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Finding the Value of Electricity

Today, cell phones and personal digital devices are a part of our culture. Everyone, it seems, is connected on the go whether they're just making phone calls, text messaging or checking e-mail. Such communication freedom is a luxury we pay for, generally without grumbling.

So why is it that when it comes to electricity -- a necessity in our modern world -- many of us grumble and complain when the electric bill comes every month? We expect electricity to be there at the flip of the switch, and when it's not, we get frustrated.

I'm no different. I expect the lights to come on every time, too. And as the CEO of Poudre Valley Rural Electric Association, Inc. (PVREA), I have a special responsibility to make sure your electric service is safe, reliable, and affordable. But I also believe that when compared to other commodities, electricity remains a great value. For example, over the past 10 years gasoline has shot up 10.9 percent, on average, every single year according to the U.S. Bureau of Labor Statistics. Residential propane price increases averaged 9.1 percent between 2000 and 2010. A loaf of white bread has increased 4.2 percent annually and a dozen eggs 6.5 percent per year.

In comparison, electricity has increased just 3.7 percent a year nationally for the past decade. When you consider how reliable electricity is, the value goes up even more. PVREA members experience, on average, only one outage every three years for a duration of about 31 minutes -- something we're proud of, considering electricity is a 24-hour-a-day commodity. Of course, we're working hard to reduce even those brief interruptions, increase our service reliability and control costs through innovative technology.

At Poudre Valley REA we work very hard to keep your electricity affordable. In a recent residential rate study we ranked as the fourth lowest out of 24 Colorado electric utilities in the cost of power to our consumers. This is an even greater value when you consider the many capital projects we have undertaken to improve the reliability of our system and invest in new technology for better customer service and reduced expenses.

Those cell phones I mentioned earlier? Nearly a third of all U.S. households have four electronic devices, such as cell phones, plugged in and charging, according to the Residential Energy Consumption Survey by the U.S. Energy Information Administration. In the past 30 years, the amount of residential electricity used by appliances and electronics has increased from 17 percent to 31 percent. More homes than ever use major appliances and central air conditioning. Digital video recorders, computers, and multiple televisions have become ubiquitous.

Clearly, our appetite for electricity shows no signs of slowing down. So the next time you flip a switch, use your toaster, or run your washing machine, remember the value electricity holds. And know that we at PVREA are looking out for you by working together to keep electric bills affordable, controlling costs through innovation, and putting you, our members, first.

I look forward to visiting with you again!

Brad Gaskill

CEO, Poudre Valley Rural Electric Association

Poudre Valley REA Hosts Elected Officials at Breakfast Meeting

Poudre Valley REA hosted a meeting for local elected officials on June 28 at the Embassy Suites Conference Center. The event was created to thank the community's elected representatives for their service to the people of Colorado and share several new programs the co-op is involved in that have regional interest.

The guest list encompassed Congressional and State Representatives, County Commissioners, local Mayors and others. In attendance were: Colorado State Senators Kevin Lundberg and Bob Bacon, Representatives John Kefalas and Randy Fisher, Windsor Town Manager Kelly Arnold, Milliken Mayor Jane Lichtfuss and representatives from Senators Udhall and Bennet and Representative Cory Gardner's offices.

PVREA Board President Jack Schneider commented, "So many of the issues that impact the cost of electricity are addressed in Washington and the Colorado statehouse."

Some of the issues discussed included major construction projects underway at the co-op, deployment of the new advanced metering system on the PVREA grid, the impact of proposed legislation on the energy sector and renewable energy projects the co-op is partnering in including the new hydroelectric plant at Carter Lake.

Poudre Valley REA CEO, Brad Gaskill, said afterward, "It is critical that enterprises like PVREA work closely with our elected officials as we focus on the economic vitality of the Northern Colorado community."

PVREA Sponsors Local Events

As part of our commitment to the communities we serve, your co-op is co-sponsoring many events this summer and fall and we encourage you to join in the festivities.

The Loveland Summerfest was held in July but many other events are scheduled for August, beginning with the Larimer county Fair and Rodeo August 5-9. There are discounts for all PVREA members for \$3 off admission to the Sunday night PRCA rodeo. Coupons were mailed in every electric bill but

if you can't find yours just drop by the office for another.

Also in August is the Loveland Corn Roast Festival on Saturday the 27th followed by Windsor Harvestfest on September 3, 4 and 5 and Evansfest on September 10.

Finally this year we invite you to join us at the Sustainable Living Fair on September 17 and 18 at Legacy Park in Fort Collins.

