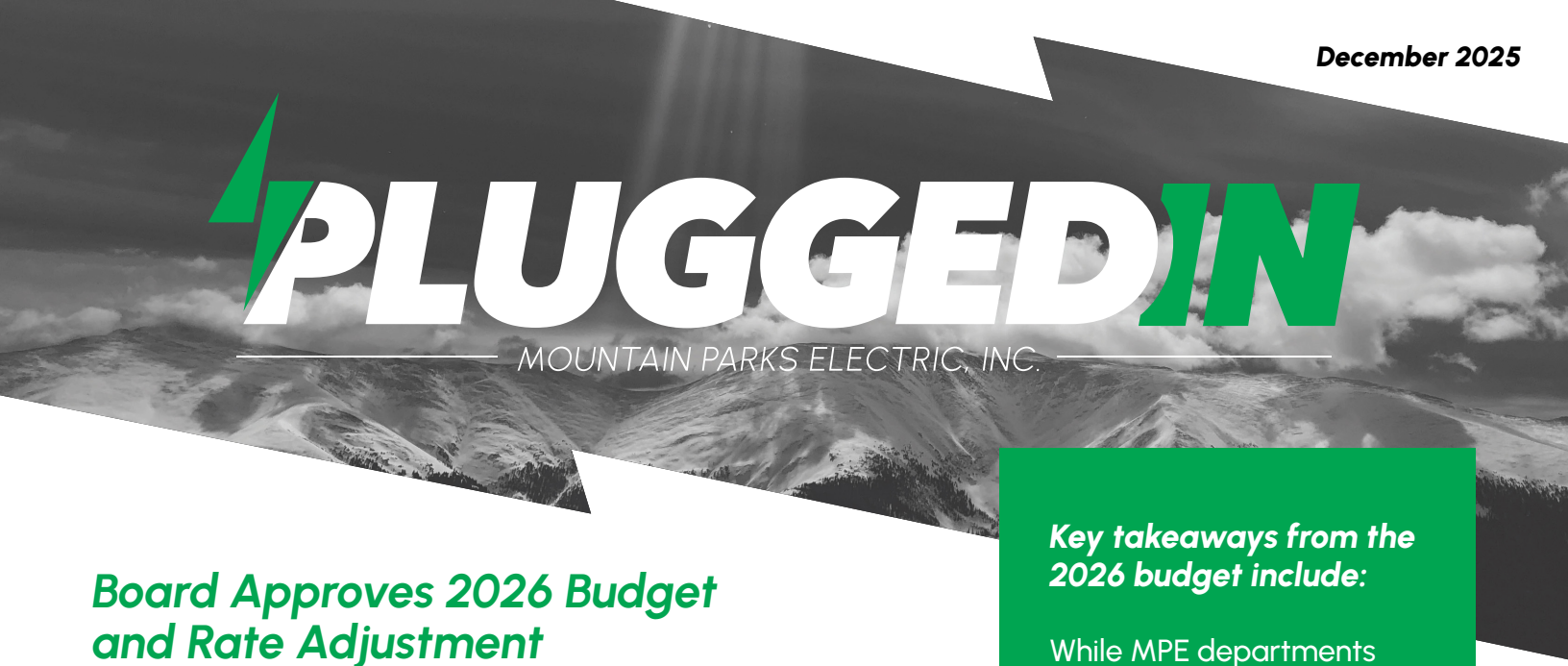
December 2025



PLUGGED IN

MOUNTAIN PARKS ELECTRIC, INC.

Board Approves 2026 Budget and Rate Adjustment

At the recent November meeting of the Board of Directors, the board unanimously approved the proposed 2026 budget and the required aggregated rate increase of 6.8%, which will go into effect on January 1, 2026.

The change to residential electric service rates will be in the form of a $1 increase to the service availability charge and just over a 1-cent increase in the kWh charge. The average residential electric bill of 752 kWh will increase by approximately $8.95 per month.

Because of the rising costs resulting from inflation, the 7-year gap from 2016-2023 of no rate increases at MPE, and continuing cost pressures on equipment, materials, labor, and transmission, a rate increase was anticipated. This is a nationwide trend. MPE's wholesale power costs are set by a long-term contract that includes pre-determined rates through 2045. This helps to insulate our members from any price swings in the power market.

At MPE, our mission is to provide cost-based energy, while also providing a high level of reliability and safety. Because MPE is a not-for profit electric cooperative, the only way to recover the cost of purchasing and distributing power is to pass on those costs through power bills.

Power Systems Engineering was again consulted to provide their expert analysis on MPE's 2026 rate structure using the Cost of Service and Rate Study they performed in 2024. While designing the updated rates, the motivation was to make the rates objective, fair, and equitable. To see the public notice of the tariff revisions and updates for each rate class, **visit www.MPEI.com/Rates.**

To help stabilize wholesale power costs, MPE spent the previous several years exploring alternate power supply options. In January 2023, MPE provided Tri-State Generation and Transmission the required 2-year notice to terminate its wholesale power contract, effective Feb. 1, 2025. MPE secured a a power purchase agreement with Guzman Energy to follow its exit from Tri-State. Although power supply costs represent a majority of MPE's budget, operational and capital costs — all the people and resources it takes to keep our grid reliable and safe — are critical budgetary considerations as well.

Tri-State announced in September it would be increasing its wholesale electric rate to its members by 7.5% for 2026. MPE's current power supply contract with Guzman Energy includes a predictable energy cost over the 20-year life of the agreement.

Key takeaways from the 2026 budget include:

While MPE departments identified several areas of need for new full-time employees, only one remained in the budget presented to the board – a Contractor Supervisor.

