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UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION <div style="text-align: right;">KS0042</div>
	PERIOD ENDED December 2021
INSTRUCTIONS - See help in the online application.	BORROWER NAME <div style="text-align: right;">The Lane-Scott Electric Cooperative, Inc.</div>

This information is analyzed and used to determine the submitter’s financial situation and feasibility for loans and guarantees. You are required by contract and applicable regulations to provide the information. The information provided is subject to the Freedom of Information Act (5 U.S.C. 552)

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII
(check one of the following)

☐ All of the obligations under the RUS loan documents have been fulfilled in all material respects.

☐ There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.

DATE

PART A. STATEMENT OF OPERATIONS				
ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	16,137,299	18,976,716	17,053,549	1,643,585
2. Power Production Expense				
3. Cost of Purchased Power	9,219,252	11,294,294	10,301,102	850,255
4. Transmission Expense	2,133			
5. Regional Market Expense				
6. Distribution Expense - Operation	1,474,902	847,115	1,019,731	41,056
7. Distribution Expense - Maintenance	931,974	1,067,352	700,000	75,826
8. Customer Accounts Expense	211,622	191,355	180,408	13,424
9. Customer Service and Informational Expense	47,090	67,611	37,445	5,749
10. Sales Expense	61,443	55,317	47,576	6,193
11. Administrative and General Expense	1,286,157	1,235,934	1,189,915	67,229
12. Total Operation & Maintenance Expense (2 thru 11)	13,234,573	14,758,978	13,476,177	1,059,732
13. Depreciation and Amortization Expense	1,650,032	1,844,094	1,729,870	155,082
14. Tax Expense - Property & Gross Receipts				
15. Tax Expense - Other				
16. Interest on Long-Term Debt	1,337,470	1,339,343	1,238,422	113,530
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	1,971	146	2,513	13
19. Other Deductions	40,819	23,031	12,600	3,634
20. Total Cost of Electric Service (12 thru 19)	16,264,865	17,965,592	16,459,582	1,331,991
21. Patronage Capital & Operating Margins (1 minus 20)	(127,566)	1,011,124	593,967	311,594
22. Non Operating Margins - Interest	240,315	160,696	261,098	3,432
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments				
25. Non Operating Margins - Other	(65,313)	(122,093)	27,500	(13,036)
26. Generation and Transmission Capital Credits	392,903	1,364,350		
27. Other Capital Credits and Patronage Dividends	47,965	57,380	83,807	7,617
28. Extraordinary Items				
29. Patronage Capital or Margins (21 thru 28)	488,304	2,471,457	966,372	309,607

