

SUMMER - 2022

Volume 65 No.3

# HIGHLIGHTS



A Touchstone Energy® Cooperative  
The power of human connections®

**"Owned By Those We Serve"**



## Facts about the grid, Garkane, blackouts and Deseret Power

News reports have circulated in the national press and elsewhere warning of the possibility of electric power blackouts occurring this summer due to extremely hot weather. As we explain further below, the potential blackouts are not expected to interrupt service to Garkane customers; even so, the warnings are worth taking note given the interconnected nature of the electric system in which we operate.

Years ago, Garkane and other rural electric cooperatives joined together to form Deseret Power, which generates bulk electricity to meet the entire power supply needs of Garkane and the other Deseret member systems. Deseret Power has invested hundreds of millions of dollars to build and maintain a fleet of ultra reliable base load generating resources, fueled by

coal, natural gas, hydropower, and tied into the high voltage delivery grid that interconnects the entire western United States.

The western power grid is owned by numerous entities, but it is operated by a central authority which ensures not only that the structures and facilities are properly designed and maintained to deliver energy where it is needed, but also that each electric utility on the grid deposits sufficient energy every hour to meet the requirements of that utility's combined load. (21301)

When a utility experiences a shortfall in electric production, the grid operator enforces rules that require the utility to purchase additional energy on the spot market, potentially at extremely high prices depending on

*See facts, pg. 3*

### PEAK HEAT DAY ALERT

Raise your thermostat a few degrees to help conserve energy.



### Inside HIGHLIGHTS This Quarter



**Board of Director Election Results Pg - 8 -**



**MFP Leadership Camp - Pg. 7 -**

# GET PAID TO READ THE PAPER



## Win A \$25 CREDIT

We have inserted eight randomly selected Garkane Account Numbers in the text of various articles in this month's edition. **If you find your account number**, call Garkane toll-free at 1-800-747-5403 and we'll credit \$25.00 to your account as a lucky winner! Just one more reason to read HIGHLIGHTS.

**There are 8 hidden account numbers located in the text of the newsletter, find your # and win!**

# Calendar

April 22, 2022	<b>Director Elections</b> Ballots Due
April, 26 2022	<b>Board Meeting</b> Loa, UT
April 26,27,28 2022	<b>Annual Meetings</b> Koosharem, Escalante, Colorado City,
May 23, 2022	<b>Board Meeting</b> Hatch, UT
May 30, 2022	<b>Memorial Day</b> Offices Closed
June 27, 2022	<b>Board Meeting</b> Hatch, UT
July 4, 2022	<b>Independence Day</b> office closed

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**Garkane Energy**  
P.O. Box 465  
Loa, Utah 84747  
1-800-747-5403

As the official publication of the Cooperative, the purpose of **this newsletter** is to communicate to members information concerning their electric cooperative.

**GENERAL MANAGER/CEO**  
Dan McClendon

**HIGHLIGHTS**  
Neal R. Brown, Editor

## Garkane Energy Cooperative, Inc.

VOLUME 65 - NO. 2

### **BOARD OF DIRECTORS**

**Ron Cazier** - Koosharem, Antimony  
(435)

**Chad Williams** - Teasdale, Loa  
(435) 425-3213

**Tracy Potter** -Torrey, Bicknell  
(435) 425-3128

**Reed Munson**-Escalante, Boulder  
(435) 826-4422

**Terry Griffiths**-Orderville, Glendale  
(435) 616-1034

**George Thompson** - Cannonville, Tropic, Hatch  
(435) 679-8806

**Andy Gant**- Kanab (Ranchos)  
(435) 689-0348

**Rodney Ence**-Duck Creek Village (435) 682-2526

**William Hammon** -Centennial Park, Big Water,  
Cane Beds (435) 467-1886

**Ray Clark**-Kanab City Limits (435) 689-0174

**Guy Timpson** - Colorado City, Hildale (435) 467-2113

## Submit a photo to the Garkane calendar contest every month in 2022 for a chance to win. Amateurs and professionals wanted

Email [neal.brown@garkane](mailto:neal.brown@garkane) with your best shots throughout the year for a chance to win some prizes and be featured in the year-end Garkane Country calendar. Follow us on Facebook to see the winners each month. We are looking for photos that match the months and seasons, so keep that in mind when submitting. We would like them to be in Garkane's service territory.



