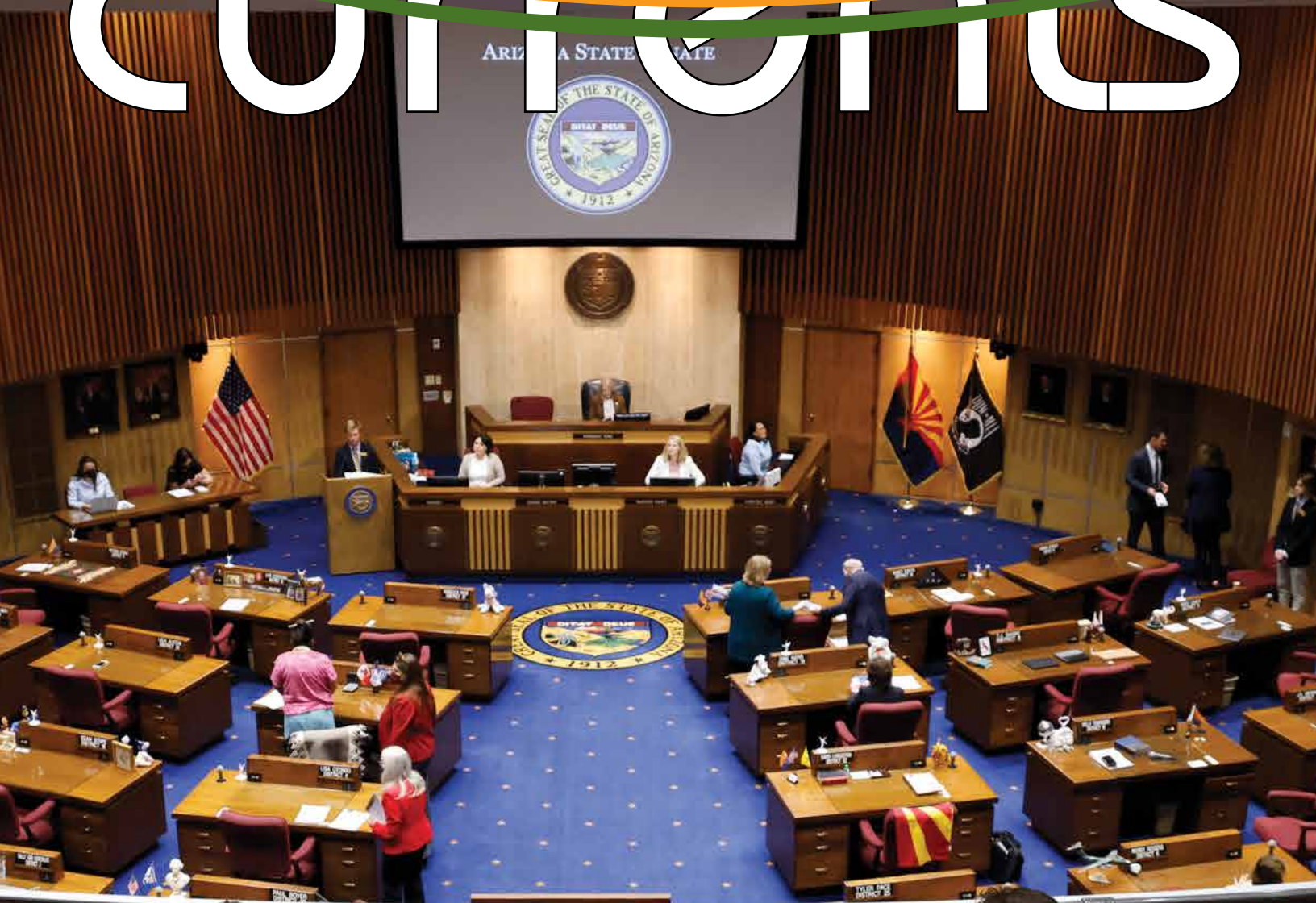


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GCSECA Members sat in on the Arizona State Senate floor during GCSECA's Annual Meeting in January.



