



WATTS UP

QUARTERLY NEWSLETTER FALL 2023

OVERTON OFFICE

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MESQUITE OFFICE

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OFFICE HOURS

Monday thru Friday
8:00 a.m. - 4:30 p.m.
Closed 12:00 pm—1:00 pm
Visit us online at
www.opd5.com

UPCOMING BOARD MEETINGS

November 15 2023
3:00 p.m.
Overton Office
Board Room

December 13, 2023
3:00 p.m.
Mesquite Office
Engineering Building
Board Room

Board meetings are subject to change. Please check our website, Facebook, Instagram or Twitter the day prior to the meeting for a copy of the agenda.

Quarterly Check Up

By MeLisa Garcia, Manager of Financial Services

Key Performance Indicators (KPIs) are vital in the power industry to monitor, assess, and optimize operations. They help to ensure reliable energy is provided to our customers while monitoring costs and efficiencies.

Each year National Rural Utilities Cooperative Finance Corporation (CFC), a national financing organization for rural utilities receives yearend financial statements from approximately 360 cooperatives and distribution districts across the US. They return to each of these entities a Key Ratio Trend Analysis. This report provides 145 different KPIs with a 5-year history for us to trend against both Nevada utilities and utilities our size across the nation. We use these ratios for both our strategic planning and financial presentations to ensure we are meeting or exceeding our goals.

Let's look at some of the ratios that show the financial strength of OPD5. Modified Debt Service Coverage is a measurement of our ability to generate sufficient operating funds to cover our cash requirements for long-term debt service. A ratio of 1 would indicate we are generating only enough cash to cover our principal and interest payments on LTD. Our MDSC is 3.10 for the year. Equity as a % of assets is 62.12%. A high equity ratio is an indication that the District has financed plant additions primarily with internally generated funds. A low ratio could indicate that the District has utilized long term debt capital to finance most of its plant additions and replacements. Both ratios are within our strategic goals and initiatives and meet all the loan covenants for our long-term debt.

Long term debt as a percentage of assets is at 32.93%. The median for the state is 25.32% and the median for utilities our size across the nation is 44.11%. We plan the timing of those capital borrowings and infrastructure growth on both the market and need in our service territory. We report an average consumer growth of just under 3% for the past 5 years with an increase in the total miles of line installed of just under 5%. The Board of Trustees and staff know that meeting future growth demands take planning and a measured approach. We work in 5, 10, and 20 year timeframes to ensure we are prepared to meet future customer needs.

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WATTS UP

Quarterly Check Up (Continued from Page 1)

We measure fixed and controllable expenses per consumer. Fixed costs include purchased power, depreciation, and interest on long term debt. We report \$1,489 in fixed costs per consumer, the median for the state is \$2,400 and the median for the nation is \$1,960. Controllable expenses include all discretionary spending such as payroll, operation, and maintenance, administrative and general, consumer and sales expenses. OPD5 reports \$413 per consumer. We ranked lowest in the state where the median is \$1,046, and we ranked #33 out of 38 for the cooperative and districts with our consumer size where the median is \$559.

Some of the KPIs for reliability track system uptime by assessing the consistency of power supply. OPD5 reported an ASAI or system uptime of 99.87% for Jan – Dec 2022. We analyze system uptime as well as outage response and restoration. Our goal is to provide reliable service in a safe manner, and we take that goal very seriously every day with planning, preparation, education, and evaluation.

**LIKE US ON
FACEBOOK, FOLLOW US
ON TWITTER AND
INSTAGRAM @OPD5**

Our Facebook page and twitter feed are valuable resources to provide our customers with news and updates whenever an unplanned power outage occurs.

You can access both thru our website, they are setup in a way that does not require you to have a Facebook or twitter account to view the information.

We also post great tips on energy conservation, safety and emergency preparedness on Instagram.

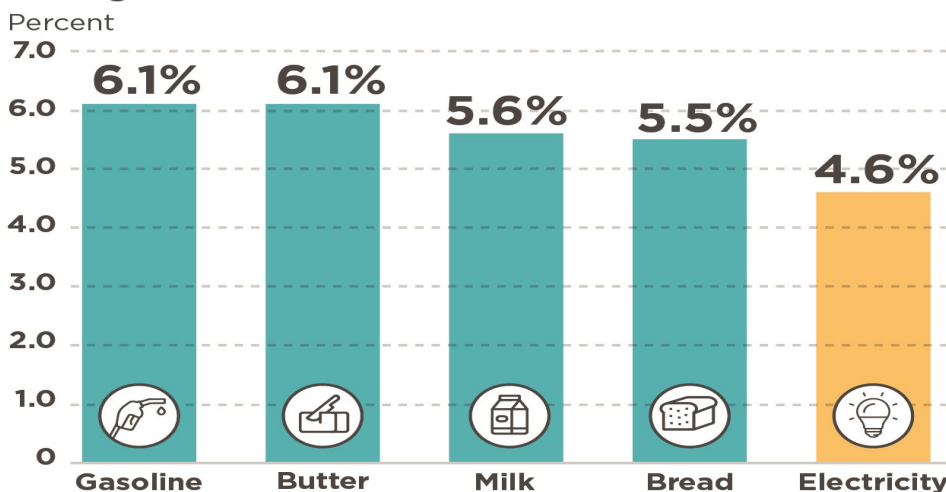
Please remember, in the event of a power outage, do not report it via Facebook or twitter, we can't guarantee the delivery of messages received via social media to the right personnel in a timely manner.

