

FALL - 2021

Volume 64 No.4

HIGHLIGHTS



A Touchstone Energy® Cooperative
The power of human connections®

"Owned By Those We Serve"



Grosvenor Arch - GSENM

Public Hearing for rate adjustment

A public hearing will be held on October 25th, 2021 for a proposed rate adjustment brought on by wholesale power increases imposed on Garkane by Deseret Power. The hearing will be held at Garkane's Hatch, UT office located at 468 N. Hwy 89. Comments or questions may be submitted via email at neal.brown@garkane.com or you can mail comments to:

Garkane Energy
attn: Public Hearing/Neal Brown
1802 S. Hwy 89a
Kanab, UT 84741

All written and emailed comments must be submitted by Friday, Oct. 22, 2021 in order to be distributed to the Board of Directors for review at the public hearing. A copy of the full proposed adjustments will be available at www.garkaneenergy.com under the

"Your Co-op" tab in the *Rates* section of the website. The proposed changes can also be found on Page 6, of this newsletter. (10005430)

The cost structure of the cooperative is made up of distribution elements, and wholesale power supply. The distribution costs are what Garkane can control, while Deseret Power controls the power supply cost side, in which Garkane doesn't have control over those costs. The distribution costs consist of getting power to your home from the substation, which include; metering, billing and records, customer service, poles and wires.

The power supply consists of capacity and demand components of having the capacity at any given time for the

see PUBLIC HEARING
Cont. on pg. 6

COMPONENTS OF EXPENSES

SYSTEM WIRES AND POWER COSTS

Garkane Distribution Wires

Distribution Wires - Capacity

- Transmission
- Substation
- Backbone
- General Demand

Distribution - Consumer Related

- Distribution Wires
- Metering
- Meter Reading
- Billing and Records
- Customer Services
- Revenue

Deseret Power Power Supply

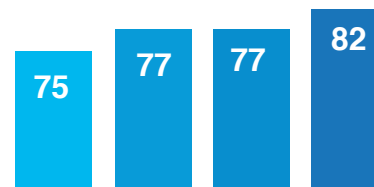
Purchased Power - Capacity

- Demand Related
- Delivery
- Backbone

Purchased Power Energy

- Total kWh's Used

Inside HIGHLIGHTS This Quarter



Garkane Increases Satisfaction Scores - Pg. 3 -



New Employee Spotlights - Page 9 -

GET PAID TO READ THE PAPER



Win A \$25 CREDIT

We have inserted eight randomly selected Garkane Account Numbers in the text of various articles in this month's edition. **If you find your account number**, call Garkane toll-free at 1-800-747-5403 and we'll credit \$25.00 to your account as a lucky winner! Just one more reason to read HIGHLIGHTS.

There are 8 hidden account numbers located in the text of the newsletter, find your # and win!

Calendar

October 25, 2021	Board Meeting Hatch, UT
October 25, 2021	Public Hearing Hatch, UT 1:00 p.m.
November 1-2, 2021	Strategic Planning Escalante, UT
November 25-26, 2021	Thanksgiving Holiday Offices Closed
November 29, 2021	Board Meeting Hatch, Ut
December 24 -27, 2021	Christmas Holiday Offices Closed

GARKANE HIGHLIGHTS is published quarterly (January, April, July, and October), by

Garkane Energy
P.O. Box 465
Loa, Utah 84747
1-800-747-5403

As the official publication of the Cooperative, the purpose of **this newsletter** is to communicate to members information concerning their electric cooperative.

GENERAL MANAGER/CEO
Dan McClendon

HIGHLIGHTS
Neal R. Brown, Editor

Garkane Energy Cooperative, Inc.

VOLUME 65 - NO. 1

BOARD OF DIRECTORS

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(435) 679-8806

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William Hammon -Centennial Park, Big Water,
Cane Beds (435) 467-1886

Ray Clark-Kanab City Limits (435) 689-0174

Guy Timpson - Colorado City, Hildale (435) 467-2113

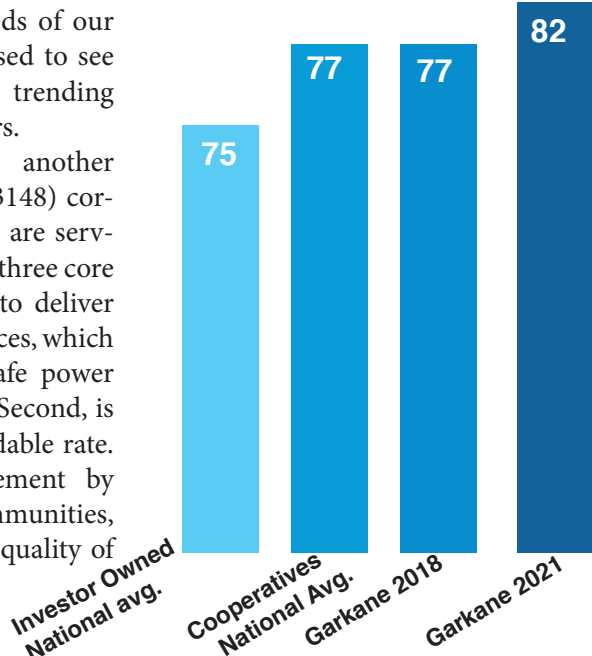
Garkane increases Customer Satisfaction Scores to 82

The American Customer Satisfaction Index (ACSI) primary component is the core member satisfaction index. The index is a proprietary modeled outcome of three questions on a 0 to 100 scale. The questions include overall member satisfaction, an expectation of quality, and a question comparing each utility to the ideal utility.

