



## News from Floresville Electric Light & Power System

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# FELPS Opens New Office; Welcomes Customers for Business

The new FELPS office at 187 Highway 97 E next to the Texas Department of Transportation maintenance facility opens on May 3. Customers wearing masks will be able to conduct business in the lobby, and the convenient drive-through facility also will be available for customer business.

The building brings all the utility's functions together in one location for better communication and greater efficiency. The one-story building includes 22,500 square feet for administrative staff, 6,600 square feet of warehouse space and 6,000 square feet for the maintenance shop. Previously all three functions were in separate buildings.

Besides the new look of the FELPS facilities, the utility also has a new logo. Look for it on all communications

and vehicles. Check the design at the bottom of page 2 of this newsletter and please note that the phone, fax and email addresses will remain the same. The mailing address has changed to the physical address, and FELPS will no longer use the Post Office box number.

## Financial and Operations Report Shows Strength

The 2020 financial and operations report for FELPS shows the utility is positioned to continue providing competitive, quality service to customers and to meet growth requirements in the future.

The number of FELPS customers continued to increase, reaching 16,375 at the end of 2020, a 1.8 percent increase from 2019. When the cities of Floresville, Stockdale and Poth purchased FELPS in 1943, the utility had 802 customers.

FELPS continues to purchase wholesale power from CPS Energy, which has a diverse portfolio of power sources and an industry-leading credit rating. CPS Energy uses both traditional and renewable fuel sources and continues to work toward increasing the amount of emission-free renewable energy.

FELPS renegotiated the contract with CPS Energy for wholesale power in 2016. The new contract began on Jan. 1, 2021, and includes a cost reduction and extension of the terms through Dec. 31, 2025. Winter Storm Uri affected FELPS and CPS Energy, but the full impact was unknown at the time the audit was issued.

FELPS issued refunding bonds in 2020 to refund 2009 and 2011 bonds to take advantage of lower interest rates. Standard & Poor's reaffirmed the AA- rating with a stable outlook for the bond issue.

Operating revenues from electric sales for 2020 totaled \$40,665,880, a 6.5 percent increase from the previous year. The increase in revenue is attributed to the increase in generation and transmission costs.

Income also increased; income for 2020 was \$4,801,673, compared to \$4,673,121 in 2019. The 2.8 percent increase was primarily due to additional revenue from higher generation and

## FELPS Briefs

- Please note that the FELPS office will be closed on May 31 for Memorial Day and on July 5 for Independence Day. Regular office hours will resume at 8 a.m. on the following business day in each case.
- To report outages by telephone, including on holidays and after business hours (Monday-Friday 8 a.m.-4:30 p.m.), please call 830-216-7000 and select sub-option 2.
- Visit [www.felps.us](http://www.felps.us) and follow us on Facebook and Twitter to get FELPS information and to learn about services. You can report outages 24 hours a day on the website, a good time-saver, particularly during storms.
- FELPS is hiring a journeyman lineman, a job that helps construct and maintain the electric system. The successful candidate must have knowledge of electric distribution system principles and design and at least five years of electric distribution construction experience. The complete job announcement is available on the FELPS website.

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transmission charges and a smaller increase in expenses.

Operating and maintenance expense other than purchased power costs amounted to \$8,941,316, 2 percent higher than the previous year. Total depreciation expense amounted to \$3,308,313, an 11.7 percent increase from 2019. The increase reflects additions to plant facilities.

Purchased power costs of \$27,143,074 were about 9.5 percent higher than in 2019 due to the fuel component in the wholesale power agreement and lower purchases compared to 2019. The fuel and regulatory component of the purchased power cost is passed through to customers in the form of a charge.

Total assets at the end of 2020 amounted to \$109,428,487, an increase of \$4,136,718. The increase is attributed to additional capital projects during the year as the utility continues to build to provide good service in the future.

During 2020, FELPS used \$16,345,142 in cash and bond funds for capital improvements compared with \$7,510,702 in 2019, an increase of 118 percent. Capital expenditures are funded with a mix of bond funds and cash reserves.

## FELPS Completes Capital Projects

During 2020, FELPS completed several projects to ensure continuing reliable and cost-effective service. The utility continued to replace poles throughout the system, purchased a new aerial device, bought drones for the new drone program and began construction of the new service building complex.

Construction of a new circuit out of the Sutherland Springs Substation was nearly complete at year-end. FELPS completed changing out meters to advanced technology meters, installed protection at all four substations and constructed distribution lines to newly developed service areas, including several subdivisions. Many components associated with the network and infrastructure were upgraded, including those needed at the new facility.

Major projects planned for 2021 include testing and replacing poles, substation equipment upgrades and completion of the new service complex. FELPS also will purchase a chipper truck and forklift. The final phase of a new radio system will begin.

Proceeds from the 2018 bond issue will be spent during the 2021 capital improvements program.

## FELPS Funds Scholarships and Youth Programs

Continuing its annual tradition, FELPS will help sponsor summer youth programs in the five cities in the service area and will support scholarships to graduating seniors at each of the five area high schools.

FELPS scholarships of \$750 will be awarded at each of the five high schools—Floresville, Poth, La Vernia, Stockdale and Falls City—to assist students with tuition at accredited colleges, universities or technical institutions.

Scholarship awards and the application process are handled by the school districts. Parents or guardians of scholarship recipients must be FELPS customers and students must have good academic and disciplinary records.

FELPS will donate \$2 per meter as a match for funds dedicated by each city to provide summer youth programs in Falls City, Floresville, La Vernia, Poth and Stockdale.

## Designation Calls Attention to Safety

Because hundreds of lives are lost and thousands more are injured in needless electricity-related accidents, May is designated as National Electrical Safety Month to call attention to the need to practice electric safety. These tragedies occur in homes, schools, the workplace and recreational settings. To reduce the likelihood you and your family will become victims of an electrical accident, be sure you are informed about electricity and its dangers.

When electricity is isolated from the ground, it will always look for the most direct path back to the earth, through any material in its way.

Modern technology and more than a century of experience have given us the ability to use electricity wisely and safely. Just follow a few tips to stay safe:

- When carrying ladders, pipes or other long items, always look up to locate power lines and avoid hitting them.
- Watch where you dig to avoid hitting underground lines. Call for a locator to mark underground services before planting trees and completing other digging projects.
- Never use electric equipment around water. Take particular care in the kitchen and bathroom when using electric appliances and never use electric tools in the rain or on wet surfaces.



### Contacting FELPS

187 Highway 97 E., Floresville, TX 78114

[www.felps.us](http://www.felps.us) Twitter: @FELPS\_Electric Facebook: [www.facebook.com/FELPS.OnLine](https://www.facebook.com/FELPS.OnLine)

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Business hours: Monday-Friday 8 a.m.-4:30 p.m. Drive-through closes at 4:15 p.m.

The FELPS Board of Trustees meets the last Wednesday of each month at 8:30 a.m. in the utility offices, 187 Highway 97 E., Floresville.