In case of an unexpected power outage, please call us at (702)397-2512 or (702) 346-5710. OPD5 has personnel on standby 24 hours a day, 7 days a week, 365 days a year, including weekends and holidays to respond as quickly as possible in the event of an emergency.

ELECTRICITY REMAINS A GOOD VALUE

Although inflation has led to increasing costs in many areas of our lives, the cost of powering your home rises slowly when compared to other common goods. Looking at price increases over the last five years, electricity remains a good value.

Average Annual Price Increase 2017-2022



Source: U.S. Bureau of Labor Statistics
Consumer Price Index

Follow us on:



Five Ways to Safeguard Your Home This Winter

As the temperatures drop and the days grow shorter, there's a natural inclination to create a warm and cozy haven at home. Unfortunately, as we see increased use of heating equipment, candles and electrical items, the number of home fires tends to increase during winter months.

Here are five ways you can safeguard your home for the winter season.

Ensure carbon monoxide and smoke detectors are working properly. If your detectors are battery-operated, replace the batteries annually. Test the detectors once a month and give them a good dusting to ensure the sensors are clear of dirt and debris.

Inspect electrical cords. We depend on more cords during winter, whether for holiday lighting, extension cords or portable heaters. Before using any corded items, double check to make sure cords aren't frayed or cracked. If you use portable space heaters, remember to keep them at least 3 feet away from flammable items. Use models that include an auto shut-off feature and overheat protection. Space heaters can take a toll on your energy bills. Use them efficiently (to heat smaller spaces) and safely. Never plug a space heater into a power strip. Speaking of power strips...

Avoid overloading electrical outlets and power strips. When overloaded with electrical items, outlets and power strips can overheat and catch fire. If you use power strips for multiple devices, make sure the strip can handle the electrical load. For a safer bet, look for power strips that include surge protection.

Clean the fireplace to improve safety and efficiency. There's nothing better than a warm fire on a chilly night, but it's important to maintain your fireplace for safety. As wood burns, a sticky substance known as creosote builds up in the chimney. When creosote buildup becomes too thick, a chimney fire can ignite. The chimney should be cleaned at least once a year to reduce fire risks. Regular cleaning also improves air flow and limits the amount of carbon monoxide that seeps indoors.

Practice safety in the kitchen. As we spend more time in the kitchen during the holiday season, be mindful of potential fire hazards. Never leave food that's cooking on the stovetop unattended. Clean and remove spilled foods from cooking surfaces and be mindful of where you place flammable items like dish towels.

OPD5 wants you and your family to stay safe during the winter season.

OPD5 offices will be closed for the following holidays:

November 10th—Veteran's Day

November 23rd—Thanksgiving

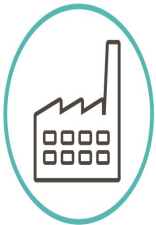
November 24th —Family Day

December 25th—Christmas

4 KEY FACTORS

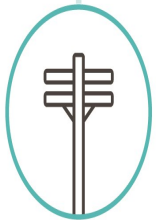
That Impact Energy Bills

You pay for the electricity you consume each month, but there are additional factors that impact your energy bills.



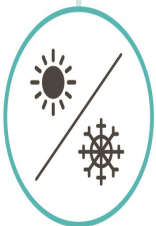
Fuel Costs

Before electricity can be delivered to your home, it must first be generated at a power plant or from a renewable source. The cost of fuels used to generate electricity fluctuates, which is why you see a power or fuel charge on your monthly bill. This monthly charge covers cost fluctuations without having to continually restructure electricity rates.



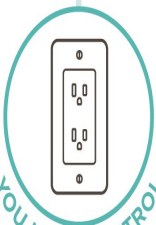
Service Costs

Your bill includes a monthly service charge, which recovers part of the co-op's ongoing investments in poles, wire, meters, system maintenance and additional costs necessary to provide electric service.



Weather

When temperatures soar or dip, your cooling or heating equipment must run longer and at maximum capacity, which can greatly increase your energy use. Extreme temperatures can also affect electricity market prices. When the need for electricity increases due to extreme heat or cold, the price of power typically rises.



Energy Consumption

This is the amount of electricity you use each month to power your home's cooling/heating system, appliances, lighting, electronics and more.

The amount of electricity you consume is measured in kilowatt-hours, or kWh. You have control over how much energy you use, which can ultimately help manage your monthly costs.

YOU HAVE CONTROL

12th ANNUAL FOOD DRIVE



October 30 - November 30, 2023

Since 2010 OPD5 and the schools within our service territory have collected and donated thousands of non-perishable food items to our local food banks. This year, we are joining forces again, as we reach a new milestone in organizing our 12th Annual Food Drive we ask you to help us help someone in need.

You can drop off your items at:

Grant Bowler, Joseph L Bowler, Ute Perkins, Virgin Valley Elementary Schools, Charles Hughes Middle School, Moapa Valley High School or OPD5 offices.

Your donations will benefit:

Cappalappa Family Resource Center &
Virgin Valley Food Bank



Know what's below. Call before you dig.