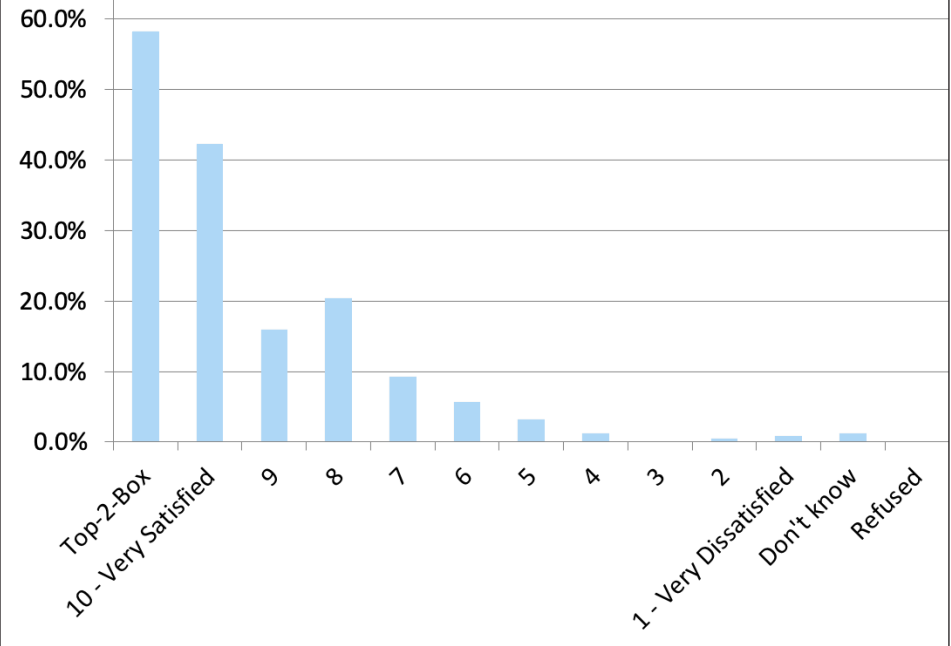
As a Cooperative, Garkane is highly aware of our satisfaction scores and how we are serving the needs of our members. We are very pleased to see our high satisfaction scores trending even higher than in past years.

Member engagement is another important factor that (10003148) correlates directly with how we are serving our members. There are three core drivers that Garkane seeks to deliver results. The first is Core Services, which entails delivering reliable safe power when our members need it. Second, is providing power at an affordable rate. Third, Community Engagement by having concern for our communities, and seeking to improve the quality of life for our members.