Photo by Winnie Fred



Photo by Winnie Fred



Photo by Tom Taylor



Photo by John Slot

### FACTS, *cont...from pg. 1*

conditions. As a last resort, if there is not enough spot energy available, the affected utility will be ordered to de-energize portions of its customer distribution system to bring down the total demand for electricity the utility is taking from the grid. These events — called “rolling blackouts” — have occurred in past years in portions of California when searing temperatures combine with stagnant air and hazy skies, so that wind and solar resources drop off across large regions. During those so-called “generation alerts,” the electric markets could run out of available backup supplies. When this hap-

pens, utilities that attempt to rely too heavily on intermittent resources have been forced to de-energize customers for hours at a time. (10003698)

Deseret Power has never been in danger of running short of electricity; it has never been ordered to cut portions of its load due to a supply problem. In fact, Deseret's resources are more resilient than almost every other utility operating today. It routinely sells power to other western utilities in the spot energy market since the electricity Deseret produces is not heavily dependent on wind and solar, and the quantity of its resources is more than sufficient to meet the combined needs of Garkane and member systems.

The western grid operator has warned that, as more and more base load resources are planned for retirement in western states, some utilities appear to be betting on getting an increased percentage of their total energy needs from intermittent resources that can drop off when wind abates or solar intensity falls off. Deseret is not one of those utilities; the vast majority of our resources are capable of generating night and day in all kinds of weather. We believe in renewable energy — in fact Deseret will install millions of dollars of solar arrays this year — but renewables and other intermittent resources are most valuable when used as a compliment to, and not

a substitute for, reliable around-the-clock generation.



Whenever you see this High-5 Alert, we ask that you voluntarily turn your thermostat up 5 degrees to avoid rolling blackouts

## Question: Pardon my ignorance, but can someone explain the capital credit thing to me?

**A:** Because we are a cooperative, we keep track of how much electricity you use, and credit that to your account as a capital credit each year. But we use those funds to operate the business, so we don't have to borrow from the bank, keeping your electricity rates as low as possible. Similar to a standard cooperative type company.

In the future, the Board of Directors will decide to retire those capital credits, and then we give that money back to you in a refund check or as a credit on your power bill. But the Board usually utilizes those funds for about 15-20 years before retiring them.

Right now the Board approved retiring the years 1998, 1999, 2000. (so anyone that used power in those years will get refunds. (1047200)

We send out capital credit statements each year, and it can be confusing. Each member gets a capital credit statement every year, showing how much you've

accumulated depending on how much electricity you used that year. These statements don't reflect a current credit on your account, nor will you get the amount showing refunded that year... but you will get it refunded eventually. Most likely, you'll see the cash in the next 15-20 years (so its good to keep your contact information up to date with us, if you ever move out of the area, because we will still send you a check for the years that you were a member of Garkane Energy).

Receiving your power from a cooperative is a pretty cool way to get your power. Sometimes we all wish the retirement cycle was sooner, but the electric industry is a capital intensive industry, meaning it takes long financial planning horizons to build and maintain the grid. Which is why the cooperative utilizes those capital funds for so long, to help keep your rates as low as possible.



Office Hours: 8:00 A.M. - 5:00 P.M. Monday - Friday  
Tel # 1-800-747-5403

*Each year, Garkane members receive a statement like this showing what credits have been allocated to them, as well as the total allocations while being Garkane member. This does not mean you have access to these funds now, but when the Board retires them, you will then see the credits returned to you in the form of a credit on your account or a check.*



