



news & views

from Lincoln Electric Cooperative, Inc.

MAINTENANCE IS KEY

RIGHT-OF-WAY WORK LEADS TO BETTER RELIABILITY

LINCOLN Electric Cooperative is committed to increasing system reliability and reducing the frequency and duration of outages. There are many things we do to accomplish these goals, and many require the cooperation of our members.

Over the last several years, we have been converting portions of our system from overhead to underground in areas with frequent outages. This is being done in stages as projects like this are expensive to complete. However, over time they help to pay for themselves as outage restoration costs are reduced.

As we perform overhead to underground projects, our members have been amazing with signing amended easements and accommodating the necessary planned outages to convert the powerlines.

One of the most important ways we help to reduce outages is continual maintenance of our electric system. This ranges from pole replacements to substation inspections, protection upgrades and right-of-way maintenance.

For many maintenance projects, there may be minimal member involvement from allowing us access to our facilities to weathering planned outages. But for right-of-way maintenance, we typically need a higher level of member cooperation.

At Lincoln Electric, every mile of our overhead powerline corridor is completely maintained at least every seven years. Between regular sched-

Plant the Right Tree in the Right Place

For more tips on smart tree planting in your community, contact your local electric cooperative or visit www.ArborDay.org.

Trees beautify our neighborhoods, and when planted in the right spot, can even help lower energy bills. But the wrong tree in the wrong place can be a hazard... especially to power lines.

LARGE TREES

Height/spread of more than 40 feet, such as:

- Maple
- Birch
- Oak
- Sweetgum
- Spruce
- Linden
- Pine

MEDIUM TREES

Height/spread of 25 to 40 feet, such as:

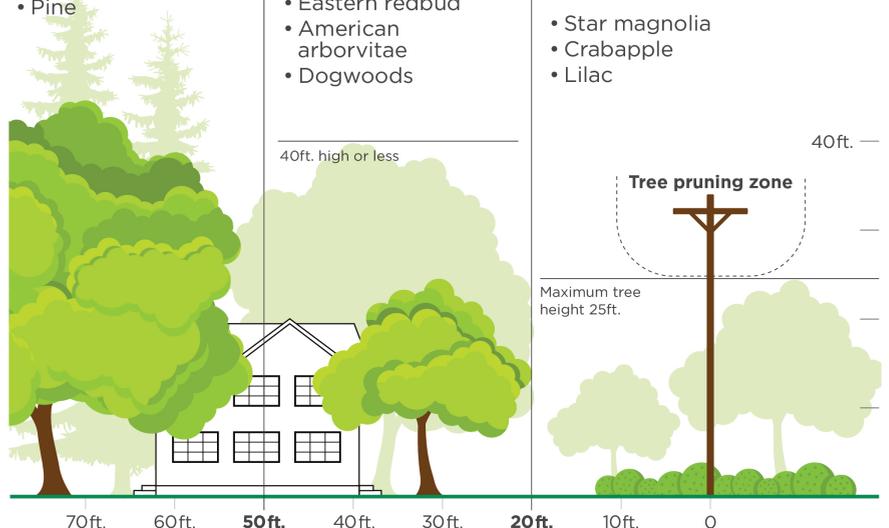
- Washington hawthorn
- Goldenraintree
- Eastern redbud
- American arborvitae
- Dogwoods

SMALL TREES

Avoid planting within 20 feet of power lines. When planting within 20 feet is unavoidable, use only shrubs and small trees.

Height/spread of no more than 25 feet such as:

- Star magnolia
- Crabapple
- Lilac



Be safe! Always call 811 before you dig to locate any buried utility lines.

Source: The Arbor Day Foundation and the National Rural Electric Cooperative Association

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MODERATE RATE HIKE WILL HELP KEEP LEC ON SOLID GROUND

RECENTLY Lincoln Electric Cooperative staff and trustees held community meetings throughout the LEC service territory. These meetings were announced in recent editions of the *Rural Montana*, on your electric bill (SmartHub), on Facebook and the LEC website.

We held these meetings to inform the membership about the upcoming rate increase, give some insight into our success in 2022, answer questions and spend time in the community with you. I'd like to use this column to touch on the main points discussed at these meetings for those who were not able to attend.

