

# Mission Valley Power

36079 Pablo West Road, Pablo, Montana 59855

(406) 883-7900

[www.missionvalleypower.org](http://www.missionvalleypower.org)



FY2019 Annual Report October 1, 2018 thru September 30, 2019



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

Phone: (406) 883-7900 or (406) 675-7900  
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, 2019: 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**

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



# Message from Jean Matt, General Manager

## Manager Thoughts FY19

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.

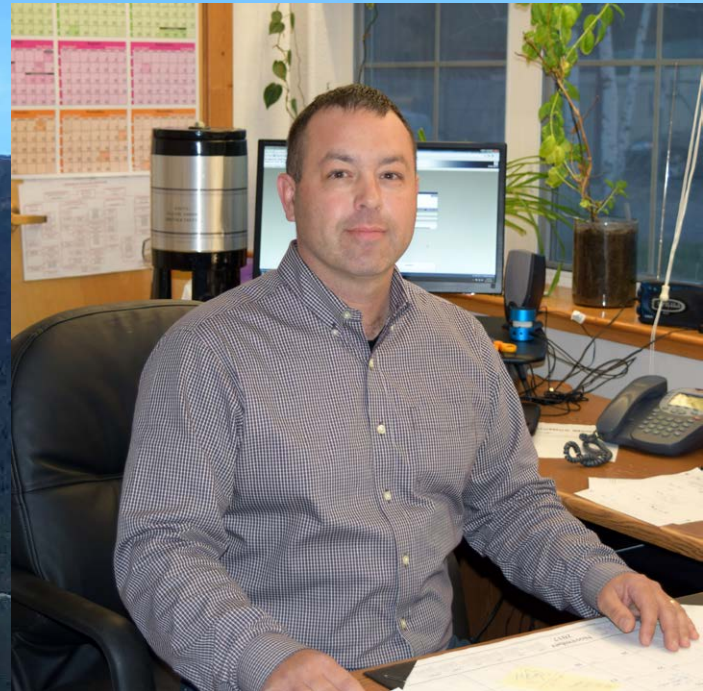
I see the next year bringing forth many new ideas and advances in technology which will continue to improve how the utility is managed. The focal points of projects we plan to initiate in the coming fiscal year will help refine our commitment to serve the most cost effective, reliable, and safe electric power to all customers.

**Jean Matt**  
**General Manager**

P.O. Box 97  
Pablo, MT 59855

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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. Germaine White has been a Board member since January 2014 and Allen Sloan since March 2014. Germaine and Allen are long time residents of the Mission Valley and have proven to be quick studies in the electrical industry. Ellie Bundy became the newest addition to our board in May of 2018.

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



GERMAINE WHITE  
MEMBER SINCE 2014



Pole Setting  
Photo by Addie Hout

## MISSION VALLEY POWER UTILITY BOARD



ELLIE BUNDY  
MEMBER SINCE 2018



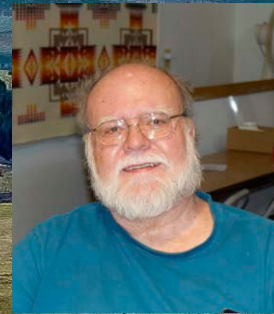
# MVP Consumer Council

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.



Vickie Lester, Chair  
Missoula County Representative



Mark Warner, Vice Chair  
Member-at-Large



Stacy Torgerson  
Sanders County Representative



Paul Hunsucker  
Lake County Representative



Alice Oechsli  
Member-at-Large



David Morigeau  
Member-at-Large (Tribal Member)



Rick LaPiana  
Lake County Representative



Trail of Bales Winners!  
Photo by Addie Hout

## 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 introduced a KIOSK machine in our Pablo office. This machine takes payments and applies it to your account in real time. Additional machines will be distributed in locations throughout our service area in the coming year.

