

MANAGER'S MESSAGE:

# Time-Line Challenges



Brian Heithoff, CEO/General Manager

With housing construction increasing again and strong oil related activity in the tri-state region, we are experiencing many time-frame challenges meeting requests for new electric service. In actuality this is a good thing, as many areas of the country are seeing little or no growth. What's more, we are in a position to require growth to pay its own way.

In April, we energized a new 13 mile line running from an existing substation to

the Pawnee Buttes area in Weld County to serve new oil accounts. We continue to work with our power supplier on the construction of two larger substations in that area, which we hope to bring online in the spring of 2015.

In June, we completed a new substation north and west of Carpenter that will serve a new natural gas pipeline pumping station. We also completed a seven mile line extension south of Kimball for an oil pipeline pumping account. It is likely that we will build one or two new substations in this area in the next few years. Another new substation is also being placed north of Hillsdale to support oil activity there.

To put this in perspective, with the exception of the Wayne Child Substation at the Archer complex, it has been many years since we have built a new substation. Now, several subs are coming online at the same time. We are also running line to serve a couple of new subdivisions and individual homes on the outskirts of Cheyenne and the surrounding area.

While this activity creates scheduling and time-frame challenges, this growth is very good for your cooperative, both financially and for reliability purposes. We are able to upgrade and/or install new lines that will help our existing infrastructure and, at the same time, it results in new revenue for the cooperative that will help take the edge off some of the projected rate increases over the next few years.

[www.highwestenergy.com](http://www.highwestenergy.com)

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#### BOARD OF DIRECTORS

Board meetings are typically held on the fourth Monday of each month.

**District 11 – Troy Freeburg**  
Bushnell, NE (308) 673-5336

**District 12 – Don Wisroth**  
Pine Bluffs, WY (307) 245-3454

**District 13 – Ed Prosser**  
Cheyenne, WY (307) 632-6068

**District 14 – Jerry Burnett**  
Hereford, CO (970) 895-3386

**District 15 – Dan Acheson**  
Kimball, NE (308) 235-2300

**District 16 – Jamie Fowler**  
Cheyenne, WY (307) 214-9191

**District 17 – Russ Nielsen**  
Potter, NE (308) 250-4262

#### MANAGEMENT TEAM

Brian Heithoff, CEO/General Manager

Lloyd Sisson, Engineering Manager

Carol Macy, Chief Financial Officer

Jeff Bruckner, Operations Manager

Konnie Rask, Energy Services Manager

Lorrell Walter, Public Relations Manager

#### OFFICE HOURS

Monday – Friday  
7:30 a.m. – 5:00 p.m.  
Closed weekends & holidays

#### CHEYENNE SERVICE CENTER

3302 I-80 Service Road  
Cheyenne, WY 82009  
Open Monday – Friday  
10:00 a.m. – 5:30 p.m.

AUGUST 2014

# SPARKS

*Focused on people. Built on power.*

HIGH WEST ENERGY



## High West Energy Participates In Relay For Life To Honor One Of Their Own

This past June, several High West Energy employees and their families took part in the Relay for Life of Laramie County to honor friend and colleague, Shirley Hall, and all those at High West Energy who have been impacted by cancer. When Shirley, a 32-year veteran of the cooperative was diagnosed with stage three ovarian cancer in April, many people at High West Energy and in the surrounding communities rallied to support her. Co-op employees are often seen

wearing teal ribbon pins, to represent Shirley and all those fighting ovarian cancer. A week prior to the relay, the cooperative hosted a fundraiser at Pine Bowl with a bowling contest, cake raffle and other prize drawings.

Relay for Life boasted 587 total participants, who collectively raised \$133,413.92 for cancer research, at press time. The team at High West Energy, named "Treble Makers" in honor of Shirley's

love of music and treble clef signature, reached the bronze team fundraising level, for raising a minimum of \$2,500. The Treble Makers raised \$3,103.21 and finished seventh in fundraising out of the 50 participating teams. High West Energy will match these donations and contribute them to a fund to help offset Shirley's medical bills.

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# Your Bill: Demand and Energy Charges

Electric demand refers to the maximum amount of electrical power that is being consumed at a given time, as opposed to energy, which is the amount of power used over a period of time.

