

Mission Valley Power

36079 Pablo West Road, Pablo, Montana 59855

(406) 883-7900

www.missionvalleypower.org

FY2020 Annual Report October 1, 2019 thru September 30, 2020

**Mission Valley Power
36079 Pablo West Road
P. O. Box 97
Pablo, MT 59855-0097**

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Fax: (406) 883-7919
Pay by Phone: 877-779-7947
After Hours Emergency Number: (406) 883-7972

Main Office Hours:

**Monday through Thursday
7:00 a.m. to 5:30 p.m.**

Number of Employees as of September 30, 2020: 72

Mission Valley Power is a federally-owned electric utility, operated as a non-profit organization and managed by the Confederated Salish and Kootenai Tribes of the Flathead Reservation pursuant to a contract authorized under Public Law 93-638, the Indian Education and Self-Determination Act (25 U.S.C. 450).

Managers/Supervisors

Jean Matt.....	General Manager
Dalene Gardipe.....	Customer Service Supervisor
Joe Caye.....	Engineering Supervisor
Jeanne West.....	Support Services Supervisor
Craig Morigeau.....	Superintendent of Operations & Construction
Arnold Sorrell.....	Safety & Environmental Compliance Officer

Message from Jean Matt, General Manager



Manager Thoughts FY20

As we enter Fiscal year 2020, Mission Valley Power continues to focus on increasing reliability of our Tribally managed distribution system. We have embarked on several projects this last year that focused on furthering our commitment to conserving energy. The undertaking of these projects is key to maintaining low power rates in our service area.

With the upcoming implementation of new metering technology, efficiency will be key in keeping rates low. Mission Valley Power will strive to fulfill our commitment to customers to provide the most reliable, cost effective, and safe electric power.

Jean Matt
General Manager

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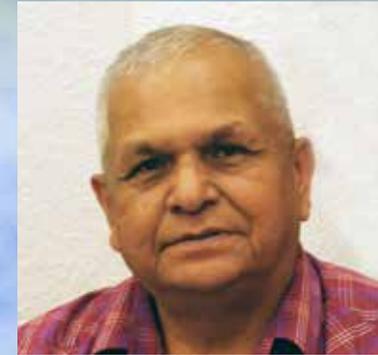
MVP Utility Board

Utility Board members are appointed by the Confederated Salish & Kootenai Tribal Council for three year terms. The Board and General Manager recommend major changes to the Tribal Council who, in turn, review and present those recommendations to the Bureau of Indian Affairs for final approval.

Cindy Benson and Gordon Fyant have served on the Board since 1997 and are valuable resources of the utility industry for both historical trends and in planning for the future. Allen Sloan has been a board member since March 2014 while Chuck Courville joined the group in 2019. Allen and Chuck are both long time residents of the Mission Valley and have proven to be quick studies in the electrical industry. Mission Valley Power is privileged to work with seasoned Board members.



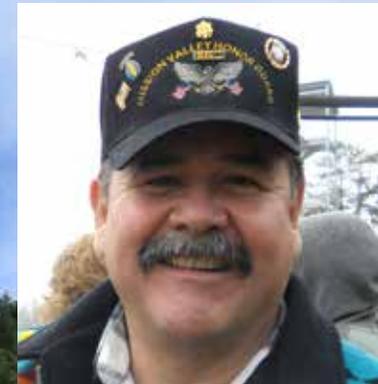
CINDY BENSON, CHAIR
MEMBER SINCE 1997



GORDON FYANT, VICE- CHAIR
MEMBER SINCE 1997



ALLEN SLOAN, SECRETARY
MEMBER SINCE 2014



JULIAN "CHUCK" COURVILLE
MEMBER SINCE 2019

MISSION VALLEY POWER UTILITY BOARD

MVP Consumer Council

The Consumer Council consists of seven members who must live within MVP's service area. At least one appointee of this group, but no more than two, must be a tribal member. Established as "grass roots" representatives, two members represent Lake County, one represents Sanders County, one represents Missoula County, and three are "members at large".