David Lock, GCSECA CEO

It's been an issue for a while now. A majority of Americans around the country view climate change as a serious problem and agree something should be done about it. Respondents to various polls also assert they are willing to do their part. Except when it comes time to pay the tab.

Recent findings from the annual Touchstone Energy Cooperative Difference Survey bear this out. Some 61% of respondents said climate change "is a very serious problem." A bit more than half (52%) support environmental regulations that would address the issue – even though the same number think the problem might be overstated.

Despite a little dubiousness about the severity of the problem, more than half of folks (54%) say they are willing to use less energy to help. But, when it comes to buying renewable energy as part of the solution, alligator arms seem to develop. Close to 60% of the people disagreed with this statement: "You are willing to purchase electricity from renewable sources even if it costs more."

A slight majority of people (52%) said renewable energy sources are important for utilities. This can be taken several ways, I guess. People may not be willing to pay more themselves for renewables (if they are more expensive), but think their co-ops should develop those resources, even if the

development means members could pay more for electricity from those resources. Or it means members don't make the connection between how much their co-op pays for power and how it translates into rates.

None of the foregoing is to argue renewable energy is more expensive. In fact, if one only looks at the price of solar available for purchase on the market, it's often very inexpensive. The price likely really isn't the cost (in economic terms) of the power. The price likely is influenced by generous government subsidies and oversubscribed utilities in different parts of the West looking to offload energy they don't need. But it's undeniably cheap – even if the total costs aren't reflected in the price. Anyway...that's a different topic for a different day.

Touchstone's survey also illuminates some interesting insights on electric vehicles. Nationally and even in Arizona (the Corporation Commission recently released an EV plan), there is much enthusiasm from policymakers to accelerate EV development and deployment. Co-op members, at least those surveyed by Touchstone, don't share that enthusiasm, however. Only 32% of respondents said they would purchase an EV as their next vehicle. Perhaps that changes as charging stations become more ubiquitous and faster and EV prices decline.

Probably the most important and gratifying finding from the survey – at least on this topic – is this: Almost 80% of the people – the largest majority for any question – agreed with this statement: "Your co-op should take a balanced approach to meet energy needs." While I find it hard to figure out why the other 20% would favor an unbalanced approach, I'm glad the majority of co-op members understand the importance of this concept.

Dave Lock

Construction has started on a 10-megawatt photovoltaic solar generating facility and 15-megawatt battery storage system located on Edwin Road west of North Oracle Road, within Pinal County. The Chirreon Solar and Battery Storage Facility (Chirreon), which will serve Trico Electric Cooperative Members, is projected to be in service by summer 2022.

Chirreon will be located in the Trico service area on approximately 90 acres of land owned by the Arizona State Land Department. The solar panels have single-axis tracking devices that automatically track the sun throughout the day to maximize power generation. The battery storage will help Trico delay the cost of transmission and distribution upgrades and manage area load in a more efficient and cost-effective manner.

Once operational, the Chirreon facility will produce more than 30,000 megawatt-hours of energy each year, or enough to power about 3,000 average residential homes.

"As a non-profit cooperative, Trico is dedicated to providing its Members with energy solutions that are sustainable and cost-effective," said Brian Heithoff, CEO and General Manager of Trico. "Building a community scale solar and battery project allows our membership to share in the benefits of an economical, renewable resource. The battery storage system at Chirreon will be one of the first for a cooperative in Arizona, and shows Trico's commitment to serving its Members in innovative ways."

Trico, Torch Clean Energy, SOLV Energy, and CoBank have partnered on the facility. This is the second community solar project that Trico and Torch have partnered on. Through a long-standing partnership, CoBank provided the financing for this project.



A set of 12 battery packs were delivered to the Chirreon Solar and Battery Storage Facility on January 25, 2022. The battery packs weigh 55,000 pounds each.



Equipment for the solar panels set out on the ground.



Workers set up poles for the solar panels.