Our prepay metering program continues to grow! We are close to a thousand participants taking advantage of the program. There are no late fees or penalty fees assessed, and this saves our customers additional funds each month.

	2015	2016	2017	2018	2019
Walk-in Transactions	21,197	22,984	28,728	24,270	21,784
Mail & Drop Box Transactions	114,325	109,727	91,844	89,656	84,798
Web Payments	18,304	17,879	19,072	15,583	15,643
Auto-Pay Checks/Cards	19,666	21,142	24,266	25,952	29,094
Web Pymts no sign-up	4,734	6,728	12,310	11,340	13,171
Pay By Phone	5,702	6,648	15,379	20,732	22,096
Kiosks					171
Smart Hub	429	1,169	4,028	6,900	9,377
Payroll Deduct Transactions	3,011	3,048	3,211	3,239	2,969
Budget Billing Transactions	6,670	6,670	7,084	6,873	8,329
Valley Banks Payments	8,957	9,266	7,840	7,020	6,278
Service Orders Processed	4,231	4,308	5,891	3,957	6,203
Final Notices Mailed	29,594	28,000	20,425	18,544	17,860
Disconnect Report List	16,367	14,390	8,624	6,651	6,251
Orange/Green Cards Delivered	4,403	4,607	3,212	2,911	2,525
Red Cards Delivered	1,443	1,211	742	619	546
NSF/Broken P/A Red Cards	631	421	414	327	303

# Historical Rate Increases 1937 - 2019

## HISTORICAL RATE CHANGES - 1937 - 2019

Year	Type	Residential Rate	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	1999	Pass Through MPC Rate Increase (Effective July 1, 1999)	4.739¢/kWh; \$5.00/mo. basic charge \$10.00 mo. minimum*, May 1 <sup>st</sup> - Oct. 31 <sup>st</sup> \$20.00 mo. minimum*, Nov. 1 <sup>st</sup> - Apr. 30 <sup>th</sup> *Monthly minimum includes basic charge
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)	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
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)	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
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)	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
1984	Pass Through BPA Accumulated Rate Increases	3.5¢/kWh \$3.00/\$5.00/mo. basic charge (urban/rural)	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
1988	Pass Through BPA Rate Increase	3.6¢/kWh \$3.00/\$5.00/mo. basic charge (urban/rural)	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
1990	Pass Through MPC Rate Increase (Effective Dec. 1, 1990)	3.954¢/kWh \$3.00/\$5.00/mo. basic charge (urban/rural)	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
1991	Pass Through BPA Rate Increase (Effective Oct. 1, 1991)	4.017¢/kWh \$3.00/\$5.00/mo. basic charge (urban/rural)	2007	Revenue Rate Increase (Effective December 1, 2007)	4.96¢/kWh, \$7.50/mo. basic charge \$12.50 mo. minimum includes basic charge
1992	General Revenue/Rate Adjustment (Effective March 1, 1992) Cost of Service Study by Hittle	4.375¢/kWh; \$11.00/mo. 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
1993	Pass Through MPC Rate Increase (Effective Feb. 1, 1993)	4.385¢/kWh; \$11.00/mo. 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
1993	Pass Through BPA Rate Increase (Effective Oct. 1, 1993) (Hittle Analysis)	4.709¢/kWh; \$11.00/mo. 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
1994	Pass Through MPC Rate Increase (Effective June 3, 1994)	4.719¢/kWh; \$11.00/mo. 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
1995	Pass Through MPC Rate Increase (Effective Feb. 1, 1995)	4.724¢/kWh; \$11.00/mo. 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
1995	Pass Through BPA Rate Increase (Effective Oct. 1, 1995)	4.817¢/kWh; \$11.00/mo. basic charge	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
1997	General Revenue/Rate Adjustment (Effective Oct. 1, 1997) (Cost of Service Study by Tom Powers)	4.725¢/kWh; \$5.00/mo. basic charge \$10.00 mo. minimum*, May 1 <sup>st</sup> - Oct. 31 <sup>st</sup> \$20.00 mo. minimum*, Nov. 1 <sup>st</sup> - Apr. 30 <sup>th</sup> *Monthly minimum includes basic charge	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 2019