### PATRONAGE CAPITAL STATEMENT FOR: Member Capital Credit Number:

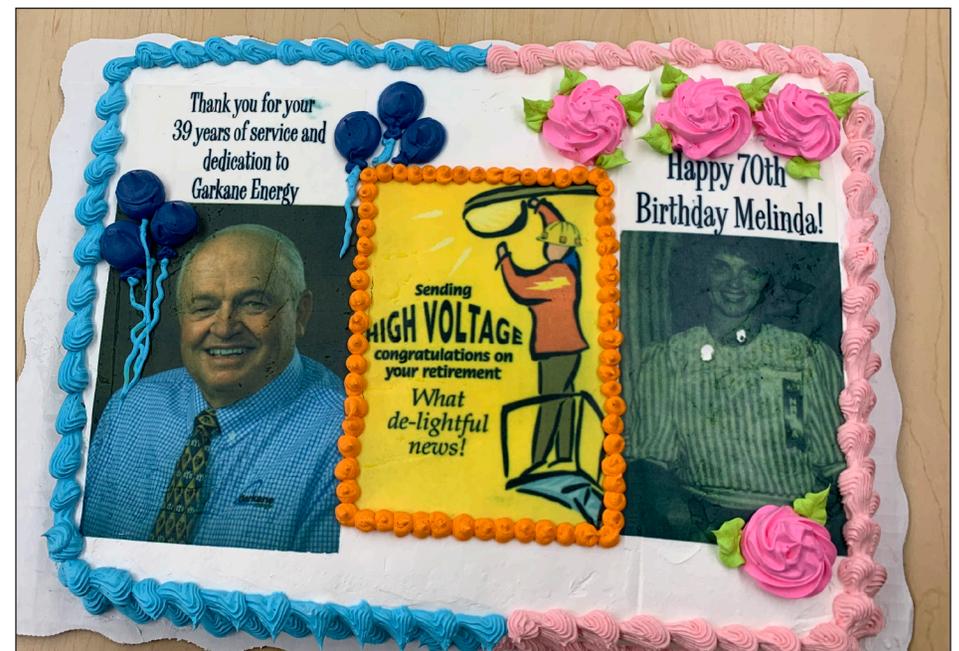
Year: 2021

Total Billings Current Year:	1,272.79
Total Credits Prior Years:	1,609.97
Credits Current Year:	68.93
Total Patronage Capital Credits to Date:	1,678.90

## Director LaDon Torgersen retires after 39 years serving as the Director for District 1



Left to Right: CEO Dan McClendon, Melinda Torgersen, LaDon Torgersen, Board President William Hammon



Director LaDon Torgersen and wife Melinda celebrated his retirement and her birthday on the same day during the June Board meeting, held on June 27, in Hatch, UT.

## Garkane receives warm reception holding in-person Annual Meetings again

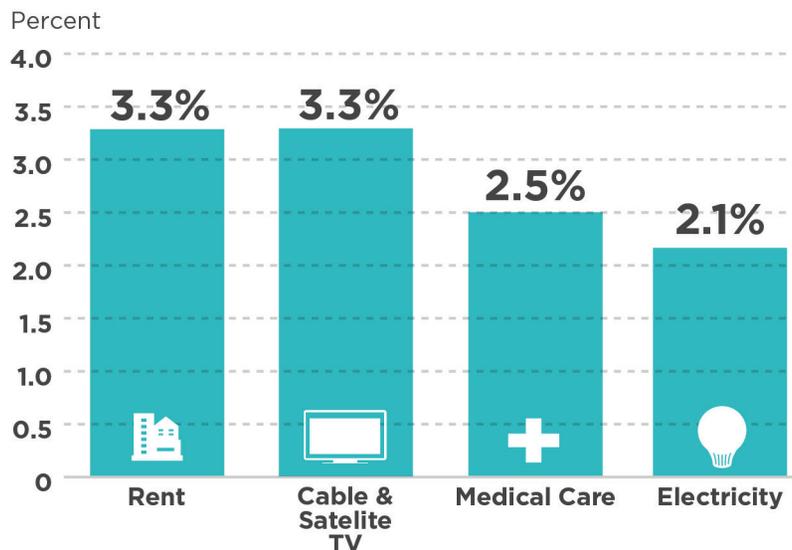


Koosharem residents enjoy a free catered meal, fun prizes and comradeship with directors, employees and neighbors at the 1st session of the annual meeting. (709707)

### ELECTRICITY REMAINS A GOOD VALUE

The cost of powering your home rises slowly when compared to other common expenses. Looking at price increases over the last five years, it's easy to see electricity remains a good value.

#### Average Annual Price Increase 2016-2021



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

Garkane was greeted to a large crowd and a warm reception when they kicked off their Annual Meeting sessions for 2022 in Koosharem, UT. After two years of holding virtual meetings due to Covid precautions, Garkane was pleased to see such a large turnout for their first session. There were over

200 participants between the three meetings in Koosharem, Escalante, and Hildale, UT. Garkane staff presented a financial and operation report of the cooperative for 2021.

Garkane staff noted that the Cooperative

ended the year with a net margin of \$3,633,052 compared to \$2,069,598 the previous year. The report also highlighted the growth in membership from 14,263 members to 14,696 in 2021. Staff also reported an increase in the American Customer Satisfaction Index score from 77 in 2018, to 82 in 2021. The ACSI score measures overall membership satisfaction, expectation of quality, and a comparison of the ideal utility, which are all critical measures for the cooperative to see how its doing in relation to other utilities.

