

Beartooth Electric COOPERATIVE

HAPPY NEW YEAR
2018

january

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IN THIS ISSUE:

page 3

FEATURE STORY:

Save Energy Through
Advanced Power Strips

page 4

Advanced Power Strips—
Which one is right for me?

page 5

2018-2020 Strategic Plan

page 5

That was then—This is now

page 6

Budget proposal for
2018: stable rates, plant
improvements and a safe
financial position

page 6

BEC January Calendar

FIND YOUR ACCOUNT NUMBER WIN A LED LIGHT BULB 4-PACK

Look for your electric account number hidden in the four pages of this BEC Newsletter and give Kaaren a call at the co-op office by January 15 to receive a free LED light bulb 4-pack.



FEATURE STORY:

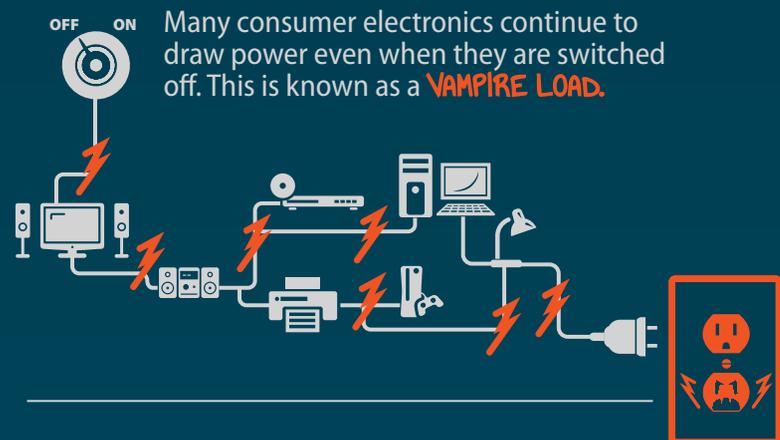
SAVE ENERGY THROUGH ADVANCED POWER STRIPS

As cooler weather lurks around the corner, avoid cold weather “energy vampires.” Energy vampires are evil ghouls that suck electrical power from your appliances when you aren’t using them, taking a big bite out of your wallet.

For instance, mobile phone chargers that are left plugged in after your phone is disconnected consume .26 watts of energy—and 2.24 watts when your phone is fully charged and still connected. If you start factoring in all the other appliances and electronics that are plugged in and not in use, it’s easy to see why these energy vampires could add an extra 10 percent to your monthly utility bill. But never fear. Slay energy vampires with these four simple strategies:

continued on Page 4

What is a VAMPIRE LOAD?



VAMPIRE LOADS add up to about
\$200 in yearly energy costs for
an average home

This **WASTED ENERGY** could have
powered **11,000,000** homes



continued from Page 3

1. Unplug. Unplug. Unplug.

This probably won't work for your cable box or wireless router, but if you have an extra TV or some other electronic device or appliance you don't switch on often, you should consider unplugging it completely until the next time you actually use it.

2. Plug your appliances into power strips.

Power strips let you toggle the power flow on and off. This means you can control the power usage of clusters of devices so that they're not consuming electricity when you're not at home. Using a light switch that turns power outlets on and off, if you have one, accomplishes the same end with even less effort. An advanced power strip makes it even easier by turning off idle electronics without any additional steps from you.

3. Curb idle time.

Simply setting your computer to sleep mode, or stopping a game and powering down your video game console instead of leaving it paused for a prolonged period, could lead to bigger savings.

4. Make smart upgrades.

When it comes time to send your old electronics and appliances to the graveyard, consider replacing them with ENERGY STAR devices. They have a lower standby consumption than your average device and use less energy all around. [786600] This calculator helps you estimate how much energy it takes to power your electronics and appliances throughout the year and identify even more savings opportunities.

ADVANCED POWER STRIPS

Which one is right for me?

I want to stop **WASTING ENERGY** in my ...

ENTERTAINMENT CENTER

I always turn off my electronics when done

Why don't I turn them off?

NO YES

Do I want manual or automated power control?

I fall asleep I forget I'll do it myself Automatic

HOME OFFICE

Is the computer a laptop or tablet?

Do I put it to sleep, or shut down?

