

# currents

Touchstone Energy<sup>®</sup>  
Cooperatives

touchstoneenergy.coop



[WWW.GCSECA.COOP](http://WWW.GCSECA.COOP)



Grand Canyon State  
Electric Cooperative  
Association, Inc.



@GCSECA



602 286 6925



2210 S. Priest Dr. | Tempe, AZ 85282

# Reliability is in Our DNA



David Lock, GCSECA CEO

I fly a certain airline a fair amount. Lately, "reliability" doesn't seem to be a part of its business model. In early July I started keeping track of time gained/time lost, to see if indeed every single flight is late, or if it only seemed that way. Since July 1, this airline has cost me 17 hours.

When frustration boils over, I think about how good it would feel to shout at some airline executive: "In my business, if we used your reliability metric, we'd be hot and in the dark a lot. How would you like it if we failed to provide you electricity at some point of every single day?!"

I doubt the outburst would do any good – and it might even get me put on the No Fly List. So, I seethe silently.

Of course, Arizona's rural electric cooperatives cannot – and certainly do not – have such a seemingly cavalier attitude about reliability. Reliability is mission-critical. In fact, I bet most coops' Mission Statements contain "reliability" – or some form of the word – in them. It's what we do. It's in our DNA.

That's what makes recent actions of our neighbors to the west so maddening. Because of shortsighted decisions and energy policies that defy logic and physics, the Golden State finds itself facing power

shortages. Of course, fires and extreme temperatures are blamed, but utility planners know such contingencies need to be accounted for. The reality is California is systematically shutting down power plants deemed environmentally harmful and over-relying on intermittent power – especially solar.

Last summer, when a heat wave gripped the West, California's energy market did not deliver power to Arizona utilities who had firm contracts to receive it. This caused Arizona's power suppliers to scramble and purchase what they could in other places – often at exorbitant prices. Arizona's utilities had planned to have enough electricity to serve their customers, but were left exposed by a panicked California, roiled by rolling blackouts.

This year, the California Independent System Operator (CAISO) formalized this chicanery in setting new tariffs. Essentially, if there is a power shortage in California, CAISO will not deliver power to other states, even though utilities in those states have firm contracts to receive the power. The Federal Energy Regulatory Commission endorsed this approach.

Arizona's leaders – including members of the Congressional delegation and the chairwoman of the Arizona Corporation Commission – have cried foul and asked FERC to reconsider. Every one of the state's electric utilities also have filed a formal request to FERC to rethink its decision.

If California wants to decarbonize its electricity supply, it's that state's prerogative. But Arizona, and other states that have taken a more measured approach to providing reliable energy, shouldn't have to share California's pain when reality meets its aspirations.

Dave Lock

# Trico Electric Cooperative's Karen Cathers retires

Karen Cathers, who has been Chief Operating Officer at Trico Electric Cooperative since 2009, retired on August 6, 2021. Karen started at Trico as Manager of Contracts and Regulatory Affairs in 2007. She started her career at Sulphur Springs Valley Electric Cooperative in 1994.

COO and General Counsel Eric Hawkins said Karen is as good at her job as anyone he has ever worked with, and she is always focused on what is best for Trico.

"I'll miss working with her and I hope she is proud of the positive difference she made every single day, and the difference she will continue to make because of the knowledge and skills she passed on to everyone at Trico," he said. "Enjoy your retirement."

Laree St. Onge, Manager of Member Services, said she appreciates all that Karen taught her over the years about the utility industry. "We accomplished a lot together, and I wish her the best in her retirement," Laree said. "She has earned it!"

Chief Financial Officer Brian Fickett said he will miss the way that Karen can review reports and data and ask the tough questions.



Brian Fickett and Karen Cathers prepare corn during an employee BBQ.

"Answering the tough questions has positioned Trico to be a better company and provider of energy for the membership," he said. "Trico is losing a lot of knowledge with Karen retiring and she will be missed. I do wish her all the best in the next phase of her life."

