



Rio Grande Electric Cooperative, Inc.

Update



June 2011



A Message From The General Manager/CEO

By Dan Laws

*“You have more control over what you pay
for electric energy than you think.”*

If I don't miss my guess...and I am afraid I won't...this is going to be a hot summer. We have already seen days above 100 degrees. Energy sales for the month of April topped all previous Aprils in the history of the Cooperative. If that is a foreshadowing of the summer, then you are going to experience some stiff summer bills... not because the price of energy is going to change, but because your usage will increase with warmer temperatures.

I mention this because it's a good idea for everyone to prepare themselves for what is coming and put on a conservation mind-set. You have more control over what you pay for electric energy than you think. It just takes a little thought. Consider setting your thermostat a little higher, 78-80 degrees, for example, and use fans to move the air. Hang clothes out to dry when possible, wash clothes in the early morning or after 9 PM in the evening. Use your oven less by eating meals that can be served at room temperature or cold; meals like sandwiches or salads of various types. Just a few simple adjustments can make a big difference in your electric bill.

I have just returned from the Rio Grande Board meeting and can tell you the cost of energy purchased on your behalf (wholesale power) was a big part of our discussion. In fact, it is always a top issue. A great deal of time and energy goes into securing low cost energy for our members, day in and day out. This month, the board of directors and management staff will go through a Strategic Planning session. Many issues will be considered, wholesale energy will most certainly be one of them. The session will result in a strategic road map that will provide focus to our efforts, going forward.

On a different subject; I know you have read and heard much about the wildfires in West Texas. And, you of course know that Rio Grande and its membership were severely affected by them. What you don't know is how much we were affected. A recent request from the Public Utility Commission required us to quantify our damage, as best we could, knowing not all the costs are in, yet. So, here are the numbers. We have lost, to date, 250 poles and appurtenances for a cost of approximately \$500,000, over the span of about six weeks. I would estimate the cost could reach as much as \$750,000 before it's all over.

I am very happy to report the Cooperative is able to financially handle this unexpected burden. Our members will not see rates impacted by the damage resulting from wildfires. I am sure you realize that this is just one of many things that can go wrong through any fiscal year. Our board of directors and management staff have to take potential events like wildfires into consideration when budgets are prepared. I sincerely hope you can take comfort and maybe a little pride in the fact that your member-owned electric utility was prepared. I also hope you realize there is much that happens behind the scenes to insure you have the electric energy you need, when you need it, at a cost that is affordable.



**Happy Father's Day (Sunday, June 19)
From The RGEN Family To Yours!**