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			BORROWER DESIGNATION KS0042		
INSTRUCTIONS - See help in the online application.			PERIOD ENDED December 2021		
PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT					
ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	55	56	5. Miles Transmission		
2. Services Retired	51	50	6. Miles Distribution – Overhead	2,035.37	2,038.73
3. Total Services in Place	6,045	6,049	7. Miles Distribution - Underground	7.66	7.66
4. Idle Services (Exclude Seasonals)	246	257	8. Total Miles Energized (5 + 6 + 7)	2,043.03	2,046.39
PART C. BALANCE SHEET					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	58,926,015		30. Memberships	0	
2. Construction Work in Progress	1,004,116		31. Patronage Capital	21,272,283	
3. Total Utility Plant (1 + 2)	59,930,131		32. Operating Margins - Prior Years	0	
4. Accum. Provision for Depreciation and Amort.	19,410,940		33. Operating Margins - Current Year	1,011,124	
5. Net Utility Plant (3 - 4)	40,519,191		34. Non-Operating Margins	2,001,634	
6. Non-Utility Property (Net)	0		35. Other Margins and Equities	208,376	
7. Investments in Subsidiary Companies	230,144		36. Total Margins & Equities (30 thru 35)	24,493,417	
8. Invest. in Assoc. Org. - Patronage Capital	12,308,771		37. Long-Term Debt - RUS (Net)	0	
9. Invest. in Assoc. Org. - Other - General Funds	445,461		38. Long-Term Debt - FFB - RUS Guaranteed	33,027,142	
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	221,958		39. Long-Term Debt - Other - RUS Guaranteed	0	
11. Investments in Economic Development Projects	0		40. Long-Term Debt Other (Net)	6,389,766	
12. Other Investments	5,501		41. Long-Term Debt - RUS - Econ. Devel. (Net)	0	
13. Special Funds	0		42. Payments – Unapplied	3,859,324	
14. Total Other Property & Investments (6 thru 13)	13,211,835		43. Total Long-Term Debt (37 thru 41 - 42)	35,557,584	
15. Cash - General Funds	135,302		44. Obligations Under Capital Leases - Noncurrent	0	
16. Cash - Construction Funds - Trustee	100		45. Accumulated Operating Provisions and Asset Retirement Obligations	0	
17. Special Deposits	25		46. Total Other Noncurrent Liabilities (44 + 45)	0	
18. Temporary Investments	5,599,781		47. Notes Payable	0	
19. Notes Receivable (Net)	0		48. Accounts Payable	1,209,779	
20. Accounts Receivable - Sales of Energy (Net)	1,398,249		49. Consumers Deposits	112,956	
21. Accounts Receivable - Other (Net)	212,610				
22. Renewable Energy Credits	0		50. Current Maturities Long-Term Debt	2,306,570	
23. Materials and Supplies - Electric & Other	473,727		51. Current Maturities Long-Term Debt - Economic Development	0	
24. Prepayments	42,428		52. Current Maturities Capital Leases	0	
25. Other Current and Accrued Assets	178,091		53. Other Current and Accrued Liabilities	969,872	
26. Total Current and Accrued Assets (15 thru 25)	8,040,313		54. Total Current & Accrued Liabilities (47 thru 53)	4,599,177	
27. Regulatory Assets	0		55. Regulatory Liabilities	0	
28. Other Deferred Debits	2,878,839		56. Other Deferred Credits	0	
29. Total Assets and Other Debits (5+14+26 thru 28)	64,650,178		57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	64,650,178	

LANE-SCOTT ELECTRIC ENERGY SALES STATISTICS FOR DECEMBER 2021

CLASS OF SERVICE	NO. RECEIVING SERVICE		kWh SOLD		AMOUNT BILLED		Y.T.D AVERAGE		SALE PRICE PER kWh Y.T.D.
	Y.T.D. AVG.	THIS MONTH	THIS MONTH	Y.T.D.	THIS MONTH	Y.T.D.	kWh USED	AMOUNT	
Residential Sales	2,227	2,221	1,765,903	23,771,689	\$235,259	\$3,052,169	890	\$114.22	12.84
Residential Sales-Seasonal	50	48	8,143	118,939	\$1,999	\$26,883			
Irrigation Sales	332	333	128,182	8,381,209	\$11,515	\$781,703			
Small Commercial	1,851	1,856	4,388,525	49,159,049	\$489,222	\$5,745,205	2,213	\$258.66	11.69
Large Commercial	178	174	2,931,201	34,191,037	\$352,042	\$4,299,102	16,045	\$2,017.41	12.57
Public Street Lighting	13	13	35,946	431,352	\$4,819	\$58,086			
Public Building Sales	49	48	30,069	364,378	\$4,276	\$52,199			
Non-Domestic	1,060	1,064	160,733	1,972,054	\$33,205	\$401,332			
City of Dighton	1	1	696,999	9,517,922	\$41,879	\$873,957	793,160	\$72,829.76	9.18
Idle Services on rate 90	36	31	0	0	\$0	\$2,268			
Large Industrial	3	3	3,495,490	34,174,420	\$313,719	\$3,414,963	949,289	\$94,860.08	9.99
Irrigation Horsepower Charges	0	0		0		\$267,015			
Total Energy Sales	5,798	5,792	13,641,191	162,082,049	\$1,487,935	\$18,974,882			11.71
Other Electric Revenue					(\$43,464)	(\$197,281)			
Total					\$1,444,471	\$18,777,601			