NO YES

Does it stay docked or is it frequently moved?

Always docked Moved often

Timer Power Strip

Activity Monitor Power Strip

Remote Switch Power Strip

Master-Controlled Power Strip

Masterless Power Strip

	Timer Power Strip	Activity Monitor Power Strip	Remote Switch Power Strip	Master-Controlled Power Strip	Masterless Power Strip
COST	\$ - \$	\$ - \$	\$	\$ - \$	\$ - \$
FEATURES	Power strip automatically turns off outlets based on a pre-set schedule.	Power strip looks for signs of activity in the room, and turns off outlets if none is detected.	Power strip can be turned off by the user via a remote switch.	When a primary device (such as a computer or TV) is turned off by the user, the power strip automatically turns off the controlled outlets where the peripheral devices (such as the printer or game console) are plugged in.	When all of the controlled devices are turned off, the power strip turns off power to those outlets completely, eliminating all of the vampire loads.
POSSIBLE DRAWBACKS	You have to set up the timer and stick to your schedule for maximum energy savings.	Motion sensors don't always work perfectly.	To save any energy, you have to remember to turn off the power strip each time.	It can be tricky to select which appliance should be your "master" device.	Turning off one high-powered appliance could turn off the entire power strip.
WHAT TO LOOK FOR	Digital or dial timer.	Motion sensor or an infrared "eye" that detects remote control use around the TV or stereo.	A tethered switch or a remote switch.	One outlet is labeled as the "master."	No "master" outlet. Description may include "automatic switching" or "power detection."

KEY FACTS:

- Unplugging unused electronics —otherwise known as “energy vampires”—can save you as much as 10 percent on your electricity bill.

- This calculator (<https://www.energy.gov/energysaver/estimating-appliance-and-home-electronic-energy-use>) helps you estimate how much energy it takes to power your electronics and appliances.
- Visit [Energy.gov](https://www.energy.gov) for more energy efficiency tips, articles and more.



Julie A. Lindgren
BEC board president

2018–2020 STRATEGIC PLAN

HAPPY NEW YEAR MEMBERS! What a great year we anticipate it to be.

In early November, your board, General Manager and Legal Counsel conducted a two-day strategic planning session facilitated by Scott Luecal of Luecal Consulting. I am excited to share the work we accomplished.

MISSION STATEMENT

The Cooperative's existing mission statement was as follows: "To provide competitive and reliable electric service while enhancing the quality of life to the members we serve."

After considerable discussion, we developed the following new mission statement to include BEC's, "safety first" work ethic.

"To provide our members with reliable, reasonably priced electricity and related services delivered in a safe and efficient manner."

VISION STATEMENT

The Cooperative's existing vision statement was as follows. "To be recognized by our members as providing the highest level of customer service and value through honest, well-trained, professional, courteous and motivated employees."

After considerable discussion, the following new vision statement was developed.

"Beartooth Electric Cooperative is recognized as a member-driven, financially stable and innovative Cooperative well-positioned to meet the challenges of an evolving electric industry."

We also developed a new pledge, the board's and employee's promise to members:

The Trustees and Employees of Beartooth Electric Cooperative Pledge to:

- Listen, understand, communicate and act in the best interest of all members.
- Solicit and encourage member involvement.
- Adhere to the highest ethical standards of trust and respect.
 - Operate our business in a financially sound and transparent manner.



Kevin P. Owens, PE
BEC general manager

THAT WAS THEN—THIS IS NOW

Happy New Year to all of you. It doesn't take long for me to put the holiday season behind me and move on to a New Year full of new challenges and new opportunities.

My mantra for the New Year is "that was then, this is now." A lot of hard work has gone into getting us to where we are now. The final months of 2017 provided us a new strategic plan and the first year (2018) of a multi-year financial and work plan. Now, success will be measured by how well we execute those plans.

Beginning in 2018 and concluding in 2019 will be the deployment of new digital meters working with a new two-way automated communication metering and billing system. These will provide improved service to members and much more information

- Perform our work in a manner that is environmentally and socially responsible.
- Encourage the wise use of energy, and
- Follow the *Seven Cooperative Principles*.