Justin Banales, Manager of System Operations, said he has enjoyed working with Karen. "I truly appreciate the wealth of knowledge Karen has and insight she offers. I will miss her and the guidance she has provided. I hope she enjoys this next season in life, she has definitely earned it."



From left, Karen Cathers, gathered with former Trico CEO Vin Nitido, late Senator John McCain and Grand Canyon State Electric Cooperative Board Members and former staff at the Capitol Building in Washington, D.C.

# Summer Event Kick Off

Navopache Electric Cooperative has a service territory that spans five counties; four in Arizona and one in New Mexico. With that large a service area, it is very busy during the summer tourism months participating in all of the local fairs, festivals and other events. This year was looked forward to with great excitement since we were unable to participate in any events last year due to the COVID restrictions. NEC started the summer tourism season strong by supporting two of the most anticipated summer events – The White Mountain Balloon Festival and the Derby Down the Deuce.

## White Mountain Balloon Festival

NEC regularly sponsors local events in support of the communities it serves, and the White Mountain Balloon Festival is no different. Many residents and visitors were excited for the festival this year since it had been canceled last year due to the COVID restrictions.

This year, in addition to simply sponsoring the event as part of "going bigger" for our 75th Anniversary, NEC arranged to have the Touchstone Energy Balloon come and participate in all of the fun activities during the White Mountain Balloon Festival. During the festival, several NEC employees and their family members were able to



go up in the balloon and truly appreciated the opportunity.

## Derby Down the Deuce 2021

NEC is always looking for ways to give back to the communities it serves, and we saw a unique and fun way to do that by participating in the Special Needs category during the Derby Down the Deuce event each summer in Show Low. The Show Low Chamber of Commerce works with the Autism Foundation and local businesses to provide

individuals with special needs the opportunity to actually be in the Derby Down the Deuce Race.

Back in 2019, the NEC Truck Shop staff built the Bucket Truck Derby vehicle from the ground up to accommodate the needs of individuals with special needs. The bucket of the truck is where the co-pilots ride during the "heats." Other organizations that entered derby vehicles in the special needs category include Timber Mesa Fire Department, Show Low Police Department, and The Autism Foundation.

This year, Mindy Penrod, a Member Care Specialist, was the lucky employee who was able to be the pilot for the NEC Derby Bucket Truck. Mindy really enjoyed the fun competition with other local contestants, but said that her favorite part was hearing the laughter from her "co-pilots" and knowing they were having a great time!



# Mohave Electric Cooperative Receives NRECA's Service Award



The NRECA Board of Directors unanimously selected Mohave Electric Cooperative (MEC) to receive the prestigious Electric Cooperative Purpose Award, a national service award.

The Electric Cooperative Purpose Award recognizes an electric cooperative that works with its members to make outstanding contributions which result in visible, lasting improvements to the quality of life and the purpose of the cooperative in the community.

NRECA CEO Jim Matheson notified MEC officials of their selection for the award. "Mohave Electric Cooperative has undertaken the huge challenge of providing, high-speed, fiber-to-the home to 36,000 members throughout northern Arizona. This project demonstrates the spirit in which the Electric Cooperative Purpose Award was established: To recognize exceptional leadership by electric cooperatives and their community of service working together," said Matheson.

This award holds special significance for MEC as the cooperative celebrates its 75th anniversary this year.

MEC was nominated by GCSECA CEO Dave Lock, in recognition of MEC's fiber-optic network, a first-of-its-kind endeavor in Arizona to enhance electric system operations to all 42,000 member endpoints and provide the opportunity to subscribe to fiber broadband through MEC's partner, TWN Communications.

"GCSECA was proud to nominate MEC's innovative project and is thrilled the NRECA Board agreed it deserved this national recognition. As a trusted and respected community partner, MEC is a natural fit to spearhead this fiber-optic effort to enrich the lives of their members," said Lock.

The award application received widespread support from many elected officials including US Senator Krysten Sinema, US Senator Mark Kelly, US Congressman Paul Gosar, US Congresswoman Debbie Lesko, Governor Doug Ducey, AZ Senator Sonny Borrelli, AZ Representative Regina Cobb, AZ Representative Leo Biasucci, and AZ Corporation Commission Chairwoman Lea Marquez Peterson.