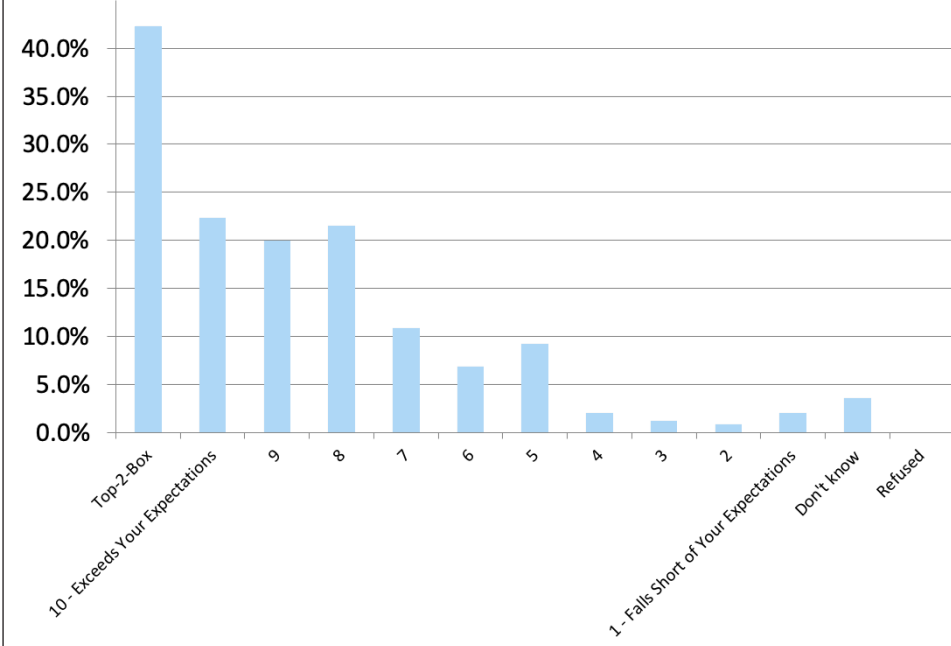
ACSI Score Comparison



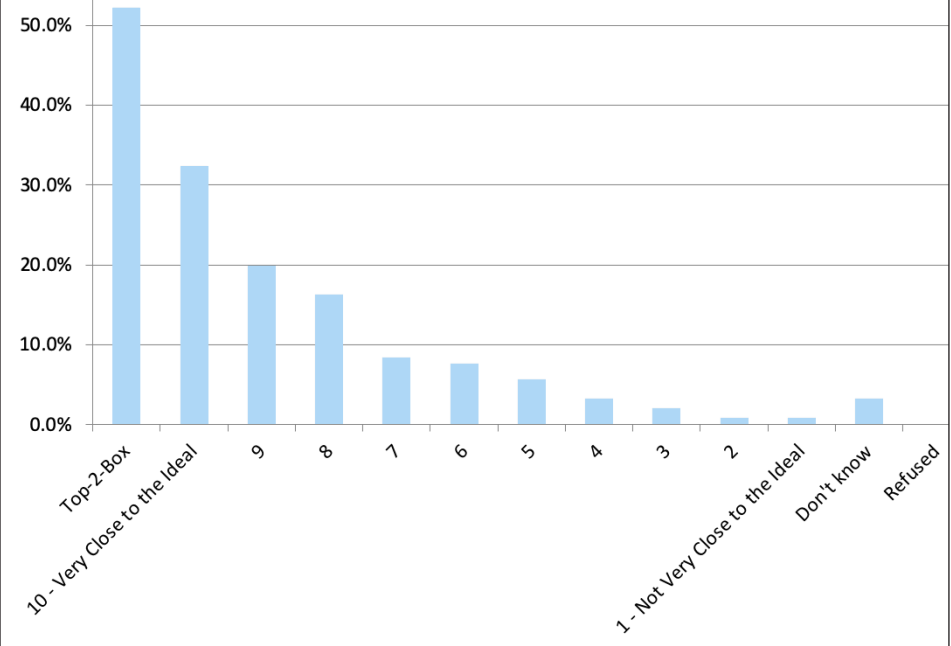
Q.1: Overall SATISFACTION



Q.2: How well EXPECTATIONS are met



Q.3: How close to the IDEAL

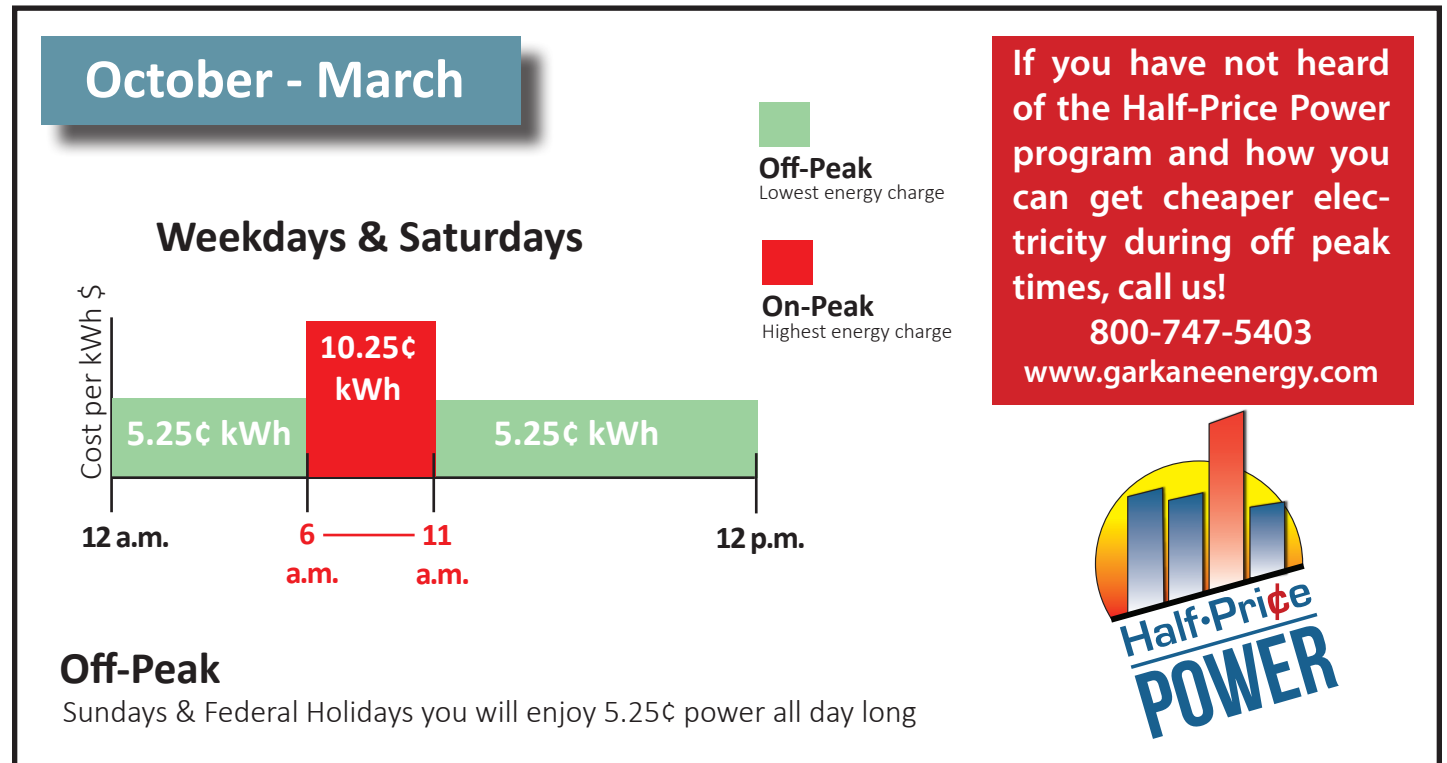


Half-Price Power changes to Winter Peak times

We wanted to take this opportunity to thank all members who participate in the Half-Price Power program. This program has some great benefits to both the participant and in helping Garkane Energy better manage peak demand. In an effort to help members save money, while keeping power rates as low as possible, participation in this program is a great help.

The program has different hours for different seasons, and October 1 starts the change for the winter hours from October through March. In this program, electricity is more expensive from 6:00 a.m. to 11:00 a.m. Half-Price Power will be any time after 11:00 a.m. and before 6:00 a.m. the (289601)next day, all day Sunday and all day on federal holidays. Sign up today at:

www.garkaneenergy.com



Garkane Electric Transformers on back order due to Manufacturer delay

A combination of multiple factors has caused a large back order on pad-mount transformers. We have received notice from our wholesale distributors that two of the three major manufacturers of transformers are no longer taking orders for pad mount single-phase transformers and it may be up to a year before they start again. This will greatly affect Garkane's ability to provide service to members who are applying for a new service to their property under construction and/or current members applying for upgraded existing service. Garkane has inventory on hand, but it is expected that this inventory will be used up before receiving our next order of transformers, which was placed 6 months ago. We have additional orders on file with manufac-

tures and have been told to expect delivery to be delayed. Garkane has and is taking all steps to stretch inventory as far as possible to serve its membership, but because manufacturing conditions are not improving, we now expect that delays will be unavoidable.

These manufacturing delays are due to a combination of multiple factors, including a substantial increase of demand for transformers, natural disasters, manufacturing labor force diminishing, delay in materials and supplies and other supply chain issues.

Rest assured, Garkane is utilizing every resource available to find needed materials and equipment from multiple sources to serve our members' needs.

3 Easy Ways to Save Energy This Fall

Set your thermostat to 68 degrees or cooler to give your heating system a break.



Replace your HVAC filter regularly. Check it monthly to make sure it's not too dirty.



Open blinds and other window coverings to let natural light in to warm your home.



SURPLUS ITEMS FOR SALE

Bids from Garkane Members only are currently being accepted for the following items:



Item #1: 1995 Honda Fourtrax 4-Wheeler
Vin #478TE1502SA729197 (Runs, fair condition)



Item #2: 2011 Buick Lucerne CXL, Mileage 122,032
Vin #: 1G4HC5EM8BU110479

Submit A Bid

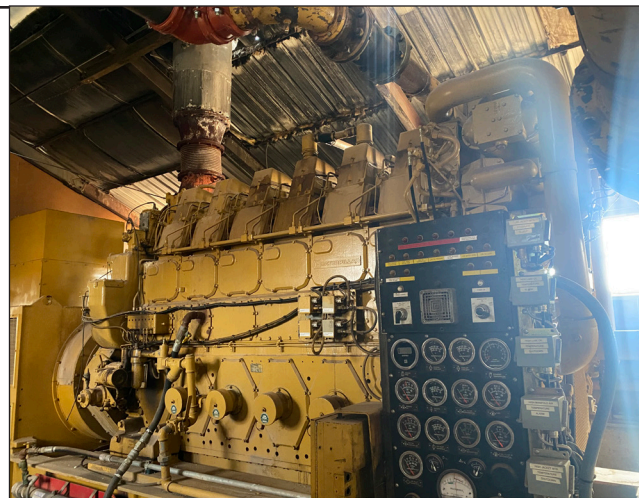
Submit in a sealed envelope with "BID ITEM #" Clearly written on the outside to:

Garkane Energy
Attn: Surplus Items
PO Box 465,
Loa, UT 84747

Sealed bids will be accepted until 5:00 p.m. Friday, November 12, 2021. Garkane reserves the right to accept or reject any and all bids.



