

# NorVal News

August 2023

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#### **NorVal Electric Cooperative Directors**

- District 1 Kevin Nelson 724-3202
- District 2 Sam Gundermann 724-3405
- District 3 Rick Molvig Vice Pres 367-5328
- District 4 Chris Christensen 364-2367
- District 5 Rick Stahl 762-7162
- District 6 Ron Reddig President 392-7925
- District 7 Rocky Kittleson S/T 263-1510

Your Touchstone Energy<sup>®</sup> Cooperative XXX This institution is an equal opportunity provider and employer.



NorVal Electric will be closed Monday, September 4 in observance of the holiday.



We want to wish all of the students, teachers and parents a great 2023-2024 school year!

## **Factors That Impact Electricity Prices**

Inflation has impacted everything from the price of gas to the price of eggs, and the costs of fuels required for electricity have also risen. While there is no short answer, there are a few key elements that impacts electricity prices, rates and energy bills. Some of those factors NorVal can manage, some of them you can impact and some of them are beyond our control.

There are three primary parts of your monthly bill: a base charge, an energy consumption charge (kWh) and a demand charge (kW). To understand your total energy costs and what impact your bill, here is a breakdown of each piece.

#### Base Charge

First is the fixed monthly base charge. This cost is the same for every member and costs are shared equally across the membership. Our base charge covers the cost associated with providing reliable electricity to your service with us. This includes equipment, materials, labor and operating costs necessary to serve each meter in NorVal Electric's service territory, regardless of the amount of energy used. In order to ensure the reliable service you expect and deserve, we must maintain the local system, including power lines, substations and other equipment.

#### Consumption Charge (kWh)

Another component of your bill is the consumption charge (kWh), which covers how much energy you consume. You've likely noticed the amount of energy you use can vary from month to month, this is typically impacted by the extreme temperatures we experience in Northeastern Montana. When the temperatures soar or dip, you're cooling and heating equipment works harder to keep your house at the temperature you like, which increases your home energy use. Regardless, energy consumption is an area that you have some control over, and you can lower your monthly bill by actively reducing your energy use. Your thermostat is a great place to start, so be sure to keep it close to 78 degrees during the summer months. **Demand (kW)** 

The last component of your bill is the demand charge (kW). Demand is a charged based on the amount of energy consumed in a 15-minute period. You may be wondering what causes you to have higher demand. Well, let's say you come home and you turn on the lights, you have clothes that need to be washed and dried at the same time and while your oven is preheating, you do a quick vacuum. In this 15-minute time period, you are needing a lot of power, this is where your demand charge will become very high. If you can space these tasks out, your demand charge will be lower, which will also lower your power bill.

In December, we had a rate increase which affected our demand charge. Like many other businesses, NorVal has experienced supply chain issues and steep cost increases for some of our basic equipment. For example, for an overhead transformer (which looks like a long metal can at the top of a power pole) costs went from \$1,000 in 2021 to \$2,100 this year and for an underground transformer (which looks like a metal green box) it went from \$2,300 in 2021 to \$4,300 this year. Wait times to receive this essential piece of equipment are now up to 208 weeks. Since we are a not-for-profit cooperative, some of these expenses must be passed on to our members.

Hopefully, this information and break down of the charges sheds light on some of the factors that impact electricity prices. While we can't control the weather and the rising costs of fuels, please know NorVal Electric is doing everything possible to keep internal costs down.

We're here to help you too. If you have questions about your energy bill, give us a call in the office. For tips on how to save energy at home, visit our website or check out our Facebook page.

#### **Nick's Notes** By Nick Dulaney, Line Superintendent

Summer is quickly coming to an end. I can't believe how fast this summer has gone, but we are going to take advantage of the nice weather while we can.

The crews are hoping to complete two overhead to underground services; one on the Copenhaver line going from Vandalia to the rest stop on Highway 2, and one on the Jellum line East of Glasgow near Hansen Road. Our operations team, Joe and Christina, have also been working closely with the Fort Peck Tribes to get a new community center built in Frazer.

The crews have been working most of July on the Lenz Road, South of Glasgow, putting in a 3-phase line to service more pivots. With construction season winding down, we will be starting to plan and order material for next year. I continue to be blown away at how much we are able to accomplish with low supplies and the lead times being out so far. We appreciate everyone's continued patience and understanding with these crazy times.



# NorVal Electric Welcomes New General Manager



Pictured left to right: Big Flat's Board President, Alan Wasson NorVal & Big Flat's General Manager, Gretchen Boardman and NorVal Electric's Board President, Ron Reddig.

NorVal Electric welcomed Gretchen Boardman as the new General Manager. After 22 years in the mining industry, Gretchen moved back to her home town of Malta where she has managed Big Flat Electric Cooperative for seven years. As of July 1st, she began comanaging Big Flat and NorVal Electric.

"One of my favorite Cooperative Principles is Cooperation Among Cooperatives," said Boardman. "By choosing to helm a second Montana co-op, I look forward to helping the members and staff in whatever ways I can."

Big Flat and NorVal Electric have much in common: both are notfor-profit cooperatives in rural Montana and neither has a large industrial load. Gretchen emphasizes that this is not a merger nor will any jobs be displaced. Gretchen also stated, "NorVal needs a manager, and I am happy to step up to the challenge."

Going forward, NorVal Electric and Big Flat Electric will continue their day-to-day business with their members, and Boardman's role will be to help each utility continue to follow the Cooperative Principles.

# CELEBRATE CO-OP MONTH IN OCTOBER! **MOVIE NIGHT: GRAB A MOVIE VOUCHER FOR** WEEK FOR A **VALLEY CINEMAS!** 7-5 SOUP BAR COME IN FOR A HOT BOWL OF SOUP! h Br **DONUT DAY:** GRAB A SWEET TREAT AND A CUP OF **COFFEE OR CIDER** 2 - 4ANNUAL **MEETING: OPHEIM HIGH SCHOOL** -REGISTRATION 4:30 -DINNER 5:30 TRICK-OR-TREAT: -MEETING 6:30 **BRING THE KIDDOS IN FOR GOODIES!** 3:30-5:30 ALL MONTH LONG **COME IN OR COMMENT ON FACEBOOK TO** CHECK **GUESS HOW MANY** FACEBOOK TO CANDIES ARE IN THE JAR FOR A CHANCE TO WIN SEE WHO A \$50 BILL CREDIT!

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