

Rural Life



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MAILING ADDRESS
P.O. Box 521
La Junta, CO 81050-0521

LA JUNTA STREET ADDRESS
901 West Third Street
La Junta, CO 81050

LAMAR STREET ADDRESS
3601 S. Main
Lamar, CO 81052

SPRINGFIELD STREET ADDRESS
25107 Highway 160
Springfield, CO 81073

EADS STREET ADDRESS
303 East 14th
Eads, CO 81036

PHONE
719-384-2551 La Junta
719-336-3236 Lamar
719-523-4566 Springfield
719-438-5591 Eads
800-332-8634 Toll free
719-384-7320 fax

www.secpa.com

WINTER HOURS
8 a.m. to 5 p.m.
Monday – Friday



Technology Provides Solutions and Challenges in 2010

BY RICHARD WILSON, CHIEF EXECUTIVE OFFICER

Welcome to 2010. How do you say it? Twenty-ten? Two thousand and ten? No matter — it is hard to believe we are 10 years into the 21st century.



Richard Wilson

I remember when the telephone company my father worked for switched from the old party line phones to the “new” private lines in the late 1960s. We were promised that video phones were just around the corner. Everyone had concerns about what they would look like if they answered the phone and the caller could see them (“What if I just got out of bed or didn’t have my makeup on or haven’t combed my hair?”) The list of fears about their appearance went on and on.

Obviously, technology didn’t catch up to the prediction, but I often wonder how much of that was technology related or maybe, at that time, we just were not that interested in having a caller see us. When you watch young people communicate today on the Internet, we are as close to having the video phone as we have ever been. Maybe they are just not as concerned about what they look like as we were. It makes my head hurt thinking about what the future holds. But then, worry over the future has always made heads hurt. Let’s make 2010 a good year.

Technology is sometimes our friend, sometimes not. In the electric industry, technology has always been somewhat behind because the old tried-and-true equipment has worked so well. Transformers made today are essentially just as they were 50 years ago. A modern electric conductor, made mostly from aluminum, eclipsed the use of copper years ago and remains the same today. A pole

was wood then and still is.

However, I think we are on the edge of a sharp increase in the use of technology in the electric industry. Today, electric meters are becoming small computers, recording and calculating myriad information about the load the meter is serving. As the cost of producing electric energy rises, pressure to increase the efficient use of energy is going to require real-time measurement and billing.

After several years of watching and participating in meter-reading technology, it seems apparent that every rural system, such as Southeast Colorado Power Association, will face challenges with the technology and the data it produces. SECPA has over 5,200 miles of distribution line covering nearly 12,000 square miles that must be used for communication of meter data. When trying to push too much data too fast over those power lines, the accuracy and value of the data that could be provided to customers on a real-time basis is diminished. That is the challenge today. Just reading the meters is one thing, but providing a host of real-time data to the customer is something entirely different. (WIN*Harry Nelson*, Rocky Ford – account #1401610000)

I think there are folks who do not realize that these challenges exist and would like every electric utility to immediately commence with programs that provide information in real time to force people and their electric appliances to curtail electric use. Technology will fix these issues eventually, but today it is a difficult task.

Efficient use of electric energy is a great goal and one *[continued on page 10]*



NOTICE OF RATE ADJUSTMENT TO RECOVER INCREASED COSTS FOR SOUTHEAST COLORADO POWER ASSOCIATION, INC.

P.O. Box 521 • 901 West Third Street • La Junta, CO 81050-0521

You are hereby notified that Southeast Colorado Power Association proposes to make the following changes in its tariffs to become effective with the February 2010 billing mailed on or about March 5, 2010. The changes proposed will result in an overall annual increase of approximately \$619,300 or 2.84 percent based upon the test period 12 months ending August 31, 2008. The purpose of these revisions is to recover increases in cost of internal expenses. The proposed changes are listed below.