Serial No: 331882 KW: 1500
KVA: 1875 RPM: 900
Volts: 4160/2400 Amps: 206/ 451
Date: 10/1985 Hours: 65840



Serial No: 331883 KW: 1500
KVA: 1875 RPM: 900
Volts: 4160/2400 Amps: 260/ 451
Date: 10/1985 Hours: 68100

Two 1.5 MW/1.8MVA Cat diesel powered generators. Engine Model 3606, Serial Numbers 8RB00290 & 8RB00291. Hour meter readings are 65840 and 68100 respectively. Package includes Gensets, engine cooling system components only and technical manuals. Package is being sold as is. Preference will be given to bids for both units, however bids to purchase the individual units will be considered. Purchaser is responsible for removal of the units from the facility, loading and transportation of units from the site within 3 months of notice of bid acceptance. To schedule a site inspection please contact Neal Brown at neal.brown@garkane.com.



Item #3: Truck beds from various model trucks, Ford and Chevy's. Must be picked up and taken as is. Call 800-747-5403 to schedule a time to see them.

Breakdown of proposed rate adjustments to take affect, Jan. 1, 2022

	Current	Proposed	Change
Residential-Utah			
Base Charge	\$22.00	\$27.00	\$5.00
Minimum Bill	\$35.00	\$35.00	\$0.00
Energy Charge, per kWh kWh per month	\$0.075000	\$0.079000	\$0.004000
Residential TOU-Utah			
Base Charge	\$27.00	\$32.00	\$5.00
Minimum Bill	\$40.00	\$40.00	\$0.00
Energy Charge, per kWh kWh per month			
On-Peak kWh	\$0.102500	\$0.106500	\$0.004000
Off-Peak kWh	\$0.052500	\$0.056500	\$0.004000
Residential-Arizona			
Base Charge	\$22.00	\$27.00	\$5.00
Energy Charge, per kWh	\$0.071800	\$0.079000	\$0.007200
Residential TOU -Arizona			
Base Charge	\$27.00	\$32.00	\$5.00
Energy Charge, per kWh			
On-Peak kWh	\$0.099300	\$0.106500	\$0.007200
Off-Peak kWh	\$0.049300	\$0.056500	\$0.007200
Residential-Hildale			
Residential-Colorado City			
Base Charge	\$22.00	\$27.00	\$5.00
Energy Charge, per kWh	\$0.099800	\$0.079000	(\$0.020800)
Residential TOU-Hildale			
Residential TOU-Colorado City			
Base Charge	\$27.00	\$32.00	\$5.00
Energy Charge, per kWh			
On-Peak kWh	\$0.127300	\$0.106500	(\$0.020800)
Off-Peak kWh	\$0.077300	\$0.056500	(\$0.020800)

PUBLIC HEARING

Cont...from pg. 1

maximum amount of power that could be used at a given time.

This rate increase was brought by an increase on the power supply side of the co-op's expenses. Garkane's distribution costs have remained steady and flat, despite significant plant and member growth over the past 5 years. Garkane has been able to control distribution costs very well, due to cost-cutting measures, using technology more efficiently, and by employee retirement attrition.

On the other hand, Garkane has little control over wholesale power costs. The energy industry is very volatile at the moment, with distributed generation issues, power supply shortages, and other factors leading to increased

costs. Deseret needed to implement a rate increase to its six members to satisfy their lending requirements from CFC, their lender. Deseret has been a key factor in helping keep our rates low over the past twenty years, compared to other cooperatives and utilities, Deseret has some of the lowest wholesale power rates in the nation. Garkane members have greatly benefitted from Deseret Power's strong financial position.(1305200)

This new increase also proposes to add an additional \$370,000 to this increase in an effort to bring all Garkane member communities into parity with regard to rates. During the years 2009-2021, the Twin Cities of Colorado City and Hildale have paid higher rates to offset a facility charge incurred with the acquisition of the Twin Cities' system. **See page 8 for more information.**

	Current	Proposed	Change
General Service No.1-Utah			
Base Charge	\$25.00	\$30.00	\$5.00
Minimum Bill	\$35.00	\$35.00	\$0.00
Demand Charge, per Billing kW			
First 3 Billing kW per month	\$2.00	\$3.00	\$1.00
Over 3 Billing kW per month	\$7.50	\$7.50	\$0.00
Energy Charge, per kWh kWh per month	\$0.060600	\$0.067400	\$0.006800
General Service No.1-Arizona			
Base Charge	\$25.00	\$30.00	\$5.00
Demand Charge, per Billing kW	\$7.50	\$7.50	\$0.00
Energy Charge, per kWh	\$0.057200	\$0.067400	\$0.010200
General Service No.1 - Hildale			
Base Charge	\$25.00	\$30.00	\$5.00
Demand Charge, per Billing kW	\$7.50	\$7.50	\$0.00
Energy Charge, per kWh	\$0.057200	\$0.067400	\$0.010200
General Service No.2 - Utah			
Base Charge	\$30.00	\$38.00	\$8.00
Demand Charge, per Billing kW	\$8.55	\$9.65	\$1.10
Energy Charge, per kWh	\$0.062800	\$0.063100	\$0.000300
General Service No.2 - Arizona			
Base Charge	\$30.00	\$38.00	\$8.00
Demand Charge, per Billing kW	\$8.55	\$9.65	\$1.10
Energy Charge, per kWh	\$0.058100	\$0.063100	\$0.005000
General Service No.2 - Hildale			
Base Charge	\$30.00	\$38.00	\$8.00
Demand Charge, per Billing kW	\$8.55	\$9.65	\$1.10
Energy Charge, per kWh	\$0.058100	\$0.063100	\$0.005000