New Key Accounts Rep Joins Poudre Valley REA



James Pratz has been hired as the new Key Accounts Representative at Poudre Valley Rural Electric Association. Pratz was previously

Director of Energy Services for Freeborn-Mower Cooperative Services in Albert Lea, Minnesota. Prior to that he worked at Farmers Electric Cooperative in Greenville, Texas as the Member Services and Marketing Manager and has spent a total of 16 years working for rural electric cooperatives.

"It will good to get Jay on staff and start to review our Key Account program to provide more support for our Industrial and Commercial members," said Myles Jensen, Member Services and External Affairs Manager. "I believe the Poudre Valley REA will benefit greatly from having Jay and his years of experience."

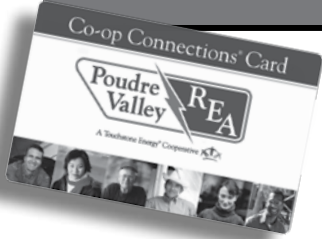
CARE Program Could Save You Hundreds of Dollars

The Poudre Valley REA CARE Fund program has been expanded to include more homes and even rentals. Go online at www.pvrea.com/CAREfund today to see if you qualify for FREE home energy efficiency improvements like insulation and more.



PVREA Board Vice President, Thaine Michie (standing) speaks with Senator Kevin Lundberg. Also at the table, from Senator Lundberg's left are James Thompson, Regional Director for US Senator Michael Bennet, CO Senator Bob Bacon, Milliken Mayor Jane Lichtfuss, PVREA Directors Keith Croonquist and Jim Fender, Windsor Town Manager Kelly Arnold and PVREA CFO Jeff Wadsworth.

Co-op Connections®



Co-op Connections Adds MORE Local Stores

Your Co-op Connections Card is now welcomed at many LOCAL retailers in addition to pharmacies. Here is a sampling of the offers available near you. Visit www.pvrea.com for a full list and more details. And remember, we're adding more great deals every week!

T&T Tire

5% Off on set of 4 new tires

(Not valid with other offers)

728 Main St, Windsor

(970) 686-6035

Family Fitness

\$30/mo + No Enrollment Fee

257 Johnstown Ctr Dr Johnstown

970-587-8383

Perfect Temp Heating

\$69 Precision Tuneup

(Reg \$89, Furnace OR A.C.)

2387 W. 8th Street, Loveland

(970) 663-4993

perfecttemp HVAC.com

Big City Burrito

Free Drink

w/purchase of a burrito

1550 Main St, #106, Windsor

(970) 674-5144

bigcityburrito.com

Bob Behrends Roofing

\$500 off any full roof

(\$5,000 roof or more)

614 5th Ave., Greeley

970-395-0406

bobbehrendsroofing.com

Novus Auto Glass

Free Wiper Blades

w/Install of New Windshield

7704 S College Ave., Ft. Collins

970-593-1234

ftcollins.novusglass.com

Scrap 2 It

10% Off All Paper

1833 E Harmony Rd, Ft Collins

970-797-2174

Anytime Fitness

\$29/mo + No Activation Fee

1559 Main St., Windsor

970-674-3304

anytimefitness.com

Camelot Cleaners

20% Off

3 Fort Collins Locations

725 S Lemay 970-484-2941

2649 E Mulberry 970-419-8700

2608 S Timberline 970-377-264

camelotcleanersfc.com

Super Shuttle

\$5 Off One Way

\$12 Off Round Trip

Airport Shuttle

(Use Code #5F4HM)

4414 E Harmony, Fort Collins

(970) 482-0505

supershuttle.com

Riverview RV Park

10% Off

2444 River Rim Rd, Loveland

(970) 667-9910

riverviewrv.com

Tortuga Bay

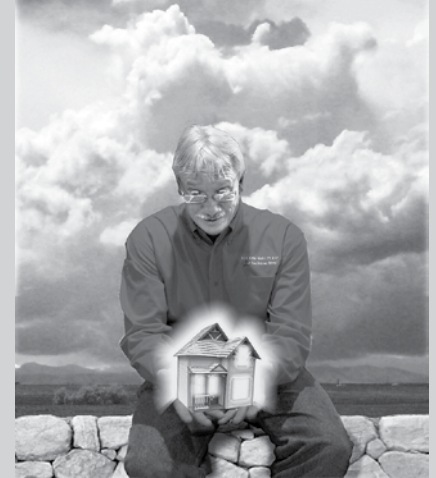
10% Off Any Regular Price Item or Course

760 East Garden Dr., Windsor

(970) 686-6007

windsorguardianselfstorage.com

Visit www.pvrea.com for a complete list of businesses



Call Today for a Home Energy Audit Before Cold Weather Arrives!

