

Carbon Light Lines

December 2011

OCTOBER 2011
BOARD ACTIONS



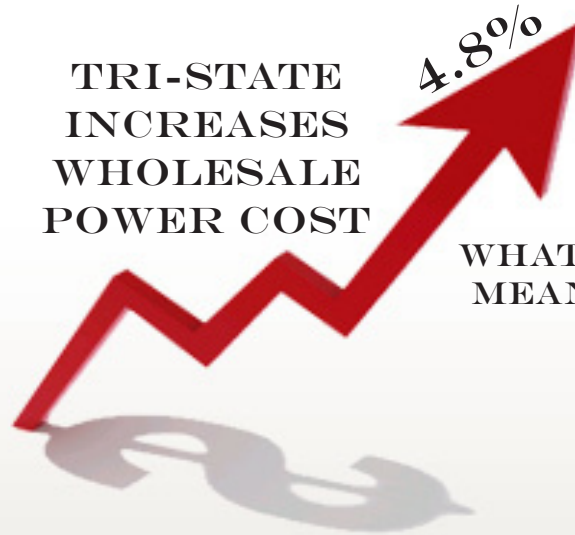
DANIEL HODGKISS

DIRECTOR FOR DISTRICT I

- Approved Department Production and Financial Reports.
- The Board reviewed Bylaw Article 1 *Members*, Section 11 & Article 2 *Rights and Liabilities of Members*, Sections 1, 2, and 3.
- The Board approved the Deceased Patrons Capital Credit Report in the amount of \$80,890.52.
- The Board approved the Electrical Write-offs in the amount of \$3,385.28.
- The Board reviewed Tri-State's A-36 Wholesale Flow Through Rate Increase for 2012.

Find your name in "asterisks" somewhere in this newsletter & you can claim a \$10 bill reducer by calling Carbon Power & Light.

TRI-STATE
INCREASES
WHOLESALE
POWER COST



WHAT DOES THAT
MEAN FOR YOU?

FROM THE MANAGER . . . CHARLES LARSEN

Rate Increase:

In my October and November newsletter articles I started the process of providing you information specific to a **4.8%** wholesale power cost increase from our Power Supplier, Tri-State Generation and Transmission Association Inc. (Tri-State). This will be Tri-State's first increase following a 3 year period with no increases in their wholesale power costs. However, increases in their overall operating budget, which included generation and transmission infrastructure projects, increased costs for purchased power, increases in coal and rail prices, increases in interest expense and a reduction in non-member sales are just a few of the factors that have driven the need for this increase.

Following an overview of the Tri-State rate increase by our rate consultant Jeff Hoppe of C.H. Guernsey and Company, the Board of Directors at their October Board Meeting discussed the Cooperative's overall financial condition and concluded that although the Cooperative *would* not need a general rate increase to meet its own rising cost of operation at this time, it would however, need to pass-on the Tri-State increase to our Member-Owners. Based on the C.H. Guernsey review of the Cooperative's most current Cost of Service study it has been determined that the pass-on of the Tri-State 4.8% wholesale power cost increase will result in an

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overall average increase of **3.0%** in the retail rates billed to Carbon's Member-Owners (*the average is based on the review of the Cost of Service Study and each rate classes' impact on the overall operating costs of the Cooperative*).

The following is a breakdown of the January 1, 2012 rate increase per rate class (bold highlight indicates new rates):

General Service Small Single Phase

Existing =	Facility Charge \$24.00/mo.	Energy =	\$0.10260/kWh
New =	Facility Charge \$24.00/mo	Energy =	\$0.10670/kWh

General Service Small Three Phase

Existing =	Facility Charge \$32.00/mo.	Energy =	\$0.10260/kWh
New =	Facility Charge \$32.00/mo.	Energy =	\$0.10670/kWh

General Service Seasonal

Existing =	Facility Charge \$30.00/mo.	Energy =	\$0.10260/kWh
New =	Facility Charge \$30.00/mo.	Energy =	\$0.10670/kWh

General Service Small Time of Day

Existing =	Facility Charge \$29.00/mo.
Energy =	\$0.11090/kWh (winter on-peak)
	\$0.05190/kWh (winter off-peak)
	\$0.10260/kWh (summer all kWh)

New =	Facility Charge \$29.00/mo.
Energy =	\$0.11500/kWh (winter on-peak)
	\$0.05390/kWh (winter off-peak)
	\$0.10670/kWh (summer all kWh)

General Service Large

Existing =	Facility Charge \$75.00/mo.
Energy =	\$0.0448/kWh
Demand Charge =	\$23.50/KW
Minimum Monthly Billing =	\$1,250.00

New =	Facility Charge \$75.00/mo.
Energy =	\$0.04330/kWh
Demand Charge =	\$24.26/KW
Minimum Monthly Billing =	\$1,250.00

Irrigation

Existing	
Energy =	\$0.08000/kWh
Demand Charge =	\$16.50KW
Facility/Minimum Charge =	\$25.00/hp/year

New	
Energy =	\$0.08190/kWh
Demand Charge =	\$17.26/KW
Facility/Minimum Charge =	\$25/hp/year

Outdoor Lighting

Existing =	100 Watt	\$10.00/mo.
	250 Watt	\$18.75/mo.
	100 Watt Shielded	\$10.50/mo.
	250 Watt Shielded	\$19.25/mo.
New =	100 Watt	\$10.50/mo.
	250 Watt	\$19.25/mo.
	100 Watt Shielded	\$11.60/mo.
	250 Watt Shielded	\$19.75/mo.