MEC CEO Tyler Carlson said, "I can't be prouder of our cooperative utility that was created by the people themselves when they needed power. There isn't a better mission than to continue serving the needs of our members with critical, reliable internet service in our rural communities. Here at 75 years, we are starting over, making it happen when other providers would not. It may not be electrical, but broadband is the future of this community."

Construction on MEC's fiber-optic project began in December 2020, and the first fiber broadband member connection was made in June 2021. The project will be built in phases over five years.

MEC and TWN commemorated the first fiber broadband connection with a press conference held July 15, 2021 in Bullhead City, AZ. State and local elected officials, along with community members, came together to help celebrate this historic milestone for the \$110 million project.

As part of the NRECA award application, MEC interviewed multiple members who shared their individual stories of why MEC's endeavor is so important. The video can be found here: <https://youtu.be/l8q7dYIAO1g>

A team from Arizona G&T Cooperatives provided technical and production assistance for the video.



The MEC Board of Directors attended a press conference in July hosted by MEC and TWN to celebrate the first fiber connection.

# Interns gain valuable experience over the summer

One of the seven cooperative principles is Education, Training and Information. For Trico Electric Cooperative interns Mark Smalling, Emily Gauthier, Rylee Schull and Austin Cathers, this summer has been a great learning experience.

Mark has assisted the Designers with field staking and assisted Engineering in documenting and sending out as-built drawings for the Three Points Substation project. Journeyman Apparatus Technician Bill Roethle, who taught Mark the internal workings, purpose and operation of single phase reclosers, said he enjoyed working with Mark. Bill said Mark is a great student and learns fast. Mark said Bill is a great teacher, making things understandable and fun all at the same time.

Charlie Gourdin, Supervisor of Warehouse and Procurement, said Emily has shown an openness and eagerness to learn about the functions of the warehouse and demonstrates an outstanding work ethic. "Regardless of the abbreviated timeframe she spent with us, Emily worked diligently and with a great attitude to help complete the annual testing of over 685 hot arms, hot sticks, and grounds," Charlie said. "What an



Intern Emily Gauthier tested over 685 hot arms, hot sticks and grounds this summer.



Bill Roethle teaches intern Mark Smalling the internal workings, purpose and operation of single phase reclosers.

accomplishment! She has been a great addition to our warehouse team this summer and will be missed."

Rylee has been a valuable asset to Marketing and Communications, helping with Trico's social media and other marketing projects. She created a brochure and fact sheet about Trico for employees.

Robert Duke, Supervisor of Information Systems, said Austin "has been a valuable member of the IT team and while we're excited for him to continue his education we will miss his contributions until he returns." Austin worked on computer updates, started new computer builds, and assisted IT in their software, hardware and network troubleshooting. Information Services Specialist Sabrina English said Austin "has been a great help in gathering equipment for Trico employees to start the flexible work from home schedules."

Austin was IT's first intern who was part of an official high school internship. He interviewed for the position, had to record regular hours, and go through the performance evaluation process. Unfortunately, Covid-19 cut the program short, but it would have culminated in a large presentation by the interns to the internship program director and the adults who mentored them.

# Expanding Our Network to Increase Reliability

Get involved in a project near Tombstone and you'll likely tie into the history of the area. One of the latest substation projects by Arizona Generation and Transmission Cooperatives (AzGT) provides an example: it's called Schieffelin Substation. According to Wikipedia, Ed Schieffelin was a prospector who discovered silver in the area, which led to the founding of Tombstone. The substation will provide a new path for SSVEC to serve its territory around the historic city.

"I think it says we have a lot of confidence in the future of the valley and the area," said Claudia Aster, AzGT electrical engineer III. "It shows our commitment to our Members to meet with them and meet their needs and our willingness to work with outside entities to bring about this project."

Aster explained that much of the area is served by radial lines. A radial, like a spoke from a wheel, provides one way out; there is no alternative. In the case of electric transmission, if a radial line falls out of service, everything beyond the location of the fault has no alternative service until the line is repaired. Schieffelin Substation is part of the solution for that area.