LEC had another great year in 2022, with positive margins and will also be able to benefit from positive net income from our subsidiary, Rural Propane Services. As discussed at the meetings, it may be difficult to understand the reasoning for a rate increase. I'd like to point out the foresight of the LEC Board of Trustees in approving this rate increase at this time. Typically, a utility raises rates as a reaction to lower



**Manager's Notes
by Telly Stanger**

margins. The problem with that method is by the time a utility decides to raise rates, it can already be one to two years behind with revenues. LEC is on solid ground in many ways, and our trustees are seeing this rate increase as proactive with what we know is coming. With cost increases and an ever-aging distribution plant, LEC needs

to continue to manage that plant and allocate revenues where they belong. Looking forward, this could only be done with either a rate increase or tens of millions of dollars borrowed and added to our long-term debt. Your trustees certainly did not feel that adding more debt was the correct answer while we are seeing equity rise and have clear goals to raise equity even more.

Another main reason for this rate increase was simple: LEC's power costs will be rising later this year. Bonneville Power Administration (BPA) will be raising LEC's Tier 2 power costs by about 84 percent, starting in October. While we can forecast sales and

weather to the best of our ability, we cannot be exactly certain how that increase will affect the cooperative, except that it will increase our wholesale rates. Unfortunately, the increase will affect LEC right when more Tier 2 power is needed; just when the winter is starting. This increase in power costs, coupled with rises in labor, materials and the need to maintain our system is the reason for the moderate rate increase from LEC.

When a cooperative makes positive margins, it's almost always because something is being done right. LEC is no exception. We have great employees who are prudent in their daily decision making for the cooperative, and LEC is governed by a Board of Trustees who understand what it means to live in the communities served by a rural electric utility. Rest assured, LEC is doing something right, and we will do our best to make sure LEC is on solid ground moving forward.

For more information on the rate increase, please see our website at LEC Rates (lincolnelectric.coop). RM

Telly

LINCOLN ELECTRIC COOPERATIVE, INC.

CONTACT

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ALWAYS REPORT OUTAGES TO:

1-406-889-3301

OFFICE

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OFFICE HOURS

Monday - Thursday
7:00 AM - 5:30 PM

BOARD OF TRUSTEES

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Telly Stanger
General Manager

Lincoln Electric's Board of Trustees holds regular monthly meetings at the boardroom in the cooperative office. These are typically scheduled on the third Monday of each month at 6 p.m. Members are encouraged to attend. If you have any items of interest, please contact the general manager prior to the meeting.

NEXT MEETING DATE:
MONDAY, APRIL 24, 2023



**Lincoln Electric
Cooperative, Inc.**

HAVE A STORY SUGGESTION?

SEND YOUR IDEAS TO:
memberservices@lincolnelectric.coop

BUSINESS AND BOARDROOM BRIEFS

The regular meeting of the board of trustees was conducted on January 16, 2023. A quorum of trustees was present and the board took the following action:

- Approved the review of Policies 102 – Assistance to Other Cooperatives, 301 – Standardized Costs and Services, 503 – Equality of Opportunity
- Approved changes to Policy 409 – Firearms, with up to three months to transition to the updates, and Policy 515 – Leave of Absence.
- Approved April 24, 2023, and June 26, 2023, as adjusted regular board meeting dates.
- Approved three trustees to attend the Legislative Conference.
- Retroactively authorized three trustees who attended a MECA-facilitated call regarding disconnects due to non-pay with half trustee fee.
- Retroactively approved two trustees who attended the Western Montana Manager's Group.
- Approved a donation of \$600 to A.L.E.R.T.
- Approved a donation of \$1,000 to the Tobacco Valley Animal Shelter.

FINANCIAL OVERVIEW	YEAR TO DATE JAN. 2023	YEAR TO DATE JAN. 2022
kWh SALES	16,390,597	16,572,547
REVENUE	\$1,376,352	\$1,374,803
COST OF POWER	\$658,925	\$695,326
OPERATING EXPENSE	\$440,735	\$323,498
MARGINS	\$169,184	\$234,112
NUMBER OF MEMBERS	5,102	4,967
NUMBER OF METERS	6,425	6,281
MILES OF LINE	1,004	992
TOTAL UTILITY PLANT	\$38,295,210	\$36,430,728
MEMBER EQUITY	\$13,269,215	\$12,625,410
JANUARY AVERAGE RESIDENTIAL USE (KWH)	2,223	2,300
JANUARY AVERAGE RESIDENTIAL BILLING	\$184.13	\$188.08

Correction: In March, the number of meters was incorrectly reported. The correct number of meters for December 2022 was 6,422 and December 2021 was 6,272.

MAINTENANCE

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uled maintenance, we usually also perform spot maintenance in problem areas.

