

The Kilowatt COURIER

July 2017

HEA Homer Electric
Association, Inc.
Member of the National Rural Electric Cooperative Association



THE PATH TO EFFICIENCY INDEPENDENCE

While fireworks and Independence Day parades are synonymous with the Fourth of July, no such fanfare comes to mind when discussing energy efficiency. Perhaps it should. If you think about it, energy efficiency not only benefits individuals and families, but the country as a whole. Energy efficiency combined with energy conservation and advances in technology in the utility industry, ultimately help our country on a path toward greater energy independence. And that's worth celebrating.

Benefits of Efficiency

At its essence, greater efficiency means less energy is used for the production of goods and services. For individual consumers, a reduction in energy use usually translates to a tangible financial benefit – more money in your wallet at the end of the month. If your co-op neighbors are also using less energy, collectively, it means the overall cost of providing that electricity could be lower and may result in reduced costs for co-op members. For many, this is reason enough to strive for greater energy efficiency. On a national level, energy efficiency, sometimes called the “fifth fuel,” has a more profound impact. It can potentially boost the economy by allowing consumers and businesses to invest in other areas. As importantly, greater energy efficiency may slow the rate at which domestic energy is depleted, and therefore reduce or diminish the need for foreign energy.



Every Effort Counts

Every member can take charge of their own energy use, regardless of the date on the calendar. Small steps can lead to a big difference for you and your neighbors, whether across the road or across the country.

Energy efficiency can generally be achieved two ways. The first is with mechanical change, such as replacing an older HVAC unit or less efficient appliance or with a new ENERGY STAR model or upgrading to new, insulated windows. Less expensive actions include improving the seal of your home's “envelope” by caulking exterior windows and doors and sealing openings where pipes and duct work meet the outside. Swapping out the last incandescent bulbs (inside and outside) with LEDs also makes a noticeable difference.

Smart Control

The second way to realize energy efficiency is through smarter management of your energy use. Leveraging smart thermostat technology is a good place to start. Most smart thermostats contain an app allowing remote control by mobile phone or tablet. Program your thermostat to reflect your family's schedule. Many thermostat programs allow you to view and edit your thermostat schedule and monitor the amount of energy used. Sometimes, however, energy efficiency is simply a matter of changing old habits such as washing clothes in cold water instead of hot or running the dishwasher during off-peak times.

Regardless of the path you take on the road to energy efficiency and independence, Homer Electric can help you with energy efficiency tips. For more information about energy efficiency, visit www.homerelectric.com.

CABLE INJECTION WORK TO IMPROVE RELIABILITY

For several years, Homer Electric has been working on an underground cable injection project that will improve the reliability and extend the life of underground cable.

The cooperative's underground electrical cables are aging, which means that their protective insulation is beginning to deteriorate. This can cause cracks, which can lead to unplanned power outages.

Homer Electric works with a company called Novinium to repair the cables using a silicone injection process. The silicone fills the cracks in the cables and extends their useful life up to 40 years.

The cable injection work will continue to take place in the West Hill/Diamond Ridge neighborhoods of Homer during the summer. The work will require intermittent power outages for HEA members in these areas where the injection is taking place. The number of power interruptions will be kept to a minimum and every effort will be made to limit the duration of the outages.

HEA 42970007 will provide advance notice to the affected neighborhoods prior to the start of the work. HEA appreciates your patience as we work to provide a more reliable service to these members. 🌱



HIDDEN ACCOUNT NUMBERS
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 43488005 of July 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)
7.205 cents per kWh*
(*Subject to change on a quarterly basis and upon RCA approval.)

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

RATE CHANGE EXPECTED FOR 3RD QUARTER

Homer Electric Association is requesting a rate change in its quarterly filings with the Regulatory Commission of Alaska (RCA).

In its filing, HEA is proposing to increase the Cost of Power Adjustment (COPA) from 6.865 cents per kilowatt hour (kWh) to 7.205 cents per kWh. COPA reflects the cost of the fuel (natural gas) used to generate electricity.

The requested rate change will result in an increase of \$1.87 in a monthly residential bill for HEA members using the average of 550 kWh/month.

If approved by the Regulatory Commission of Alaska, the proposed change will be effective for all billings beginning July 1, 2017. 🌱

BOARD EXPENSES FOR FIRST QUARTER 2017

The following are board expenses submitted during January through March 2017. However, expenses may have occurred earlier in the year. If you have specific questions about an expense, please contact the board member directly. Contact information for your Board of Directors is listed on the side of the *Kilowatt Courier* and on the HEA website at www.homerelectric.com. 🌱

DIRECTOR	AIRFARE	MISC EXPENSE	DIRECTOR FEE	LODGING	MEALS	TRANSP	TRAINING	TOTAL
Kelly Bookey	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dave Carey	\$0	\$0	\$750	\$0	\$0	\$35	\$0	\$785
Dan Chay	\$0	\$0	\$0	\$334	\$0	\$0	\$500	\$834
Bill Fry	\$0	\$0	\$1,250	\$0	\$0	\$289	\$0	\$1,539
Jim Levine	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ed Oberts *	\$563	\$21	\$1,500	\$334	\$17	\$47	\$500	\$2,982
Don Stead	\$0	\$0	\$750	\$0	\$0	\$193	\$0	\$943
David B. Thomas	\$0	\$0	\$0	\$334	\$0	\$0	\$500	\$834
Dick Waisanen	\$343	\$96	\$1,250	\$334	\$26	\$182	\$500	\$2,730
TOTAL	\$906	\$117	\$5,500	\$1,335	\$43	\$746	\$2,000	\$10,646

* Alaska Power Association - Juneau

MONTHLY FINANCIAL UPDATE

Homer Electric finished the month of April 2017 with a total asset base of \$237.4 million. Operating revenue for the year was \$33.8 million and total costs were \$31.2 million bringing net operating margins to \$2.6 million through April 30, 2017. This chart is a breakdown of key financial indicators for 2017 as compared to 2016. 🌱

Year to Date	April 30, 2017	April 30, 2016
Operating Revenue	\$33.8 million	\$31.4 million
Cost of Purchased Power	\$21.1 million	\$20.2 million
Cost of Electric Service	\$10.1 million	\$9.8 million
Operating Margins	\$2.6 million	\$1.4 million
Total Kilowatt Hours Sold	161.0 million	152.4 million
Total Number of Meters	33,748	33,559

BOARD of DIRECTORS & MANAGER

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JULY 2017 KILOWATT COURIER

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