"We've really just in the last couple of years started to come up with substations from scratch," Aster said, referring to the fact that the Great Recession of 2008 slowed growth and the urgency to build new transmission infrastructure for years that followed. But the construction of Schieffelin shows that is changing. She credited her teamwork with Dustin Teague, AzGT transmission engineer I, Chad Grimes, former AzGT engineering technician, and Brad Gudvangen, retired AzGT manager of substation/transmission engineering for making the project a reality.

Schieffelin Substation is along the San Rafael-Butterfield 230 kV line, which runs east of the San Pedro River and state route 80. The substation, which is north of Tombstone, has a transformer that will take 230 kV down to 69 kV for use by SSVEC. The transformer was installed in early June by a contractor who used the "jack and move" method. The substation was too narrow for a crane to lower the 150-ton transformer into place; crewmembers lowered the transformer from the trailer onto wooden beams, then used a jack to slightly raise the transformer and remove one level of the beams. Once they lowered the transformer onto the next level, they were able to lower the jacks and repeat the process until they finally lowered the transformer onto the concrete pad. This process was integral to making sure the transformer was in the precise location required.



The transformer had to be delivered and placed via the "jack and move" method because the substation was too narrow to accommodate a crane delivery.



Schieffelin Substation can be seen east of Highway 80, north of Tombstone.

"Everything from the start of the design is lined up on the center phase of the transformer; all the buswork and everything is based off of there being a straight line from the transformer, so you have to get it on the pad just right so that you can have it line up with your buswork and everything because it's going to look funny if you have a little dog leg in it for everything to work," Aster explained.

Ed Schieffelin is buried at Boot Hill, which is the name of another substation that AzGT is building that will connect to Schieffelin Substation. The expansion will provide a second way to serve the area and increase reliability. Schieffelin Substation is scheduled to be energized in October.

# Rural Communities “Struggling With Disaster” are Focus of Rural Policy Forum

## Arizona G&T Cooperatives is Supporting Economic Recovery Initiatives

Rural communities across Arizona are reeling from the economic impacts of the COVID-19 pandemic, and although some areas were recovering this spring, the emergence of the Delta variant has resulted in a one-two punch that is again hurting rural economies, which have unemployment and other challenges even without a pandemic to deal with.

Unemployment is an issue but some experts say there's something even more challenging.

“It's a tough choice to say ‘what's the biggest challenge’ but I would say affordable housing is our number one challenge because if we can't have a workforce, we can't create the workforce, and we desperately need to create jobs in rural Arizona but we don't have any place for them to live,” said Kimber Lanning, founder and CEO of Local First Arizona (localfirstaz.com).

Finding ways to overcome these challenges is why a record number of attendees were on hand for a two-day conference designed specifically to help rural communities and the people who live there.

Every year, LFA organizes the Rural Policy Forum and holds it in a different rural community, bringing rural economic development officials, state legislators and members of Congress, and community leaders together to pool resources to improve economic conditions in rural communities.

More than 300 people attended this year's forum in Sahuarita, Aug. 5-6. COVID-19 concerns forced cancellation of the Rural Policy Forum in 2020, and participants said it was important to try to meet in person because of the disproportionate negative impact the pandemic has had on the state's rural communities.

“People don't realize how expensive it's gotten to live in rural areas; for example, the entire hospitality workforce in the Verde Valley area – and I mean people in the hundreds – is now living in camper vans along the roads. It's a chronic problem,” Lanning said.

Lanning said people “moving to rural to get away from it all” are building expensive homes but builders are spread thin and those that are working aren't doing affordable housing projects, like apartment buildings.

“Developers are coming in with luxury homes but nothing affordable for the workers in areas like service jobs,” Lanning said.

“Next up would be the workforce challenges,” said Lanning.

“We've got a mis-match between skill sets and training and what employers actually need, so we're working really hard in trying to ensure that the employers have a way to talk comprehensively about what kind of training they're looking for and how do we take that and turn it in to curriculum the community colleges can actually teach,” Lanning said.