Having a clear and open right-of-way is essential to helping reduce tree-caused outages. By limiting tree growth within and on the edges of the powerline corridor, we can prevent some outages to save our members time and money.

This requires that our members allow us to perform our right-of-way maintenance at the highest possible standard. During right-of-way maintenance, we will need to enter properties and trim or remove vegetation that is, or could become, a hazard to the overhead powerlines.

To maintain a sufficient right-of-way, our right-of-way crew will remove all trees and brush within the overhead powerline corridor. They will also look outside the right-of-way for any potential dangers, such as trees with branches encroaching the right-of-way. These will typically be trimmed, but if this cannot be done safely, the tree will



2023 RIGHT-OF-WAY CLEARING

Right-of-way maintenance will occur on all our overhead power lines south of Dickey Lake. This includes, but is not limited to, Stryker, Olney, Star Meadows, Highway 93, Farm to Market, and associated areas. Per Montana Code Annotated, Title 69, Chapter 4, Part 1, you will receive a certified letter if your property is scheduled for right-of-way maintenance.

be felled.

We also look for dead or dying trees outside of the right-of-way that can reach the powerline and pose a fire hazard or outage threat. These will be felled.

Our right-of-way crew is responsible for the debris. Brush and limbs within 50 feet of vehicle access to a property will be chipped. Brush and limbs will be scattered or piled if they are more

than 50 feet from vehicle access. If you prefer a different debris treatment, please contact LEC's right-of-way coordinator after you receive your notification letter.

Regular right-of-way maintenance is a typical operations expense for electric companies with overhead powerlines. However, please remember that

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MAINTENANCE

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our members also have a responsibility to respect the right-of-way corridor on their property. Any planted vegetation, structures or other obstructions encroaching the right-of-way or safe minimum distance of the powerline will be removed or moved.

Encroachments in the right-of-way or safe minimum distance pose a serious (potentially lethal) safety hazard to the member, Lincoln Electric employees and the public. If the obstruction cannot be removed or moved, the landowner will be financially responsible for the relocation of the powerlines.

Typically, operational expenses are collected from the entire membership via their electric rates. However, if a landowner requests tree(s) remain within the right-of-way on their property, they will be directly charged for the additional trips and labor to maintain their corridor outside the normal schedule.

Additionally, if Lincoln Electric crews must perform right-of-way maintenance beyond the normal rotation for landowner-planted trees, the landowner will be responsible for the additional maintenance expenses. The landowner may also choose to hire a certified line clearance tree trimmer to maintain those trees on a regular basis. This expense would be borne by the landowner.

As a member-owned cooperative, we do not believe the expenses for an action to benefit a single landowner should be shared by the entire membership. Billing the individual landowner helps keep our maintenance costs as low as possible, while still providing excellent service to our members.

Our vigorous right-of-way maintenance program has been, and will continue to be, essential to the reliability and safety of our overhead powerline system. We appreciate our members' continued support and cooperation with this program. RM



KNOW WHAT'S BELOW

ALWAYS DIAL 811 BEFORE YOU DIG

SPRING is an optimal time of year to dream up and achieve your landscaping masterpiece. If any of your spring projects require digging — such as planting trees or shrubs, or setting posts — remember to dial 811 first.

Underground utilities, such as buried gas, water and electric lines, can be a shovel thrust away from turning an improvement project into a disaster.

Play it safe by dialing 811 to find out where utility lines run on your property. Your call will be routed to a local “one-call” center. Tell the operator where you’re planning to dig and what type of work you will be doing, and affected local utilities will be notified.

In a few days, a locator will arrive to designate the approximate location of any underground lines, pipes and cables. These areas will be marked with flags or paint so you’ll know what’s below. Then the safe digging can begin.

Although many homeowners tackling do-it-yourself digging projects are aware of “Call Before You Dig” services, the majority don’t take advantage of the service. A national survey showed that only 50 percent of homeowners called to have their lines marked before starting digging projects, according to the Common

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Ground Alliance (CGA), a federally mandated group of underground utility and damage-prevention industry professionals. CGA data also shows that an underground utility line is damaged every six minutes in the U.S. because someone decided to dig without first dialing 811.

Even simple tasks such as installing a new mailbox post can damage utility lines, which can disrupt service to an entire neighborhood; harm diggers and potentially result in fines and repair costs.

Never assume the location or depth of underground utility lines. There’s no need: the 811 service is free, prevents the inconvenience of having utilities interrupted and can help you avoid serious injury. For more information about local services, visit www.montana811.org. RM