Annual Meeting of Arizona Electric Co-ops Focuses on Key Legislative Issues

Story and photos provided by AzGT



Electric cooperative CEOs and General Managers, Board members, and other key stakeholders gather for the opening session of the Annual Grand Canyon State Electric Cooperative Association (GCSECA) Winter Meeting, which is held at the start of the Arizona legislative session and provides the opportunity to learn about the regulatory and legislative issues the co-ops will face in the coming year.



State Representative Regina Cobb (R-LD5), was the opening speaker at the annual Grand Canyon State Electric Cooperative Association (GCSECA) winter meeting. Cobb, who said getting legislators to focus on cooperative issues will be a priority, is a strong supporter of Arizona's electric cooperatives. "When I first ran for office this was the first group that came out and supported me," said Cobb.

A host of hot-button and controversial issues – election law reform being just one – are facing Arizona legislators as the annual session begins at the state capitol in Phoenix.

That means Arizona's electric cooperatives this year are competing for lawmakers' attention more than ever before when it comes to ensuring their issues and legislative priorities are heard.

One of those legislators, state Representative Regina Cobb (R-Bullhead City/Kingman), was the opening speaker at the Annual Grand Canyon State Electric Cooperative Association (GCSECA) Winter Meeting, which is held at the start of the Arizona legislative session and provides electric cooperative CEOs and General Managers, board members, and other key stakeholders the opportunity to learn about the regulatory and legislative issues the co-ops will face in the coming year.

She said getting the attention of lawmakers on both sides of the aisle will be a challenge for everyone.

"It is a concern and you notice I didn't even mention the election; I think it took our focus away last election and I think it's going to take our focus away again," said Cobb.

"There are important things; election law is important and if there are things we have wrong let's get it right but let's not hyper focus on these issues and that's what's happening now, I think," said Cobb.

Dave Lock, GCSECA CEO, said the co-ops are well-positioned in spite of the full legislative calendar because of how the statewide association has worked to build relationships.

"We have excellent relationships with key legislators like (state representative) Gail Griffin (R-LD14) and (state senator) Sine Kerr (R-LD13), who are the chairs of the committees of reference for the bills that we're really interested in, so while there's a lot of distractions out there, I think the people we need on our issues are really focused on those issues," Lock said.

"What we do is constantly try to cultivate those relationships and it's not just based on political party; we do it on both sides of the aisle and we've been very aggressive in terms of trying to get out and develop and sustain relationships with people who understand the needs of rural electric co-ops and rural Arizona," Lock said.

Casey Ratlief, Director of Government Relations and Grassroots Advocacy for Grand Canyon State Electric Cooperative Association (GCSECA), said one of the bills that co-ops want to see passed deals with what's called the "double assessment issue."

"The double assessment issue sounds complicated but actually is pretty simple; the ACC is funded through assessments placed on regulated entities, utilities, and is based on gross intrastate revenues, (AzGT) is assessed based on revenues it derives from the sale of electricity which, of course, it sells to distribution co-ops.

"Then, the distribution co-ops are also assessed based on their revenue, which comes from selling electricity to their Members, so by the time those electrons get to the residents in Bullhead City or the small business in Pima or any other Member they will have been assessed two different times for essentially the same electrons," Ratlief said.

"Another issue is the competition bill that SRP (Salt River Project) is running that would get rid of the retail competition statutes enacted more than 20 years ago that will affect the co-ops as well. Those have never been implemented or challenged so (the bill) would disallow the ACC from promulgating those rules, so I think that's also important for us," Lock said.

Lock said he's optimistic about getting the bills that deal with both issues passed and signed into law.

"We have a good story to tell. We're in the business of what we do for the right reasons, and our Members are us and I think that people get that; and it has something that appeals to both sides. It has a business aspect if you're a Republican; on the Democratic side it has the self governance and we're not-for-profit serving some of the poorest areas of the state, and we're a grassroots organization," Lock said.

"The way we keep legislators focused on the issues important to us is exactly what we're doing, which is the legislative rally, getting folks in front of a legislator to talk about what is important to co-ops," Ratlief said.



