

PRECorp News

AUGUST 2026

Basin Electric announces 2027 rate increase

By Tim Velder, PRECorp Marketing Communications

Basin Electric has notified its membership that they will implement a cost of power rate increase starting on January 1, 2027.

Basin's financial forecast shows a 5% to 7% rate increase for 2027.

While the actual increase is still in the preliminary stages, Basin's membership has begun conversations on how to best implement the rate increase which will ultimately be borne by all 141 of Basin's cooperative members and their respective membership.

This announcement follows increases in 2025 and 2026 of 5% and 6% for PRECorp members.

The latest increase is tied to Basin's long-term efforts to increase its electric generation and distribution resources amid rising demand for power in the central and western United States.

Basin is experiencing substantial growth in energy consumption annually. This is likely to continue over the next 10 years, which is triggering the need for Basin to invest in new generation resources to meet future energy demands.

"Basin is contractually obligated to provide energy for all its member systems. Basin has to construct or otherwise purchase new energy to meet the demand," said PRECorp CEO Brian Mills. "Basin has and will continue to hold a long-term perspective in a high-cost environment as it looks to stabilize our future in the generation market."

Mills said the long-term benefits to Basin's members are

rate stability as the wholesale power supplier works to control its own generation and pricing structure rather than relying on the volatile electric market to purchase additional energy.

Basin has experienced record-high demand from its diverse membership in recent years, along with sharp increases in energy consumption. This rapid growth in energy use highlights the need to invest in new generation resources to ensure reliable service and long-term rate stability.

Basin, an electric generation and transmission cooperative, is not owned by shareholders. Instead, Basin's member cooperatives hold a financial stake in the company and, therefore, invest through rates and, over time, receive capital credit returns or dividends on those investments. "We understand any increase impacts every member whether they have high power usage or not. We encourage members to consider PRECorp's variety of programs that help control usage and costs," Mills said.

PRECorp offers Budget Billing, Heat Rates, Energy Audits, prepaid metering, and other arrangements to help members navigate their individual needs.

Call PRECorp Member Service at 1-800-442-3630 with specific questions about the impact on your monthly cost. The www.precorp.coop website has Rate Increase resources such as rate calculators and programs.

PRECorp CEO Brian Mills and other PRECorp staff will answer questions during a **live telephone town hall meeting on Wednesday, August 26, at 6:30 p.m.**

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Working together, holding the line



BRIAN MILLS,
CEO

August in northeast Wyoming has a rhythm all its own. This year, whatever hay we had is most likely stacked, the county and state fairs are wrapping up, and kids across our five counties are digging back-packs out of the closet for a new school year. It is a season that asks us to finish strong on one job while already looking ahead to the next...not unlike the work we do here at your cooperative.

Lately, that “looking ahead” has come with a lot of headlines about big new loads — data centers,

cryptocurrency operations, industrial projects — seeking to plug into power grids across the West, ours included. I have fielded several questions from members wondering what that kind of growth might mean for their bill. I want to use this month’s column to give you some peace of mind on that front.

A few months back I wrote about a premise that we use for any new load: cost follows the cause. As each new load comes on the system, large or small, the specific facilities needed to serve them are theirs to fund. And to be honest, many members have voiced their displeasure toward this sticker shock.

[Side note: As a cooperative, we are simply passing through those costs of goods that we are being charged. We only make revenue by selling electrons; there is no revenue generated by material and labor.]

Back to the point. Certainly, there are system betterment projects that keep our system robust and reliable, and for those we all share in that cost. New large loads pay for the infrastructure specifically built to serve them, such as substations and dedicated lines. This cost is not spread across your bill.

Basin Electric, our wholesale power supplier, operates on that same idea through what is called the Large Load Program. Before Basin commits generation or transmission capacity to a big new customer, that customer must put real skin in the game. Application fees, commitment deposits, funding agreements to back their end of the bargain. If a project does not pan out, the risk of that walked-away investment rests with the load that caused it — not with you and your neighbors. That is the idea behind harnessing the power of working together as a cooperative. As we assimilate each of our loads, the system overall grows more robust

and reliable and together we can share in managing the larger system-wide assets that benefit us. We grow when it makes sense for all of us, and we protect the membership when it does not.