This Council serves as a liaison between customers and utility staff regarding either complaints or praise. They also provide feedback to the utility and Board prior to establishing new or changed procedures or policies that affect customers, as well as rate changes.



Mark Warner, Chair
Member-at-Large



Stacy Torgerson, Vice Chair
Sanders County Representative Lake County Representative



Rick LaPiana
Lake County Representative



Paul Hunsucker
Lake County Representative



Barbara Amato
Member-at-Large



Donna Durglo
Member-at-Large (Tribal Member)



Brian BigSam
Missoula County Representative
(Tribal Member)

**MISSION VALLEY
POWER
CONSUMER COUNCIL**

Customer Service Dept.

Customer Service is always looking for ways to enhance our service to the customer. As individuals, we find ourselves always looking for convenience within today's advancing technology.

So, keeping technology in mind we have installed payment KIOSK machines in our Pablo office, Hot Springs, and Arlee. Our goal is to have a machine in St. Ignatius, Ronan, and Polson in the coming year.

In the latter part of the funding year we had to contend with COVID-19. MVP had to change the way we do business to address safety concerns for our customers and employees. Our drive-thru services were enhanced and utilized so we could continue to maintain our office and serve the customer while maintaining high safety standards.

MVP also chose not to charge services fees or disconnect any accounts from March thru June.

Our SmarHub services were changed so a customer can sign-up for autopay without having to visit our offices; we continue to enhance and utilize the tools available to ensure our customers have the most updated options with which to interact with MVP.

	2016	2017	2018	2019	2020
Walk-in Transactions	22,984	28,728	24,270	21,784	19,391
Mail & Drop Box Transactions	109,727	91,844	89,656	84,798	80,874
Web Payments	17,879	19,072	15,583	15,643	16,661
Auto-Pay Checks/Cards	21,142	24,266	25,952	29,094	32,960
Web Pymts no sign-up	6,728	12,310	11,340	13,171	15,520
Pay By Phone	6,648	15,379	20,732	22,096	23,071
Kiosks				171	1,835
Smart Hub	1,169	4,028	6,900	9,377	11,705
Valley Banks Payments	9,266	7,840	7,020	6,278	3,844
Final Notices Mailed	28,000	20,425	18,544	17,860	20,074
Disconnect Report List	14,390	8,624	6,651	6,251	5,123
Orange/Green Cards Delivered	4,607	3,212	2,911	2,525	1,455
Red Cards Delivered	1,211	742	619	546	415
NSF/Broken P/A Red Cards	421	414	327	303	144

