

SOUTHEAST COLORADO POWER ASSOCIATION

JULY 2023



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Our primary mission is to provide high-quality, reliable electric service at a reasonable cost to our members, improve their quality of life through new technologies and services, be a visible and active member of the community and serve our members with respect, courtesy and responsiveness.

SOUTHEAST COLORADO
POWER ASSOCIATION IS
AN EQUAL OPPORTUNITY
PROVIDER AND EMPLOYER



ELECTRIC INFRASTRUCTURE SAFETY

BY KEVIN BRANDON CHIEF EXECUTIVE OFFICER
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KEVIN BRANDON

You may have seen reports on the news this past year about several attacks on electric substations and other electrical infrastructure around the country. Some of those attacks have resulted in extended outages for thousands of consumers and damages costing millions of dollars. Sometimes the goal of these attacks is purely destruction, mass outages and mayhem. Other times — and this is what we have primarily seen at Southeast Colorado Power Association (SECPA) — copper theft is the main goal of the attackers. SECPA has experienced several instances of theft over the past few years, including thieves breaking into substations and stealing spools of cable and thieves cutting and stealing ground wires off substation structures and power poles. Cutting and stealing ground cables off of energized structures and lines is an extremely dangerous practice that is expensive to repair. It can cause major power outages and, most significantly, can have deadly consequences if contact with energized wires occurs during the theft. Ironically, most of the cable used in SECPA's power system is not copper, but rather aluminum and steel that have little salvage value.

Like any utility, SECPA is concerned about the physical security of our electrical system. We have installed security cameras at many of our facilities and taken other security measures, but our first line of defense is you: our members who live, work, and play near our power lines and substations.

You may not realize that SECPA's service territory is so large. We serve members in 11 different counties across southeastern Colorado in a territory spanning 13,000 square miles. We maintain nearly 5,800 miles of power lines and more than 20 substations and switching facilities. That is a lot of territory to cover and a lot of facilities to watch. With limited staff, we simply cannot be everywhere throughout our system at the same time. That's why we need you to help keep an eye out for any suspicious activity you may see at or near our power lines and substations. If you see something suspicious or just want to verify that we have crews working in an area, please call us at 800-332-8634 any time of the day or night.

One thing to look for is individuals who aren't easily identifiable as SECPA employees working in or around our substations, facilities or power lines. SECPA linemen will almost always be wearing clothing with the SECPA logo and driving vehicles that also have the SECPA logo. An exception is contract crews. SECPA sometimes uses contract crews for line repairs and construction, as well as tree trimming and pole inspections. They work for SECPA, but are not in SECPA vehicles or clothing.

If you question if people are working for SECPA, if you see anything suspicious, or something doesn't look right, give us a call to verify. And if you see an actual break-in or theft occurring, please call 911. You may be preventing an outage affecting you and your neighbors.



Annual Meeting Recap

BY KEVIN BRANDON

On April 27 we enjoyed meeting with our members in Eads. Some highlights from the evening were special guest speakers Kent Singer, executive director of Colorado Rural Electric Association, reports from the Washington D.C. Youth Tour winners, Alyssa Hancock and Lindsey Hodges, and the presentation of scholarships awarded to a group of very deserving students.

There were no contested elections this year, so directors Randy Phillips and Clint Anderson retained their seats. The retirement of District 5 Director Kevin Karney created a vacancy; we are currently advertising the opportunity for SECPA members to run for the District 5 board position.

I also thank the Prairie Queen 4-H council for the great meal and Kiowa County for the hospitality and the use of the community building. And finally, a huge thank you to all the employees who helped in the planning, setting up and working the meeting itself. It takes a lot of effort to put on a meeting like this and I am proud of my team who helped make this meeting such a success. *WIN*Neil Simolke, acct 220730005*

SECPA members enjoy the annual meeting.



SECPA's annual meeting in Eads brings together members from the service territory to hear about the current status of the cooperative, share a meal and win prizes.



The Prairie Queen 4-H Council serves the meal at the annual meeting.

YOU COULD BE A WINNER THIS MONTH

If you find your name in this issue as follows (WIN* your name, your account number), please contact Southeast Colorado Power Association at 719-84-2551 or 800-332-8634 to receive a credit on your next power bill.



