

PARK SPARKS

AUGUST 2020

PARK ELECTRIC COOPERATIVE, INC.

 Touchstone Energy® Cooperatives

Capital Credits

Park Electric Cooperative is member owned and not-for-profit. We strive to provide reliable electricity for our members at fair and reasonable prices. This is what sets us apart from a privately owned utility.

Each year we send out a notification of your capital credit allocation. The 2019 allocation notice was mailed out in June of this year. The notice tells you the value of your capital credit allocation based on the total amount you paid for energy in that year.

The combined total of all members' allocations are the cooperative's margins or profit for the year. The normal retirement cycle for our cooperative's capital credits is 15 years. This means the full value of the allocation will be distributed to you 15 years after the allocation if the cooperative is in good financial standing and approved by the board of trustees at that time.

However, the board also gives all members the option of receiving the allocation early at a reduced amount. In the allocation notice the amount you can receive early is what we call the Discounted Amount. If you decide to take the discounted amount listed on the notice by signing it and sending it back, you forfeit the full allocation.

For the 2019 allocation if the amount is less than \$100 or you did not check the box to receive a check, you will receive it as a credit on your bill. This year it will show up on your August bill. If it is more than \$100 and you checked the box, you will receive a check for that amount.

1 Money comes in from members when they pay their electric bills.

2 Money goes out to pay Coop expenses. This includes taxes, loan interest, daily operations and administration.

3 Any funds left over are allocated as Capital Credits to the members and then returned at a later date. Each member's Capital Credits are based on what they paid for electricity.

Graphic courtesy of Flathead Electric Cooperative

If the member passes away or moves permanently off Park Electric lines, we offer any remaining capital credits at their current discounted value. If the discounted amount is not taken we ask that you please keep your mailing address current so that we can find you when your capital credits mature.

Any capital credits that are unclaimed become part of the education fund which is used for scholarships and educational purposes.

Managers Comments *by* Matt Haggerty



A question that I am often asked is what are we doing to help ensure reliability of your electric service? We conduct maintenance

on over 1600 miles of lines, which is an ongoing process. This article will focus on our underground (URD) system and measures we take to help ensure future reliability.

We have over 700 miles of URD cable that has a life expectancy of about 40 years. In most situations URD lines have fewer outages than overhead lines, and many times cost less than overhead lines to install. But this does not mean that it is completely fool proof. URD is less affected than overhead lines by wind, snow, and trees. URD lines have a completely different set of obstacles, like they can be dug into if locates are not called. Or the cable can fail from old age. In general, outage times can be longer than what you would see on an overhead line.

The reason outages take longer to find/repair on an URD line is because of the process taken to find the bad section of cable. It is more labor intensive and you cannot see the lines since they are underground. When we get a report of an outage on an URD line, our crews head out to evaluate what has caused the outage. Generally, they will drive to what we call an URD dip, this is where the

line goes from overhead to underground. The dip pole is equipped with a fuse that will open if there is an issue down line. It is not uncommon for these fuses to feed 10 sections of underground cable, each section can be thousands of feet long.

To identify which section is bad our staff conducts various tests. Once the specific section of cable that is bad has been identified, the crew connects a device that is called a thumper to pinpoint where the cable has faulted. Next the crew calls for emergency locates, the lines need to be located to help ensure we do not hit your gas, water, sewer, or phone lines when we dig up our faulted cable. If you see a crew sitting in a truck while your power is out, they have to wait until the locator marks the utilities. After the other utilities have been marked by the 811 locating service the crew digs up the cable, makes the repairs and then re-energizes the line.

There are many theories as to what can cause an URD line to fault. Things that factor into URD lines failing are age, soil conditions like large rocks, and the type of cable installed. Age defiantly seems to be a large contributing factor to URD cables going bad. For this reason, you may see our staff staking out future projects, and then later a crew coming out to replace these lines with new cable. As many of you might guess this is a never-ending process with over 700 miles of URD cable spanning over four counties. But our crews and staff are up to the challenge. Cable replacements and many other maintenance projects are taken care of when we are not installing new services to our members.

Three board districts are up for reelection this year. District 1 is in the Wilsall area, District 5 is in the Emigrant/Southern Paradise Valley area and District 6 is the McLeod and Boulder Valley area. Anyone interested in applying to run should contact the office and we will put you in touch with the nominating committee. You must be a member and a full time resident in the board district you are applying for.

Park Electric Board of Directors



Image by Gerd Altmann from Pixabay