

The CIRCUIT

Ark Valley Electric Cooperative



*** Proudly Serving Rural Kansas for Over 83 Years

October 2022



Happy Halloween!!

Drawing Winner

DOUG MAY is the winner of our \$25.00 readership drawing.

Doug, to claim your prize, please contact Ark Valley by October 31, 2022 & give us the account number from your electric bill.

WINNER

Daylight Savings Time Ends

Don't forget to turn your clocks back an hour.

Daylight savings time ends at 2 a.m. on Sunday, November 6th.



Celebrating Membership

Fall is a busy time, and October is an eventful month with school, community and sports activities in full swing. It's also when all cooperatives celebrate National Co-op Month.

When we say Ark Valley Electric celebrates Co-op Month, it really means we are celebrating you! After all, our co-op wouldn't exist without you, our members.

Our core business purpose is to serve as your electricity provider, but the larger mission of the co-op is to help make our corner of the world a better place. "Concern for community" is one of seven guiding principles that all co-ops share.

Similar to how our wires run through our service territory, our concern for community flows through all of our decisions—because being a co-op means being a responsible partner and good neighbor.

Ark Valley works to help our community thrive through initiatives led by our employees and local board that's comprised of neighbors who live right here in our community. Because we're local, we understand our community's unique needs and strive to help meet them. That's why we're proud to support local youth through our Youth Tour and scholarship programs.

The word "cooperative" is close to "cooperation," meaning people working together towards a common goal—mutually benefitting one another and the larger community. That's the essence of the cooperative spirit. Our employees and member-elected board members are invested in the community in which they live and serve.

Above all, as a co-op we put our members' priorities first. As your trusted energy partner, we know that saving energy and money is important to you. That's why we have numerous programs in place to help, including rebates available for water heaters and heat pumps.

We want to empower you to manage energy use at home. If you haven't already, you are encouraged to take a moment to and download our app, SmartHub. Through the app, you can conveniently monitor and manage your energy use. And we're of course here to help, so give us a call if you have questions about your energy bills.

Ark Valley is continuously examining ways to operate more efficiently while continuing to provide the highest level of friendly, reliable service you expect and deserve. After all, we're your local co-op. We were built by the members we serve.

Cooperative Month Drawing & Give-a-Way

October is Co-op Month and to show our appreciation for our members, Ark Valley Electric is holding a drawing for an indoor Power XL Smokeless Electric Grill during the month of October.



To be eligible, complete this registration form and mail it with your bill or bring it into the office. The drawing will take place at 8:00 am on November 1st, so please have your registration form in before then. Also, throughout the month of October, we will be distributing an Ark Valley Flexible Clay All-Purpose Hot/Cold Wrap to each member that comes into the office.



2022 AVEC MEMBER APPRECIATION DRAWING

Name _____

Address _____

Phone _____



Ark Valley Electric Cooperative
10 E 10th Ave, South Hutchinson, KS 67505

(620) 662-6661
www.arkvalley.com

Are you considering investing in solar generation?

When considering solar, most members are looking for ways to save money, and others are interested in going green. Whatever the reason, we want to make sure our members will know what to expect from Ark Valley if they do decide to install solar.

There is a checklist available on our website to help assist you through the interconnection process. It provides links to the necessary documents to be completed, as well as some helpful questions for selecting a solar contractor.

If you are considering solar, we encourage you to review all the information provided at arkvalley.com to help you make the decision that is right for you and let us know if you have any additional questions.

Pressure On Natural Gas Supplies

Electricity prices nationwide have jumped 15.8% in the last year, largely a result of high-priced natural gas, which is used to generate nearly 40% of the nation's power. Suzanne Lane, Stuart Lowry, and Pat Parke, CEO's of the three Kansas generation and transmission (G&T) cooperatives, attribute this increase to four main factors.

1. **MORE ELECTRICITY NOW GENERATED BY NATURAL GAS.** The U.S. continues to retire coal-fired power plants, replacing that generation with natural gas-fired generation and renewables like wind and solar. G&Ts source electricity from the Integrated Marketplace in the Southwest Power Pool (SPP)— which oversees, manages and balances the dispatch of energy based on reliability and economics — in 14 states including Kansas. Demand in the SPP market increases during the peak summer months of July–September. Coincidentally, wind speeds are lowest in Kansas during this time, meaning more natural gas-fired generation is used, pressuring wholesale electric prices.

2. **INCREASE IN NATURAL GAS EXPORTS.** The U.S. exports three times the natural gas it did in 2015. This is due to many countries voluntarily halting imports of Russian gas, and higher demand for natural gas in countries using less coal, or in Germany's case, closing nuclear plants. Rising electricity costs are tied to natural gas prices, which in turn are impacted by European nations turning away from Russia as a major supplier of natural gas.

3. **SLOWED DOMESTIC OIL EXPLORATION.** Much U.S. natural gas is associated with oil production, which primarily comes from shale gas formations. Oil companies pulled back on exploration during the pandemic for profitability reasons. Rising interest rates and sustainability goals of investors make it difficult for exploration companies to attract new capital to quickly ramp up exploration and production. The pressures of increasing demand, particularly for export, while supply has been unable to increase as rapidly, have contributed to increasing prices.

4. **WEATHER.** On average, 55%–60% of your utility bill is made up of heating and cooling costs. The bigger the difference between inside and outside temperatures coupled with extended consecutive days of sustained cold or hot temperatures, the more energy consumers use. Severe weather strongly influences residential and commercial demand for natural gas, which pushes prices upward. The SPP experienced record high demand for energy in July, requiring more expensive generators to serve that load.

Analysts are cautious about offering long-term natural gas price forecasts because of the market's volatility; however, natural gas prices are expected to remain high through at least the first part of 2023.

Board Meeting Highlights

The Board of Trustees for the Ark Valley Electric Cooperative Association held its regular meeting for the month of August on August 29, 2022.

The Board reviewed the July performance of the Cooperative's distributed generation units at the Arlington and Medora substations, the Cooperative's irrigation load control system, and Huntsville solar farm production. There were 10 peak alerts during the month of July. By utilizing a 1 mega-watt diesel generator at the Arlington substation and another 1 mega-watt diesel generator at the Medora substation, the Huntsville solar site, and irrigation load control, the Cooperative experienced a total July savings (after expenses) of \$97,605.93 and a potential winter savings of \$659,676.84. The General Manager, Jackie Holmberg, also informed the Board that a program outage caused a notification delay to irrigators which nearly resulted in lost load control. Efforts had already been made by the program vendor to correct the problem so it would not happen again.

The Board decided to apply for a Building Resilient Infrastructure and Communities (BRIC) grant.



The Cooperative has submitted a Notice of Participation form and a Letter of Intent (LOI) pertaining to mitigation projects. Mitigation projects could include efforts to increase grid reliability and safety, such as upgraded lines and substations. If selected for a BRIC grant, a mitigation project could receive 75% of the cost through the grant, and the Cooperative would only be responsible for 25% of the project cost.

The Ark Valley Electric Cooperative Association, Inc. is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.