	Current	Proposed	Change
General Service No.3			
Base Charge	\$35.00	\$43.00	\$8.00
Demand Charge, per Billing kW	\$9.95	\$10.05	\$0.10
Energy Charge, per kWh	\$0.090100	\$0.090100	\$0.000000
General Service TOU			
Base Charge	\$30.00	\$35.00	\$5.00
Demand Charge, per Billing kW			
First 3 Billing kW per month	\$2.00	\$3.00	\$1.00
Over 3 Billing kW per month	\$7.50	\$7.50	\$0.00
On Peak Energy Charge, per kWh	\$0.094500	\$0.101300	\$0.006800
Off Energy Charge, per kWh	\$0.044500	\$0.051300	\$0.006800
Irrigation-Utah			
Base Charge	\$30.00	\$38.00	\$8.00
Demand Charge, per Billing kW	\$7.30	\$8.00	\$0.70
Energy Charge, per kWh	\$0.060600	\$0.060000	(\$0.000600)
Municipal Cullinary and Irrigation Pumping-Utah			
Base Charge	\$30.00	\$38.00	\$8.00
Demand Charge, per Billing kW	\$8.70	\$9.50	\$0.80
Energy Charge, per kWh			
On Peak kWh per month	\$0.085000	\$0.107000	\$0.022000
Off Peak kWh per month	\$0.056000	\$0.056000	\$0.000000
Irrigation-Arizona			
Base Annual Charge Single Phase	\$75.00	\$135.00	\$60.00
Base Annual Charge, Three Phase	\$125.00	\$185.00	\$60.00
Demand Charge, per Billing kW	\$7.30	\$8.00	\$0.70
Energy Charge, per kWh	\$0.057000	\$0.065700	\$0.008700
Extra Large Power Service			
Base Charge	\$100.00	\$100.00	\$0.00
Demand Charge, per Billing kW	\$6.70	\$8.30	\$1.60
Base Load Energy, per kWh	\$0.055000	\$0.055000	\$0.000000
Marginal Load Energy, per kWh	\$0.067000	\$0.067000	\$0.000000

Solar power system limitations



Garkane's Commitment

Garkane is committed to providing our members the opportunity to utilize Distributed Generation Resource (DER) like residential solar systems and wind generated technology to self-generate a portion of their electric power needs for their homes and places of business. Solar systems are well-suited distributed generation systems for Garkane's service territory, although other options exist. Garkane's has a popular Net Metering option for our members to utilize.

What is Power Quality?

While providing our Net Metering opportunities, Garkane is also responsible for ensuring that the electricity being put on and taken from our lines meets established quality standards. The quality of Garkane's power affects all our members, and if it is not managed well, member's appliances, equipment, and machinery will be damaged. Balancing the opportunities presented by distributed generation like solar power systems with power quality concerns requires that Garkane set limits on the amount of generated solar connected to discrete points on the system. Failing to observe these limits increases the likelihood that damages to other members property may occur.

Costs vs. Benefits

As is true of most anything, Solar Generation has positive and negative characteristics that require careful management. Solar generation systems generate power in a Direct-Current (DC) form. The DC must then pass through the members inverter to convert it to a very specific Alternating-Current (AC) form. Once this conversion is completed, the members generated energy can flow onto Garkane's power system. Today's inverters use digital components to perform this change and, for various reasons, inverters do not always create the specific high-quality AC currents, and voltages waveforms need. Too much inverter-based generation on any portion of Garkane's system will potentially degrade the power to harmful levels. (9999005)

Why are there limits?

Utah and other states have set limits on how much distributed generation can be connected to any substation feeder to ensure utilities strike the right balance between invert-based generation and power quality. Utah's Electrical Interconnection Rules R746-312-6 limits the aggregate interconnected DER capacity on an individual substation feeder to 15 percent of the maximum peak measured over the previous five years. Some of Garkane's substation feeders have reached this regulatory limit, and as required by the law, Garkane has stopped approving the interconnection of additional solar systems on these feeders. Understandably this limitation is disappointing to our members affected by it, but in Garkane's opinion it is necessary to balance the needs of all our members.



Call **800-747-5403** for more information on Net-Metering to see if it's right for you, or to see if there are limits in your area.

PROPOSED RATE ADJUSTMENT INPUT WANTED

Garkane must increase rates beginning January 2022. Wholesale power suppliers are increasing rates to Garkane by \$1 million dollars. It has been proposed to add an additional \$370,000 to this increase in an effort to bring all Garkane member communities into parity with regard to rates. During the years 2009-2021, the Twin Cities of Colorado City and Hildale have paid higher rates to offset a facility charge incurred with the acquisition of the Twin Cities' system. The "cooperative way", over the course of time, would make all member classification rates the same.

Are you in favor of equalizing member classification rates across all Garkane member communities at this time? Please respond Yes or No to neal.brown@garkane.com or mark this card and return to the address below, or go to www.garkaneenergy.com, under the *Your Co-op* tab and click *Rates* for more info about the rate adjustment, and to check Yes or No.

Yes No

Garkane Energy
attn: Neal Brown
1802 S. Hwy 89A
Kanab, UT 84741



Josh Chappell
Journeyman Lineman, Hatch UT

WHEN YOUR POWER COMES FROM A
COMMUNITY
RATHER THAN JUST A UTILITY



*Supporting Southern Utah
and Northern Arizona
the Cooperative way!*

New Employee Spotlight: *Get to know our new employees*



Paige Tomlinson
Accounting Clerk

What's your favorite quote and why?

I love quotes and have a lot of favorites but two of my most favorite quotes are "There is no lemon so sour that you can't make something that resembles lemonade" Dr Nathan Katowski And "Now I know that only love can truly save the world. So, I stay, I fight, and I give, for the world I know can be" Wonder Women.

What's your favorite style of music to jam out to?

Love all types of music. If I had to say, I would say 70's and 80's Rock.

What's your favorite thing to do?

Kayaking, four wheeling and playing with my dog.

If you could learn to do one thing, what would it be?

Play the piano

What do you miss most about being a kid?

As a kid, I grew up in Northern Michigan. What I miss most is Lake Superior and its beauty.

What's your favorite part about working for Garkane?

The people because they make me feel like part of their Garkane family.



Terek Esplin
Apprentice Lineman

What is your favorite quote and why?

"Hard work beats talent when talent fails to work hard"

What is your favorite style of music to jam to?

Country music

What's your favorite thing to do for fun?

Camping, hunting, building, and riding motorcycles

If you could learn to do one thing, what would it be?