Now, I won’t pretend growth comes free of cost anywhere in this business. You will read on **Page 1** that Basin has announced the need for additional revenue to meet their operational obligations. In short, a rate increase in 2027. It seems we have all braced for this as every utility around us has had to deal with the same increasing cost variables. I contend the power of the cooperative model is that by nature we do not make a rate of return that is then shipped out to shareholders. In a cooperative model, **every dollar you pay is used for you** and your shared role in operating the company. That is as high of value in a product chain as you can get. But simply stated, Basin’s cost of generating and delivering power across their nine-state footprint is requiring more revenue. You, along with more than 2 million other Basin member-owners are pooling their resources to manage the growth and obligations to serve electricity all over that nine-state footprint.

We understand that many members do not dissect the meaning of number at the bottom of their PRECorp bill. PRECorp, your local distribution cooperative, has not levied a rate increase of our own since 2020. We have stretched that dollar a long way and intend to keep doing it. Growth, handled the way I described above, is part of what helps make our system more reliable and efficient. Done right, more load sharing the same fixed costs benefits all of us over the long haul.

I tip my hat to the team working behind the scenes on all of this — our Strategy and Accounting departments poring over Basin’s forecasts line by line; our Engineering Department vetting every large load application that comes through the door; and our Member Service folks fielding your questions. Their stewardship mentality with your dollars is what makes rate stability possible.

This is exactly the kind of thing that you have a chance to learn more about at our 81st Annual Meeting on Saturday, August 22, at Buffalo High School.

Can’t make it to Buffalo? We are hosting a **Telephone Town Hall on Wednesday, August 26**, at 6:30 p.m., dialing out to the number we have on file for you. Democratic control — your control — is what makes this cooperative strong, and it is an honor to put it on display alongside you, whichever way you join us.

Powder River, Let ‘er Buck!

Calendar

The list of PRECorp events includes Board meeting dates, holidays, telephone town hall meetings, and more.

- **Tuesday, August 18:** PRECorp Board of Directors meeting, 9:30 a.m., Gillette.
- **Saturday, August 22:** PRECorp Annual Membership Meeting, Buffalo High School.
- **Tuesday, August 25:** PRECorp Foundation Board of Directors meeting, 9 a.m., Gillette.
- **Wednesday, August 26:** Telephone Town Hall meeting with PRECorp CEO Brian Mills, 6:30 p.m.
- **Monday, September 7:** Labor Day Holiday, PRECorp offices closed. Call 1-888-391-6220 with an outage.
- **Monday, September 14:** PRECorp Foundation Golf Scramble, Golf Club at Devils Tower.
- **Tuesday, September 22:** PRECorp Board of Directors meeting, 9 a.m., Sheridan.
- **Tuesday, September 29 -** PRECorp Foundation Board of Directors meeting, 9 a.m., teleconference.
- **Tuesday, October 20:** PRECorp Board of Directors meeting, 9:30 a.m., Sundance.
- **Tuesday, October 27 -** PRECorp Foundation Board of Directors meeting, 9 a.m., Gillette.
- **Wednesday, November 11:** Veterans Day Holiday, PRECorp offices closed. Call 1-888-391-6220 with an outage.
- **Tuesday, November 17:** PRECorp Board of Directors meeting, 9:30 a.m., Gillette.
- **Thursday, November 19:** Telephone Town Hall meeting with PRECorp CEO Brian Mills, 6:30 p.m.

2025 blackout probe released

On Thursday, November 13, 2025, PRECorp experienced a power blackout and voltage instability beginning approximately 12:45 p.m.

The resulting outage cut power to every PRECorp service, more than 27,000 meters in Campbell, Crook, Johnson, Sheridan and Weston counties in Wyoming and parts of southern Montana.

Regional grid regulators conducted a multi-level investigation into the blackout's cause and lessons learned. The blackout resulted from a combination of bad data, poor communications, and improper response, according to a June report published jointly by Western Electricity Coordinating Council (WECC) and North American Electric Reliability Corporation (NERC). Power tripped during a planned outage on a 500 kV transmission line near Medicine Bow.