- Initialized and assigned 420 work orders through the fiscal year including customer and MVP projects.
- Ronan Substation
  - Purchased distribution structural steel
  - Installed transmission structural steel
  - Installed substation equipment
- Pablo Substation equipment replaced
  - Thirty-nine (39) insulators
  - Three (3) voltage transformers
- Relays
  - Purchased new relays for Charlo, Pablo, and Polson
  - Installed new relays
- Sectionalizing Equipment
  - Purchased four (4) Trip Saver II's
- Construction Work Plan
  - Purchased six (6) line regulators
  - Purchased twelve (12) line regulator by-pass switches
- Back-up Equipment
  - Purchased two (2) 38kV NOVA reclosers
- Purchased new survey equipment.
- Updated Engineering department reference books.
- Field equipment 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.
- Continued training and education for Engineering department personnel.



Ronan Main Street Arch  
Photo by Jean Matt



# Operations & Construction Dept.

## Accomplishments for Fiscal Year 2019

- Replaced .8 of a mile of primary cable. Installed 2.72 miles of primary cable plus 3.34 miles of secondary cable. 6.06 miles of underground cable was used during the installation of new services.
- 2 apprentice linemen have completed all requirements and have acquired Journeyman status. We have 2 apprentice linemen in training. The Electrical Instrument Mechanic (EIM) apprentice has also acquired Journeyman this year.
- 3,271 poles were inspected in our test and treat utility pole inspection program.
- A total of 341 poles were set for FY 2019, this includes poles set for new construction. 2.7 miles of primary and 3.34 miles of secondary was installed in new construction.



Vintage MVP Sign Refurbished  
Photo by Addie Hout



Tree Trimming at MVP  
Photo by Addie Hout

- Performed 2,439 underground locates by customer request.
- Responded to 420 outages that affected 15,810 customers. The average outage lasting 2.46 hours. September was the most extreme month with high winds that blew down trees causing them to go through power lines.
- EIMs cleaned and tested 873 AMR single phase meters and 93 three phase meters.
- Processed 210 new transformers, refurbished 76 transformers, and recycled 290 transformers.
- Tree trimming and/or removal of 68.7 miles of was accomplished in the power line right-of-way. 278 wood chip loads with 67 loads that were delivered free of charge to customers requesting them.
- Repaired 184 Area Lights.
- Installed 36 Area Lights.
- Removed 40 Area Lights.

Background Photo by Brent Burland



# **S**upport Services Department

**The Utility's Support Services Department encompasses Accounting, Billing, Meter Reading, Information Technology, Warehousing, and Building and Vehicle Maintenance. Most of the employees in this department have been with the Utility for quite some time and bring a great deal of history and knowledge of the processes that keep the Utility running efficiently.**

**In FY19, much of the focus has been on becoming as paper-free as possible and using technology to continue to improve efficiencies. As a result of this, we have been able to cut costs by eliminating one position through attrition. We also work continuously on figuring out better ways to use our information technology resources to cut down on the amount of time it takes to get things done.**

**For example, we purchased new vehicle diagnostic software to assist the mechanics in trouble shooting problems with vehicles and equipment. This results in quicker repairs, and not having to send vehicles to Missoula for repairs we can make on-site.**

**Because we understand that technology has limits, we are always aware of training opportunities we can provide to our employees. We can have the best diagnostic software out there, but we still need people trained properly to read the software and perform the work.**

**During FY19, we also began to look at the feasibility of adding additional covered areas for our vehicles and equipment. We have had an architectural study done and hope to get the ground preparation work completed in FY20.**