RATE CLASS	CURRENT RATES	PROPOSED RATES	RATE CLASS	CURRENT RATES	PROPOSED RATES
RATE SCHEDULE FH – FARM AND HOME			DEMAND CHARGE per kW of billing demand		
ACCESS CHARGE	\$16.50	\$ 20.50	Winter — November through March, per kW	\$12.55	\$12.55
ENERGY CHARGE per kWh	\$ 0.12320	\$ 0.12320	Summer — April through October, per kW	\$17.55	\$17.55
	Average increase is 3.74 percent		ENERGY CHARGE per kWh	\$0.03689	\$0.03689
				Average increase is 4.3 percent	
RATE SCHEDULE SS – SMALL AG SERVICE			RATE SCHEDULE LP – LARGE POWER		
ACCESS CHARGE	\$19.00	\$21.50	ACCESS CHARGE	\$136.00	\$165.00
ENERGY CHARGE per kWh:			DEMAND CHARGE	\$19.30	\$19.30
First 1,000 kWh	\$0.12320	\$0.12320	ENERGY CHARGE per kWh	\$0.05261	\$0.05261
Over 1,000 kWh	\$0.11068	\$0.11068		Average increase is 0.6 percent	
	Average increase is 4.38 percent				
RATE SCHEDULE HH – HOUSE HEAT			RATE SCHEDULE YL – LIGHTING		
ACCESS CHARGE	\$16.50	\$21.00	MV, FLUOMERIC, QUARTZ OR HPS		
ENERGY CHARGE per kWh:			100-W security light — rental	\$8.14	\$8.55
First 700 kWh	\$0.11936	\$0.11936	175-W security light — rental	\$14.17	\$14.88
Next 300 kWh	\$0.11356	\$0.11356	250-W security light — rental	\$20.26	\$21.27
Next 300 kWh	\$0.10187	\$0.10187	400-W security light — rental	\$32.50	\$34.13
Over 1,300 kWh	\$0.08435	\$0.08435	750-W security light — rental	\$60.79	\$63.83
	Average increase is 2.7 percent		1,000-W security light — rental	\$81.06	\$85.11
			1,500-W security light — rental	\$121.59	\$127.67
			2,500 lumen lamp — rental	\$15.17	\$15.93
			4,000 lumen lamp — rental	\$23.94	\$25.14
				Average increase is 5.0 percent	
RATE SCHEDULE GS – GENERAL SERVICE			RATE SCHEDULE GT – GENERAL SERVICE TIME-OF-DAY		
ACCESS CHARGE	\$36.75	\$42.50	ACCESS CHARGE	\$30.80	\$39.00
ENERGY CHARGE per kWh:			ENERGY CHARGE per kWh:		
First 1500 kWh	\$0.16356	\$0.16356	On-peak per kWh (7-11 a.m., 7-11 p.m.)	\$0.19216	\$0.19216
Over 1500 kWh	\$0.12905	\$0.12905	Off-peak (11 a.m.-7 p.m., 11 p.m.-7 a.m.) per kWh	\$0.05125	\$0.05125
	Average increase is 1.0 percent			Average increase is 3.4 percent	
RATE SCHEDULE GD – GENERAL SERVICE DEMAND			RATE SCHEDULE LT – LARGE POWER TIME-OF-DAY		
ACCESS CHARGE	\$55.00	\$60.00	ACCESS CHARGE	\$177.89	\$190.00
DEMAND CHARGE	\$14.04	\$14.04	DEMAND CHARGE per kW of billing demand		
ENERGY CHARGE per kWh	\$0.07116	\$0.07116	On-peak per kW (7-11 a.m., 7-11 p.m.)	\$20.40	\$20.40
	Average increase is 1.0 percent		Off-peak (11 a.m.-7 p.m., 11 p.m.-7 a.m.) per kW	\$ —	\$ —
			ENERGY CHARGE per kWh	\$0.05569	\$0.05569
				Average increase is 1.6 percent	
RATE SCHEDULE IR – IRRIGATION – NO DEMAND			RATE SCHEDULE TD – ELECTRIC THERMAL STORAGE TIME-OF-DAY		
HORSEPOWER CHARGE	\$1.65	\$2.00	ACCESS CHARGE	\$16.50	\$21.00
ENERGY CHARGE per kWh:			ENERGY CHARGE per kWh:		
First 100 kWh/HP — November through March	\$0.11681	\$0.11681	OCTOBER THROUGH APRIL		
Over 100 kWh/HP — November through March	\$0.06873	\$0.06873	On-Peak per kWh (7-11 a.m., 7-11 p.m.)	\$0.15239	\$0.15239
First 100 kWh/HP — April through October	\$0.12884	\$0.12884		[continued on page 9]	
Next 150 kWh/HP — April through October	\$0.08677	\$0.08677			
Over 250 kWh/HP — April through October	\$0.06272	\$0.06272			
	Average increase is 4.8 percent				
RATE SCHEDULE ID – IRRIGATION - DEMAND					
ACCESS CHARGE per kW	\$1.65	\$2.00			



Sullivan Fills Open Director Position for District 7

Shad Sullivan of Ordway was recently appointed to fill the board vacancy left open in District 7 upon the death of Kenny Anderson.



