PROUD TO BE LIVING CO-OP

BY JACK JOHNSTON | CHIEF EXECUTIVE OFFICER | JACKJ@SECPA.COM

I love the feeling of being able to walk into my favorite locally-owned shops throughout the many southern Colorado communities — a restaurant or store — knowing that the profit, product and labor can make positive impacts on my community. The spirit of Main Street is embodied at these local businesses, just like it is at Southeast Colorado Power Association.

Electric cooperatives are as local- and community-centered as they come. Founded as a way to bring electricity to communities that investor-owned utilities wouldn't, electric cooperatives have been a cornerstone of community and economic development in rural America and beyond for decades.

That feeling I get when I frequent local businesses in our community is the same feeling I get when I walk into work every day. It is a feeling of pride. I am grateful to be a part of an organization that serves the community in which we live, instead of a group of shareholders who may never set foot in our service territory.

Living on co-op lines is more than just knowing there are people out there working to bring you safe, reliable and affordable electric service. Liv-

ing on co-op lines is an investment in our community and its members. I certainly feel those sentiments living on those lines.

SECPA is a not-for-profit business. When we make more money than we need to keep the lights on safely, affordably and reliably, we allocate it back to our members in the form of capital credits. This means, after all co-op expenses are paid, any additional money we earn will



Jack Johnston

ultimately go back into our community instead of into a shareholder's pocket, which is pretty great. In fact, stay tuned for some exciting news about the retirement of some of those capital credits.

Because we are memberowned, we have a vested interest in making sure our community is prosperous.

We do this by continuously investing in economic development and community service projects and programs.

I hope that you view SECPA not just as your electric utility provider, but as a local business that brings pride and prosperity to our community. We love being a part of this community and hope you feel the same, too.

OFFICES CLOSED NOVEMBER

23 AND 24

IN OBSERVANCE OF THANKSGIVING.

SAVE THE DATE!

You're Invited to SECPA's Annual Meeting

Southeast Colorado Power Association will hold its annual meeting on Thursday, April 5, 2018.

****Cash prize drawings throughout the day.****

Please join us at Inspiration Field, 612 Adams Ave., La Junta, CO 81050

BOARD DIRECTOR ELECTIONS Registration 5 p.m. | Dinner 6 p.m. | Meeting 6:45 p.m.





YOUTH TOUR 2018

ATTENTION HIGH SCHOOL JUNIORS

Win a trip to Washington, D.C., or a week at Leadership Camp at Glen Eden Resort

The National Rural Electric Cooperative Association Washington, D.C., Youth Tour is June 7-14, 2018. High school students who are 16 by June 1 and whose families are Southeast Colorado Power Association members are eligible to apply to go on the trip. The tour provides students with an eight-day adventure that offers in-depth exposure to the electric cooperative network while exploring our nation's capital. The selected youth's expenses, including airfare, lodging, meals and all tour admission fees, are paid by your local cooperative, Southeast Colorado Power. Activities during the trip include tours of the U.S. Capitol, Washington Monument, Lincoln Memorial, war memorials (Vietnam, Iwo Jima), Arlington National Cemetery, National Archives, the White House and Smithsonian museums; a Potomac River dinner and dance cruise; visits with Colorado's U.S. senators and representatives; an NRECA Town Hall Meeting; and the chance to connect with students nationwide.

If you're not chosen to attend the Washington, D.C., trip, you may be the recipient of a trip to Leadership Camp held at Glen Eden Resort, located just outside Steamboat Springs. At this camp, held July 14-19, 2018, students from Colorado, Kansas, Oklahoma and Wyoming will gather at a beautiful resort on the Elk River and spend the week at an outstanding Leadership Camp. You'll participate in activities to improve leadership skills and get an inside view of the state and national legislatures. There is plenty of time for swim parties, barbecues, dances and banquets during the week. Many of the attendees call this camp a "life-changing experience."

For more information and applications, go to our website at secpa.com/youth-camp-steamboat-springs or secpa.com/youth-tour-washington or contact Debbie Howard at 719-383-1314 or Telly Stanger at 719-383-1341. Applications must be received or postmarked by December 28, 2017. Send to Attn: Telly Stanger, SECPA, PO Box 521, La Junta, CO 81050.

A WEEK YOU'LL NEVER FORGET!

SECPA \$1,000 SCHOLARSHIPS

Southeast Colorado Power Association is once again making a series of scholarships available to area high school seniors.

SECPA is offering three \$1,000 scholarships. Eligible applicants must be high school seniors graduating in 2018 who plan to attend a two- or four-year college. Students' parents must be members of the Southeast Colo-

rado Power Association.

Students interested in applying for the scholarships are asked to submit the completed SECPA application form, which is available on the SECPA website



at http://secpa.com/our-community/scholarships/ along with a school transcript, letters of recommendation and a short letter addressing why they deserve the scholarship and what their major will be in school. Applicants are also asked to submit a current digital photo to Debbie Howard at debbieh@secpa.com with their application.