KEY CORPORATE PERFORMANCE MEASURES

Key corporate performance measures were developed to provide a basis for evaluating the Cooperative's progress toward achieving its mission and vision that include these five key components: Safe, Reliable, Efficient, Reasonably Priced and Satisfied.

BOARD GOALS AND GENERAL MANAGER INITIATIVES

Based upon the outcomes of the vision for the industry exercise, SWOT analysis and discussions of the key issues identified prior to the planning session, the following Board Goals and General Manager Initiatives were developed.

1. Maintain reasonably priced electricity through fair and equitably designed rates, operational efficiencies and the mitigation of risks originating from within or outside the Cooperative.
2. Meet members distribution reliability and capacity needs through effectively developed and efficiently implemented system construction projects, maintenance programs and proven technology applications.
3. Increase the efficient use of electricity through strategic load growth, renewables and informational programs.
4. Continue to build trust and engagement among the different segments of the membership.

I invite you to review the entire 2018–2018 Strategic Plan complete with key discussion points, SWOT analysis and specific measurements available at the BEC office and posted on our website at www.beartoothelectric.com.

Again, Happy New Year to all—May you enjoy Happiness, Health and Prosperity in 2018.

which will significantly improve our operating efficiency. With this improved technology and software, it will allow us to look at more progressive rate design strategies that ensure equitable cost recovery across all customer segments and support customer choice of alternative energy supply. Consequently, the Board has also provided me with a green light (pun intended) to start exploring member interest in a Community Solar project.

When you look at the year ahead that will involve a new metering system, discussion of new rate designs and exploration of renewable energy options it sends a clear message to all of us—C-O-M-M-U-N-I-C-A-T-E!!!! You'll be seeing a lot more from us in this area and I hope it also sends a clear message to members to get involved. Listen, Learn and Voice your opinion, it's the Cooperative way. Remember, This Is Now!

JANUARY						
M	T	W	T	F	S	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Budget proposal for 2018: stable rates, plant improvements, and a safe financial position

The 2018 budget aligns with the BEC seven-year forecast model that shows no projected member rate increases, assumes a 20-year capital credit rotation, takes a \$500,000 cash level forward each year and maintains financial ratios above required standards.

budget information. [289102] A series of review sessions provided input for the final budget proposal that Owens will present for board approval on



Arleen Boyd, Risk Management Committee, chair

January 9. Members are encouraged to attend.

BEC JANUARY CALENDAR

January 1
Happy New Year!
BEC Office is Closed

January 5
December Billing Statements Processed and Distributed

January 9 | 12:00 Noon
BEC Regular Board Meeting
BEC Office - Red Lodge, MT

January 25
Autopay Bill Payment Processing
December 2017 Billing

January 30 | 12:00 Noon
BEC Regular Board Meeting
BEC Office - Red Lodge, MT

January 31
December Bill Payment Due

The 2018 expenses include office and technology improvements and major capital investment in necessary meter system upgrades that begin in the fourth quarter of 2018 and are completed in 2019. The 2018 budget plans for \$324, 653 in capital credit retirement payments.

The budget reflects two major cost advantages that also underpin the positive seven-year forecast numbers: consecutive five-year power supply contracts beginning in late 2017 with excellent fixed-price, load-following terms and this year's move to a BEC standalone model that reduces current administration and general (A&G) expenses significantly.

Plan to attend the January 9, board meeting. The 2018 BEC budget process gathered information, examined numbers, weighed alternatives and involved members. Manager, Kevin Owens presented a zero-based budget outline at the October risk management meeting. The BEC Board approved a review and approval process at their October 31 meeting and, as required in BEC bylaws, notified members and alerted them to the availability of

The BEC commitment to risk management analysis is firm. With some major efforts behind us, we expect to report bimonthly, with the frequency depending on the level of risk management activity. Analysis work and reporting will increase with the planned examination at BEC of how to best address rates fairly as the projected period of low growth in energy use unfolds. We always look for feedback and your suggestions for methods to inform and reach you.

Budget Information is available at the BEC office or on our website at <http://www.beartoothelectric.com/node/442>.

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did you know that?

Energy Efficiency Tip of the Month

Looking for an easy way to make your home cozier? Try using an area rug to increase the insulation levels of your floors. Area rugs are stylish and can keep cool air from entering through your floors. Your toes will thank you!