Shad Sullivan

Shad is single and a lifelong native of Crowley County. He graduated from Crowley County High School in 1992 and from West Texas A&M University with a degree in agriculture and animal science in 1996. During his final year at West Texas A&M, Shad served as the equine evaluation instructor and horse judging coach. From 1996 through 2002, he operated S&M Cattle, Inc.

He is currently a partner with his sister in S&K Grow Yard, a stocker operation in which they co-own and lease ranches in northern Crowley and southern Lincoln counties. In addition to the operation in southeast Colorado, Shad and his sister own a small farm and preconditioning yard in Archer and Young counties in northern Texas. Depending on the year, they will put together 2,500 to 3,000 calves. Shad also judges horses and

has judged more than 400 horse shows across the nation.

"I have had six people inspire and help me get a start in life, for which I am thankful," Shad said. "They are God, my dad, my banker Brad, my business associate Pat, my friend Marvin and my fellow producer Brent.

"I have been extremely blessed and lucky along the way," he continued, "and look to people of wisdom and experience for guidance."

His interests include the beef industry, equine activities, basketball, southeast Colorado history, cowboy culture, arrowhead hunting and cowboy cooking.

"I love northern Crowley County, especially Antelope Mesa," Shad said. "It is my home, and both sides of my family homesteaded the four corners region of Crowley, Pueblo, El Paso and Lincoln counties before 1910. My roots run deep in this region, and I will always consider it my home."

PETITIONS FOR DIRECTOR NOMINATIONS AVAILABLE

Petitions for nomination of directors for District 1, eastern Baca County; District 3, Kiowa County; and District 7, Crowley and El Paso counties are available at all offices of Southeast Colorado Power Association or online at www.secpa.com.

The nominee must be a member and a bona fide resident of the district in which he or she is being nominated. At least 15 valid signatures of members within that district are required. Petitions must be returned no later than 5 p.m., February 8, 2010, to any Southeast Colorado Power Association office or sent to P.O. Box 521, La Junta, CO 81050-0521.

Incumbent directors are Bill Wright, District 1; Brad Buck, District 3; and Shad Sullivan, District 7.



NOTICE OF RATE ADJUSTMENT TO RECOVER INCREASED COSTS FOR SECPA

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RATE CLASS	CURRENT RATES	PROPOSED RATES	RATE CLASS	CURRENT RATES	PROPOSED RATES
Off-peak (11 a.m.-7 p.m., 11 p.m.-7 a.m.) per kWh	\$0.05142	\$0.05142	Over 1,300 kWh	\$0.08166	\$0.08166
			Average increase is 2.5 percent		
MAY THROUGH SEPTEMBER					
First 1,000 kWh	\$0.10431	\$0.10431	RATE SCHEDULE RD – RESIDENTIAL DEMAND TIME-OF-DAY		
Over 1,000 kWh	\$0.08636	\$0.08636	ACCESS CHARGE	\$35.40	\$44.95
Average increase is 2.5 percent			DEMAND CHARGE – ON-PEAK	\$15.50	\$15.50
			DEMAND CHARGE – OFF-PEAK	\$0.00	\$0.00
			ENERGY CHARGE per kWh	\$0.04540	\$0.04540
			Average increase is 0.7 percent		
RATE SCHEDULE TW – ETS HEAT / ETS W/WH TIME-OF-DAY					
ACCESS CHARGE	\$16.50	\$21.00			
ENERGY CHARGE per kWh:					
OCTOBER THROUGH APRIL					
On-peak per kWh (7-11 a.m., 7-11 p.m.)	\$0.16675	\$0.16675	The proposed and present tariff provisions are available for examination and explanation at the above listed Southeast Colorado Power Association's office. Anyone who desires to comment about the proposed changes may file written comments and/or complaints with the association at P.O. Box 521, La Junta, CO 81050-0521. The management and board of directors of Southeast Colorado Power Association will continue to make every effort to provide consumers with reliable electric service at a reasonable cost.		
Off-peak (11 a.m.-7 p.m., 11 p.m.-7 a.m.) per kWh	\$0.05196	\$0.05196			
MAY THROUGH SEPTEMBER					
First 700 kWh	\$0.14244	\$0.14244			
Next 300 kWh	\$0.12420	\$0.12420			
Next 300 kWh	\$0.10597	\$0.10597			

Technology

[continued from page 7] we embrace. You can do the easy stuff right now. Replace those incandescent lightbulbs with compact fluorescent lightbulbs. Turn off the lights when not in the room. Raise or lower that thermostat to save energy. As with me and the video phone, someday our kids and grandkids can talk about the good old days when we didn't have to worry about when or how we used electricity.