Historical Rate Increases 1937 - 2020

HISTORICAL RATE CHANGES - 1937 - 2020

Year	Type	Residential Rate
1937	Initial Rate by Public Service Commission	10.0¢/kWh for first 25 kWh 4.0¢/kWh for any additional usage
1950	Adjustment for Inflation	4.0¢/kWh for first 50 kWh 3.0¢/kWh for second 50 kWh 1.0¢/kWh for next 900 kWh 1.5¢/kWh for all consumption over 1000 kWh \$1.50/\$3.00/mo. basic charge (urban/rural)
1976	Adjust for Inflation and Pass Through BPA Accumulated Rate Increases	5.0¢/kWh for first 50 kWh 2.5¢/kWh for second 50 kWh 1.3¢/kWh for next 900 kWh 1.9¢/kWh for all consumption over 1000 kWh \$3.00/\$5.00/mo. basic charge (urban/rural)
1982	Pass Through BPA Accumulated Rate Increases	7.7¢/kWh for first 50 kWh 3.8¢/kWh for second 50 kWh 2.0¢/kWh for next 900 kWh 2.9¢/kWh for all consumption over 1000 kWh \$3.00/\$5.00/mo. basic charge (urban/rural)
1984	Pass Through BPA Accumulated Rate Increases	3.5¢/kWh \$3.00/\$5.00/mo. basic charge (urban/rural)
1988	Pass Through BPA Rate Increase	3.6¢/kWh \$3.00/\$5.00/mo. basic charge (urban/rural)
1990	Pass Through MPC Rate Increase (Effective Dec. 1, 1990)	3.954¢/kWh \$3.00/\$5.00/mo. basic charge (urban/rural)
1991	Pass Through BPA Rate Increase (Effective Oct. 1, 1991)	4.017¢/kWh \$3.00/\$5.00/mo. basic charge (urban/rural)
1992	General Revenue/Rate Adjustment (Effective March 1, 1992) Cost of Service Study by <i>Hittle</i>	4.375¢/kWh; \$11.00/mo. basic charge
1993	Pass Through MPC Rate Increase (Effective Feb. 1, 1993)	4.385¢/kWh; \$11.00/mo. basic charge
1993	Pass Through BPA Rate Increase (Effective Oct. 1, 1993) (<i>Hittle</i> Analysis)	4.709¢/kWh; \$11.00/mo. basic charge
1994	Pass Through MPC Rate Increase (Effective June 3, 1994)	4.719¢/kWh; \$11.00/mo. basic charge
1995	Pass Through MPC Rate Increase (Effective Feb. 1, 1995)	4.724¢/kWh; \$11.00/mo. basic charge
1995	Pass Through BPA Rate Increase (Effective Oct. 1, 1995)	4.817¢/kWh; \$11.00/mo. basic charge
1997	General Revenue/Rate Adjustment (Effective Oct. 1, 1997) (Cost of Service Study by <i>Tom Powers</i>)	4.725¢/kWh; \$5.00/mo. basic charge \$10.00 mo. minimum*, May 1 st - Oct. 31 st \$20.00 mo. minimum*, Nov. 1 st - Apr. 30 th *Monthly minimum includes basic charge

Year	Type	Residential Rate
1999	Pass Through MPC Rate Increase (Effective July 1, 1999)	4.739¢/kWh; \$5.00/mo. basic charge \$10.00 mo. minimum*, May 1 st - Oct. 31 st \$20.00 mo. minimum*, Nov. 1 st - Apr. 30 th *Monthly minimum includes basic charge
2001	Pass Through PPL Rate Increase (Effective July 1, 2001)	4.739¢/kWh; \$5.00/mo. basic charge \$10.00 mo. minimum includes basic charge
2002	Pass Through PPL Rate Increase (Effective April 1, 2002)	4.798¢/kWh; \$5.00 mo. basic charge \$10.00 mo. minimum includes basic charge
2003	Pass Through PPL Rate Increase (Effective February 3, 2003)	4.82¢/kWh; \$5.00/mo. basic charge \$10.00 mo. minimum includes basic charge
2004	Pass Through PPL-BPA Rate Increase (Effective February 1, 2004)	4.87¢/kWh; \$5.00/mo. basic charge \$10.00 mo. minimum includes basic charge
2005	Pass Through PPL Rate Increase (Effective February 1, 2005)	4.9¢/kWh, \$5.00/mo. basic charge \$10.00 mo. minimum includes basic charge
2007	Pass Through PPL Rate Increase (Effective February 1, 2007)	4.96¢/kWh, \$5.00/mo. basic charge \$10.00 mo. minimum includes basic charge
2007	Revenue Rate Increase (Effective December 1, 2007)	4.96¢/kWh, \$7.50/mo. basic charge \$12.50 mo. minimum includes basic charge
2008	Pass Through PPL Rate Increase (Effective February 1, 2008)	4.97¢/kWh, \$7.50/mo. basic charge \$12.50 mo. minimum includes basic charge
2009	Pass Through PPL Increase (Effective February 1, 2009)	4.988¢/kWh, \$7.50/mo. basic charge \$12.50/mo. minimum includes basic charge
2011	Revenue Rate Increase (Effective January 1, 2011)	4.988¢/kWh, \$10.00/mo basic charge, with or w/out meter \$15.00/mo. minimum includes basic charge
2011	Pass Through Rate Increase (Effective October 1, 2011)	5.99¢/kWh, \$10.00/mo. basic charge, with or w/out meter \$15.00/mo. minimum includes basic charge
2013	Pass Through Rate Increase (Effective October 1, 2013)	6.20¢/kWh, \$11.00/mo. basic charge, with or w/out meter \$15.00/mo. minimum includes basic charge; \$14.00/mo. Basic charge for Prepay Meter
2014	Pass Through Rate Increase (Effective December 1, 2014)	6.22¢/kWh, \$11.00/mo. basic charge, with or w/out meter \$15.00/mo. minimum includes basic charge; \$14.00/mo. basic charge for Prepay Meter
2015	Pass Through Rate Increase (Effective October 1, 2015)	6.57¢/kWh, \$12.00/mo. basic charge, with or w/out meter \$15.00/mo. minimum includes basic charge; \$15.00/mo. basic charge for Prepay Meter
2017	Pass Through Rate Increase (Effective October 1, 2017)	6.83¢/kWh, \$13.00/mo. basic charge, with or w/out meter \$16.00/mo. minimum includes basic charge; \$16.00/mo. basic charge for Prepay Meter
2019	Pass Through Rate Increase (Effective October 1, 2019)	6.89¢/kWh, \$15.00/mo. basic charge, with or w/out meter \$18.00/mo. minimum includes basic charge; \$18.00/mo. basic charge for Prepay Meter