**In addition to preparing for a new building, we repaired and upgraded many areas of our existing facility. We added garage doors, paint, lighting and heating to existing structures, and expanded our material recycling area. Being an environmentally friendly organization, we continue our recycling efforts in all areas of the utility.**



# Financial Highlights

## FISCAL YEAR 2019 OPERATING STATEMENT

### INCOME

TREASURE/OTHER INT	\$16,208.00
BPA REIMBURSEMENT - ADMIN	\$250,218.00
SALES REVENUE	\$30,904,211.00
MISC. REVENUE	\$935,026.00
<b>TOTAL CASH RECEIVED</b>	<b>\$32,105,663.00</b>

### EXPENDITURES

PAYROLL	\$9,822,879.00
MAJOR CONSTRUCTION/WAREHOUSE	\$1,104,481.00
CAPITAL - GENERAL PLANT	\$365,629.00
MAINTENANCE - DIST/TRANS	\$356,034.00
GENERAL OPERATING/ADMINISTRATIVE	\$3,596,729.00
POWER PURCHASES	\$16,072,689.00
<b>TOTAL CASH EXPENSED</b>	<b>\$31,318,441.00</b>

**NET INCREASE (Operating Reserve) \$340,000.00**



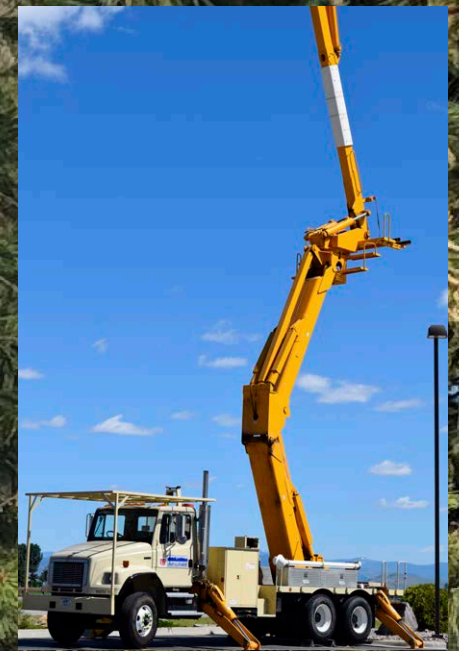
# Safety & Environmental Compliance Department

## Safety Accomplishments for FY2019

Mission Valley Power's safety department continues to strive for Zero Accidents/Incidents in a 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 training for FY2019

- Forklift Certification
- OSHA Required Training
- MVP Drug and Alcohol Policy
- Bonneville Power Substation
- Understanding Personal Styles
- Switching and Clearance Procedures
- Oil Spill Control Plan
- First Aid/CPR Certification
- Acceptable Risk
- Flagger Certification
- Resiliency Training
- D.O.T. Vehicle Inspections
- Ladder Safety
- Defensive Driving
- Purchased 12 new AED's and donated old AED's to Tribal Departments.
- Replaced the old electrical tabletop demonstration unit.
- In service training on new equipment
- Annual Wellness Fair that offered health news and updated employee's vaccines.
- 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.





# Energy Efficiency & Conservation Department

## MVP Energy Efficiency & Conservation Department FY19

MVP Customers worked to save 3,387,844 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	2,586,334	106 projects
LED Lights & Fixtures	218,00	2,180 Bulbs & Fixtures
Insulation (floor, wall & ceiling)	15,990	1,559 sf
Ductless Heat Pump	270,000	54 units
Geo Thermal Heat Pump	60,000	6 units
Irrigation	50,413	25 Irrigation Systems
Windows	48,004	1,925 sf
Air Source Heat Pump	40,000	8 units
Appliance	52,000	69 appliances
DHP Conv. From FAF	25,000	5 units
Manufactured Home	10,000	2 homes
Home Electronics/Office Equipment	6,000	24 units



Irvine Sub  
Photo by Addie Hout



This is an accounting of measures turned in and approved for rebates through Mission Valley Power's Energy Conservation Program for FY19, The actual numbers for our service area are much greater.

