general service rates. The energy rate decreased from \$0.10394 to \$0.09723 per kilowatt hour, the customer charge decreased from \$51.63 to \$50.00 and the demand charge increased from \$17.23 to \$20.00 per kilowatt.

In the second filing, HEA proposed a decrease to the Cost of Power Adjustment (COPA) rate from \$0.07614 to \$0.07373 per kilowatt hour. The COPA is adjusted on a quarterly basis and primarily reflects the cost of natural gas used to generate power for HEA members.

Overall, the proposed changes decreased the blended residential rate (energy rate plus COPA) from \$0.22980 to \$0.22239 per kilowatt hour.

The combined proposed rate changes resulted in an increase of 43 cents in the monthly bill for the average residential HEA member using 550 kilowatt hours.

Both changes were effective on January 5, 2017 as approved by the Regulatory Commission of Alaska. 

HIDDEN ACCOUNT NUMBERS
Every month three randomly chosen italicized account numbers are hidden in the Kilowatt Courier. If you find your account number, call 235-3338 and you'll receive a \$50 credit which will be reflected on your next bill. Thanks for reading!

CURRENT RESIDENTIAL RATES

As of January 1, 2017

All Residential Customers
Energy charge = 14.866 cents/kWh
Customer charge = \$20.00
System delivery charge = \$22.30*
(*If usage is less than 150 kWh)

Cost of Power Adjustment (COPA)
7.373 cents per kWh*
(*Subject to change on a quarterly basis and upon RCA approval.)


See www.homerelectric.com for the latest rates and commercial rates.

YOUTH RALLY LEADERSHIP CAMP

Do you know a high school sophomore or junior who enjoys traveling, making new friends, experiencing trust and team building exercises while learning about teamwork?

Encourage the student to apply for an exciting, all expense-paid week at the Youth Rally hosted at the College of Idaho in Caldwell, Idaho, July 10 - 15, 2017. The Youth Rally is designed to develop leadership skills, foster teamwork, strengthen communication techniques, highlight the unique qualities of electric cooperatives and increase the awareness regarding important issues faced by the utility industry. The Youth Rally is a joint effort between statewide cooperatives and the National Rural 64521002 Electric Cooperative Association.


While at the Rally, students may be selected to represent Alaska as a member of the National Rural Electric Cooperative Association's Youth Leadership Council. Members of Youth Leadership Council will tour Washington D.C. in 2018 and may have other travel opportunities as well.

To apply, the applicant must be a high school sophomore or junior in the Kenai Peninsula School District served by Homer Electric Association. The application deadline is Friday, March 31, 2017. 


ELECTRICAL SAFETY POSTER CONTEST

Homer Electric's annual Safety Poster Contest elevates awareness of electrical energy by challenging third and fourth graders to think about the benefits, as well as potential hazards, associated with electric use. Students are encouraged to create an electrical safety message that can be expressed through art in the form of a poster.

Awards and prizes will be given for the Best Safety Message, the Most Creative Poster, and the Most Humorous Poster.

Deadline to submit entries is Friday, March 31, 2017. For more contest information, please contact Tanya Lautaret at 283-2305 or tlautaret@homerelectric.com. 

MONTHLY FINANCIAL UPDATE

Homer Electric finished the month of November 2016 with a total asset base of \$238.5 million. Year-to-date operating revenue was \$85.9 million and total costs were \$81.9 million bringing net operating margins to \$4.0 million through November 30, 2016. This chart is a breakdown of key financial indicators for 2016 as compared to 2015. 

Year to Date	November 30, 2016	November 30, 2015
Operating Revenue	\$85.1 million	\$88.2 million
Cost of Purchased Power	\$55.1 million	\$59.0 million
Cost of Electric Service	\$26.8 million	\$26.6 million
Operating Margins	\$4.0 million	\$2.6 million
Total Kilowatt Hours Sold	411.9 million	427.9 million
Total Number of Meters	33,634	33,475

BOARD of DIRECTORS & MANAGER

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FEBRUARY 2017 KILOWATT COURIER

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