Engineering Department

Accomplishments for Fiscal Year 2020

- Initialized and assigned 468 work orders through the fiscal year including customer and MVP projects.
- Procured equipment for system improvements and changes according to the Construction Work Plan.
- Ronan Substation
 - Purchased substation control house equipment
 - Purchased final construction materials/equipment
 - Installed large substation equipment
- Kerr Substation
 - Purchased reclosers to replace outdated equipment
- Relays
 - Purchased equipment for South Shore substation.
- Upgraded survey equipment to meet newer MT guidelines.
- Updated and maintained improvements to MVP mapping documents
- Attended training as needed and available.
- Purchased new substation equipment to replace older, malfunctioning, equipment
- Field inventory continues to be verified to increase the accuracy of MVP's mapping database
- The National Electrical Safety Code is applied to all MVP work orders issued and spot checks are used to confirm construction compliance.



Jette Tower Site Work
Photo by Jay Fyant

Operations & Construction Dept.

Accomplishments for Fiscal Year 2020

- Replaced 700 feet of primary cable and 3,251 feet of secondary cable. Installed 8.39 miles of primary cable plus 4.56 miles of secondary cable. 12.95 miles of underground cable was used during the installation of new services.
- MVP has 2 apprentice linemen currently in training.
- 3,531 poles were inspected in our test and treat utility pole inspection program.
- A total of 361 poles were set for FY 2020, this includes 131 poles set for new construction.
- Performed 2,759 underground locates by customer request.
- Responded to 485 outages that affected 49,873 customers with the average outage lasting 2.41 hours.
- October and August were the months that brought the most serious outages. 42,882 customers were affected when our power supplier lost power at the Kerr and Dixon Substations.
- EIMs cleaned and tested 743 AMR single phase meters and 11 three phase meters.
- Processed 189 new transformers, tested/repaired 76 transformers, and recycled 284 transformers for payments totaling \$41,585.00.
- 72.16 miles of tree trimming and/or removal was accomplished in the power line right-of-way. 140 service calls were made to customers for trimming and removal of trees on their property. 245.75 wood chip loads were generated, with 94 loads delivered free of charge by customer request.
- Area lights at MVP are being upgraded, with LED lights replacing high pressure sodium lights. LED light is brighter light and more efficient. 1,697 lights have been installed, 14 have been removed.