SUBSTATION DATA

Substation	(NCP)KW	kWh Purchased	Cost Per kWh	kWh Sold	Line Loss	Load Factor-P	Load Factor-S
Beeler-Sub 3	6,343	3,910,845		3,499,549	10.52%	82.87%	74.16%
Dighton-Sub 1 - 7200	1,518	1,036,136		955,654	7.77%	91.74%	84.62%
Dighton-Sub 2 - 14400	4,716	3,157,448		3,099,222	1.84%	89.99%	88.33%
Manning-Sub 4	4,888	2,779,207		2,633,617	5.24%	76.42%	72.42%
LS Seaboard-Sub 5	256	139,568		134,541	3.60%	73.28%	70.64%
Twin Springs Lo 7.6-Sub 7	204	98,176		89,226	9.12%	64.68%	58.79%
Twin Springs Hi 14.1-Sub 8	217	117,495		105,041	10.60%	72.78%	65.06%
City of Dighton	1,022	601,334	5.9500	601,334	0.00%	79.08%	79.08%
City of Dighton - WAPA	159	95,665	2.9000	95,665	0.00%	80.87%	80.87%
Alexander 115	1,494	658,891		821,171	-24.63%	59.28%	73.88%
Ness City 115	3,914	1,927,153		1,606,171	16.66%	66.18%	55.16%
Total	24,731	14,521,918	5.3100	13,641,191	6.06%	78.92%	74.14%

RUS/CFC LOAN FUND TRANSACTIONS

MISC.

OTHER STATISTICS

				Y.T.D	M.T.D.
Gross Obligation to RUS	\$ 54,111,889	General Fund Balance	\$135,032	Miles Energized	2046.39
Pymts Applied Against Principal	\$ 20,204,998	MMDA Investments	\$208,329	Density	2.83
Net Obligation to RUS	\$ 33,906,891	Cash Available at Month End	\$343,361	kWh Purchased	172,292,535
CFC Line of Credit	\$ -			kWh Sold (Inc. Office Use)	162,157,919
CoBank Line of Credit	\$ -	CFC Investments - CP, SN, MTN	\$5,391,452	Percent of Line Loss	5.88%
CFC Note #9004-RUS refinance	\$ 5,504,239	CFC CTC's	\$221,958	Idle Services	257
CFC Note #9006-RS Prepymt	\$ 285,203			Oper. Revenue Per kWh Sold	11.58
CoBank Note-Feb 21 Winter Event	\$ 2,027,146			Expense Per kWh Sold	11.08
				Income Per Mile	705.86
				Expense Per Mile	650.90

ACCOUNT AGING

	Current	30-89 Days	90 Plus
Irrigation Accounts Receivable	(\$51,873)		
Electric Accounts Receivable	\$1,353,301	\$12,108	\$9,067
Retail Accounts Receivable	(\$20,286)	\$20,461	\$7,652