Federal funds of $7,768,929 million are allocated for eight important grid hardening/ fire mitigation projects for Phase 2 of the grant awarded by the Colorado Division of Homeland Security & Emergency Management and FEMA.

Although MPE has been awarded a more than $100 million grant from the USDA Rural Utility Service's New ERA program, these grant funds will not be recognized in the budget until MPE begins receiving grant payments and the board directs how the funds are to be utilized.

CUTTING-EDGE AERIAL INSPECTION TO

IMPROVE GRID RELIABILITY

More than 98% of MPE's overhead distribution system was inspected over the summer thanks to a grant-supported grid hardening project.

The comprehensive aerial field survey by Systems and Mapping (SAM) totaled 23,426 power poles and structures, covering approximately 1,146 miles in length. Drone flights started in June 2025 and were completed in September.

> *"MPE is leading the way with this technology. Having our entire system inspected at once is a new concept in the utility industry and it has allowed us to find issues before they create outages or cause concern for wildfire mitigation,"*
>
> *—MPE Vice President of Operations Adam Paulson*

Issues like these are usually found manually during line patrols or reactively following an outage, Paulson explained. MPE goes above industry standards by examining 25% or more of our distribution system annually. Linemen perform inspections during the winter season when construction slows. They are each trained to quickly identify anomalies in the poles and equipment, but it's done at ground level with binoculars.

SAM acquired high-resolution 8K imagery from all four quadrants of each structure and collected lower altitude detailed shots of all pole-mounted equipment below the crossarms. SAM crews also completed a visual check of all vegetation encroachment issues along the way.

"There were a significant number of anomalies discovered by the drone images and SAM crews, including insulators that need replacing, pole defects, damaged animal guards, and other structural or equipment elements that need attention," said Paulson.

Critical anomalies, or those that threatened imminent power disruptions, were sent to MPE's Operations Department immediately after being identified by SAM. Operations dispatchers then created work orders and line crews made the repairs, usually within 24 hours of receiving the notice from SAM. A total of 43 such anomalies were corrected during the inspection process.

Grant funding of nearly $350,000 through the Colorado Energy Office (CEO) from the Department of Energy (DOE) made it possible for MPE to have this advanced grid monitoring project done.

SAM is one of the most technically advanced professional Geospatial and Inspection solutions firm in North America. All inspections are conducted in compliance with federal, state, and local regulations, including aviation and safety standards. They utilized the all-American made Skydio X10 drone, which, according to SAM, is one of the safest systems on the market for its industry-leading impact detection and avoidance, for all visual and thermal data collection for this job.

BOOST for Furloughed Federal Employees

In an effort to assist local families impacted by the federal government shutdown, MPE is offering temporary inclusion into the Boost Program for furloughed employees or contractors of federal agencies.

At the November Board of Directors meeting, the board approved this use of the Boost Program. Any MPE members who live within the service area and can present a notice of furlough for employees or other documentation proving the lost time of work for sub-contractors with the federal government can receive the Boost Program's 20% discounted electric rate applied for the month of October.

For more information or to apply, contact Member Services at MemberServices@MPEI.com or 970-887-3378.

For more information about the income-qualified Boost Program, **visit www.MPEI.com/Boost**.

Enter Our Outdoor Photo Contest, Win Prizes!

Our group of judges have been amazed at the high quality of images! See the finalists from the past two months at bit.ly/photo-finalists.

Send us your best seasonal outdoor shots for a chance to be featured in our next newsletter, on social media, and possibly in a future MPE photo calendar.

Winners will be selected monthly. In addition to social media tags and promotion, will be entered to win a $500 gift certificate to B&H Photo.

Congratulations to Greg Hansen, October's winner for his great photo of fall leaves with Gore Range in the background.

Congratulations to Chuck Ambrose, November's winner, for his stunning image of "The Divide" from atop Mary Jane.

Visit tinyurl.com/mpephotocontest
or scan the QR code to submit your photos!
And for complete rules. Photos must be received by the 20th of each month.

Director Elections *UPDATE*

Director elections are being prepared for Director District 2 and District 5. District 2 includes most of Winter Park and parts of Fraser on the west side of Highway 40. District 5 includes Grand Lake and the surrounding areas.

The election will take place at the Annual Meeting on May 2, 2026, at Middle Park High School in Granby. Directors serve a 4-year term and are elected from specific geographic areas within MPE's service territory. Candidate Packets are available at MPE's offices in Granby and Walden and can also be mailed to candidates upon request.

- Deadline to submit completed Candidate Packets and nominating petitions is no later than 5 p.m. on March 3, 2026.
- Ballots will be mailed no later than April 7, 2026.
- Mail-in ballots must be received by the Credentials Committee by April 29, 2026.

For more information, visit www.MPEI.com/2026-Director-Elections.

MPE Tops Collection Efforts for Local Food Bank

For the second year in a row, Mountain Parks Electric earned the Golden Turkey Trophy for collecting the most donations in the friendly competition to benefit the Mountain Family Center in the Thanksgiving Food Drive.

MPE surpassed its total from 2024 by collecting 4,170 in food items, $1,340 in gift cards, and $6,736 in cash. Special thanks to MPE's power provider, Guzman Energy, for contributing $6,000 of the cash total toward the cause. This was MPE's second year to participate with Middle Park Health and Grand County offices.

THIS YEAR WE COLLECTED:

4,170
FOOD ITEMS

$1,340
IN GIFT CARDS

$6,736
CASH DONATIONS

SPECIAL SHOUT-OUT TO

Guzman Energy

FOR THEIR CONTRIBUTION OF $6,000

Together, we brought home the

GOLDEN TURKEY

& SUPPORTED LOCAL FAMILIES