The second annual meeting ses-

sion was held in Escalante, UT. A mild turnout was given a report from CEO Dan McClendon on addressing peak demand requirements and Deseret's efforts to build a natural gas peaking plant to offset peak demand times. Attendees learned about the Operation Roundup program and how rounding



up your bill to the nearest dollar goes towards helping community cause and helping those in need. Signing up for the program has never been easier, just call 800-747-5403 and let a Member Service Rep. know and the computer software does the rest. The third session was held in Hildale, UT.



The winner of the Grand Prize giveaway at the Koosharem Garkane annual meeting held on Tuesday, April 26.

# Cooperative Principle #7: Concern for Community

## 2022 Scholarships



2022 Kanab High School Senior Scholarship winners.



2022 Wayne High School Senior scholarship winners. Director Tracy Potter left, with CEO Dan McClendon right.



2022 Michael F. Peterson Camp Scholarship winners. Left to right: James Clegg, Neal Brown, Jessie Reidhead, Morgan Knudsen, Jaci Draper, Jazlyn Williams, Hailie Wilcox, Savannah Torgersen, Lexie Little, Marcus Lewis.



## Operation Round-up

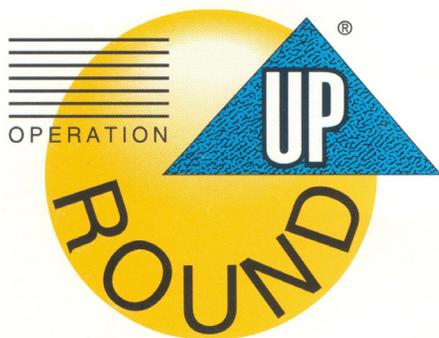
*"Garkane's Operation Round-up donation allowed us to add five extra EMT's, so we have all the help and resources we need."*

*-Nancy Porter, Escalante EMT*

*Giving back to the community is a big part of what Garkane Energy Cooperative is all about, which is why we participate in Operation Round-up.*

The program "rounds-up" a members bill to the nearest dollar and 100% of the funds are donated to local community activities in our service area. All funds stay in the community to benefit your friends and (702204)neighbors who may be in need.

This may seem like small change, but multiplied over 15,000 members, it adds up and the co-op can make a huge difference. Your small change, together with other members will make a big impact in our communities.



Sign up online

at

[www.garkaneenergy.com](http://www.garkaneenergy.com)

Under the

Member Service tab

or call

800-747-5403

## 2022 Michael F. Peterson Youth Leadership Challenge



Left to right top row: James Clegg, Daxton Jones, Lexie Little, Gabriel Zitting, Neal Brown. Second row: Logan Little, Jordan Cornell, Tyler Bonham, Jackson Clark, Mckenna Naylor, Cameron Zitting, Marcus Lewis. Third Row: Briannon Woolsey, Lexie Palmer, Savannah Torgersen, Jaci Draper, Jen Hoyt, Bryndis Maw, Morgan Knudsen, Fourth Row: Jessie Reidhead, Brynlee Brian, Kassidy Christensen, Ava Hafen, Hailie Wilcox, Allyson Barlow, Emma Timpson, Utahna Barlow.



The 2022 Michael F. Peterson group shot, pictured with Governor Cox's Senior Advisor Mike Mower, who was the keynote speaker at the conference. (699200)



A quick jump and snap in front of the Lincoln Memorial.



Above: 2022 Washington D.C. Youth Tour stop for a picture in front of the U.S. Capitol. Left: Senator Romney discusses national topics with the students. Right: The group poses in the United States Capitol after a stop meeting with congressmen while on a capitol tour.



## 2022 Washington D.C. Youth Tour



Back row, left to right: Neal Brown, Lexie Little, Morgan Taylor, Mykinlee Brook, Joe Fieldsted  
Front row: Kinslee Drake, Leah Timpson, Anthony Collazo, Hannah Koyle, Paola Salas, Jenna Conrad, Evelia Garcia.

