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November 1, 2024

Mr. John Burbridge  
Wyoming Public Service Commission  
Hansen Building, Suite 300  
2515 Warren Avenue  
Cheyenne, WY 82002

Re: Docket No. 10014-237-CT-24  
Application for 2025 Heat Rate Change

Dear Mr. Burbridge,

Please be advised that Powder River Energy Corporation has submitted an Application for a 2025 Heat Rate (HR) change on the Wyoming Public Service Commission Document Management System.

A check in the amount of \$5.00 (Ck. 283278) for the applicable filing fee has been mailed with this filing to your attention.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Brian J. Mills".

Brian J. Mills  
Chief Executive Officer

BJM/sjp

**BEFORE THE WYOMING PUBLIC SERVICE COMMISSION**

IN THE MATTER OF THE APPLICATION OF     )  
POWDER RIVER ENERGY CORPORATION,    )  
SUNDANCE, WYOMING, FOR AUTHORITY TO)   DOCKET No. 10014-237-CT-24  
ADJUST ITS HEAT RATE TARIFF            )

**APPLICATION**

**COMES NOW**, Powder River Energy Corporation, the Applicant named herein and sometimes herein called the “Cooperative”, hereby respectfully requests an order from the Wyoming Public Service Commission, herein called the “Commission,” granting the Applicant authority to revise its Heat Rate (HR) 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 regarding this Application are to be addressed to Mr. Brian J. Mills, Chief Executive Officer for the Applicant, Post Office Box 930, Sundance, Wyoming 82729; and Mrs. Kara L. Ellsbury, Attorney of Hirst Applegate, LLP, Attorney for the Applicant, Post Office Box 1083, Cheyenne, Wyoming 82003.
4. The rates charged by the Cooperative for its electric service have been established and placed in effect under the appropriate Orders of the Commission.
5. The Cooperative represents it is a Class C member of Members 1<sup>st</sup> Power Cooperative (Members 1<sup>st</sup>), Sundance, Wyoming. Members 1<sup>st</sup> is a Class A member of Basin Electric Power Cooperative (Basin), Bismarck, North Dakota, and therefore purchases all power requirements through agreements and contracts with Basin. Members 1<sup>st</sup> contract with the Cooperative adopts Basin’s Class A Rates to bill the Cooperative.

6. In this Application, the Cooperative is requesting authority to adjust its existing HR tariff subject to refund pending Basin receiving approval from the Federal Energy Regulatory Commission (FERC) of their proposed 2025 Class A Rate Schedule. An HR tariff was approved by the Commission in Docket No. 10014-202-CR-19.
7. The HR tariff is an optional rate for members 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 Rate Credit provided under the Cooperative's tariff is designed to equal the Cooperative's total avoided wholesale cost per kWh, based on Basin's published Electric Heat Rate. Basin has proposed a rate change in its base rates for 2025, subject to FERC approval, and, as a result, the Cooperative should revise its heat credit to reflect its new avoided cost (see attached **Exhibit A**).
9. As Basin's rates are subject to FERC approval, and the approval date is unknown at the time of this Application, the Cooperative respectfully requests the HR tariff be approved subject to refund or adjustment should FERC revise Basin's proposed 2025 rates. Should FERC revise Basin's proposed rates prior to April 30, 2025, or not approve Basin's filing by April 30, 2025, the Cooperative will file an application to adjust the 2025 Heat Rate and adjust all heat rate bills from January 1, 2025, until the effective date of the revised rates.
10. The heat rate is applied for electric resistant heat usage during the months of October through April. The Cooperative's current tariffs provide a heat credit of (\$0.037620) per kWh. Beginning with January 2025 usage, the Cooperative's new heat credit should be (\$0.039260) 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.
11. The impact of the proposed change on the heat credit offered under the HR tariff is fairly limited in scope. From October 2023 through April 2024, the Cooperative served 543 meters, under the HR tariff. During this seven-month heating period, the total electric resistant heat usage under the tariff was 16,470,592 kWh. The

proposed change in the heat credit will result in a revenue decrease of \$27,012 based on historical usage (see attached **Exhibit C**).

12. The Cooperative therefore requests the authority to change the heat credit available under its HR tariff from (\$0.037620) per kWh to (\$0.039260) per kWh, subject to refund or adjustment. The legislative version of the impacted tariff sheet is provided in **Exhibit D**. The proposed version of the impacted tariff sheet is provided in **Exhibit E**.

**WHEREFORE** Powder River Energy Corporation respectfully requests this Commission make its Order authorizing the Cooperative to revise its Heat Rate tariff as set out in this filing. The Applicant further requests these changes to become effective for the Cooperative's usage on or after January 1, 2025.

Dated at Sundance, Wyoming, this 1<sup>st</sup> day of November 2024.