As an example, the change in the General Service Small Single Phase Rate (the rate class that the majority of Carbon's Member-Owners are under) for a Member-Owner who uses 1000 kWh per month, the monthly bill will increase by \$4.10.

Bark Beetle Power Line Clearing Project:

The Cooperative's clearing contractor, Platte Valley Forest Management is finalizing its power line clearing operations on the National Forest, in the Albany area. This should place the estimated completion of our project somewhere in the neighborhood of 90 to 95%. As winter approaches (it's snowing right now) it is anticipated that the remaining portion of the project above Centennial will be completed in 2012. At present the Contractor has done an excellent job on USFS lands and in working with the private land owners along our power line right of ways on the National Forest. The entire project remains well within our original projected overall cost of \$1.5 million.

This Month's Question/Comment from the Member-Owner Survey:

Based on the Survey Question—"Is being a Member-Owner of the Cooperative important to you?"

Member-Owner Comments:

- "I have a say in some things".
- "I feel we can always call and receive "hometown" personal service which is friendly and prompt".

- "Membership Ownership implies that the services are supplied at or near cost with no profit motivation".
- "I would not have power if it was not a Cooperative".
- "A feeling of partnership, that my voice is heard".
- "We have a governing body which we know and can directly communicate with".
- "As a member, one feels more responsiveness from the organization than would be expected from a "business".

Answer/Comment:

As your General Manager I am very proud to say that these Member-Owner comments are just a few of the many positive responses to this question in our survey. As your Rural Electric Cooperative, we strive to insure that the "Co-op Difference" is a...positive difference. The overwhelming recognition that so many of our Member-Owners understand the governance aspects of Cooperative Membership is what makes us...what we are...thank you for your thoughtful comments.

As always...we are here for you...thanks for letting us be of service. If you have questions please give us a call.

Chuck

*Carbon Power &
Light will be closed
December 26, 2011 and
January 2, 2012
for the holidays.*



Member Statistics Report	Sept. - 2010	Sept. - 2011
Total Utility Plant	\$33,946,446	\$35,097,447
Cost of Purchased Power	\$470,675	\$999,158
Expenses Less Power Cost	\$346,103	\$361,404
Tax and Interest Paid	\$54,694	\$52,409
Interest Received on Investments	\$8,588	\$3,257
Miles of Energized Line	1,883	1,898
Consumers Per Mile	3.3	3.3
Total Meters	6,164	6,177
Residential/Rural	3,893	3,843
Residential/Seasonal	1,489	1,581
Large Power/Commercial	687	660
Other	95	96
Total kWh Used	8,125,777	15,967,638
Residential/Rural	2,296,242	2,348,721
Residential/Seasonal	249,650	284,943
Large Power/Commercial	5,217,157	13,011,044
Other	362,728	322,930
Average Residential kWh Used	590	611
Average Residential/Rural Bill	\$85	\$87
Average Seasonal kWh Used	168	180
Average Seasonal Bill	\$47	\$48

Carbon welcomes any comments or questions consumers may have. If you have a question on any part of the cooperative business, please write the cooperative and we will see that your question is answered. Any comments or questions can be addressed to Carbon Power & Light, Inc. PO Box 579, Saratoga, WY 82331, ATTN Newsletter. *J & J Christensen*

Visit our website at www.carbonpower.com

Edited by Charles Larsen

IF YOU HAVE A PROBLEM WITH YOUR POWER: Please check your breakers. If you can determine that your neighbors are also without power; call Carbon at 1-307-326-5206 or 800-359-0249.

BOARD OF DIRECTORS

<u>DISTRICT 1</u>	<u>DISTRICT 2</u>	<u>DISTRICT 3</u>
Gary Jacobsen – Secretary	Robert Johnson – President	Dick Clifton
Laurie Forster	Jerry Rabidue – Vice President	Clay Thompson
Dan Hodgkiss – Treasurer	Kenny Curry	Tom Dunn

For online bill pay, go to www.carbonpower.com or by ACH.

For more information please call the billing department.

REMEMBER you can pay your bill at the following locations.

First National Bank
21st & Grand
Laramie, WY 82070

Rawlins National Bank
202 5th St.
Rawlins, WY 82301

Bank of the West
302 N. 1st
Saratoga, WY 82331

35 Years!



Lynn Hinz, of Saratoga is celebrating a career milestone of 35 years with Carbon Power & Light this month.

Lynn started working for Carbon as a 3rd year Apprentice in 1976. In 1980, Lynn was promoted from Construction Foreman to his current position as the Saratoga Area Foreman.

As a line Foreman, Lynn is responsible for the construction and maintenance of Carbon's electrical system in Saratoga and the surrounding areas. Lynn currently supervises six employees.

Lynn and his wife Sharon reside in Saratoga and have two grown boys.

OFFICE HOURS

MAY - SEPTEMBER
Monday - Thursday
7 AM - 5:30 PM

OCTOBER - APRIL
Monday - Friday
8 AM - 4:30 PM