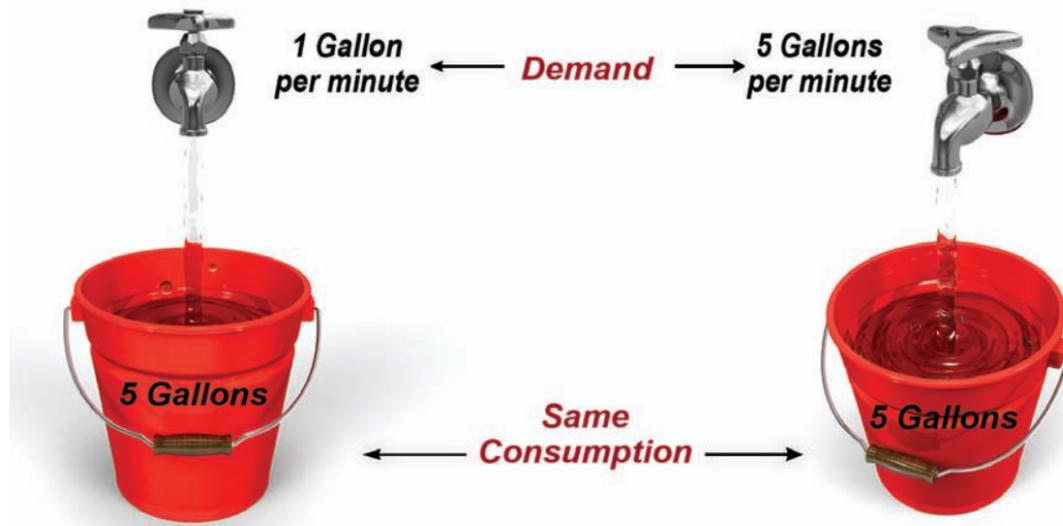
A typical hand iron requires (demands) 1,000 watts or 1 kilowatt (1 kW) of power. When used for an hour, that iron consumes 1,000 watt hours or 1 kilowatt-hour (1 kWh) of energy. Using multiple appliances at the same time increases your demand.

Demand is billed in kilowatts and measures the rate at which energy is used. Energy is billed in kilowatt-hours and measures the amount of energy consumed.

In general, the demand charge helps cover the cooperative's fixed costs of providing a given level of service. It helps to pay to have equipment in place to meet the needs of the member (lines of appropriate size, a transformer that can meet peak requirements and services such as equipment, supplies and personnel).

Commercial, industrial and irrigation members of High West Energy are billed for demand separately from energy consumption, while residential and small business members are billed only for energy. Installing a meter that measures demand in addition to consumption for smaller accounts tends to be cost prohibitive. Therefore, demand costs are accounted in the energy use charge.

Here's a visual to help you understand demand.



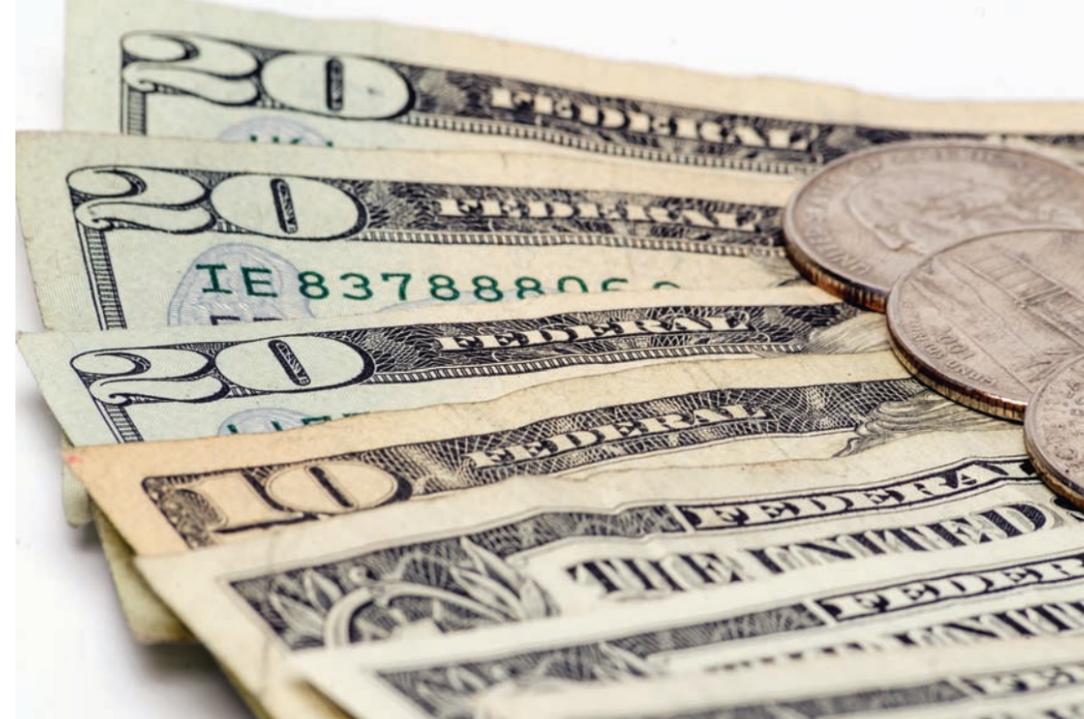
Suppose you want to fill a five gallon bucket with water. There are two options:

- an inexpensive faucet that has a flow rate of one gallon per minute; it will take five minutes to fill the bucket
- a more expensive faucet that provides five gallons per minute; it will take one minute to fill the bucket

The flow rate (gallons per minute) is equivalent to demand and the five gallons of water are equivalent to consumption. Filling each bucket requires the same consumption, but at very different demand levels.

The same is true of electricity. While you may be able to accomplish the same thing by operating a small wattage appliance for many hours as operating something of higher wattage for just a few, the higher wattage unit will create a higher demand on the cooperative. A customer who sets a high demand requires more services from the cooperative, additional generating plant capacity and more expense in lines, transformers and substation equipment.

Source: Think Energy Management, <http://www.think-energy.net/KWvsKWH.htm>



FEATURED PERSON

## Jamie Fowler

Board of Directors

Jamie Fowler is the newest member of the board of directors for High West Energy. A ten-year member of the cooperative, Jamie was elected at the 2013 annual meeting.

Jamie spent 24 years in the Air Force and was a civilian contractor, working as a network engineer for the Wyoming Air National Guard.

Jamie has a bachelor's degree in criminal justice and an associate's in human resource management from the Community College of the Air Force. He lives in Cheyenne with his wife, Milissa. The couple has four children, Brittany, Elyse, Cody and Anthony.

Jamie's favorite pastime, woodworking, has turned into a very successful business. He owns Woodshop Specialties in Cheyenne and produces custom furniture, military shadowboxes and awards and custom writing instruments. He has served as a Cheyenne Frontier Days volunteer for 22 years. In addition to being a member of the tickets and security committees, he is a lead assistant for the parades committee.

## What Do You Get For Your Money?

High West Energy has a tradition of providing quality service. Our mission is to serve our members by providing safe, reliable and competitively priced energy and services focusing on the needs of the membership.

What was once a quality service can become subpar as the expectations of the marketplace shift and change. With the increase of electronic equipment in homes and businesses, we are hearing more and more about the need for higher reliability and more steady voltage. This is understandable and we are taking steps to continue to improve the service we provide.

We strive to provide voltage to your residence or business at between 114 and 126 volts. Also, we set our prices schedule to reflect our goal of providing reliable power between 99.95% and 99.98% of the time (this equates to approximately 2 to 5 hours of outage time per year per member, which is good by industry standards).

In other words, we try to balance the need for reliability (using the above-mentioned standards) with the need to provide quality service at a competitive price. If we under-engineer and under-maintain our infrastructure, members suffer by experiencing more power interruptions. If we over-engineer or over-maintain infrastructure, members suffer by paying more than they would at other electric providers.

In regard to the .03% of the time our members are without power, there are many technologies available or being developed that will help to reduce the time when the power is off.

Towards this end, High West Energy is considering developing a new option that helps members who cannot tolerate 2 to 5 hours of outages in any one-year, nor can handle the unpredictability of when these outages will occur. Of course, this would come at a slightly higher cost, but based on some preliminary feedback, it appears this type of option may be of interest.

Over the past 75 years, High West Energy has gradually introduced new pricing options and new billing options for the membership as warranted. Years ago, we delivered electricity under one price schedule and one billing option. We now have many electric-service pricing plans depending on the situation and several options when it comes to receiving and paying your bill. And we will continue to offer more choices as we go forward. We would appreciate any feedback you have on this matter.