# Board of Director Positions Selected

Electric Officers 2022-2023



**William Hammon**  
Pres. / Deseret Trustee



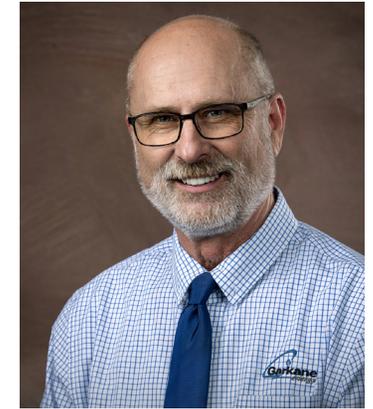
**Tracy Potter**  
Vice President



**Ray Clark**  
Secretary/Treasurer  
Propane & Electric



**Guy Timpson**  
URECA Trustee



**Andy Gant**  
Deseret Trustee

## Propane Officers 2022-2023



**Guy Timpson**  
President



**Ron Cazier**  
Vice President

**Ron Cazier was elected in District 1, representing: Koosharem, Antimony, Burrville & Grass Valley**

Directors get the chance to serve in different capacities while on the Garkane board. The Board as a whole votes each year for individual's to assume leadership roles while serving. When a director gets elected by the membership, they are elected for a three year term, and each year, each director gets an opportunity to run for a leadership position. Opportunities for growth learning also come from the National Rural Electric Cooperative Association (NRECA), which provides certification and training courses for cooperative directors.

Garkane members are lucky to have board members who are engaged in board discussions, professionally educated and responsive to the community. They are always willing to listen to member concerns.

There are eleven board districts rotating elections every three years. This year, Ron Cazier was elected in District 1, Reed Munson was re-elected in District 4, William Hammon was re-elected in District 9, and Guy Timpson, was re-elected in District 11.

(1618900)

## Directors re-elected to a three year term



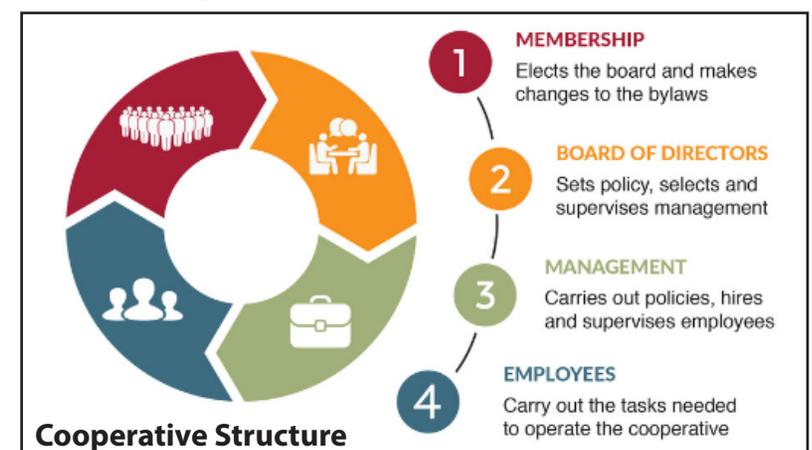
**William Hammon**  
District 9



**Reed Munson**  
District 4



**Guy Timpson**  
District 11



## NOTICE OF INCREASE IN RATES AND CHARGES

## GARKANE ENERGY COOPERATIVE, INC. - DOCKET NO. E-01891A-21-0384

At Open Meeting on July 12, 2022 the Arizona Corporation Commission approved a rate increase requested by Garkane Energy Cooperative, Inc. to charge the below rates and charges to its member/customers located in Arizona commencing with August 1, 2022 usage. An Arizona residential customer with average monthly electric usage of 1,438 kWh will see an **\$0.88 decrease** in his/her bill per month (from \$136.88 to \$136.00), or -0.64%, except in Colorado City. In Colorado City a residential customer with an average monthly electric usage of 1,492 kWh will see a **\$0.13 decrease** in his/her bill per month (from \$182.97 to \$182.84), or -0.07%. Actual impact will vary depending on customer classification and actual usage. If you have any questions, please contact Garkane at 1802 S. Hwy 89A, Kanab UT 84741, Phone: 800-747-5403.