Patrick Ledger, J.D. Wallace, and Dave Lock (back to front) meet with state Representative Steve Kaiser (R-LD15), during the legislative visits January 26. The opportunity to educate lawmakers about Arizona's electric cooperatives and to discuss legislative priorities is part of the GCSECA's Annual Winter Meeting in Tempe and at the state capitol in Phoenix.



Casey Ratlief opens the ACRE/AzACRE annual meeting with panelists Kurt Davis and Marcus Dell'Artino with FirstStrategic, a Phoenix-based political consulting firm. The panel discussion focused on election demographics and how they might impact upcoming elections. ACRE, or Action Committee for Rural Electrification, is the PAC or political action committee for the NRECA electric cooperatives.

AZGT TO PLAY KEY ROLE IN EFFORTS TO GROW REGIONAL ECONOMY

When it comes to economic development and improving rural economies, a shared vision is important – and three organizations with that in mind are joining forces to make their vision of a thriving rural regional economy a reality.

Arizona G&T Cooperatives has been a supporter of Southeast Arizona Economic Development Group since its inception a decade ago, and even made it possible for SAEDG to buy and refurbish a local office on Benson's main street using a low-interest loan administered by AzGT through the Rural Economic Development Loans & Grants (REDL&G) program. SAEDG works with local, county, and state officials to support and develop existing and new business and commercial projects in the area.

Through its work with SAEDG, AzGT is also now the key sponsor for CochiseEconomy.com, an economic data and statistics clearing house with a mission "to support research, planning and decision making" to improve rural economies in the region.

CochiseEconomy.com is the brainchild of Dr. Robert Carreira, an economist who does a bi-annual economic impact study on the positive impacts of AzGT to regional rural economies, in addition to other research he does for everything from local governments to universities.

Carreira has called AzGT an "economic powerhouse" and said the new alliance will help decision-makers plan for economic growth.

"Arizona G&T Cooperatives, along with its Member cooperatives, are the biggest supporters of economic development in the area"
– George Scott, SAEDG executive director

"All businesses need information, data and statistics for successful planning and decision making," Carreira said.

"From the Arizona G&T Cooperatives standpoint, the co-op needs information, data and statistics and is now, in partnership with SAEDG, making that information available to all businesses, big and small – a win-win-win situation for AzGT, SAEDG, and the businesses and people of the regional economy," Carreira said.

George Scott, SAEDG executive director, called it a major step forward in helping rural economies "grow for the future."

"Arizona G&T Cooperatives, along with its Member cooperatives, are the biggest supporters of economic development in the area and depend on the expertise and financial support to help in our efforts," Scott said.



This site is proudly sponsored by Arizona G&T Cooperatives

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In 2020, Arizona G&T Cooperatives generated an estimated \$285.1 million in direct, indirect, and induced economic impact (output) in southeast Arizona, including \$45.3 million in associated household earnings, while supporting 516 jobs throughout the region. Most of the impacts are in Cochise County (home to the co-op's administrative offices and its Apache Generating Station). Each job at Arizona G&T Cooperatives creates an additional 1.3 jobs in the rural southeast Arizona economy.

Our mission is to provide reliable, affordable power to electric co-ops across the Southwest. [FIND OUT MORE](#)

AzGT is the primary sponsor of the site www.cochiseeconomy.com that will provide data and statistics as well as research on rural economic trends.

"This partnership is long overdue and it's our belief that with the working partnership between AzGT and CochiseEconomy.com we will be able to attract new opportunities to the area," Scott said.

Both Scott and Carreira said there are a lot of economic strengths in the area that if used and promoted will offset the challenges.

"One of the strengths is the land available for development in the Benson area along I-10 and SR 90; Cochise County's population has declined and that's likely to continue for most of the county in coming decades, but because of Benson's location along I-10, that area is poised for growth, and eventually I believe Benson will become the population center of Cochise County," said Carreira.

Scott agreed, adding that there are businesses and industries that want to be close to Tucson – but not too close.