Additionally, the SECPA website has information regarding other scholarships SECPA administers through Tri-State Generation and Transmission, as well as Basin Electric. Local students are also eligible to apply for both of those scholarships. Tri-State Genera-

tion offers one \$1,000 scholarship and Basin Electric provides one \$1,000 scholarship.

Applications for the SECPA scholarships are due no later than February 5, 2018.

For additional information, please visit the SECPA website or contact Telly Stanger at 719-383-1341.



Accepting Petitions for SECPA Board Director Positions

SECPA board positions up for election in 2018 are District 2, Bent County (incumbent director is Lawrence Brase) and District 6, Prowers County (incumbent is Bill Grasmick). See map at right.

Director elections are for three-year terms, beginning April 2018 and ending March 2021, for districts seat 2 and 6.

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 of SECPA and 3) cannot be employed by or financially interested in a competing enterprise or business selling electric energy or supplies to SECPA.

Petitions must be signed by 15 bona fide members in the nominee's district and must be returned no later than 5 p.m., December 28, 2017. Petitions are available at all SECPA offices or on the website at secpa.com/annual-meeting-elections.

Petitions can be returned to Telly Stanger at any SECPA office, or mailed to SECPA, Attn: Telly Stanger, PO Box 521, La Junta, CO 81050.

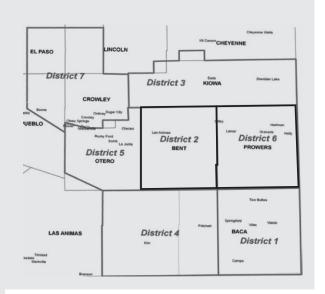
Energy Efficiency Tip of the Month

Spending more time in the kitchen during the

holiday season?

Here's one way to be more energy efficient: Unplug small kitchen appliances, like toaster ovens and microwave ovens, when not in use. You could save \$10 to \$20 per year.







BEHIND-THE-METER ENERGY STORAGE

BY THOMAS KIRK

Today, batteries power our smartphones, laptops and other portable electronics, and soon they may help power homes and businesses as well. Known as behind-the-meter (BTM) energy storage, these batteries are placed in homes and businesses to absorb excess solar generation, save money on demand rates and provide backup power during outages.

BTM storage is widely viewed as a growth industry, with one recent report listing more than 40 companies that are active in this area. Analysts currently expect BTM storage to make up more than 50 percent of the energy storage market by 2021.

BTM storage is benefiting from three key trends: decreasing battery costs, incremental battery improvements and more use of solar rooftop arrays. Battery manufacturers are ramping up production to meet the needs of electric vehicles and becoming more efficient in the process.

Tesla, for example, is building a large-scale battery factory and introduced residential and commercial battery offerings in 2015 with the Powerwall and Powerpack. There are also numerous other companies active in this space, including LG Chem, Sonnen, Sunverge, Stem and others. All this competition and increased manufacturing is driving down the cost of BTM energy storage.

Another factor that's driving BTM storage is the continuous improvement of battery technology. Batteries are becoming more

energy dense, meaning they can hold more energy in the same size battery. Charging times are decreasing while battery cycle life (how many times you can discharge and recharge a battery) is increasing. However, these changes are largely incremental and many are still hoping for a radical improvement in battery technology through currently undeveloped chemistry.

The final key trend also provides one of the major practical uses

BEHIND THE METER Energy Storage

The use of batteries to store energy, also known as behind-the-meter (BTM) energy storage, is increasing. Analysts expect BTM storage to make up more than 50 percent of the energy storage market by 2021.

Here's what's driving this trend:



COST

The cost of batteries is decreasing.



TECHNOLOGY

Battery technology is improving.



GOING SOLAR

More people are using rooftop solar arrays to generate energy.

BTM storage offers several benefits for consumers:



Excess energy generated by solar panels (or other renewable energy systems) can be stored for later use.

Stored energy can be used during peak hours to avoid demand charges.

Stored energy can be used to provide backup power during outages.

for BTM energy storage: the increased use of rooftop solar panels.

Rooftop solar has fallen dramatically in price and when paired with federal and state incentives in an area with good sun exposure, it is often an economic choice for obtaining energy. While many utilities offer net metering to solar consumers, others are adopting rate structures that provide less incentive for consumers to export unused energy to the grid. Pairing storage with a solar array allows the homeowner to save excess solar production and use it later to offset their own consumption, rather than push it out onto the grid.

For commercial and industrial customers that have a demand charge (a charge on how much power they use at a given moment), using a battery allows them to lower their peak demand, or moment of highest consumption that often costs the most.

Another primary use for BTM storage is perhaps the most obvious, but the most difficult to value: backup power when the grid goes down. Unless you live in a remote area prone to service interruptions, the average U.S. consumer will only see one to two outages a year that last a total of roughly three hours. Compounding this issue is direct competition from small generators, which can provide the same service at a much lower capital cost.

As batteries continue to improve and more factories open, consumers can expect to see a

lot more batteries, first in commercial buildings, then in new home construction and finally in your neighbors' basements and garages. Especially if they drive a Tesla.

Thomas Kirk is an associate analyst of distributed energy resources for the National Rural Electric Cooperative Association's Business & Technology Strategies division.