2021-Line 25 - Non-Operating Margins

		January	February	March	April	May	June	July	August	September	October	November	December	TOTAL	
Rev.-Electrician & Mat.	415.1	\$21,979.30	\$33,725.96	\$36,603.65	\$62,555.37	\$30,506.42	\$39,172.37	\$36,754.36	\$43,398.07	\$50,905.59	\$90,176.12	\$71,207.90	\$51,832.99	\$568,818.10	415.1
Exp.-Electrician & Mat.	416.1/11	\$37,455.59	\$33,719.44	\$58,676.34	\$53,497.52	\$46,608.94	\$40,092.82	\$41,190.87	\$47,974.50	\$45,079.74	\$97,121.49	\$63,484.12	\$55,729.86	\$620,631.23	416.1/11
		(\$15,476.29)	\$6.52	(\$22,072.69)	\$9,057.85	(\$16,102.52)	(\$920.45)	(\$4,436.51)	(\$4,576.43)	\$5,825.85	(\$6,945.37)	\$7,723.78	(\$3,896.87)	(\$51,813.13)	
Rev.-Appliance Repair	415.2	\$18,124.45	\$16,600.50	\$10,552.30	\$20,556.46	\$15,359.94	\$17,982.14	\$17,238.50	\$19,202.59	\$21,829.52	\$10,840.46	\$29,391.63	\$10,813.59	\$208,492.08	415.2
Exp.-Appliance Repair	416.2/21	\$21,949.19	\$25,502.80	\$21,943.61	\$24,239.04	\$20,640.74	\$24,282.83	\$21,500.39	\$22,813.30	\$19,682.71	\$23,618.43	\$24,027.66	\$20,343.91	\$270,544.61	416.2/21
		(\$3,824.74)	(\$8,902.30)	(\$11,391.31)	(\$3,682.58)	(\$5,280.80)	(\$6,300.69)	(\$4,261.89)	(\$3,610.71)	\$2,146.81	(\$12,777.97)	\$5,363.97	(\$9,530.32)	(\$62,052.53)	
Rev.-Member Damages	415.3	\$3,088.75	\$0.00	\$1,386.50	\$444.50	\$0.00	\$1,372.50	\$204.39	\$0.00	\$2,015.00	\$1,625.00	\$557.50	\$891.25	\$11,585.39	415.3
Exp.-Member Damages	416.3	\$893.06	\$0.00	\$605.60	\$0.00	\$605.11	\$401.57	\$142.91	(\$205.47)	\$1,167.48	\$987.32	\$423.60	\$799.00	\$5,820.18	416.3
		\$2,195.69	\$0.00	\$780.90	\$444.50	(\$605.11)	\$970.93	\$61.48	\$205.47	\$847.52	\$637.68	\$133.90	\$92.25	\$5,765.21	
Finance Charges	415.5	\$117.64	\$87.85	\$133.25	\$142.52	\$84.02	\$99.59	\$203.84	\$183.58	\$169.35	\$315.49	(\$159.52)	\$299.18	\$1,676.79	415.5
MARGIN-Retail		(\$16,987.70)	(\$8,807.93)	(\$32,549.85)	\$5,962.29	(\$21,904.41)	(\$6,150.62)	(\$8,433.08)	(\$7,798.09)	\$8,989.53	(\$18,770.17)	\$13,062.13	(\$13,035.76)	(\$106,423.66)	
Misc. Income	421.0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$449.73	\$0.00	\$449.73	421.0
Gain on Disposal	421.1	\$0.00	\$0.00	\$50.00	\$0.00	\$4,000.00	\$0.00	\$0.00	\$0.00	\$100.00	\$0.00	\$601.00	\$0.00	\$4,751.00	421.1
Loss on Disposal	421.2	\$0.00	\$0.00	\$0.00	\$0.00	(\$20,224.72)	\$0.00	\$0.00	(\$645.60)	\$0.00	\$0.00	\$0.00	\$0.00	(\$20,870.32)	421.2
NET NON-OP MARGIN		(\$16,987.70)	(\$8,807.93)	(\$32,499.85)	\$5,962.29	(\$38,129.13)	(\$6,150.62)	(\$8,433.08)	(\$8,443.69)	\$9,089.53	(\$18,770.17)	\$14,112.86	(\$13,035.76)	(\$122,093.25)	

	Current Month				YTD Total			
	Billed Hours	Unbilled Hours	Hourly Rate	Total Unbilled Rev	Billed Hours	Unbilled Hours	Hourly Rate	Total Unbilled Rev
Kalo	130.5	72.5	\$ 85.00	\$ 6,162.50	1578	691.5	\$ 85.00	\$ 58,777.50
Michael	88	105	\$ 85.00	\$ 8,925.00	1592.75	668.25	\$ 85.00	\$ 56,801.25
Mark	149	51.5	\$ 85.00	\$ 4,377.50	1727.5	561	\$ 85.00	\$ 47,685.00
Eli		0	\$ 35.00	\$ -	77	0	\$ 35.00	\$ -
	367.5	229		\$ 19,465.00	4975.25	1920.75		\$ 163,263.75

61.61%

72.15%

2021

Maintenance Inspection Log - to be completed monthly and copy submitted to Richard before the monthly Board meeting.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1 Overhead lines												
number/miles	5455	5313	7012	5051	4860	4374	5,352	5,884	3,100	5,100	4,092	2,112
cost	\$61,750.00	\$70,124.00	\$68,255.00	\$54,683.00	\$44,183.00	\$40,285.00	\$46,115.00	\$49,547.00	\$28,779.00	\$46,606.00	\$45,012.00	\$16,555.00
2 Underground lines												
number/miles	0	0	30 / 322	365	270	265	165	195	240	300	345	65
cost			\$3,961.00	\$3,865.00	\$3,319.00	\$1,958.00	\$2,295.00	\$1,445.00	\$1,341.00	\$2,442.00	\$2,425.00	\$746.00
3 Poles												
number inspected	0	0	0	0	0	0	0	0	0	0	0	0
cost												
4 Right-of-way												
miles inspected	1	1	1	260	76	150	324	205	210	0	110	182
cost	\$3,750.00	\$881.17	2094.00	\$5,108.00	\$996.00	\$2,015.00	\$3,651.00	\$1,898.00	\$783.00	\$0.00	\$1,674.00	\$1,453.00
5 Substations												
number inspected	15	15	15	15	15	15	15	15	15	15	15	15
which ones?	All	All	All	All	All	All	All	All	All	All	All	All
cost	\$7,610.00	\$5,588.00	\$3,653.00	\$4,326.00	\$3,656.00	\$1,629.00	\$5,932.00	\$3,745.00	\$4,901.00	\$3,548.00	\$3,097.00	\$0.00
6 DG Interconnections												
number inspected	0	0	2	0	0	0	0	0	0	0	0	0
cost			\$170.00									
7 CT:PT Metering												
number inspected	0	0	6	0	0	0	0	0	0	0	0	0
cost			\$510.00									
8 Line Clearances												
miles inspected	0	0	1	90	319	461	125	40	150	114	365	40
cost			\$1,238.00	\$2,386.00	\$2,430.00	\$4,448.00	\$964.00	\$263.00	\$1,879.00	\$459.00	\$4,230.00	\$129.00