CLASSIFICATION	NEW RATES	CLASSIFICATION	NEW RATES
<b><u>Residential</u></b>		<b><u>Residential - Colo City</u></b>	
Base Rate	\$27.00	Base Rate	\$22.00
Energy Charge, per kWh	\$0.075800	Energy Charge, per kWh	\$0.107800
<b><u>Residential Prepaid</u></b>		<b><u>Residential Prepaid – Colo City</u></b>	
Base Rate (daily)	\$0.887670	Base Rate (daily)	\$0.722810
Energy Charge, per kWh	\$0.075800	Energy Charge, per kWh	\$0.107800
<b><u>Residential TOU</u></b>		<b><u>Residential TOU – Colo City</u></b>	
Base Charge	\$30.00	Base Charge	\$27.00
Energy Charge, per kWh		Energy Charge, per kWh	
kWh On-Peak Charge	\$0.110000	kWh On-Peak Charge	\$0.135700
kWh Off-Peak Charge	\$0.055000	kWh Off-Peak Charge	\$0.085700
<b><u>Net Metering – Residential</u></b>		<b><u>Net Metering – Gen Service No. 1</u></b>	
Base Charge	\$40.00	Base Charge	\$40.00
Energy Charge, per kWh	\$0.075800	Energy Charge, per kWh	\$0.067400
Energy Credit, per kWh	-\$0.030000	Demand Charge, per kW	\$7.50
		Energy Credit, per kWh	-\$0.30000
<b><u>General Service No. 1</u></b>		<b><u>General Service No. 2</u></b>	
Base Charge	\$30.00	Base Charge	\$38.00
Demand Charge, per Billing kW	\$7.50	Demand Charge, per Billing kW	\$9.65
Energy Credit, per kWh	\$0.067400	Energy Credit, per kWh	\$0.063100
<b><u>General Service No. 1 - TOU</u></b>		<b><u>Street &amp; Security Lighting</u></b>	
Base Charge	\$35.00	100 Watt HPS or LED	\$8.80
Demand Charge, per Billing kW		250 Watt HPS or LED	\$14.30
First 3 Billing kW per mo.	\$3.00	400 Watt HPS or LED	\$19.65
Over 3 Billing kW per mo.	\$7.50	1,000 Watt HPS or LED	\$53.00
Energy Charge, per kWh		1,800 Watt HPS or LED	\$94.75
kWh On-Peak Charge	\$0.101300		
kWh Off-Peak Charge	\$0.051300		
<b><u>Irrigation</u></b>		Cogeneration QF and Small Power	
Base Annual Charge Single Ph	\$135.00	Production tariffs and rates can be	
Base Annual Charge Three Ph	\$185.00	found on Garkane's website	
Demand Charge, per Billing kW	\$8.00	<a href="https://garkaneenergy.com">https://garkaneenergy.com</a>	
Energy Charge, per kWh	\$0.065700		

***Garkane's outdoor kiosk in Hildale will no longer be available due to ongoing maintenance and repair issues. We have contracted with Hildale City offices to take Garkane payments and help with questions. The Hildale city offices are located at: 320 Newell Ave. Hildale, UT 84784***



## PORTABLE GENERATORS

Connecting a portable generator directly to your household wiring can be deadly to you and others. A generator that is directly connected to your home's wiring can "back feed" onto the power lines connected to your home and injure neighbors or utility workers. The only safe way to connect a portable electric generator to your existing wiring is to have a licensed electrical contractor install a transfer switch.

The power is in your hands...be safe.

## Garkane Propane provides propane service the Cooperative way



If Garkane propane is not your current propane provider, give us a call. We would like to provide you with exceptional service and a price you can appreciate. By pre-buying bulk propane when costs are down and using bulk storage, we are able to pass the savings to all of our customers. Garkane propane has offices in Kanab, Hatch, and Loa. Our service-techs and delivery drivers in Kanab and Hatch can meet our customer's needs, while monitoring your tanks and providing the best customer service in the area. Garkane propane would like to thank each member of the cooperative for allowing us the opportunity to provide services to everyone in our service territory. We enjoy what we do and look forward to meeting your needs.

### THINKING ABOUT SWITCHING PROPANE PROVIDERS?

GIVE US A CALL TO SEE IF THE COOPERATIVE WAY, IS YOUR WAY. 800-747-5403



Left to right: Propane Manager James Hoyt, Driver Rob Matthews, Service Tech Derrick Pollock, Driver Eric McCormick, Driver Danny Hatch, Driver Doug Owens, and Service Tech, Dusty Riddle. Not pictured: Driver Bobby Owens

## Don't be fooled! Scammers continue to impersonate Garkane

It's no secret that consumers with a water, gas or electricity connection have long been targets for utility scams, but fraudsters have changed their tactics since the Covid-19 pandemic. As consumers became more reliant on technology for work, school and commerce, scammers noted these shifts and adapted their tactics to this changed environment.