There's a “dirty little secret” about how the state's metro areas benefit from job creation in the “tech area” at the expense of rural communities.



*More than 300 city, state and county officials as well as state legislators and rural economic development officials from regional and federal agencies participated in the two-day Rural Policy Forum in Sahuarita August 5-6. The pandemic has added to the challenges rural areas were already facing with a lack of affordable housing and rising unemployment being just two of the issues discussed along with ways to bring more attention – and federal funding – to rural communities, as well as the need for tech-based and trades-based training and jobs.*

“We've got 85 percent of the new job creation happening in Maricopa County and another five percent happened in Pima County (2019),” Lanning said, leaving only 10 percent of new job creation spread among the state's 13 rural communities.

“Unacceptable, absolutely unacceptable,” Lanning said.

Lanning said Arizona G&T Cooperatives, with its support of initiatives like the LFA Arizona Economic Recovery Center, is making a difference.

“The Arizona Economic Recovery Center is working hand in hand with any grant-seeking entity in rural Arizona, and the partnership we have with Arizona G&T Cooperatives insures we're going to be able to deploy more grant writers and more project managers to insure we have more (federal) dollars flowing into rural Arizona,” Lanning said.

There are other challenges holding back rural economic recovery, attendees said.

“Access to capital for small business development seems to be a major challenge in rural Arizona, so we have a number of programs to help and try to resolve that issue,” said Gary Mack, business and cooperative programs director for the Office of Rural Development with the U.S. Department of Agriculture's Phoenix office.

Mack cited the guaranteed Industry and Business loan program, a rural micro-entrepreneurial loan program, and the Rural Economic Development Loans & Grants program (REDL&G) third-party lending program that provides low-interest, long-term loans for rural development projects. AzGT is the administrator for the REDL&G loan program in Arizona and has funded close to \$2 million in rural development projects.

These provide sources of capital to traditional businesses that can't get funding from traditional banking sources, but the hurdle to getting these funds out and working is “that a lot of people don't know who we are or that these funds are available.”

“It's human capacity; lending money is difficult and unless you have people on staff it is intimidating,” Mack said.

“You (AzGT) have done a great job, reaching out to rural communities like the city of Benson to do the (Benson airport aviation) fuel farm, what that kind of project did was put us in touch with the FAA to do some other projects so it has a self-perpetuating effect,” Mack said. “You're our only RED (program) lender and you've opened up the program for the rest of the state.”

George Scott, executive director of the Southeast Arizona Economic Development Group (SEADG), called the forum “a place to exchange ideas.

“It's very important to have a forum for people from the smaller towns to get together on how they can deal with economic progress,” Scott said.

“Housing is definitely a challenge, the rental market and home sales are difficult, and jobs definitely. In a community like Benson there's really no employment and the young people have to leave to find jobs,” Scott said.


“We're changing that, and the exchange of ideas helps us change that, so this kind of gathering is important, and (AzGT) is helping us do that,” Scott said.



*Arizona G&T Cooperatives is a partner in the Local First Arizona, Arizona Economic Recovery Center initiative, which is working to ensure rural communities get their share of federal economic recovery funds. Kimber Lanning, CEO and founder of LFA, said more than 80 percent of federal dollars earmarked for economic recovery programs in Arizona go to Maricopa (Phoenix) and Pima (Tucson) counties, leaving only 20 percent to be split among the state's 13 rural counties “and that has to change,” Lanning said.*



GRAND CANYON STATE ELECTRIC  
COOPERATIVE ASSOCIATION, INC.

Your Touchstone Energy® Cooperatives 

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/>

2210 S. Priest Drive  
Tempe, Arizona 85282

Address Service Requested



Do you want to see different content? Do you want to see more co-op stories? We want to hear from YOU! Type the link below into the address bar on your computer for our reader satisfaction survey. You can also open the camera app on your phone and hover over the QR code to the right. This will ask you to follow a link from your phone to complete the reader satisfaction survey as well. Thank you for being a reader of Currents magazine!

<https://www.surveymonkey.com/r/FFQ9DCG>