Two Energy Star / Northwest Energy Efficient Manufactured Homes were placed in MVP's service area during FY19. They are a minimum of 15% more energy efficient than the Montana State Building Code requires.

A total of \$544,294 in rebates was returned to MVP customers for Energy Conservation Measures during FY19.

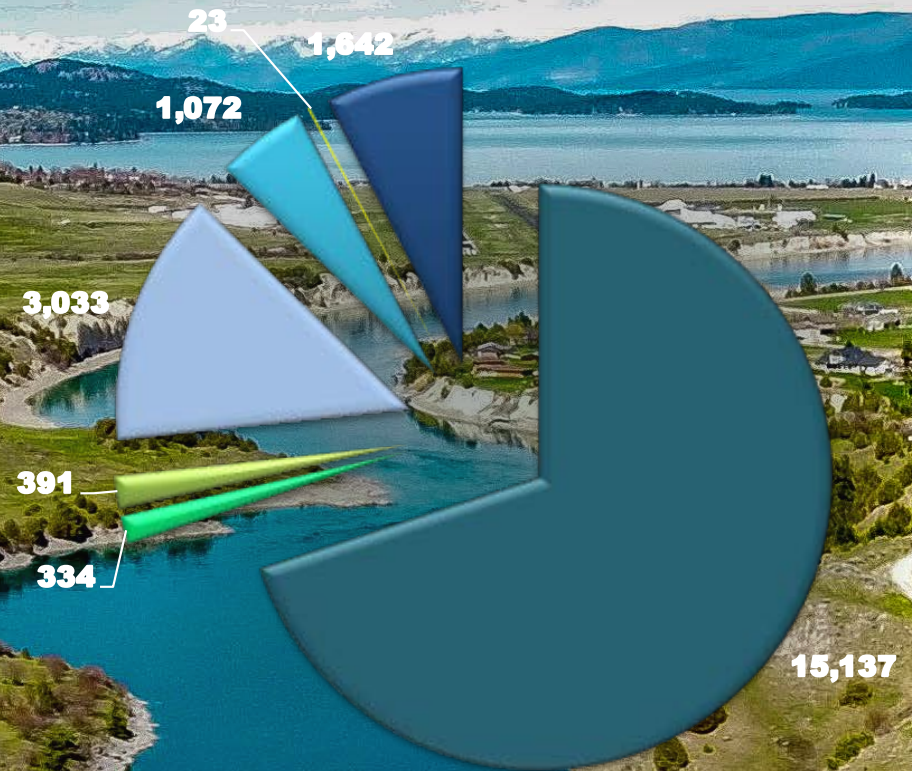
The following projects used BPA Engineers during FY19: St. Lukes Hospital Ronan, Flathead Lake Bio Station, Ninepipes Museum, S&S Sports, Polson Waste Water Treatment Plant and Thermal Wood Technologies.



# Customers & Revenue

## Customers per Rate Class

- Residential (69.97%)
- Small Commercial - Single Phase (1.54%)
- Small Commercial - Three Phase (1.81%)
- Small Commercial - No Demand (14.02%)
- Irrigation (4.95%)
- Street Light (.11%)
- Area Light (7.6%)



## Revenue per Rate Class

- Residential (61.5%)
- Small Commercial - Single Phase (4.6%)
- Small Commercial - Three Phase (18.98%)
- Small Commercial - No Demand (8.5%)
- Irrigation (5.23%)
- Street Light (.53%)
- Area Light (.66%)





# Mission Valley Power



Photo by  
Addie Hout

Visit our website at  
[www.missionvalleypower.org](http://www.missionvalleypower.org)  
or find us on Facebook at  
<https://www.facebook.com/missionvalleypower/>

Background Photo by Brent Burland



*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.*

