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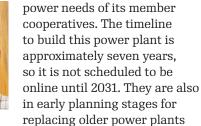
SECO, suppliers acting to boost reliability and ease rising costs

By **TYE WILLIAMS** | Manager, Southeast Electric Cooperative

N early July, we energized our new Mill Iron substation and the attached pump sites. Just a few weeks after startup, we saw our total load peak increase from 13 megawatts (MW) to 17.5 MW. This growth is coming at a very opportune time, as we are facing increased power costs and continued costs from replacing our current infrastructure.

We purchase our power from the Western Area Power Administration (WAPA) and Basin Electric Power Cooperative. They also have large work plans to build for growth and to replace their aging infrastructure. The official rates for wholesale power in 2026 have not been announced, but we anticipate a minimum 10 percent increase in our wholesale power costs.

Basin Electric has started to build a new gas power plant in North Dakota to provide power for the growing



that will be reaching the end of their life in the next 10 to 20 years.

Basin Electric operates within the Southwest Power Pool Regional Transmission Organization (SPP). SPP is a nonprofit organization that is tasked with ensuring the reliability of power, adequate transmission infrastructure and keeping wholesale power prices competitive for its members. To ensure reliability during the winter season, SPP is increasing the reserve capacity percentage from 15 to 38, which will take effect over the next few years. Basin Electric must have excess generation contracts available to meet this new reserve capacity while building new generation, which has become more expensive due to scarcity.

Over the next decade, Basin Electric's work plan also includes numerous transmission projects, with its total plan valuing more than \$10 billion worth of transmission and generation assets. The cost of generating and transmission line material has increased dramatically over the last few years, and with the increased need to supply power throughout the U.S., costs and lead times continue to grow.

WAPA is also working on various projects to refurbish its existing dams, rebuild transmission lines and construct new transmission lines. WAPA has been negatively affected by the multi-drought conditions, and it must provide the necessary power to its members, so it has had to buy more expensive power through the power market.

Wholesale power costs are the most significant expense for Southeast Electric Cooperative. To ensure we can continue to provide service and replace our aging infrastructure, we are analyzing rate increases to take effect in 2026.



Know what's **below. Call** before you dig.



Son recalls father's impact on SECO and the region

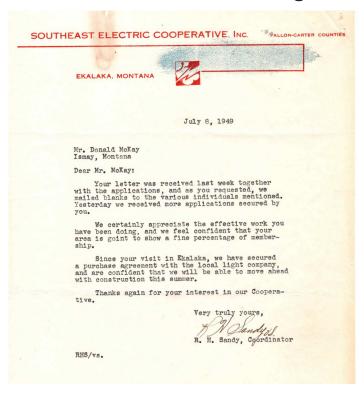
Editor's note: Southeast Electric received the following memory from Dave MacKay. The letter is from SECO to Donald MacKay, Dave's father. Dave was very proud that his father was acknowledged by Southeast Electric in bringing power to this area:

I distinctly remember riding around the country with my dad, Donald Mackay, who was promoting bringing electricity to our area. If memory serves it became feasible because of the federal government's Rural Electrification Act (REA).

It was heady stuff for a nine-year-old boy — bouncing around cross country in our old pickup, sometimes taking out staples to drop barb wire to take advantage of short cuts, and meeting with owners and cowboys to give out information that there was now a way to get rid of wind chargers and gas and diesel generators. If it got late, he was not shy about waking folks to spread the word.

I appreciate the letter to my dad as it acknowledged his efforts to help establish this successful co-op. As a long-time rancher on O'Fallon Creek, he saw this as an opportunity to improve our lives, the lives of our neighbors and the whole community. And so he got to work.

- Dave Mackay



Pole-top rescue is about saving lives

The beginning of July, you may have noticed Southeast Electric Cooperative (SECO) and Red Rock crews climbing poles along with a "dummy" just hanging around. Linemen face safety risks on the job every day. An accidental contact is something linemen are trained to avoid, but if an accident happens, crewmembers must be able to safely provide assistance to an injured co-worker who may be unresponsive

or unable to climb down the pole.

All linemen are trained in poletop rescue. Each year a safety instructor from Montana Electric Cooperatives' Association Safety/Loss Prevention Program comes to Ekalaka to review and train our linemen in pole-top rescues. It is a vital part of the ongoing safety and apprenticeship training and something we take seriously to minimize the risks linemen face every day.





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