



“Lower Valley is **my** energy cooperative”

Amy Storn - Bondurant

Bondurant, Wyoming



your cooperative newsletter
winter 2012

another exciting LVE project

The smart grid demonstration project in the Bondurant area (behind the Post Office) is officially up and running. The main components of the project are a 20 kw solar photovoltaic system, 10 kw of micro wind turbines, and a 125 kWh battery bank. The alternative energy sources obviously help with power generation and the batteries are for peaking. The entire project helps Lower Valley Energy remotely

optimize this section of the system.

In addition, the project will reduce distribution system losses (due to poor leading power factors) and improve voltage on the 60-mile distribution line — and essentially helps prevent upgrades to and rebuilding of the line out to the eastern stretch of the system.

great news for natural gas users

If you have not already seen the change

reflected on your latest bill, we are excited to let you know we reduced your natural gas rate, effective February 1st. Based on a recent decline in wholesale natural gas prices, we are pleased to announce this rate reduction in natural gas prices.

We hope you enjoy your winter a little more knowing that we are working hard each day to save you money. We appreciate you as a member and look forward to working with you as we strive to provide you with the most value for your energy dollar.



Bondurant Smart Grid Demonstration Project

Visit LVEnergy.com for more information!

in passing

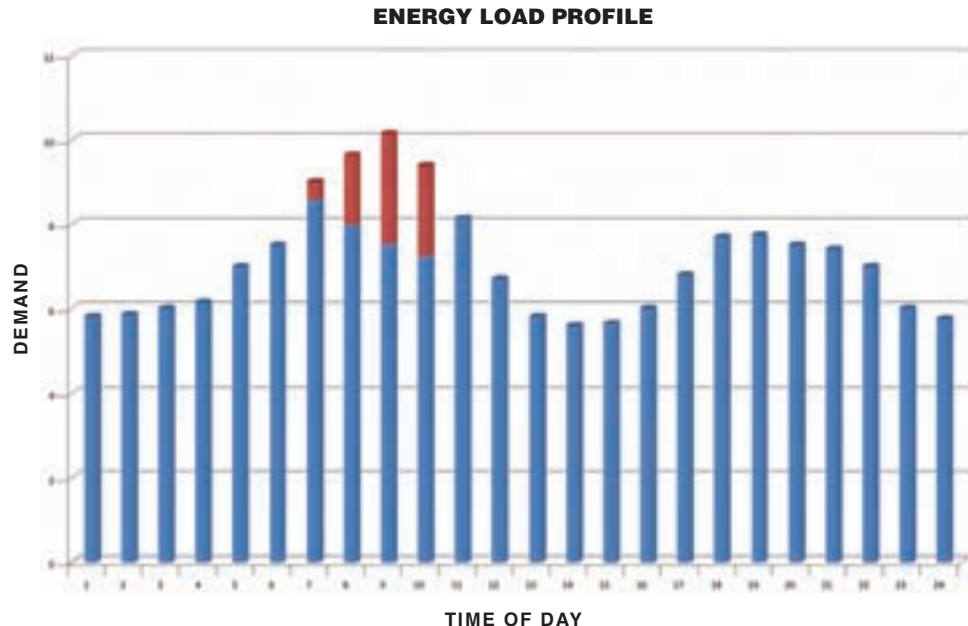
Former line superintendent Larry Kennington passed away this year. He will be missed by all and our thoughts go out to his family.



Larry Kennington

water heater project update

We are officially controlling 461 water heaters throughout our service territory as part of our smart grid demonstration project. Recruitment of participants and project installation took place throughout most of 2011. The DRUs (demand response units — used to send signals to the smart device, in this case the water heater) are all installed and operating. We are now evaluating project economics and effective-



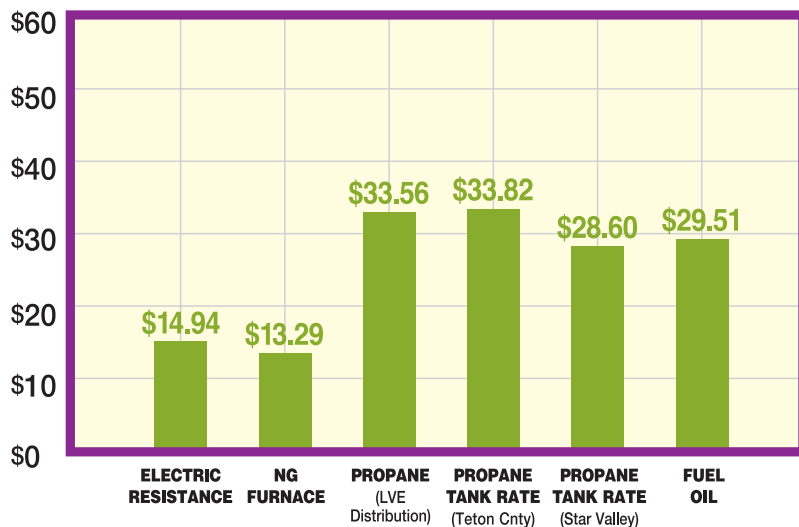
ness, and are quite excited by early results. The initial goal of the project was to reduce the peak demand we collectively place on the electrical grid in the morning — that peak incurs extra costs from our power provider, Bonneville Power Administration (BPA). Any monies saved in our power costs directly affect our ability to keep rates low to you, our members.

The load profile graphic above shows the new demand curve, and the red line is an estimation of the

avoided demand thanks to the program. Shifting this demand and minimizing our morning peak saves on demand charges to BPA.

Visit www.LVEnergy.com for the full story

heating cost per MMBTU



All fuel type units converted to BTUs

the newsletter from
your energy cooperative

www.LVEnergy.com

email
LVEnergy@LVEnergy.com

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| <p>Afton</p> <p>236 N. Washington P. O. Box 188 Afton, WY 83110 Phone 307.885.3175 Fax 307.885.5787</p> | <p>Jackson</p> <p>4000 S. Hwy 89 P. O. Box 572 Jackson, WY 83001 Phone 307.733.2446 Fax 307.739.1610</p> |
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Newsletter Editor — **Brian Tanabe**