I asked my wife about this question and she said "patience" I guess I haven't learned that yet! So I better learn...

What do you miss most about being a kid?

I miss being able NOT TO ADULT. That and my dad was the basketball coach in Monticello for many years, I remember getting to go with him on all the bus trips as a young kid. I always looked (797603)forward to those trips

What's your favorite part about working for Garkane?

I've always wanted to work for this company when I got into the trade. I spent many summers in Kane county as a kid and came to the love the area and all the people, now I get to work in the area with a great group of people I'm thankful for the opportunity.



Bobbie Owens
Propane Driver

What is your favorite quote and why?

"I don't know what to tell you" - Bobbie Owens

What's your favorite style of music to jam out to?

Country, Johnny Cash

What's your favorite thing to do for fun?

Hunting & Fishing. My wife says watching Tic-Talk.

If you could learn to do one thing, what would it be? Make lots of money, and communicate better.

What do you miss most about being a kid? Hunting with my dad

What's your favorite part about working for Garkane?

Good people and good boss.



Tyler Gates
Apprentice Lineman

What is your favorite quote and why?

"If it's not going to challenge you, it's not going to change you. Life is about becoming the best person you can be.

What's your favorite style of music to jam out to?

Country Music

What's your favorite thing to do for fun?

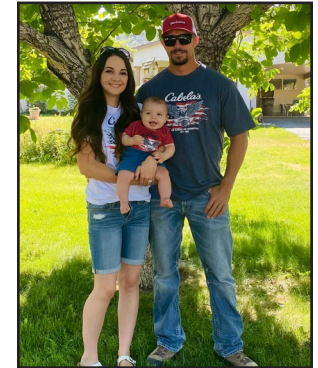
Spending time outdoors with my family.

If you could learn to do one thing, what would it be? Play guitar

What do you miss most about being a kid? Playing sports

What's your favorite part about working for Garkane?

We do big boy stuff!



Jake Sawyer
Apprentice Lineman

What is your favorite quote and why?

"Good, better, best. Never let it rest until your good is better and your better is best by Tim Duncan." I like this because it reminds me I can always be better.

What's your favorite style of music to jam out to?

Country Music

What's your favorite thing to do for fun?

Hunt

If you could learn to do one thing, what would it be? Make millions

What do you miss most about being a kid? Having no worries

What's your favorite part about working for Garkane?

The people I get to work with and the work I get to do.

Garkane is required by the Utah Public Service Commission to inform you of your consumer rights at least once every year. This serves as that notice.

The Utah Public Service Commission has established rules about utility consumer / company relationships. These rules cover payment of bills, late charges, security deposits, handling complaints, service disconnections and other matters. These rules assure customers of certain rights and outline customer responsibilities.

CUSTOMER RIGHTS

The utility company will:

Provide service if you are a qualified applicant. Offer you at least one 12-month deferred payment plan if you have a financial emergency. Let you pay a security deposit in three installments, if one is required. Follow specific procedures for service disconnection which include providing you notice postmarked at least 10 days before service is disconnected. Offer winter shut-off protection of energy utility service to qualifying rate-payers. Advise you of sources of possible financial assistance in paying your bill. Continue service for a reasonable time if you provide a physician's statement that a medical emergency exists in your home. Give you written information about Commission rules and your rights and responsibilities as a customer under those rules.

CUSTOMER RESPONSIBILITIES

You, the customer will:

Use services safely and pay for them promptly. Contact the utility company when you have a problem with payment, service, safety, billing, or customer service. Notify the utility company about billing or other errors. Contact the utility company when you anticipate a payment problem to attempt to develop a payment

Statement Of Utility Consumer Rights

plan. Notify the utility company when you are moving to another residence. Notify the utility company about stopping service in your name or about stopping service altogether. Permit access to your property for essential utility company personnel and equipment.

To contact the utility company, call the telephone number shown on your utility bill.

If you have a problem, call the utility company first. If you cannot resolve the problem, you may obtain an informal review of the dispute by calling the Utah State Division of Public Utilities Complaint Office at the following telephone numbers:

Mailing Address

SM Box 146751
Salt Lake City, UT 84114
General: 801-530-6652
Toll Free 1-800-874-0904

Residential Customer Utility Service

Utility bills can often be one of our biggest household expenses. Utahans have the right to safe, dependable service from utility companies.

The Utah Division of Public Utilities in the Department of Commerce represents the interests of the general public before the Public Service Commission. The Division works to assure that all utility customers have access to safe, reliable service at reasonable prices.

Most Utahans receive good utility service, but problems can arise. The Commission rules provide Utah consumers with information on the relationship between the utility and the utility customers. Two of the applicable Commission rules are R746-200 and R746-240. Some important aspects of these rules are presented below. This information is not legally binding on any party. It is for information only. The full text in the Utah Code, Utah Administrative Rules, and utility company tariffs is legally binding. (288401)

Deposits

Utilities' deposit policies are related to the applicant's credit history. Using utility services is much like purchasing any other commodity. Sellers will usually agree to the use or sale of their products if they have confidence that they will be paid at a certain time. So it is with utility companies; they are selling a product - electricity, gas, water or sewer - and must be paid in order to continue providing service.

If a utility company feels that a prospective purchaser of services may be a credit risk, it may require a deposit in order to protect its interest. All utilities collecting security deposits must pay interest at a rate approved by the Public Service Commission. The deposit paid, and accrued interest, may be returned to the customer after the customer has paid the bill on time for twelve consecutive months.

Utah utilities must submit deposit policies to the Commission for approval. Therefore, the deposit required may differ from one utility company to another. A new customer for utility service will have the right to pay a security (754404) deposit in at least three equal monthly installments provided that the first installment is paid at the time of application.

Billing

Utilities usually bill customers monthly. The bill may not be due less than 20 days after the billing date. Bills are computed after the use period by reading the meter, or through computer readings. Gas, electric, and water utilities use meters to calculate usage. The utility is required to make an actual meter reading at least once in a two-month period and render a bill for the appropriate charge determined from that reading.

If a meter reader is unable to gain access to a meter, the utility must take appropriate additional measures in an effort to obtain an actual meter reading. These measures

include, but are not limited to, scheduling a meter reading at other than normal business hours, making an appointment for meter reading or providing a prepaid postal card with a notice of instruction upon which an account holder may record a meter reading. If after two regular route visits access has not been achieved, the utility will give notice that the customer must make arrangements to have the meter read. If the utility is still unable to make an actual meter reading, it may render an estimated bill or may discontinue service. It's a good idea to stay current with your payments. Any delinquent bills will be charged interest if they go unpaid past the due date.