Jette Tower Site Work
Photo by Jay Fyant

Support Services Department

FY20 was the tale of two worlds for the Support Services Department. The First half was much like the last many years. We finished up the prior fiscal year, with plans being made for the upcoming year. We continued to work hard on implementing as many paper free processes as possible, we started putting out bids for material and equipment and started outlining our facility needs.

Halfway through our fiscal year, we found ourselves in a much different situation. Once the Covid-19 pandemic hit, business as usual came to a halt. Our focus changed from purchasing material, to trying to find hand sanitizer and masks for our employees. Our building was locked down, so projects had to be postponed. Receiving parts, equipment and material took much longer.

It has been a learning experience for all of us. Things that were routine became challenges. FY20 was not a year for making huge strides, but more a year of being happy simply getting by.

Financial Highlights

FISCAL YEAR 2020 OPERATING STATEMENT

INCOME

TREASURE/OTHER INT	\$10,394.00
BPA REIMBURSEMENT - ADMIN & LIGHTING	\$252,307.00
SALES REVENUE	\$30,113,781.00
MISC. REVENUE	\$1,003,635.00
TOTAL CASH RECEIVED	\$31,380,117.00

EXPENDITURES

PAYROLL	\$9,921,101.00
MAJOR CONSTRUCTION/WAREHOUSE	\$1,113,552.00
CAPITAL - GENERAL PLANT	\$417,929.00
MAINTENANCE - DIST/TRANS	\$249,346.00
GENERAL OPERATING/ADMINISTRATIVE	\$3,144,708.00
POWER PURCHASES	\$16,161,392.00
TOTAL CASH EXPENSED	\$31,008,028.00

NET INCREASE (Operating Reserve)	\$372,089.00
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Safety & Environmental Compliance Department

Safety Accomplishments for FY2020

Mission Valley Power's safety department continues to strive for Zero Accidents/Incidents each fiscal year. These goals are pursued by accident investigation completed by the safety officer, operations superintendent, safety committee and accident investigation team members. Safety training is offered to all MVP employees to meet or exceed OSHA requirements.

- **Employee in-class training was suspended for FY-20 due to COVID-19.**
- **Zoom and other alternatives of training have been a benefit to continue to reach MVP'S goals.**
- **In service training on new equipment.**
- **All hazardous conditions and access issues are continually being reviewed and updated.**
- **Continued support to Tribal Emergency Response Committee (TERC) and Lake County Local Emergency Planning Committee (LEPC).**
- **All safety forms and policies are reviewed for accuracy and compliance issues.**
- **MVP safety manual revised.**
- **Whip Around App added to safety program for D.O.T. Drivers.**
- **Introduction of fillable documents to field crews for completion of tool inspections and daily job briefings.**

Energy Efficiency & Conservation Department

MVP Energy Efficiency & Conservation Department FY20

MVP Customers worked to save 3,493,147 kilowatt hours of electricity. These are the Energy Conservation Programs that resulted in the greatest kWh savings:



Measure	kWh Saved	Units
Comm. Projects /Commercial Lighting	2,489,821	39 projects
LED Lights & Fixtures	202,900	2,029 Bulbs & Fixtures
Insulation (floor, wall & ceiling)	148,280	14,828 sf
Ductless Heat Pump	215,000	43 units
Geo Thermal Heat Pump	0	0 units
Irrigation	179,937	38 Irrigation Systems
Windows	27,959	1,118 sf
Air Source Heat Pump	50,000	10 units
Appliance	65,250	87 appliances
DHP Conv. From FAF	70,000	15 units
Manufactured Home	25,000	5 homes
Home Electronics/Office Equipment	1,500	6 units

This is an accounting of measures turned in and approved for rebates through Mission Valley Power's Energy Conservation Program for FY20. The actual numbers for our service area are much greater.