Imposter scams are the number one type of fraud reported to the Federal Trade Commission. While scam artists may come to your door posing as a utility worker who works for the "power company," in today's more connected world, attempts are more likely to come through an electronic device, via email, phone or text.

### Common Types of Scams

A scammer may claim you are overdue on your electric bill and threaten

to disconnect your service if you don't pay immediately. Whether this is done in-person, by phone, text or email, the scammers want to scare you into immediate payment so you don't have time think clearly.

If this happens over the phone, simply hang up. If you're concerned about your bill, call us at 800-747-5403. Our phone number can also be found on your monthly bill and on our website, [www.garkaneenergy.com](http://www.garkaneenergy.com). If the scam is by email or text, delete it before taking any action. If you're unsure, you can always contact us or use our Smart Hub app to check the status of your account. Remember, Garkane staff will never attempt to demand immediate payment after just one notice, or will we not be willing to work with you to get your account current.

Some scammers may falsely claim





Beware of

# UTILITY IMPOSTERS

## DON'T BE A VICTIM

 <b>Warning 1</b> <small>Threats to cut your power immediately without payment</small>	 <b>Warning 2</b> <small>Fuzzy details about your agreement with energy provider</small>	 <b>Warning 3</b> <small>Requests for money transfers or prepaid debit cards</small>
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you have been overcharged on your bill and say they want to give a refund. It sounds easy. All you have to do is click or press a button to initiate the process. If you proceed, you will be prompted to provide banking or other personal information. Instead of money going into your bank account, the scammers can drain your account and use personal information such as a social security number for identity theft. If this "refund" scam happens over the phone, just hang up and block the phone number to prevent future robo-calls. If this scam attempt occurs via email (known as a "phishing" attempt) or by text ("smishing"), do not click any links. Instead, delete it, and if possible, block the sender. If you do overpay on your energy bill, Garkane will automatically apply the credit to your next billing cycle. When in doubt, contact us.

### Defend Yourself Against Scams

Be wary of call or texts from unknown numbers. (9996164) Be suspicious of an unknown person claiming to be a utility worker who requests banking or other personal information.

Never let anyone into your home that you don't know unless you have a scheduled appointment or reported a problem. Garkane employees will be driving company vehicles with Garkane logo on the truck. When we perform work on our members' property or come into your home, our employees are professionals and will always identify themselves.

We want to help protect our community against utility scams, and you can help create the first line of defense. Please report any potential scams to us so we can spread the word to prevent others in the community from falling victim.

**Due to ongoing delay's from suppliers, material and supplies dealing with new construction can be greatly delayed, anywhere from 6-12 months**

# From the CEO's Desk

by Dan McClendon



Dear Members of Garkane, We were excited to hold our annual meetings in person this year after a two year hiatus, due to Covid-19 precautions. It was great to chat in person and shake hands with Garkane members again. We had a good turnout at all of our annual meetings, and we hope to continue that tradition going in the future.

A major part of managing a cooperative is educating the members on the benefits of the cooperative business model. It can be easy to forget just how different Garkane Energy really is from other energy companies. I suppose that's true in any industry—over time, the exceptional starts to seem ordinary. But while talking to some of

our consumer-members recently, I was struck once again by how remarkable our electric cooperative really is.

What makes the co-op remarkable is the members. After all, as an electric cooperative, we are led by consumer-members like you who understand and listen to the community. We don't answer to outside investors who are only interested in using us as a way to make a buck. And this key difference has been part of the plan from the beginning.(107401)

We were built by the community we serve from day one, which means that we have been shaped to respond to the specific needs of you and your neighbors. As an electric cooperative, we were created from the ground up

by the people who live here and have a long-term interest in seeing the community thrive. When we communicate about the possibility of rolling blackouts, or the potential challenges that electric vehicles might bring to the grid, it's all in an effort to be transparent and communicate the issues that may face your cooperative.

Your choices help us in our mission to efficiently deliver affordable, reliable, and safe energy. All these decisions and advances are thanks to people like you, because we belong to the communities we serve. So sure, you may be used to getting your energy from us, but we love the energy we get from you.

Sincerely, Dan McClendon

## WE LOVE YOUR ENERGY

And we think you're going to love ours. So let's work together: As an electric cooperative, Garkane was built by the communities we serve—and by members just like you.



A Touchstone Energy® Cooperative  
The power of human connections®