"Our economic strength is our location here in Benson with the I-10 access that gives us a 40-minute drive to Tucson and Fort Huachuca. We also have the Union Pacific railroad through here, and a positive attitude among most public officials to cooperate and help in new development," Scott said.

"We need to focus on forming more local partnerships with existing businesses and educating politicians on how they can help and we need to be more active in recruiting businesses that need to be close to the large market areas like metro Tucson and Phoenix – but yet don't want to be in the middle of a large city," Scott said.

"Eventually I believe Benson will become the population center of Cochise County" – Dr. Robert Carreira, CochiseEconomy.com

Carreira said a regional economy that relies less on Fort Huachuca will be a stronger economy.

"One of our challenges is going to be to diversify the economy beyond reliance on Fort Huachuca. As we saw from 2011 through 2018, when economic activity at the fort declines, it pulls down the regional economy (with Cochise County's economy in recession in 5 of 8 years tied to fort-related declines). Outside of Fort Huachuca, for the region's rural areas the challenge is keeping, maintaining and growing population. Cochise County's population in 2020 was down 4.5% from 2010—the third largest decline of Arizona counties (statewide, Arizona was the 9th fastest-growing state in the nation over the decade). In Cochise County, every municipality lost population from 2010 to 2020, except Sierra Vista and Benson, with the former's 3.2% growth tied mostly to annexation. Benson grew by 4.9%, and all the others declined: Bisbee, -11.7%; Douglas, -4.9%; Huachuca City, -12.3%; Tombstone, -5.2%; and Willcox, -14.5%. Bisbee's population dropped below 5,000 for the first time since 1950," Carreira said.

Both men said reaching the public with "better messaging" is a top priority for the new partnership and the CochiseEconomy.com website.

"I believe that (lack of messaging) is the greatest weakness that local governments can't seem to understand. SAEDG is excited to work with AzGT and CochiseEconomy.com to advance the message that Benson and Cochise County is a good place to work and live," Scott said.

"I think any messaging that promotes the entrepreneurial spirit pays dividends, as does providing information to help leaders in the public, private and nonprofit sectors make better-informed decisions," Carreira said.

Cochise County Economic News

The latest economic news for Cochise County, sponsored by [Arizona G&T Cooperatives](#), [First West Properties Corporation](#), [Herald Review Media](#), and [Sulphur Springs Valley Electric Cooperative](#).

January 3, 2022

Cochise County lodging receipts remain strong

Hotel/motel receipts in Cochise County in October 2021 were up 12.1% (compared to October 2020, accounting for inflation). From January through October 2021, countywide hotel/motel receipts were up 36.0% (compared to Jan...

[Continue Reading](#)

January 3, 2022

Restaurant & bar sales bounce back


Cochise County's restaurant & bar sales were up 9.5% in October 2021 (compared to October 2020, after inflation). From January through October 2021, countywide restaurant & bar sales were up 18.8% (compared to the same p...

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One of the features of the CochiseEconomy.com site is a Cochise County Economic News page that will have daily and weekly updates on economic news in the area.



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Want to know more about your Arizona Legislators and how to contact them?

For a full Arizona Legislative directory, visit

<https://www.gcseca.coop/services/publications-communications/>

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MEC Welcomes Martell

Mohave Electric Cooperative welcomed Jonathan Martell as chief operating officer in December. Jonathan has a vast amount of experience, with more than thirty years in energy transmission and distribution facilities.

For the past five years, Jonathan has worked for Arizona Electric Power Cooperative (AEPCO) as Executive Director of Energy Service. He was responsible for overseeing all energy and fuel procurement along with member and customer billing, while managing the resource planning team, including service to MEC.

“Jonathan will be a great asset to our members through his demonstrated success of senior management, leadership, and strategic business planning. His negotiation of lower rates of railroad transportation contracts at AEPCO showcases the dedication our members will appreciate,” says Chief Executive Officer, Tyler Carlson.

Jonathan has succession management leadership certification from Pima Community College and an A.S. degree in Electronics Technology at Cochise Community College in Arizona.