**POWDER RIVER ENERGY CORPORATION**



Brian J. Mills  
Chief Executive Officer  
Powder River Energy Corporation  
221 E. Main St./PO Box 930  
Sundance, WY 82729-0930

SEPTEMBER 2024

EXHIBIT A  
10014-237-CT-24



# 2025 CLASS A MEMBER RATE SCHEDULE

## RATE SCHEDULE A NON-CONTROLLED ELECTRIC/DUAL SPACE HEAT RATE

This rate is available to Class A Members that have residential and/or commercial electric/dual space heat installations which meet the following eligibility requirements. This rate is designed to encourage the installation and utilization of electric space heating in the member cooperative areas where Basin Electric is the all supplemental supplier.

### Eligibility Requirements

1. The Member must complete and submit the attached monthly usage report for each applicable billing period listed below.
2. If a Member chooses to use the electric/dual space heat rate to serve individual loads then the member must not utilize any form of load management for those electric/dual space heat installations any time during the billing month. Members that have a power supplier other than Basin Electric or WAPA and are in contract to control during certain times of the month are still eligible for the Non-Controlled Electric Heat/ Dual Space Heat Rate unless the control time falls on the Class A Member's monthly billing peak. Load management shall include the following:
  - Positive control
  - Time of day rates
  - Peak alerts through mediums such as text or Facebook messaging where the consumer receives a direct notification or alert
    - Examples of acceptable peak alerts: radio ads and posts on Member's website or Facebook page
  - Demand controllers
  - Time clocks
  - Voltage reduction
3. For G&Ts, the no load management criteria, with the exception of peak alerts, shall be applied at the distribution member level; i.e., if one distribution member controls electric/dual space heat and another doesn't, only the electric/dual space heat installations of the member not using load control qualify. The peak alert criteria shall be applied at the Class A Member level. If any distribution member of a G&T uses peak alerts that shall constitute load management and the entire G&T shall not qualify for this rate.
4. The Member's electric/dual space heat installations must:
  - a. Have a permanent electric resistance and/or heat pump space heating system in a residence or commercial building.
  - b. Separately meter the electric space heat. Basin Electric reserves the right to inspect all electric/dual space heat installations and associated metering.
  - c. **For Dual Heat only**
    - i. Have installed a backup oil, propane or natural gas heating system capable of supplying the entire space heating requirements normally supplied by the permanent electric heat.
    - ii. Be capable of automatically switching between the electric and fossil fuel backup heating systems at the Member's discretion. While the electric/dual space heat systems must be capable of automation, it is at the Member's discretion whether to install the actual electrical equipment to accomplish the automation or defer such equipment installation until it intends to control the electric heat.

- Water heaters, electric heat storage units, grain dryers, or any other non-space heating applications do not qualify for this rate. A water heater may be connected to the same service/meter as the consumer's electric/dual space heat; however, 400 kWh per month shall be subtracted from the electric/dual space heat meter reading to determine the qualifying monthly energy.

### Rate

The Non-Controlled Electric/Dual Space Heat Rate is effective for non-controlled electric space heating energy used during the heating months of October through April.

January 1st through April 30<sup>th</sup> and October 1<sup>st</sup> through December 31<sup>st</sup> of the current year are the applicable billing periods.

<b>Demand Rate</b>
None
<b>Energy Rate</b>
37 Mills/kWh

Note: It is the intent of the Basin Electric Board to maintain the Non-Controlled Electric/ Dual Space Heat Rate Schedule through 2029, but it may be modified at the Board's discretion at any time.

### Billing Mechanism

The monthly billing shall be computed in accordance with the following procedure:

- The Member is responsible for totalizing the energy used by the qualifying electric/dual space heat installations on a monthly basis and providing this information to Basin Electric.
- If a Member has water heaters connected to its electric/dual space heat meters, it must identify which consumers this applies to. Each water heater is deemed to utilize 400 kWh per month which shall be subtracted prior to billing computations. A monthly usage report (below) is provided with this rate schedule to aid the Member in submitting this data to Basin Electric.
- If a Member installs 30-minute time registration demand metering on electric/dual space heat installations over 60 kW, the electric/dual space heat demand shall be equal to the electric/dual space heat's contribution to the Member's maximum coincident demand purchase from Basin Electric (demand meters installed <60 kW grandfathered through July 31, 2014).
- The electric/dual space heat demand attributable to electric/dual space heat installations shall be computed based on the metered energy used by those installations, a 65% monthly load factor, and the hours in the subject billing period.

#### 5. **For Electric Heat only**

For members that purchase less than 50% of their annual energy requirements from Basin Electric, the maximum electric heat demand, after subtracting the demand attributable to new electric heat consumers added in 1992 or later, shall not exceed 35% of either the Member's monthly base demand or energy.

New electric heat consumers are defined as consumers who prior to 1992, did not have electric heat installed in their homes or businesses. Existing electric heat customers

converted from a cooperative's regular rate to an electric heat rate do not constitute new consumers

6. The electric/dual space heat demand and energy computed in #1 through #5 shall be billed at the demand and energy rates specified in the rate section.
7. Corrections to electric/dual space heat energy submittals will be accepted for the current heat season, or prior season if detected in a non-heat month, until the subsequent season begins on October 1.



