

## Common Questions and Answers

**Q. How much are utility rates increasing?**

A. The average residential and farm member's bill will increase by approximately 6.5%. The increase in revenue to the coop for all rate classes is 5.5%.

**Q. Are additional rate increases expected?**

A. Yes, additional rate increases are forecasted in coming years primarily due to the wholesale cost of power. Tri-State Generation and Transmission Association is forecasting annual increases in the cost to generate and transmit power. This is not unique to Tri-State, as it is an industry-wide challenge. High West Energy will continue to work diligently to keep costs low, however, the increasing cost to generate electricity is resulting in significant upward pressure on retail rates. For planning purposes, assume another increase in 2018.

Another reason for the 2017 increase is that we are accelerating depreciation on an old metering system that we are in the process of replacing. The accelerated depreciation expense will be in effect for the next three years. After 2019, we will have the old system completely written off and can fall back to a lower depreciation expense on these assets. Rising costs requires us to look at our programs and service levels. While we could make cuts to products or service levels, we feel they are of value to our members. And our intent to maintain or build on what we are currently providing is the position we would like to maintain. This doesn't mean we won't tweak and refine programs but generally speaking, we hear from the membership the need for the same or higher levels of service in the programs we offer, as opposed to reductions.

**Q. What does High West Energy do with the profits that it makes?**

A. High West Energy is a member-owned, not-for-profit organization. The profits that it earns are used to cover the cost of providing service to members. The amounts not needed to cover costs of providing service are returned to members through patronage credits.

**Q. How do HWE's rates compare to neighboring utilities?**

A. High West Energy's prices are very competitive with other utilities serving in this area. We are close to the lowest cost provider in our rate classes.

Balancing our objective to provide affordable power with the need to deliver reliable power and at high customer service levels is sometimes a challenge. Balancing the short-term needs to the members and the cooperative with our long-term viability is also as important. These are issues your Board of Directors and employees discuss and debate routinely.

Here is a short list of improvements we have made to increase our service and reliability levels in recent years:

- Re-established many of our preventive maintenance practices on sagging lines, poles, breakers and substation equipment. This has and will continue to increase reliability.

- We are enhancing your opportunities to conduct business with HWE through new online and mobile means. We want to be easy to do business with.
- We are working hard to improve our communications with our membership through our monthly newsletter (Sparks), Facebook, community meetings and during one-on-one conversations. As an owner, we understand that you want to know pertinent information about your cooperative.
- We have reorganized several departments and positions internally with the objective being to become more efficient and effective. We are also upgrading our equipment and tools knowing that we will see an increase in productivity.

Ultimately, we want to deliver good value for the money. If you have suggestions on how we can be doing a better job, please call our office.

**Q. What are some ways I can manage my bill?**

A. High West Energy offers a number of options to help you manage your energy bill. Those services include automatic payment options, budget billing, and energy efficiency programs. We also can visit over the phone or in person to give you tips and advice to help lower your energy usage.

In coming months, watch for new energy savings programs, products, and services that we are preparing to roll-out to the membership with the goal being to help you use energy wisely.

**Q. How do I qualify for one of the time-of-day rates (i.e., time-of-day residential, time-of-day commercial, or electric vehicle time-of-day)?**

A. The “time-of-day” rates are options we make available to members who are interested in saving money by using power during off-peak times of the day rather than receiving service from our default residential and commercial rate schedules. For the time-of-day residential schedule, we require your home to be heated using electricity and for the electric vehicle time-of-day, we require you to have a plug-in electric vehicle. Please call the office for more information.

**Q. On the schedules labeled “Time-of-Day” what are the on-peak and off-peak hours?**

A. Just like with other services you commonly purchase; we have rates that reward off-peak energy usage. Our on-peak time is generally from 3:00 p.m. until 10:00 p.m., with all remaining hours classified as off-peak. This is a change from how we currently define our on-peak and off-peak time periods. For members who have flexibility of using power at different times of day, this may be a good option that will save you money.