Your board of directors recently finished reviewing the staff's budget recommendations for 2010. With a combination of higher depreciation costs, interest costs and operating costs, the proposed budget resulted in a deficit in operating margins. Cuts in expenses, including scaling back plant replacements and vehicle replacements, limiting the amount of work outside contractors perform and limiting expenditures across all departments, did not get the bottom line in the black. Therefore, staff proposed an increase in rates for 2010.

After thorough review, the board instituted staff's recommendation to increase rates about 3 percent. With increases in renewables and energy efficiency, electric utilities will see an erosion of revenue derived from kilowatt-hour sales. To obtain the revenue needed to run the business, more revenue will need to be derived from the fixed part of the rates. In preparing for the future, SECPA's rate increase will be applied only to the fixed portion of the rates (called the access charge or horsepower charge). The kilowatt hour-rate will remain unchanged. This also helps assure that each member is paying a fair share of the fixed costs of upgrading and maintaining the large number of miles of line and electric line equipment. There will be no increase from Tri-State Generation and Transmission in 2010 as wholesale electric rates will remain the same.

The board and staff regret raising rates but realize that to maintain high quality service at all times day and night, adjustments must be made from time to time. Every effort will be made to operate a cost-efficient operation as reasonably as possible.

Check Ducts for Energy Leaks

One of the most important systems in your home, though it's hidden beneath your feet and over your head, may be wasting a lot of your energy dollars. Your home's duct system, a branching network of tubes in the walls, floors and ceilings, carries the air from your home's furnace and central air conditioner to each room. Ducts are made of sheet metal, fiberglass or other materials.

Unfortunately, many duct systems are poorly insulated or not insulated properly. Ducts that leak heated air into unheated spaces lose up to 60 percent of your heated air and add to your heating bills. Insulating the ducts that are in unconditioned spaces is cost effective. If you are buying a new duct system, consider one that comes with insulation already installed.

Sealing your ducts to prevent leaks is especially important if the ducts are located in an unconditioned area, such as an attic or vented crawl space. If the supply ducts are leaking, heated or cooled air can be forced out of unsealed joints and be lost. In addition, unconditioned air can be drawn into return ducts through unsealed joints. In the summer, hot attic air can be drawn in, increasing the load on the air conditioner. In the winter, your furnace will have to work longer to keep your house comfortable.

Ducts in these unconditioned spaces should be sealed and insulated by qualified professionals using appropriate sealing materials. If you are going to make minor repairs yourself, here are a few simple tips:

- Check your ducts for air leaks. First, look for sections that should be joined but have separated and then look for

obvious holes.

- If you use tape to seal your ducts, avoid cloth-backed, rubber adhesive duct tape, which tends to fail quickly. Researchers recommend other products to seal ducts, such as mastic, butyl tape, foil tape or other heat-approved tapes. Look for tape with the Underwriters Laboratories logo.
- Remember that insulating ducts in the basement will make the basement colder. If both the ducts and the basement walls are uninsulated, consider insulating both. Water pipes and drains in unconditioned spaces could freeze and burst in the space if the heat ducts are fully insulated, because there would be no heat source to prevent the space from freezing in cold weather. Using an electric heating tape wrap on the pipes can prevent this. Check with a professional contractor.
- If your basement has been converted to a living area, hire a professional to install both supply and return registers in the basement rooms.
- Be sure a well-sealed vapor barrier exists on the outside of the insulation on cooling ducts to prevent moisture buildup.

When doing ductwork, be sure to get professional help. Changes and repairs to a duct system should always be performed by a qualified professional.

Ducts that don't work properly can create serious, life-threatening carbon monoxide problems in the home. Install a carbon monoxide monitor to alert you to harmful CO levels if you have a fuel-burning furnace, stove or other appliance or an attached garage.

YOU COULD BE A WINNER

If you find your name in this issue as follows (Win* your name, account number), please contact Paige Horn at Southeast Colorado Power, 719-384-2551 or 800-332-8634, to receive a credit on your next power bill. Last month's winner was Lyle Nichols, account #1403120000.

Mark Your Calendar – Annual Meeting

SECPA Annual Meeting
March 25, 2010
Eads, Colorado