Operations Report January 2022

● Maintenance

Refused transformers and side taps system wide.
Changed out broken poles in Healy, Union School tap, and by Ness City Cemetery.
Replaced lift poles for Gordon Breit and Popp Farms.
Changed out poles for clearance on the Scott City 3 phase.
Fixed phase floaters on north Norton 3 phase and on Hendricks 3 phase.
Fixed broken jumpers in Ness City, Ransom, Lottie Burnett farm and Cathouse.
Trimmed trees for Larry Grady in Hodgeman Co.
Work locate tickets system wide.
Monthly sub checks.
Pulled meters for electricians to work on consumer side of the meter.
Storm clean up.

● New Connects

Built 2 new 3 phase connects for Mull Drilling, Nuttle 1-7 and JJ 1-6 lease.
Built 3 new 3phase connects for Palomino Oil, Levo lease, Goldfinger #1 and Doll 1-31.
Built new 3 phase connect for Talon Group, Froebe 1-31 Owwo lease.
Built new 3 phase connect for American Warrior, Ashley lease.

● New Construction

Trenched in new primary underground and set splice boxes in Scott Park.

● Other

Worked CPR's for 4th quarter.
DOT physicals.
Updated DOT right of way permits for 2022
Dal attended staking school in Denver.
Met with fire inspector over Alamota and Peach Grove fires.
KEC safety meeting.

CYBERSECURITY - IT DEPARTMENT

CYBERSECURITY/IT PROJECTS COMPLETED AS OF JANUARY 2022

1. Firewall Threat Prevention Summary – Last 192 days

Threats Blocked

Intrusion Prevention	<div></div>	75198
Geo-IP Filter	<div></div>	1485
Gateway Anti-Virus	<div></div>	38

2. Federated Cyber Coverage Review
3. Security system computer software securities.
4. Federated TMHCC registration to cyber community and knowledge center resources.
5. Sonic Firewall Firmware upgrade.
6. Manage Engine patching upgrade.
7. ASP iVue server monthly patching and updates.
8. Veritas Backup Exec 21.4 version 21.0.1200.2536 patch upgrade.
9. Office 365 threat management daily review and risk mitigation.
10. Manage Engine Desktop Central patch management daily review and risk mitigation.
11. Cyber Detect Rapid 7 asset vulnerability management and risk mitigation.
12. Cyber Detect Insight end user vulnerability management and risk mitigation.
13. US Payment KIOSK monthly server patching and software upgrade.
14. Operations and domain server backups and alert warning daily review.
15. Applications and windows updates and patching.

CYBERSECURITY/IT PROJECTS IN PROGRESS AS OF JANUARY 2022

1. Wireless networking replacement devices.

CYBERSECURITY - IT DEPARTMENT

CYBERSECURITY/IT PROJECTS COMPLETED AS OF JANUARY 2022

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5. Sonic Firewall Firmware upgrade.
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7. ASP iVue server monthly patching and updates.
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9. Office 365 threat management daily review and risk mitigation.
10. Manage Engine Desktop Central patch management daily review and risk mitigation.
11. Cyber Detect Rapid 7 asset vulnerability management and risk mitigation.
12. Cyber Detect Insight end user vulnerability management and risk mitigation.
13. US Payment KIOSK monthly server patching and software upgrade.
14. Operations and domain server backups and alert warning daily review.
15. Applications and windows updates and patching.