- PacifiCorp (Rocky Mountain Power) had planned an outage on a sensitive transmission line at 8 a.m.
- That outage was delayed until midday for personnel availability.
- During the morning, conditions changed and there was more power flowing than earlier in the day.
- Protective settings and monitoring tools did not reflect the higher power flows that had developed by midday.

When crews took the outage later that afternoon, the additional generation online and pushing power to those lines resulted in a voltage collapse of the 500 kV circuitry, caused protective relays to correctly trip 14 lines regionally, cutting off northeast Wyoming and southwestern South Dakota from the grid.

The event progressed so fast that no manual corrective actions were able to be taken.

The cascading events impacted the PRECorp system and also affected electric providers at Montana-Dako-

ta Utilities, Rocky Mountain Power, Black Hills Energy, Basin Electric, and Gillette City services. At its peak, more than 155,000 services from Casper to Rapid City to Sheridan and the northern edge of Cheyenne were out.

In all, approximately 30,000 square miles of the area covering western South Dakota to the Big Horn Mountains were in the dark for 3 to 8 hours.

In response, PRECorp deployed line crews to nearly all of its 50-plus substations to prepare to safely restore power to circuits across the system. Due to the volatility of the incoming voltage and changes in the grid around PRECorp, it was determined to bring the system online starting from the south and working north, with eyes on each substation as it was brought online. The first services to be re-energized were around the town of Wright and completing west of Hulett.

The restoration process began approximately 3 p.m. as incoming voltage stabilized and PRECorp crews prepared equipment and settings to be re-energized within safe operating limits. Crews successfully restored power to communities through individual substations beginning approximately 4:30 p.m. and final services were restored approximately 10 p.m.

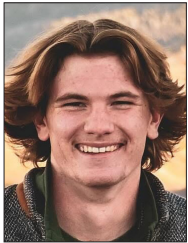
The PRECorp team operated nearly every substation switch and breaker in one afternoon and evening with very few issues and with good assurance that the voltage and capacity delivered was not going to negatively impact the membership.

- NERC and WECC regulators have recommended wider real-time data sharing between power generators and distributors;
- Increased trainings between utilities and grid systems; and,
- Improved transmission outage coordination and communication.

CONGRATULATIONS

To the 2026 scholarship program winners.

PRECorp and its Foundation manages scholarship programs for college and post-secondary students from Campbell, Crook, Johnson, Sheridan, and Weston counties, with more than \$50,000 from unclaimed Capital Credits, private donors, memorials, and funds raised through charitable events. The Powder River Energy Foundation Board of Directors awarded PRECorp scholarships to the students pictured below. Apprentice Lineman Scholarship, Basin/Members 1st Scholarship, Geis Memorial, and Rising Opportunity Student Scholarship (ROSS) awardees are also noted.



Britton Brownell
Big Horn HS



Joe Curuchet
Kaycee



Nyah Eisenbraun
Wright



Tylla Gerry
Moorcroft



Shannon Gilmartin
Sundance



Gabi Hall
Buffalo



Rylee Hudson
Gillette



Jordyn Crews
Sundance



Bella Keller
Upton



Skye Malli
Clearmont



Karly Marchant
Sundance



Jaylin Mills
Sundance



Paige Pietron
Gillette



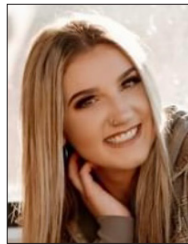
Tess Rule
Buffalo



Tayleigh Sandford
Sundance



Katie Schreibeis
Sheridan



Shantel Smith
Gillette



Brylee Styvar, Gillette
+Geis Scholarship



Xyla Rehling, Upton
+Basin Scholarship



Mitchell Strohschein
Wright



Danny Wells
Gillette

Apprentice Lineman Scholarship:

Rising Opportunity Student Scholarship (ROSS):



Danna Vilchiz
Gillette



Kylie Kramlich
Buffalo



Rylee Loebe
Osage



Garrett Plaggemeyer
Wright

Geis Memorial Scholarship:



Alexis Gisi
Gillette



Zach McMillin, Gillette
+Members 1st



Others not pictured:

Members 1st: Madeline Fleenor, Sundance. **ROSS:** Brandon Newman, Buffalo; Will Taylor, Kaycee.



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Powder River Energy Corporation is an equal opportunity provider and employer.