

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF WYOMING

IN THE MATTER OF THE APPLICATION OF	§	
POWDER RIVER ENERGY CORPORATION,	§	
SUNDANCE, WYOMING, FOR AUTHORITY TO	§	DOCKET No. 10014-166-CT-15
ADJUST ITS RESIDENTIAL HEAT RATE TARIFF	§	

APPLICATION

Powder River Energy Corporation, the Applicant named herein and sometimes herein called the "COOPERATIVE", hereby respectfully requests an order from the Public Service Commission of the State of Wyoming, sometimes herein called the "COMMISSION," granting the Applicant authority to revise its Residential Heat Rate (RHR) tariff, as set forth in the exhibits attached hereto and made a part hereof by this reference.

In support of this application, the Applicant sets forth the following:

1. The Applicant is a non-profit cooperative electric utility organized, existing under, and by virtue of the laws of the State of Wyoming. The Cooperative, pursuant to the laws of the State of Wyoming, is qualified to do business as a corporation within the State of Wyoming.
2. The Cooperative is duly authorized to generate, manufacture, purchase, acquire, and transmit electric energy, sell supplies and dispose of electric energy in its certificated territory.
3. Communications in regard to this Application are to be addressed to Mr. Michael E. Easley, Chief Executive Officer for the Applicant, Post Office Box 930, Sundance, Wyoming 82729 and Mr. Mark L. Hughes, Attorney for the Applicant, Post Office Box 456, Sundance, Wyoming 82729
4. The rates charged by the Cooperative for its electric service have been established and placed in effect under appropriate Orders of the Commission.

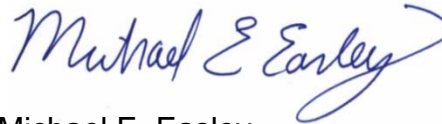
5. The Cooperative represents it is a Class A member of Basin Electric Power Cooperative ("BASIN"), Bismarck, North Dakota, and therefore purchases all of its power requirements through agreements and contracts with Basin.
6. The Cooperative is requesting authority to adjust its existing Residential Heat Rate ("RHR") tariff. The RHR tariff was originally approved by the Commission in Docket No. 10014-91-CT-06. The current RHR tariff was approved in Docket No. 10014-158-CT-14.
7. The Residential Heat Rate is an optional rate for residential customers with permanent electric resistance heat and/or electric heat pump space heating systems. The tariff provides a discounted rate for qualifying loads and is offered in conjunction with the electric heat rate program offered by Basin.
8. The heat credit provided under the Cooperative's RHR tariff is designed to equal the Cooperative's total avoided wholesale cost per kWh, based on Basin's published Electric Heat Rate. Basin has changed its base rates for 2016 and, as a result, the Cooperative should revise its heat credit to reflect its new avoided cost (see attached Exhibit A).
9. The Cooperative's current RHR tariff provides a heat credit of \$.02879 per kWh of electric resistant heat usage during the months of October through April. Beginning in January 2016, the Cooperative's new heat credit should be \$.03361 per kWh of electric resistant heat usage. Exhibit B shows the calculation of the revised heat credit, which is equal to the difference between the avoided demand cost on a per kWh basis and the net increase in the energy charge.
10. The impact of the proposed change in the heat credit offered under the RHR tariff is fairly limited in scope. From October 2014 through April 2015, the Cooperative served 195 services under the RHR tariff. During this seven-month heating period, the total electric resistant heat usage under the RHR tariff was 2,242,981 kWh. The proposed change in the heat credit will result in a revenue decrease of \$10,812 based on historical usage (see attached Exhibit C).

11. The Cooperative therefore requests the authority to change the heat credit available under its RHR tariff from \$0.02879 per kWh to \$.03361 per kWh. The proposed revision to the RHR tariff is shown in Exhibit D.

WHEREFORE Powder River Energy Corporation respectfully requests this Commission make its Order authorizing the Cooperative to revise its Residential Heat Rate tariff as set out in this filing. The Applicant further requests these changes become effective for the Cooperative's first billing date on or after on January 10, 2016.

Dated at Sundance, Wyoming, this 23rd day of November, 2015.

POWDER RIVER ENERGY CORPORATION



Michael E. Easley
Chief Executive Officer