

WILDFIRE MITIGATION UPDATES

Amid forecasts of hot and dry conditions heightening the risk of wildfires this summer, Kootenai Electric Cooperative (KEC) continues to take proactive steps to mitigate fire risk. Over the past few summers, we have communicated with members during times of elevated fire danger when the cooperative modifies the electrical system to turn off automatic re-energization when a fault occurs. While those efforts will continue, you have likely also heard about Avista Utilities' Public Safety Power Shutoff (PSPS) plan, designed to minimize wildfire risks by strategically cutting power during extreme weather conditions as an option of last resort. Learn more about their plan: www.myavista.com/safety/were-doing-more-to-protect-against-wildfires/public-safety-power-shutoff.

In this article, we will share more information about these plans and how they may affect you. As KEC remains vigilant, we urge members to stay informed about these measures and prepare for possible power disruptions, regardless of the cause. If you cannot be without power, it's important that you plan now for how you will obtain power backup. If possible, have a backup battery, generator, solar or alternate electrical resources. Please note: for the safety of KEC employees and the public, we track where backup generators are installed on our system and request all members who have installed generators call KEC at 208.765.1200.

About KEC's Wildfire Mitigation Plan

During dry weather and high winds, there is a risk that wildfires will cause damage to power lines resulting in the disruption of power. Furthermore, trees, branches and debris can come in contact with energized power lines and other electrical equipment. This too could ignite a wildfire. KEC continues to implement its wildfire mitigation plan which outlines a methodical approach to protecting its electrical system from wildfires and preventing its infrastructure from starting one. As part of this plan, KEC monitors current fire conditions and weather reports, such as "red flag warnings" issued by the National Weather Service. During times when fire danger is high, the cooperative modifies the electrical system to turn off automatic re-energization when a problem or "fault" occurs. When automatic reclosing is turned off, all faults, which can be caused by lightning, heavy winds, trees or branches falling on lines, vehicles colliding with poles, wildlife and more, will result in a sustained outage. When this occurs, KEC crews must fully patrol the line prior to restoring power.

Other weather conditions require more proactive measures of fire mitigation. For instance, during red flag conditions, KEC strategically and preemptively deploys line crews throughout our service territory. By doing this, our crews can quickly respond to outages, assist first responders and monitor weather conditions and electrical system operations in real time. Should those conditions necessitate the preemptive disruption of power through a PSPS, this input will be crucial to ensuring their scope is well-justified.

KEC's Multi-Pronged Approach to Prevent Wildfire

KEC's approach to preventing fire doesn't stop there. We also invest heavily in vegetation management, which protects the reliability of the electric system and mitigates wildfire risk by focusing on the identification and removal of hazardous trees as well as the pruning of vegetation that interferes with the cooperative's distribution lines. In 2023, 110 miles of power line right-of-way was cleared, and numerous hazardous trees were removed.

We are also reducing wildfire risk and improving reliability through overhead to underground power line conversions. Last year, KEC received a FEMA grant to convert 23 miles of overhead power lines in the Spirit Lake East subdivision to underground. The grant we received will fund 90 percent of this project's cost.

Finally, fire mitigation isn't something we plan for only in the summer, KEC also invests heavily in advanced technologies, **Article continued on the third page.**



Regional Power Supply



Doug Elliott

Happy summer. I hope you are enjoying the amazing weather and have made plans to make the most of it. In this month's informational article about the utility industry, I'd like to shift our focus from power supply and transmission to a facet of utility operations that is easy to take for granted. That is utility planning and the crucial role it plays in operating efficiently and avoiding risk. Let me set the stage.

When you see a KEC line crew installing a new power line alongside a roadway, you are most likely witnessing the culmination of a multi-year planning process. The line being installed will be in service for decades to come. It will be exposed to harsh changes in weather and the materials used must be able to survive without failure. The line also needs to be able to meet the demands placed on it today and well into the future. It's uneconomical to construct an expensive line today only to upgrade it in a few short years due to load growth. On the other hand, it's similarly uneconomical to overbuild a line with capacity that will never be used. Ensuring that the construction of new lines is timed right, located and sized correctly, constructed with the right materials and subjected to the proper maintenance demands a very thoughtful choreography and continuity of planning, including:

- **The Load Forecast:** Foundational to planning is understanding load and load growth. Long-term load forecasting is performed to help inform everything from future power supply requirements, sizing and location of substations, and whether existing lines have ample capacity. The product of the effort is a forecast of future loads under several scenarios which create a range of outcomes that inform several studies and utility processes. Long-term load forecasting therefore underpins almost every other planning endeavor of the cooperative. It typically looks 10 or more years into the future and is updated annually.
- **The Long-Range Plan:** About once a decade, the cooperative's engineering group prepares a long-range plan. This plan analyzes our current electrical system's ability to serve the most extreme load growth envisioned by the load forecast with load that may be experienced 10 years in the future. By modeling the current system in this manner, engineering can "see into the future" and predict when and where future substations, major power lines and other significant investments will be needed.
- **The Construction Work Plan:** More frequently, the engineering department conducts an analysis very similar to the long-range plan except that only five



years of load growth under anticipated conditions are applied to identify areas on the system where the current electrical system does not perform in accordance with acceptable standards. This includes lines where voltage falls below the minimum acceptable performance threshold, or the load being carried by a piece of equipment is approaching its capacity or rating, and whether the system can be reconfigured to continue serving load in the event of the failure of any component.

Once these situations are identified, the engineers analyze several ways to correct each. Each alternative is evaluated for cost and compared to the Long-Range Plan to ensure that the approach takes into consideration the longer term needs envisioned in that plan. The most economical and effective way of correcting the issue is selected. Then, the engineers determine when the work needs to be completed so the problems identified through the analysis do not materialize in the current and subsequent five-year work plan period. The product of this study is a listing of construction projects that are necessary in each of the following five years, the anticipated cost for each and the total cost of construction determined necessary.

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- **Maintenance Planning:** It's equally important to ensure that currently installed facilities are well maintained. To ensure that happens, the cooperative prepares a System Maintenance Plan, a Vegetation Management Plan, a Wildfire Mitigation Plan and others. The plans specify the actions the cooperative needs to take annually as well as the costs associated with those efforts.
- **Financial Forecasting:** Armed with the product of these other analyses, the cooperative's finance department prepares a 10-year financial forecast. This forecast evaluates the capital requirements of operations over the next 10 years and how effectively rates cover those costs. This forecast also informs the cooperative of when new long-term debt may need to be secured. From this financial forecast, we sometimes identify years where capital spending is inordinately higher than other years and produces budgetary challenges or creates rate strains. In these situations, finance and engineering return to the drawing board to explore how construction plans can be revised to avoid those strains. We call this "iterative planning."
- **Human Capital Planning:** The effective execution of all these plans requires we maintain a workforce that is appropriately sized, skilled and organized to do the work. To ensure this occurs, our human resources department in collaboration with managers and supervisors throughout the workforce, prepares and maintains a succession development plan, a leadership development plan, staff training plans and a compensation analysis.

- **Budgeting:** Annually, the cooperative prepares a budget that relies on all of these studies. The cooperative then lives by that budget.

While the studies and plans listed above are the most evident and tangible examples of utility planning, they really reflect the tip of the iceberg. Many other supporting plans are developed behind the scenes which also play an important role. As a case in point, it probably comes as no surprise that utilities are risk averse. So, we have a plan that assesses every conceivable risk the cooperative faces and cross-references those risks with every activity the cooperative engages in to mitigate that risk, with many of the studies listed above serving in that capacity. Then, those mitigating factors are assessed to determine if they are reasonably sufficient or if additional measures need to be taken.

In closing, I'd like to leave you with this perspective. There is nothing haphazard about utility operations and those in our industry have a passion for planning. We must. The consequences of inadequate planning can result in unnecessary service interruptions, avoidable costs and even the loss of life. Understandably, we have no tolerance for those outcomes and work tirelessly to avoid them. So, the next time you drive past a new line under construction, recognize that this line was likely the product of a planning effort years in the making and involved engineers, accountants, human resources, IT, line crews, mechanics, member service reps, purchasing agents and many others.

FIRE MITIGATION CONTINUED

including a Supervisory Control and Data Acquisition System (SCADA), which provides valuable, real-time indications of equipment status to engineering and operations staff at the KEC headquarters.

How KEC Members May Be Affected

You might be wondering how Avista's PSPS plan could affect you. First, a little background: as a distribution cooperative, KEC purchases most of the power it sells to members from the Bonneville Power Administration (BPA). That power is delivered to KEC over transmission lines that belong to BPA and Avista.