**POWDER RIVER ENERGY CORPORATION**  
**Calculation of Heat Rate Credit for 2025**

	2025
Calculation of Heat Rate Credit	<u>2025</u>
Avoided Basin Demand Charge - \$/kW	(\$20.78)
Load Factor used to determine Avoided Demand	65.00%
Average hours in a month	730
kWh per kW	474.5
Avoided Basin Demand Charge - \$/kWh	(\$0.04379)
Increase in Basin Energy Charge - \$/kWh	0.00453
Heat Rate Benefit over Class A Rates - \$/kWh	<u>(\$0.03926)</u>
Heat Rate Benefit over Class A Rates - Mills/kWh	<u>(39.26)</u>

\*Calculation of Increase in Basin Energy Charge:

<u>Basin Electric Heat Rate - \$/kWh</u>	\$0.03700
Basin Class A Energy Rate - \$/kWh	<u>\$0.03247</u>
Increase in Electric Heat Rate over Class A - \$/kWh	\$0.00453

	Current	Proposed
Electric Resistant Heat Billing Units kWh	16,470,592	16,470,592
Heat Rate Credit	\$ (0.03762)	\$ (0.03926)
Calculated Heat Rate Credit	\$ (619,624)	\$ (646,635)
Proposed Revenue Increase		\$ (27,012)

**POWDER RIVER ENERGY CORPORATION**  
**Calculation of Heat Credit under Proposed Heat Rate Tariff**  
**Based on the Heating Period October 2023 through April 2024**

Total customers served under the Heat Rate tariff	543
Total electric resistant heat kWh usage during period of Oct. 2023 – Apr. 2024	16,470,592

Calculation of heat credit under Current and Proposed Heat Rate Tariff:

	<u>Current</u>	<u>Proposed</u>
Electric Resistant Heat Billing Units (kWh)	16,470,592	16,470,592
Heat Rate Credit per kWh	\$ (0.03762)	\$ (0.03926)
Calculated Heat Rate Credit	\$ (619,624)	\$ (646,635)
Proposed decrease in Revenue		\$(27,012)

**THE WYOMING PUBLIC SERVICE COMMISSION**

NAME: Powder River Energy Corporation  
 ADDRESS: P.O. Box 930, Sundance, WY 82729

WY PSC Tariff No. 10  
~~6th~~ 7th Revised Sheet No. 4  
 Cancels ~~5th~~ 6th Revised Sheet No. 4

TARIFF RATE RIDER					
- continued -					
Class	Rate Code	Billing Unit	2020 Approved Base Rate	2022 COPA*	Total Rate
Idle Line Retention (IS)**	LRR	<u>Basic Charge-Monthly</u>			
	LRS	Residential/Seasonal	\$15.00		\$15.00
	LRI	Irrigation	\$15.00		\$15.00
	LRGS/LRGSC	General Service	\$18.00		\$18.00
	LRLP/LRLPC	Large Power	\$79.00		\$79.00
Green Tag (GT)	GT	One block equivalent to the environmental attributes of 100 kWh of renewable energy	\$0.20		\$0.20
Small Power Production (SPP)	SPP	\$/kWh on all kWh generated per month	\$0.020437		\$0.020437
Heat Rate (HR)		<u>Basic Charge-Monthly</u>			
		Single/Three Phase			
	SCC	Self Contained	\$4.00		\$4.00
	IRC1	Single Phase Instrument	\$13.00		\$13.00
	IRC3	Three Phase Instrument	\$19.00		\$19.00
		<u>October - April</u>			
		Heat Credit per kWh of Electric Resistant Heat	<del>(\$0.037620)</del> (\$0.039260)		<del>(\$0.037620)</del> (\$0.039260)

Rate Schedules are subject to monthly minimums as stated on the individual rate schedule sheet.

\*Reference Sheet No. 34, Rate Schedule Billing Adjustments (BA) for more information on the COPA.

\*\*The Idle Service Schedule (IS) is a monthly charge with no energy usage.

Date Issued: ~~October 31, 2023~~ November 1, 2024

Date Effective: January 1, ~~2024~~ 2025

By 

Title: Chief Executive Officer  
 Docket No.: 10014- ~~232~~ 237-CT-~~23~~ 24

**THE WYOMING PUBLIC SERVICE COMMISSION**

NAME: Powder River Energy Corporation  
 ADDRESS: P.O. Box 930, Sundance, WY 82729

WY PSC Tariff No. 10  
 7th Revised Sheet No. 4  
 Cancels 6th Revised Sheet No. 4

<b>TARIFF RATE RIDER</b>					
- continued -					
<b>Class</b>	<b>Rate Code</b>	<b>Billing Unit</b>	<b>2020 Approved Base Rate</b>	<b>COPA*</b>	<b>Total Rate</b>
Idle Line Retention (IS)**	LRR	<u>Basic Charge-Monthly</u>			
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		<u>October - April</u>			
		Heat Credit per kWh of Electric Resistant Heat	(\$0.039260)		(\$0.039260)

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Date Issued: November 1, 2024

Date Effective: January 1, 2025

By 

Title: Chief Executive Officer  
 Docket No.: 10014- 237-CT-24