Five Energy Star / Northwest Energy Efficient Manufactured Homes were placed in MVP's service area during FY20. They are a minimum of 15% more energy efficient than the Montana State Building Code requires.

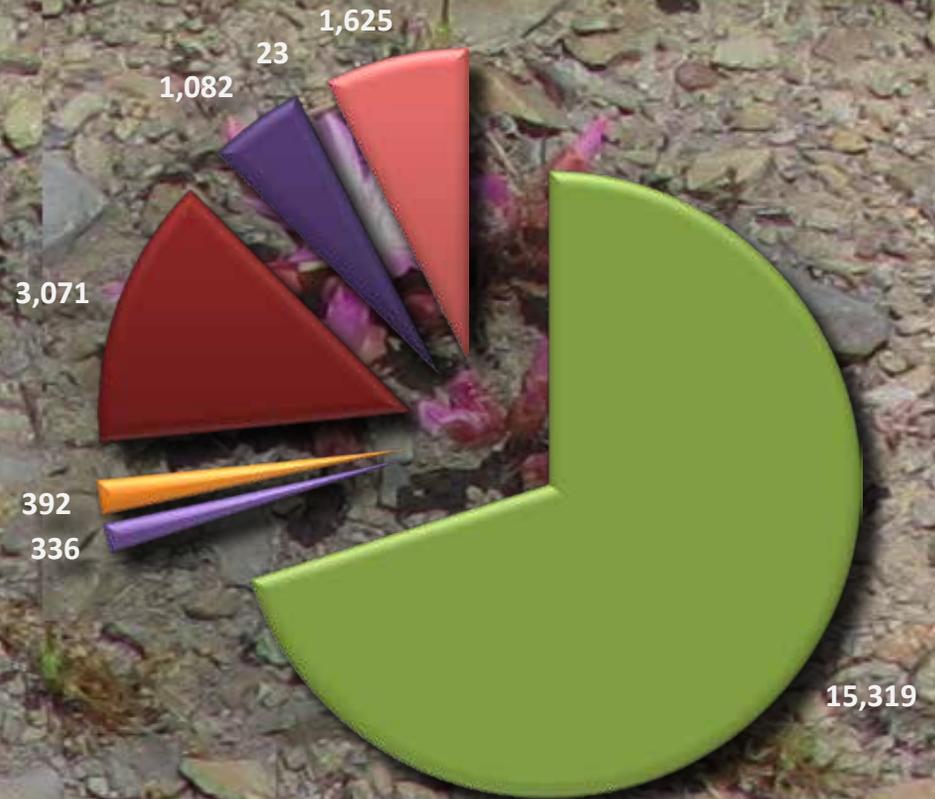
A total of \$422,840 in rebates was returned to MVP customers for Energy Conservation Measures during FY20.

The following projects used BPA Engineers during FY20: MVP Buildings, SKC College Buildings, Dollar Store, Walgreens, Safeway, Moodys Market Inc., St. Ignatius Schools, Subway Ronan, St. Lukes Hospital Ronan, Ninepipes Museum, Polson Waste Water Treatment Plant & Flathead Lake Cherry Growers.

C Customers & Revenue

Customers per Rate Class

- Residential (70.11%)
- Small Commercial - Single Phase (1.54%)
- Small Commercial - Three Phase (1.79%)
- Small Commercial - No Demand (14.06%)
- Irrigation (4.95%)
- Street Light (.11%)
- Area Light (7.44)



Revenue per Rate Class

- Residential (62.63%)
- Small Commercial - Single Phase (4.39%)
- Small Commercial - Three Phase (18.27%)
- Small Commercial - No Demand (8.75%)
- Irrigation (4.83%)
- Street Light (.49%)
- Area Light (.64%)