CONGRATULATIONS 2023 SCHOLARSHIP WINNERS!



SECPA Board President Truman Wright presents a certificate to scholarship recipient Carlie Carter.



Scholarship recipient and Washington D.C. Youth Tour Winner Alyssa Hancock



Scholarship recipient Tell Piner.



Scholarship recipient Aubrey Summers.



Scholarship recipient Waytynn Wollert.



Washington D.C. Youth Tour winner and scholarship recipient Lindsey Hodges.



Scholarship recipient Torrin Mendoza-Werner.



Scholarship recipient Chole Johnson.



Scholarship recipient Emily Noll.

Scholarship winners unable to attend annual meeting: Ella Swanson, Jay Grimsley, and Corey Zimmerman.



HAPPY INDEPENDENCE DAY



**District 5
Board Director Vacancy**

The Southeast Colorado Power Association Board of Directors is seeking interested members in good standing for an appointment to an open vacancy within District 5, which represents service territory in Otero County.



To be eligible to be a Director: 1) a person must be a SECPA member and bona fide resident of the district he or she is to represent; 2) cannot be an employee or have been an employee of SECPA or its subsidiary within the preceding five (5) years; 3) cannot be employed by or financially interested in a competing enterprise or business selling electric energy or supplies to SECPA.

Please email resume and personal statement to SECPA Executive Assistant Debbie Howard at: debbieh@secpa.com

Deadline for submissions is July 14th, 2023 with interviews to be conducted July 20th, 2023.

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Income Summary

Purchased Power is SECPA's largest expense; in 2022 it accounted for 58.4% of revenues. The increase is attributable to higher sales levels.

Operating Expenses were steady or below 2021 levels; SECPA experienced fewer and less severe storms in 2022.

Non-Operating margins and subsidiary income were higher in 2021 due to non-recurring PPP loan forgiveness.

CONDENSED OPERATING STATEMENT		
	2022	2021
OPERATING REVENUES	\$ 37,507,502	\$ 35,115,614
OPERATING EXPENSES		
Power Cost	\$ 21,920,918	\$ 20,289,383
Operations & Maintenance Expenses	\$ 5,017,996	\$ 5,410,349
Customer Expenses	\$ 819,823	\$ 837,515
Administrative & General Expenses	\$ 2,108,862	\$ 2,328,048
Depreciation	\$ 4,099,663	\$ 3,958,505
TOTAL OPERATING EXPENSES	\$ 33,967,262	\$ 32,823,800
MARGINS		
Margins from Operations	\$ 3,540,240	\$ 2,291,814
Non-Operating Margins (Expense)	\$ (752,785)	\$ 345,404
Capital Credits from Other Org	\$ 370,849	\$ 682,763
Subsidiary Income (Loss)	\$ 26,221	\$ 1,002,787
NET MARGINS	\$ 3,184,525	\$ 4,322,768

Balance Sheet Summary

SECPA assets continue to grow; SECPA's work plan includes roughly \$5,000,000 per year in system improvement projects.

Equity as a percent of assets is strong for SECPA. It was 58.9% at the end of 2022.

Strong performance allows for more significant capital credit retirements. The Capital Credit Retirement processed this month is the largest in SECPA history.

CONDENSED BALANCE SHEET		
	2022	2021
ASSETS		
Total Utility Plant	\$ 129,162,012	\$ 124,349,836
Less: Accumulated Depr.	\$ (58,792,657)	\$ (55,846,553)
Net Utility Plant	\$ 70,369,355	\$ 68,503,283
Other Assets	\$ 34,265,206	\$ 34,826,361
Current Assets	\$ 6,342,556	\$ 5,321,688
TOTAL ASSETS	\$ 110,977,117	\$ 108,651,332
Member's Equity	\$ 65,394,540	\$ 62,392,988
Long-Term Debt	\$ 38,502,044	\$ 40,314,029
Current Liabilities	\$ 7,016,912	\$ 5,880,694
Other Liabilities	\$ 63,621	\$ 63,621
TOTAL LIABILITIES & MEMBER'S EQUITY	\$ 110,977,117	\$ 108,651,332