Disputes

Sometimes problems can occur or disagreements arise over your bill. If there is a problem, contact the company first. If the utility does not resolve the problem to your satisfaction, you have the right to seek help from the Division of Public Utilities. The procedure in resolving your dispute is straight forward: after receiving your complaint, a Division employee will act as a mediator between you and the utility company. You will not have service terminated for nonpayment of the disputed portion of the bill, as long as you keep up payment on all other services. Normally within five business days, you will be informed of the findings and/or solution to your complaint. Utilities are required to resolve complaints within 30 calendar days.

If you feel that further action is necessary, you can formally file a petition with the Public Service Commission in order to resolve the dispute. The Commission may then call both you and the utility in for a hearing on the matter. You and the utility will be given the chance to present any arguments supporting your positions. The Commission will then render a decision which is binding on both parties. If either party thinks the decision is still unsatisfactory, they can appeal to the Utah State Supreme Court.

Statement Of Utility Consumer Rights cont...

Deferred Payment Agreements

Occasionally, there are customers who are unable to pay the entire account balance at the time it is due. Rather than have service terminated, they may enter into what is known as a Deferred Payment Agreement (DPA). This agreement allows the customer to payoff the past due amount, re-connection fees, and interest in monthly installments, provided that the total amount is paid off in 12 months. The customer must also pay the current month's charge.

The customer has the right to set the amount of the monthly payment, (it must be at least one-twelfth of what is owed, however). The first payment must be received at the utility's office within 48 hours after the agreement has been reached and can't be less than that which was agreed upon. If service has been shut off, it will be restored as soon as the customer enters into a Deferred Payment Agreement.

If the person defaults on this agreement, the utility may let the customer sign an other agreement, reinstate the old one, or refuse to grant another one. Service may also be terminated at the company's option.

Equal Payment Plan

Some utilities have a budget billing or equal payment plan available for customers who want to make equal monthly payments throughout the year. If a customer becomes delinquent on an equal payment plan, the customer has two options for repayment. The customer can enter into a deferred payment agreement or pay a budget billing amount set by the utility plus the monthly deferred payment installment.

Termination of Service

Service may be terminated for several reasons, including:

Nonpayment of a delinquent account;
Nonpayment of a deposit where required;
Failure to comply with the terms of a Deferred Payment Agreement or Com-

mission order; Unauthorized use of or diversion of residential utility service or tampering with wires, pipes, meters or other equipment; Concealing information or deliberately furnishing false information for the purpose of obtaining utility service; Failure to provide access to your meter during a regular route visit to the premises following proper notification and opportunity to make arrangements.

The following will not be used as a basis for terminating service:

A delinquent account, accrued prior to the commencement of a divorce or separate maintenance action in the courts, in the name of a former spouse, can't be the basis for termination of the current account holder's service. Cohabitation of a current account holder with a delinquent account holder who was previously terminated for nonpayment, unless these two account holders also cohabited during the time the delinquent account holder received the utility's service. This includes service that was received at the current account holder's present address or another address.

Special Circumstances

Under special circumstances, the utility company will not always terminate residential service for reasons mentioned above. For example, if someone in the home is seriously ill, and a doctor's statement certifies this condition will be aggravated if a utility service is terminated, services may not be cut off immediately. Service will continue for a month (30 days), or the specified time in the doctor's statement, whichever is less. If needed, the person may petition the Public Service Commission for an extension of time.

The utility company should be contacted if anyone on the premises is using an iron lung, dialysis, respirator, or other life-support equipment. A medical condition doesn't exempt someone from paying utility bills. Rather, it will merely delay termination if the person is unable to make

complete payment. The bill will eventually have to be paid.

Termination Without Notice

Whenever the company feels that an emergency or serious health or safety hazard exists, service can be terminated without notice. They may also shut off a customer if there is unauthorized use of utility service, or tampering with pipes, meters or other equipment.

Termination With Notice

A notice of termination by a utility company must include the billing information and information on steps to take to avoid termination including deferred payment agreements, a referral service (agencies or organizations that provide financial assistance) medical extensions, and the procedure for filing a complaint with the Division of Public Utilities.

A public utility must give written notice of disconnection for nonpayment to the account holder. Telephone companies must give 7 days and other utilities must give 10 calendar days notice prior to a proposed termination of residential utility service. The notice time period is computed from the date the notice is postmarked. The utility must make good-faith efforts to notify the account holder or an adult member of the household by mail, telephone, or a personal visit to the residence. Telephone companies must do this 1 business day prior and other utilities at least 48 hours prior to the time when termination of service is scheduled. If personal notification has not been made either directly by the utility or by a customer response to a mailed notice, (a non-telephone utility must leave written termination notice at the residence). For non-telephone utilities, personal notification, such as a visit to the residence or telephone conversation with the party being terminated, is required only during winter months (October 1 through March 31). For all other months of the year, the mailed 48-hour notice can be the final notice prior to the termination.

In rental property situations where the tenant is not the account holder and that fact is known to the utility, the utility will post a notice of proposed termination of service on the premises in a conspicuous place and will make reasonable efforts to give actual notice to the occupants by personal visits or other appropriate means at least five calendar days before the proposed termination of service.

Other Considerations

The utility company will make reasonable efforts to provide third-party notification (to clergy, friends or family) of a delinquent balance if requested by the customer. This provides a third person with notification of the proposed termination notice. Bear in mind that this person is not responsible for the payment of any delinquent bill you might owe.

If you anticipate being on an extended vacation, it is best to make prior arrangements for paying your bills.

Third Party Charges

State code Section 54-4-37 governs third-party billing practices. A third party is any person or entity other than the account holder and the utility. The utility could perform billing services for a third party. If payment is not made for the entire bill, the utility is required to apply customers' payments to tariff services first and then proportionally to other charges unless otherwise directed by the customer. No public utility may disconnect or threaten to disconnect basic utility service for failure to pay third party charges.

Any Questions?

If you have any questions regarding utility service, billing, terminations, etc., or wish to make a complaint against a utility company, please contact the Division of Public Utilities.