For this reason, there is always the potential that power disruptions initiated by BPA or Avista could affect KEC members. This is especially true if one of BPA's or Avista's transmission lines that provides power to one of our substations is affected by a PSPS. In these situations, the duration of the power interruption to KEC members will be dictated by the duration of BPA's or Avista's PSPS.

In addition, due to the proximity of some of KEC's and Avista's power lines, both organizations may face the same circumstances regarding wildfire mitigation. It's important to note that PSPS are an option of last resort

and KEC would only use them as such.

If a PSPS occurs, it would only affect selected areas where the danger is the highest, not the entire KEC grid. While we understand this is unfortunate, we are supportive of its appropriate use and may find ourselves in a similar position if weather conditions are severe. Members are more likely to be affected by a PSPS if they live in rural or wildland areas.

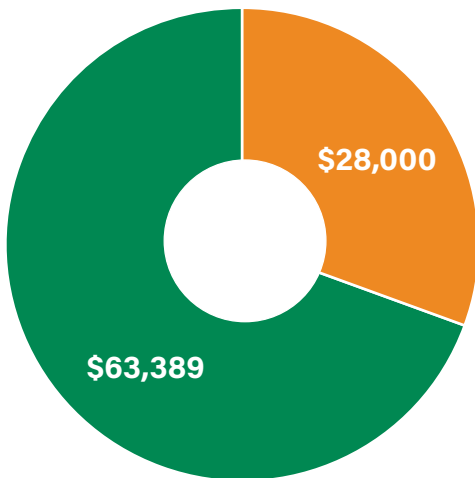
Please know that our efforts are rooted in safety, and we will do our best to ensure that PSPS are infrequent and used as a last resort. And should a PSPS be deemed necessary, we will do our best to provide members with ample notice. If used, members should view them as the only option the cooperative had to keep its electrical infrastructure and the public safe.

Safety and Preparation Reminders

As a reminder, KEC cannot guarantee uninterrupted electric service or priority power restoration. Please review tips for safety and power outage planning for those who rely on electricity for medical needs at www.kec.com/safety.

2023 OPERATION ROUND UP® ANNUAL REPORT

COLLECTED FUNDS:
\$97,280



AWARDED FUNDS:
\$91,389

■ Scholarships ■ Grants

Independent accountant's report conducted by Magnuson, McHugh & Company, P.A.

A sampling of 2023 grants:

- \$7,500 to KEC's Project Share program. These funds are available to KEC members who qualify for help paying their energy bills.
- \$2,500 to the Post Falls Food Bank to help support their operations including fuel, maintenance and vehicle repairs.
- \$2,500 to Habitat for Humanity of North Idaho for their home repair program, which is offered to low-income homeowners in Kootenai County to assist with providing interior and exterior repairs.
- \$2,500 to the Hayden Senior Center to help with the cost of their van service.
- \$2,388 to Lakeland Middle School to purchase of portable radios for safety and security.
- See more at www.kec.com.

Thank You to the Trust Board

Jay Baker
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Jessica Bacon Wourms
Secretary/Treasurer
District 2

Dan Green
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Connie Sumner-Kaupp
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District At-Large

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District At-Large

Members who choose not to contribute to Operation Round Up® or who would like to begin contributing may simply opt out or opt in on their bill or contact KEC by phone, letter or email.

ATTEND THE MEMBER APPRECIATION EVENT

Please join us for KEC's Member Appreciation Event on Saturday, September 7, between 10 a.m. and 2 p.m. at Bluegrass Park at 6071 N. Courcelles Pkwy. in Coeur d'Alene. The event includes free food and gifts, as well as these fun activities for the whole family:

- Inflatable slides and bungee trampolines
- Safety demonstrations
- Bucket truck rides
- Music with a DJ



If you have any questions, please contact us at kec@kec.com or 208.765.1200.

KEC BOARD MEETINGS

Members are welcome to attend monthly board meetings. Meeting dates vary—please call Constance Felten at 208.292.3211 for details.

HOLIDAY OFFICE CLOSURE

The KEC office will be closed on September 2, in observance of Labor Day. KEC's normal business hours are Monday to Thursday, 7 a.m. to 5:30 p.m., closed Fridays. To make payments 24/7 visit www.kec.com.

WIN A \$50 ENERGY CREDIT

Below are 10 KEC account numbers. If you find yours contact us at 208.765.1200 to receive a \$50 bill credit.

1845019, 1841917, 1633465, 1324283, 1852685, 1837723, 1832258, 1348983, 1863347, 1757275