



# THE PowerLines

REPORT

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MAY 2020

## A New Era of Power Supply With Guzman Energy

*A message from Jasen Bronec, CEO*

It's here. The announcement we've all been waiting for: On April 14, 2020, DMEA inked our new 12.5-year wholesale power supply partnership with Denver-based Guzman Energy.

DMEA's partnership with Guzman is a major step towards ensuring we remain a competitive, reliable, and cost-effective co-op in the years to come.

This new power supply agreement also marks the immediate start of a joint partnership with Guzman to develop at least 10 megawatts of new solar generation projects in our territory. That joint development is on top of additional local projects that DMEA will develop in the coming years and will bring our local generation above 20%. We were capped at 5% local generation under our Tri-State contract. We are looking forward to building local cost-effective renewable energy projects where the energy is generated and consumed right here at home - by our members, for our members.

Guzman will begin serving DMEA later this year, once our current wholesale power provider, Tri-State, obtains the required approvals from the Federal Energy Regulatory

Commission. Which brings us to the question you've all had, and I'm happy to report we can finally share, which is the Tri-State exit charge. The exit fee is \$62.5 million. Guzman Energy will be paying Tri-State this \$62.5 million exit fee for the right to take over our power supply agreement and sell power to DMEA at a more competitive rate.

As part of our withdrawal agreement with Tri-State, DMEA will forfeit our capital credits with Tri-State, which amount to \$48 million. This is not an additional amount that DMEA is paying to Tri-State. It is an amount that would only have been gradually returned to DMEA over a multi-decade period if Tri-State's board chose to do so. Finally, our withdrawal agreement also includes DMEA purchasing \$26 million in transmission assets from Tri-State, adding to the overall value of the DMEA utility system.

I know I speak for all of us here at DMEA when I say thank you. Thank you for putting your faith in us to secure a fair and equitable exit charge. And thank you for sticking with us during this long negotiation. We did it.

### EXIT AT A GLANCE

Exit contract  
(Paid by Guzman)

**\$62.5**  
MILLION

Transmission  
Purchases

**\$26**  
MILLION

Current Guzman  
Contract Length

**12.5**  
YEARS

New Solar Energy Generation

**10** MEGAWATTS

Projected Future  
Local Generation **20%**

# GET TO KNOW YOUR CHIEF FINANCIAL OFFICER



**Name:**  
Wade Pynes

**Title:**  
Chief Financial Officer (CFO)

**Years at DMEA:**  
2.92

**Education/experience:**  
It is my privilege to lead the finance and accounting functions of Delta-Montrose Electric Association and its subsidiary as Chief Financial Officer (CFO). I joined DMEA in 2017 from Continental Divide Electric Cooperative (CDEC) where I was Finance Director.

Prior to entering the electric cooperative industry, I worked in the capital markets industry for 10 years.

I earned a dual-B.B.A. in Accounting and Finance from Texas Tech University and am a Certified Public Accountant (CPA) with over 500 hours of formal Continuing Professional Education (CPE). In addition, I earned the Cooperative Financial Professional Certificate (CFPC) designation in 2019.

**What is DMEA/Elevate doing that you're most proud to be a part of?**  
There's a lot to choose from. Power supply and Elevate are the two highest profile initiatives, but those are just a few of the things that we're executing on every day. Most of the work we do goes unseen by the membership, but DMEA has an incredible legacy in this community/industry and I think we're carrying forward the successful track record that we inherited very well.

**What motivates you to work hard?**  
My parents – They raised me with a strong work ethic by basically ignoring child labor laws. They taught me the value of hard work and I am eternally grateful to them for it.  
My family – The faces that greet me at the door when I come home every night are my “why.”

My coworkers - They perform at very high levels and I don't want to let them down.  
My profession - I'm a nerd and I get the funniest facial responses from people when I tell them how much I truly enjoy finance and accounting. I'm fortunate to be doing something every day that I'm passionate about.

**What is your favorite family tradition?**  
Camping/hiking in the woods of Colorado.

**Where would we find you in your free time?**  
In my workshop or doing some form of home maintenance/improvement.

**If you didn't work for DMEA what would be doing?**  
If I was doing anything else, it'd be the military.

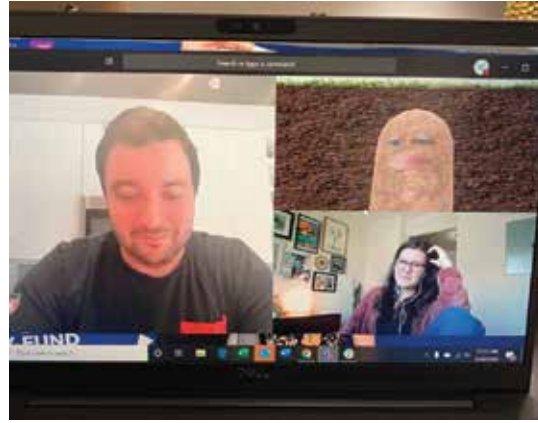
**What are you most thankful for?**  
As I think through my list of things I'm thankful for, I'm realizing I can't pick just one thing.