CYBERSECURITY/IT PROJECTS IN PROGRESS AS OF JANUARY 2022

1. Wireless networking replacement devices.

Richard McLeon

From: Nate Burns
Sent: Wednesday, February 2, 2022 1:30 PM
To: Richard McLeon
Subject: Engineering update

Follow Up Flag: Follow up
Flag Status: Flagged

This month we had an uptick in new oil well connects with six built since last report. We have had IES on system replacing poles found during testing. At this writing they have completed the 34.5kv poles and should finish the reported distribution poles by 2/12/22. I have had some extra time in the office to work on OMS and AMI issues and to my knowledge all known issues have been resolved. I have also been refining our mapping system to include taxing districts. This will assist with our tax records now and ongoing. We are constantly working on and searching for such refinements to maximize the usefulness of our tools.

Nate Burns

Engineering Coordinator
Lane-Scott Electric
(620) 397-5327 O
(620) 397-8063 C (best)

LANE-SCOTT ELECTRIC COOPERATIVE, INC.

Transformer Losses 1995-2020

[illegible]

Member Service Board Report
February 7, 2022 Board Meeting

1. Rate Study Meeting Communication: Additional communication went out for the meeting on Feb. 7th.
 - a. KCL Notice. Magazines are being mailed from KEC on 1/26, 13 days before the meeting.
 - b. SmartHub web banner and website web banner.
 - c. Call Capture automated calls began Monday, 1/24 but were receiving reports of issues with the calls. Worked with NISC, calls restarted Friday 1/28.
 - d. Updated our website rate schedule page to include rate adjustment recommendations, frequently asked Q&A's, and the rate meeting notice.
2. Continuing to promote the youth tour, co-bank sharing success grants, and continuing education scholarships.
3. Covered new service, transfer and disconnect calls while Rebecca was out of the office.
4. Website and Smarthub Website revisions / updates
5. Normal monthly donation requests, KCL magazine, social media posts, new member e-mail series, analytics, newsletter e-blast.

January Warehouse Report

Total Inventory Dollars on Hand for December:

Line Material--\$304,386

Inventory Turns—1.134

Resale Material--\$190,592

Inventory Turns—0.774

Line material \$ amount will go down once all charges for the windstorm are completed and is up due to stocking up on some items to battle material shortages the industry is facing.

Generac Update:

Interest in Generac generators remains high, especially after the windstorm. We sold two more standby units in January along with the portable unit brought into stock. Lead times are still 40+ weeks out and portable units are 12-16 weeks out. Demand remains high and it seems that the automatic transfer switches are one of the main holdups for the standby units. We now receive the generator 2-3 months before we receive the transfer switch.

Inventory to be Billed/Future Margins:

12 Generac generators: \$108,000 average gross/\$30,000 average net margin

12,000' Duct: \$30,500 gross/\$10,000 net margin

1500' 1/0 Duct: \$5,284 gross/\$1750 net margin

Electrician Update:

There was once again a high volume of calls from members needing electric work done in January. We are currently in the process of looking at hiring contractors to help the electricians with our larger jobs, mainly Lane County Feeders new mill project. Currently the struggle is timing out the contract labor with the arrival of material for this job. We will continue to work on this and hopefully have something finalized by the middle or end of February. This will allow our electricians more time to clean up several of our smaller jobs and stay current on their job list.

HVAC Update:

January was a busy month for Mark as far as new equipment is concerned. He replaced two water heaters and four new furnaces were ordered also. Most of the furnaces arrived the last week in January and will not be installed or billed until February, so margins may be a little skewed for January. Currently, Mark is installing a new furnace and all duct work in a new

house. Supply problems are a constant concern, as gas valves for certain water heaters are now impossible to get. This has led to our suppliers sending a brand-new water heater to replace one that just has a bad gas valve.

Line Material:

I am trying to stay on top of what will be hard to get next, but sometimes this is impossible to guess. Currently, meter cans and transformers are extremely hard to get. I am having several companies quote us rebuilt transformers, and lead times so far are anywhere from 26-54 weeks out depending on the type and size of transformer. New transformers have just as bad if not worse lead times. I will continue to be diligent and do our best to stay stocked and serve our members.