Winter is just around the corner.

That means it's time to take measures to save energy, and money, before the cold settles in. At Poudre Valley REA we have just the man who can answer all your energy questions.

He's **Gary the Energy Guy**.

Gary is the Certified Home Energy Auditor at Poudre Valley REA. He has many certifications and years of experience in energy conservation. Gary knows exactly how to help folks reduce their energy bills. And he's as close as your telephone.

So give Gary a call today at 282-6464.

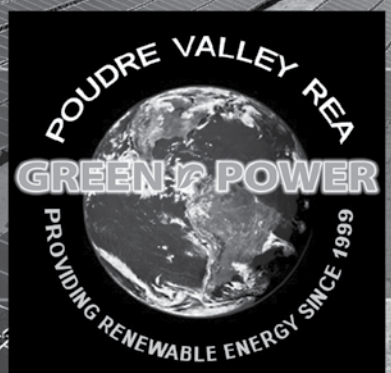
Every minute you delay is costing you money!

In 2010 Poudre Valley REA members purchased more than 18 million kilowatt-hours of renewable energy, from sources like the Cimarron1 solar farm pictured here, through the co-op's Green Power program. Today the average household can go 100% green for less than one dollar per month.



www.pvrea.com

SIGN UP FOR THE POUDE VALLEY REA GREEN POWER PROGRAM FOR AS LITTLE AS 9¢ PER MONTH 970.226.1234





\$2,200,000 Capital Credits Returned to Members

This year your board of directors has approved the retirement of \$2.2 million of allocated capital credits from 1998, 1999 and 2010. Consumers who received service from Poudre Valley REA in those years, and have accumulated credits of \$25 or more, will receive a check in the mail in September.

As a consumer-owned co-op Poudre Valley REA operates on a non-profit basis, so any margins (profits) are allocated to each member in proportion to their patronage, or how much revenue they provided. These funds are called capital credits and are held in the member's name until the board of directors determines that the association's financial condition will allow retirement.

Now, perhaps it's unusual for a utility to send checks to its customers but that's one of the things that makes

an electric cooperative different from investor-owned companies. We are not in the business of making a profit. In the last ten years, alone, your co-op has refunded nearly \$20,000,000 in annual capital credits. The welfare of our members is our primary concern. So, at a time when economic conditions are tough, your association is working very hard to hold the line on costs and, in the true spirit of cooperative ownership, is returning a part of your equity investment in the association back to you.

The refund of profits to consumers is one difference that sets cooperatives apart from investor-owned utilities. Because our first concern is for the best interests of every member our emphasis is on providing the highest level of service at the lowest possible price. We bring electricity to homes and ranches where for-profit companies refuse to go and do it with exceptional service and affordable rates.

Students Spend A Week In Nation's Capitol



Madi Book recently represented Poudre Valley REA at the Electric Cooperative Youth Tour program in Washington, D.C. She spent a week in our nation's capitol with 24 other high school students from Colorado electric cooperatives. Each June, an action-filled week provides a first-hand opportunity for young people like Madi to discover what it is like to be involved in politics, community service, and the energy industry.

Students started the week long trip by learning about co-ops and electricity, touring the Colorado state capitol, and meeting with state senator Shawn Mitchell. In Washington they had many questions to ask during their meetings with Senators Udall and Bennet and Representative Cory Gardner. Seeing the memorials of those who fought for the freedoms we enjoy today is another important part of the trip. Also important is meeting new people representing co-ops from across the nation. Imagine a ballroom with over 1,500 students cheering for their state. (Winner: Stephanie Gallegos)

Since 1964, the nation's cooperative electric utilities have sponsored more than 40,000 high school juniors and seniors for visits to their U.S. congressional delegations, energy and grassroots government education sessions, and sightseeing in Washington. For more information about the Electric Cooperative Youth Tour Program, please visit <http://www.youthtour.coop>.

The Washington Youth Tour is the experience of a lifetime. For more information on how you can participate contact Mark Daily at 970-282-6463 or visit the association website at www.pvrea.com/community/youthtour.

Thank you so much for the opportunity to go on the Washington Youth Tour. I met so many wonderful people, learned so much about our nation's capitol, and made many memories that will never be forgotten. I want to thank Poudre Valley REA for sponsoring me to go on such a great trip.

Sincerely,
Madi Book