**What makes DMEA/Elevate special to you?**  
My team in the finance and accounting department. They have treated me like family since day one, and it's only with their help that I am able to work on the things I do.

**If you had to describe yourself in just one word, what would it be?**  
The word I would use is “analytical”. The word I'm most often told by others (that is appropriate for re-print) is “intense.”







# HOW TO AVOID #ZOOMFAILS

With Elevate, you get the speed you need to stay connected even when you're stuck at home. As many of us transition to working from home, online conferencing is more important than ever. But new technology isn't always easy to navigate. Here are a few tips to avoid video conferencing pitfalls.

## ALERT YOUR HOUSEMATES



To avoid interruption and background noise, let others in your home know you're on a call. You'll be less likely to be interrupted by background noise.

## SMILE, YOU'RE ON CAMERA!



Even from the comfort of your house, it's still important to dress to impress. Wear what you would wear to a meeting if you were in an office setting.

## CHECK YOUR BACKGROUND



When your home is your office, presentation matters. Try to create a neutral background that isn't distracting and keeps the focus on you.

## 'MUTE' IS YOUR BEST FRIEND



Avoid talking over others and eliminate possible distracting background noise by muting yourself.



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# ELEVATE™



A Touchstone Energy® Cooperative

### Montrose Office

11925 6300 Road  
Montrose, CO 81401  
M, W, F; 8:00am-5:00pm  
T & Th; 8:00am-6:00pm

### Contact Us:

1-877-687-3632 | [www.dmea.com](http://www.dmea.com) |

### Read Office

21191 H 75 Road  
Delta, CO 81416  
M & W; 9:00am-4:00pm

### Your Board of Directors:

*Bill Patterson, District 1*     *Kyle Martinez, District 2*  
*Brad Harding, District 3*     *Ken Watson, District 4*  
*Chris Hauck, District 5*     *Damon Lockhart, District 6*  
*Vacant, District 7*     *Stacia Cannon, North*  
*Jock Fleming, South*

DMEA Board Meetings are open to all members and are generally held on the 4th Tuesday monthly beginning at 3PM with the public comment period at 5PM. Call 970-240-1212 to confirm date, time, and location.

### Recipes Info:

Submit recipes, including your name, address, and phone number to:

DMEA Newsletter  
PO Box 910  
Montrose, CO 81402

Or email your information to [communications@dmea.com](mailto:communications@dmea.com).

If your recipe is published, claim your prize by calling (269)598-9386 within 60 days.

# WE DO MORE

(because fast internet is a given)



If your internet company isn't giving you fast internet, they probably shouldn't be your internet company. Tell us what it would take to make you switch to Elevate - you just might be surprised.

## It's a pain to switch your internet.

While we can't take away every hassle, we can make switching to Elevate just a bit easier. That's why we'll never play any pricing games, hit you with hidden fees, or charge you for your Wi-Fi router. And yeah, we might get that oil change taken care of too.

Get more than just internet. Get internet and a little required maintenance while you're at it.

### Fast internet

per month

150 Mbps

\$54.95

1,000 Mbps (1 Gig)

\$54.95  
for three  
months

~~\$79.95~~

### Simple TV

Locals (20+ channels)

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Expanded (70+ channels)

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Extreme (120+ channels)

\$109.95

### Reliable home phone

Unlimited local & long distance

\$30.00

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Available in live service areas only. Includes 1 Gig service for the first 3 months for the price of 150 Mbps (\$54.95/mo). After 3 months, regular pricing (\$79.95/mo) applies. Subscribers may switch to 150 Mbps at any time. Installation is zero money down and \$10/mo., for 10 months or \$100 upfront. Initial 12-month contract required. Internet service is required for TV and phone. Speeds are up to 1 Gig. Prices subject to change.

# ELEVATE™

FAST INTERNET ▶ (for real)

# A SNAPSHOT OF DMEA MEMBERS



**66% OF DMEA** members live in a home with a household income less than \$75,000

**75% of DMEA** members are 55 years or older



The average electric bill for a DMEA home is \$106.96 per month

**81% of DMEA** members have post-high school education



The number of DMEA homes or businesses with access to Elevate

The number of DMEA members taking service from Elevate



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# HOME COOKING

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## Favorite Potato Soup

*Heidi Hill, Montrose*



### Ingredients:

6 medium potatoes; peeled & cut into 1/2" cubes  
1 chopped onion  
2-3 stalks of celery, chopped  
2 carrots, chopped  
1/4 c butter  
1 tbs parsley  
1 tsp pepper  
1 tsp seasoned salt  
1 small jar pimientos  
1 pound Velveeta  
Milk

### Directions:

In large pot, place all ingredients but Velveeta and Milk. Cover with water by an inch. Bring to a boil, reduce heat, and cook until potatoes are tender. Do not drain the water. Add from 1/4 to 1 pound of Velveeta. It is salty so taste as you go. Add milk to desired consistency.

### WE'RE IN NEED OF YOUR RECIPES!

Submit your best recipe, along with your name, address and photo of your dish, to [communications@dmea.com](mailto:communications@dmea.com)

If we print your recipe, you win a \$25 gift card.