



# BEARTOOTH BULLETIN

November 2017

## Deck the Halls with Cost-Saving, Energy-Efficient Lighting

When one goes out, they all go out, right?

Wrong.

If you use light-emitting diodes (LEDs) to do your holiday decorating. These hardy, energy-saving lights are guaranteed to give you one less thing to worry about so you can better focus on the joys of the season. Why are LED holiday lights better than traditional bulbs? Your Beartooth Electric Cooperative can tell you why.

- LEDs are now on par with traditional bulbs. Gone are the days when LED holiday lights were known for a harsh white light or stark colors that created a less-than-magical atmosphere. These days, LEDs come in warm, inviting colors in a variety of light beam patterns and dimming speeds, giving you lots of creative options for decorating.
- LEDs last longer than traditional lights. In fact, they have an operational life span of about 20,000 hours, enough to last for 40 holiday seasons. Also, the lights don't have glass or filaments, which makes them durable and resistant to breaking. And because LEDs bulbs are so strong, one individual outage generally doesn't

darken the whole strand. For those enthusiastic decorators who like to blanket their entire house and yard in holiday lights, LEDs could save hours of painstaking work looking for that one broken bulb each year.

- LEDs use less energy, which means less strain on your first winter electric bill. **Running LEDs on one 6-ft. Christmas tree for 12 hours per day for 40 days can save 90 percent or more energy when compared to traditional incandescent lights.**
- Because LEDs use less energy, they make it safer to connect multiple strands end-to-end without overloading the wall socket. Also, they're cool to the touch, reducing the risk of fire.

Look for brands and manufacturers of ENERGY STAR-qualified LED decorative light strings at [www.energystar.gov](http://www.energystar.gov).

### GET YOUR LED HOLIDAY LIGHT STRING COUPON

Your BEC Member LED holiday light string discount coupon is in the *Rural Montana* Magazine, November 2017 edition, page 5. Valid at Ace Hardware Columbus and True Value Red Lodge through December 24, 2017.

Happy LED holiday lighting!



## THE VALUE OF ELECTRICITY SHINES

Compare the costs of these everyday expenses and see how being a Beartooth Electric co-op member pays off.

Keeping electricity just as affordable as it is reliable; it's something you can count on as a member of your Beartooth Electric Cooperative

In fact, we've been doing it for decades. While the average price of everyday items has continued to dramatically rise over the past 75 years, the cost of electricity has remained a great value for co-op members. (The THEN/NOW comparisons are based on national averages).

#### CAR TIRES



THEN \$3.69

NOW \$150

38x INCREASE

#### BACON



THEN \$0.38/lb

NOW \$4.51/lb

12x INCREASE

#### AUTOMOBILES



THEN \$665.00

NOW \$25,015.00

38x INCREASE

#### ELECTRICITY



THEN \$0.05/kWh

NOW \$0.11/kWh\*

2x INCREASE

\*BEC is NOW \$0.088768/kWh (1.2%)



Find the snowman—win an energy saver LED light bulb 4-pack. Instructions below photo.

Look for the hidden snowman. If you find it, give Kaaren a call at the co-op. The first three callers who tell her where it is wins an energy saver LED light bulb 4-pack.

# Member Control: Co-op Principle, Beartooth Practice.

Arleen Boyd, Trustee District 5, Board Secretary/Treasurer, Risk Management Committee Chair  
Article from Rural Montana Magazine, November 2017 edition, page 6.

**At the annual meeting in September, our risk management report focused on the seven co-op principles and the BEC commitment to inform and involve members.** The fifth co-op principle, support for education and information, is a core value at BEC. Some requirements for providing information to members are defined in BEC bylaws. Sharing all information that is not legally confidential is a BEC commitment that has served the co-op well. Through our recent legal and organizational challenges transparency worked. Our members were informed and involved—and they were a powerful force.

**The BEC commitment to transparency is grounded in support for the second co-op principle: democratic member control.** Members own the co-op and informed members should control its direction. Traditionally, “member control” for co-ops means electing representatives and replacing them in three years if members are not satisfied with their performance. At BEC we encourage members to exercise control in real-time. We try to share information as it is being developed, even detailed analysis and planning scenarios and provide the opportunity for members to give feedback before decisions are made.

**Risk management is a data-driven process that reveals information and alternatives for the co-op board, management and members to consider.** The process often is synonymous with the due diligence a board must exercise to fulfill its fiduciary responsibilities. Right now the committee is collecting information to help investigate rate design and billing structure alternatives.

Throughout the country, co-ops are experiencing low energy consumption due to growing demand for distributed generation, net metering and effective energy conservation. Like many other co-ops, BEC is examining rate design and billing structures to ensure that revenue is collected fairly across all customer classes as the energy landscape changes. The National Rural Electric Cooperative Association defines rate classes as groups of members with similar service, energy consumption, demand and plant investment requirements. Our current rate classes are residential, irrigation, small commercial, large commercial and industrial.

**BEC has outlined next-steps for evaluating rate design and billing structure options.** Our current investigation will incorporate information identified during an upcoming co-op strategic planning session in November. We have listed questions that need to be answered by legal counsel and management before that session. A professional cost of service analysis will be employed, and installation of the new meter system that can provide electricity consumption data would precede any change proposal. Our research will be discussed openly with members.

**The forecast model is key to decision-making—it allows BEC to calculate the potential impact of changes to the plan on rates, financial ratios, cash and payment of capital credits.** An update to the plan is underway to replace estimated power supply costs with contracted rates from the new five-year contract with Energy Keepers Inc. that runs through September 2027. Manager Kevin Owens is providing updated estimates of costs for replacement of obsolete meters and 5-year capital and operations and maintenance costs.

**BEC finances look good.** BEC has load-following contracts for power going out ten years with low fixed rates. Management is using the financial model and seven-year forecast data in the 2018 budgeting and planning process. The current seven-year forecast shows the co-op maintaining strong financial ratios while replacing obsolete meters, adhering to a 20-year capital credit rotation, and paying down outstanding debt.

**At the annual meeting, several members inquired about serving on a co-op committee.** BEC would like to hear from members interested in participation on a BEC committee—finance, risk management, bylaws, policies, or communication. Call the co-op or a board member for more information.

**Next month we will report on the board strategic planning workshop and our ongoing discussion regarding future rate structures that fairly and equitably recover cost of operations from members and accommodate members who desire to pursue distributed generation. Call any trustee with questions and comments.**

## What's Happening

NOVEMBER 2017

10 **VETERAN'S DAY Observed**  
**BEC office is closed.**

11 **VETERAN'S DAY**  
**God Bless our Veterans.**  
**Thank you for your service!**

23 **THANKSGIVING DAY**  
**BEC office is closed.**

24 **Day after Thanksgiving**  
**aka BLACK FRIDAY**  
**BEC office is closed.**

25 **SMALL BUSINESS**  
**SATURDAY**  
**Support your hometown**  
**vendors.**

27 **CYBER MONDAY**

28 **BEC Regular Board Meeting**  
**BEC Office - Red Lodge**  
**12:00 Noon**

28 **GIVING TUESDAY**  
**Consider BEC's Operation**  
**Roundup—Give a little, Help**  
**a lot. Call the office and**  
**enroll today.**

## Fun Facts—

November is observed as:

- Lung Cancer Awareness Month
- National Adoption Month
- National Diabetes Month
- National Native American Heritage

Birthstone:

- Citron
- Topaz

Flower:

- Chrysanthemum



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