From the CEO's Desk

by Dan McClendon



Dear Members of Garkane,

As published in previous newsletters, Garkane's proposed rate adjustment is coming up. We will be holding a public hearing on Monday, October 25 at the Hatch, UT office at 1:00 p.m. We encourage and welcome all comments at the public hearing so the Board of Directors will be as informed as possible in making a final decision regarding the rates. I want to offer answers to some frequently asked questions about the proposed rate adjustment. (1480600)

How do Garkane's rates compare with other utilities?

Garkane's rates are below or very competitive with neighboring electric utilities in Southern Utah, Colorado and Arizona and are among the lowest in the nation. Rates all across the country are going up, and it's no different in the West. The graphs provide a good indication of how Garkane's rates compare to other utilities before and after the rate

increase.

What is Garkane doing to hold costs down?

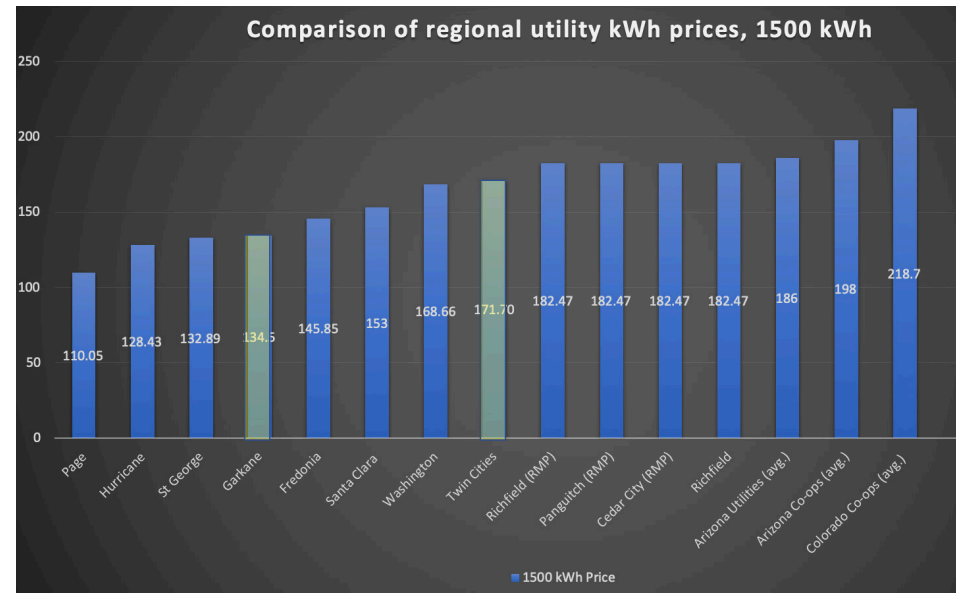
We've implemented a number of cost-saving measures, strategic budget planning efforts and increased productivity with fewer employees. Also, Garkane has experienced significant growth in new members since the last rate increase in 2016. Garkane employees per member served numbers have decreased, showing more internal efficiencies. We have also implemented the Half-Price Power Program, lighting rebates and other programs that save our members money, but at the same time reduces Garkane's wholesale power costs.

Why might my increase be different than the notice amount?

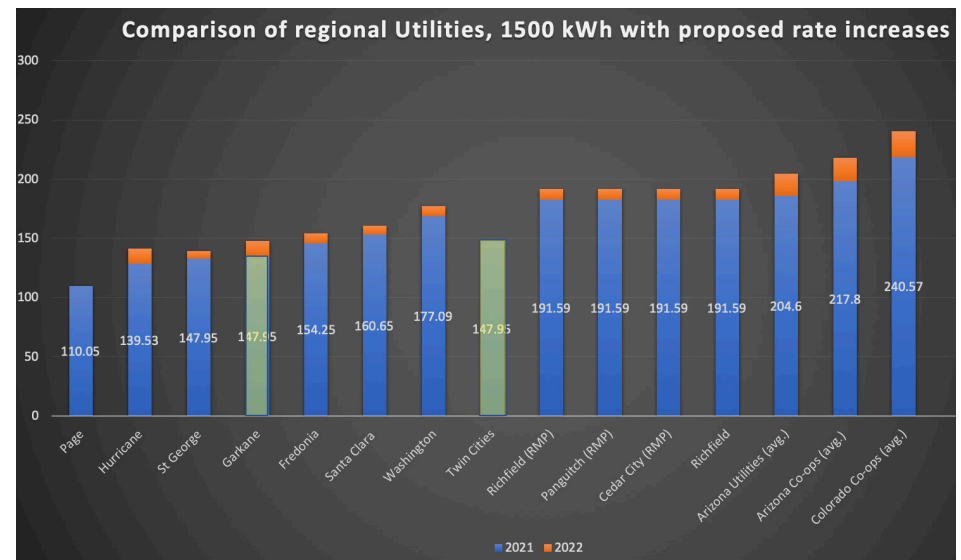
The amount published in notices and newsletters is represented as gross revenue divided by the number of members in a specific rate class. Depending on what rate class you are in, and the amount of kWh used, your increase may be slightly higher or lower than the published percentage amount.

It is never easy to raise rates. Our mission is to provide affordable, safe and reliable power to our members. About \$1 million is being imposed on us by our wholesale supplier Desert Power and the Federal Government (CRSP hydro generation), which forces us to pass this new cost on to our members in order to maintain financial stability.

In addition, the proposed rates as published, also include an additional \$370,000 offering to bring all Garkane member communities into parity. During the years 2009-2021, the Twin Cities of Colorado City and Hildale have paid higher rates to off-



Garkane price per kWh ranks amongst the lowest in regional and state comparisons.



This graph reflects Garkane's rates with the proposed rate adjustment. Other utilities were polled and many also have proposed similar rate increases planned. This reflects bringing the Twin Cities rates in line with Garkane's Utah residential rates.

set a facility charge incurred with the acquisition of the Twin Cities' system. The "cooperative way", over the course of time, would make all member classification rates the same. We would like our members input on this important decision. The main question is whether now is the time to bring all rate classes together. Please go to www.garkaneenergy.com, under the **Your**

Co-op tab and click **Rates** for more info about the rate adjustment, and to provide input regarding the Twin Cities rate equalization proposal.

Once again it is a pleasure to serve our cooperative, if you have questions about the rate adjustments or anything else, never hesitate to reach out.

Sincerely, Dan McClendon