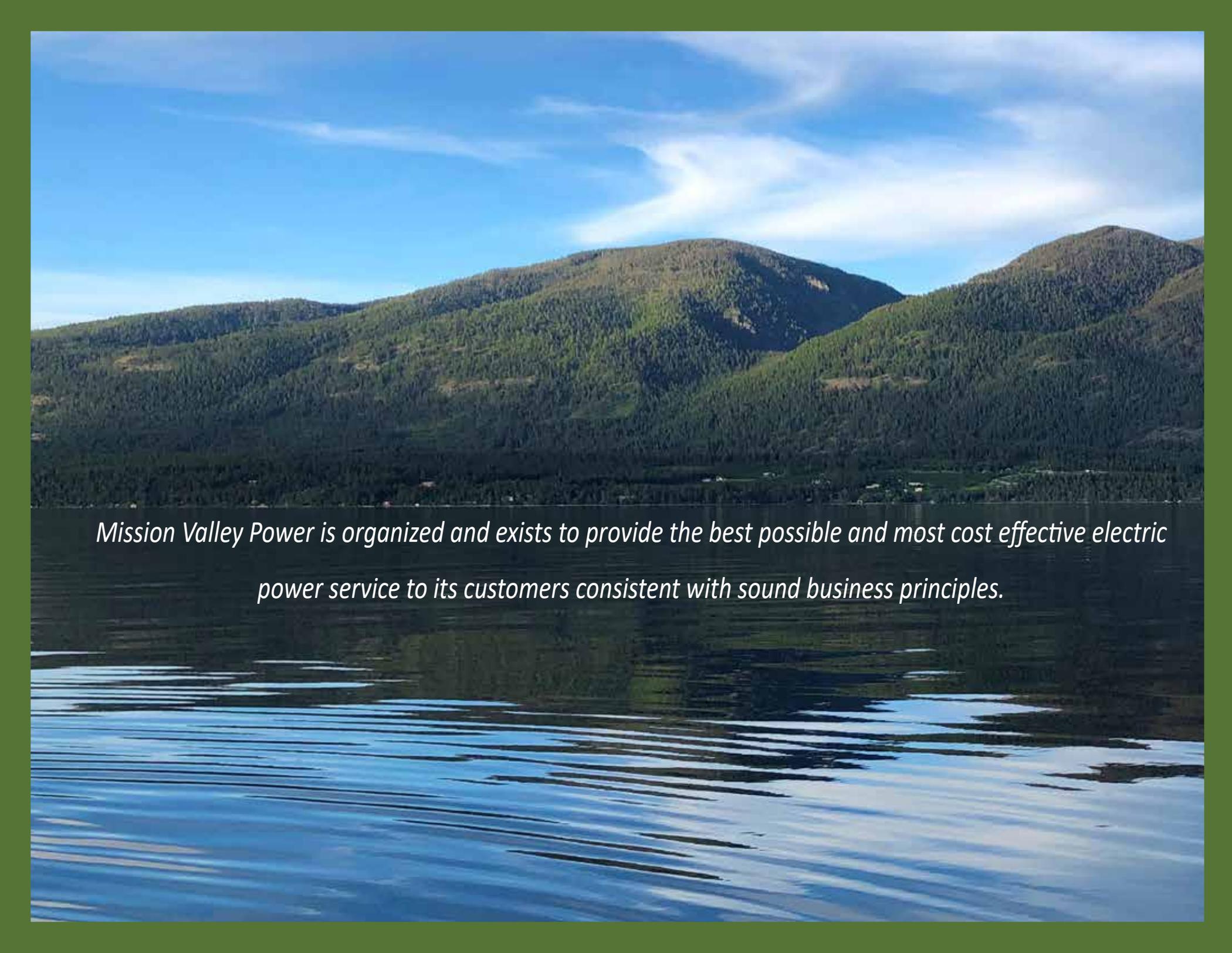
Mission Valley Power



Photo by
Addie Hout

Visit our website at
www.missionvalleypower.org
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Background Photo by Linda Furan



Mission Valley Power is organized and exists to provide the best possible and most cost effective electric power service to its customers consistent with sound business principles.