

PRECorp News

OCTOBER 2023



Courtesy photo

PRECorp Board Member Alison Gee speaks with U.S. Sen. Barrasso (R-WY) at the PRECorp Annual Meeting, Saturday, August 26, at Buffalo High School; Back row: PRECorp Foundation Board President John Flocchini, PRECorp Board Vice-President Philip Habeck; PRECorp election judge and Wyoming State Legislator Eric Barlow; PRECorp election judge Lloyd Davis, (behind Senator) past PRECorp Board President Reuben Ritthaler, and PRECorp legal counsel Kara Ellsbury.

Sen. Barrasso visits PRECorp Annual Meeting

Powder River Energy Corporation (PRECorp) conducted its 78th Annual Meeting at Buffalo High School, Saturday, August 26.

The meeting included a free wellness fair, cooperative updates from officers, and free lunch and door prizes. Attendees took home a variety of gifts including a 2024 PRECorp calendar and other useful items.

Cooperative members cast ballots for four director seats, re-electing Clay Branscom, Philip Habeck and Mike Helvey. Dustin Martinson was also elected to the Campbell County seat after incumbent Alison Gee did not seek re-election after two terms. The minimum quorum requirement of 100 members attending in-person was exceeded, and more than 300 votes were cast in-person or by mail.

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explained

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awarded

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BRIAN MILLS,
CEO

Last month I shared a little about how we try to provide for the stewardship of the rate that our members pay. In a cooperative, the rate a member pays is always used to benefit that member in providing for their respective part (contribution) in the continued operation of the cooperative. There are no outside interests that gain from a given rate that is paid...only the member who paid it. The challenge lies in being

good stewards of that rate by managing the operations of the cooperative utility. As I have shared in the past, your Board of Directors continues to impress upon us that rate predictability and stability are of high value to our member-owners.

This month, I would like to create a pause for all of us as member-owners the next time we get our power bill, by sharing with you how we determine the rate for which you are charged. I used this analogy while trying to explain rates to my kids, and shared this analogy at the recent Annual Meeting, so I ask you to approach it like you are listening in on my conversation. Ultimately, my intent is to grow your understanding and confidence in how we establish the rate you pay to meet the operational needs of your cooperative.

So, let's use the analogy of a vehicle. You can choose a little "chartreuse micra-bus" or maybe a "cab-over Pete with a reefer on" (using C.W. McCall's song 'Convoy')... but you need a vehicle that will meet your needs based upon the work you intend to do with it. And for whatever vehicle you choose, there will be corresponding maintenance. So, you have the vehicle cost plus any costs that provide for the safe operation of that specific vehicle. Translate that to your rate; you chose the size of an electrical service needed at your home or place of business, and this is what we refer to as the **"basic charge."**

You can also sometimes choose the size of the engine when you choose what vehicle you need. So, if a four-cylinder engine gets everything done that you need to do in your micro-bus, you can save a lot of money when you first buy the vehicle and throughout its life. But if you need more horsepower, then you may need to step up to a big block V8. Your needs for an electrical service are similar, and we call the maximum amount of power that you need at any time during the month **"demand"** and we measure that in kilowatts (kW). The more power you

need at any one time dictates how big your service is and how big the infrastructure is to support it.

Now...how much fuel did you use to operate your vehicle this month? Naturally, semi-trucks use more than micro-buses and ultimately the amount of fuel you use will be charged to your account. Likewise, the number of kilowatt-hours or energy that you use each month is assessed to your account. This is the **"energy"** component of your bill and is made up of how much power (kilowatts) you use over time (hours) or kilowatt-hours.

There are no outside interests that gain from a given rate that is paid... only the member who paid it.

Last, with those basic tenets established, we now must consider how and when your service uses energy (how/when you use that vehicle). Infrastructure must be built to accommodate all 11,000+ member-owners using energy when they want it. But the timing of that use makes a difference. Let's say you need to check a stock well 10 miles away. If you own the land between the stock well and your house...you could arguably just use a two-track through the pasture and you would probably not have to spend anything to build and maintain the road. If you don't own all that land, you must use a common system that other folks also may need to "go check wells." Depending on the simultaneous common use, a county road, state highway, or interstate highway is built and maintained to provide for folks "checking wells at the same time." This is paid for in a usage fee arrangement. If you use it at the busiest times, it costs more than when you use it when there is less congestion. This is referred to as **"coincidental peak"** and this aspect of your energy usage is managed at the cooperative level when we purchase our power wholesale from Members 1st and ultimately Basin Electric. The coincidental nature by which we all flip the light switch on or turn the coffee pots on... or in the case of a large coal mine member, when they turn their shovel on...makes a difference in how we build a system to support that demand. Your service was put at your place of residence or building to handle your specific needs, but now we couple that with all the other member-owners to ensure our system is robust enough to adequately perform for all members within the PRE-Corp territory.

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PRECorp photo

Jason Dziedzic, left, stands with his new Polaris Ranger side-by-side he won in the Apprentice Lineman Scholarship fundraising drawing August 26. PRE-Corp VP of System Operations Rich Halloran, right, presented the keys and title. Thanks to everyone who supported this effort. Approximately \$15,000 was raised to support scholarships for local youth seeking careers in line work.

CEO column...

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So those are the basic components of what goes into the rate you pay. *Monthly Basic Charge + Energy + Demand + Coincidental Peak = Monthly Power Bill.*

As you "listened in on my conversation," I hope it provided you a little more context of your power bill. I would like to add some additional perspective. There are two aspects of the rates on which we focus. **Rate adequacy**, which is simply - do the rates we've established meet the operational needs and ultimately the service expectations of our members? And, secondly - **rate integrity** - does the rate designed reflect the true nature of the cost drivers that it takes to serve the energy? Your rates are

designed with these aspects in mind. The power of the cooperative model (coming together for the benefit of all) works well for an electric utility serving rural northeast Wyoming.

For me, it truly sustains my appreciation for the PRE-Corp team I work with to see how we work together to make sure the rate a member pays to their cooperative is driving value back out for the member-owner. I know the PRECorp Team certainly takes pride in doing so on your behalf.



Events Calendar

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

- **Tuesday, October 17** - PRECorp Board of Directors Meeting, Sundance
- **Tuesday, October 24** - PRECorp Foundation Board of Directors meeting, Gillette
- **Friday, November 10** - Veterans Day observed, PRECorp offices closed
- **Tuesday, November 21** - PRECorp Board of Directors Meeting, Gillette
- **Thursday/Friday, November 23-24** - Thanksgiving Holiday, PRECorp offices closed.
- **Tuesday, November 28** - PRECorp Foundation Board of Directors meeting, teleconference
- **Wednesday, November 29** - PRECorp Telephone Town Hall meeting with CEO Brian Mills, 6:30 p.m.
- **Monday, December 25** - Christmas Day holiday, PRECorp offices closed
- **Monday, January 1** - New Year's Day holiday, PRECorp offices closed
- **Thursday, March 14** - All-employee meeting, safety training, PRECorp offices closed

Annual Meeting...

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PRECorp photos

Above, (from left) PRECorp Board President Jim Purdy, PRECorp CFAO Bill Mertz, and VP of Member Service Joe Roth make final preparations for the Annual Meeting.

Below, PRECorp CEO Brian Mills addresses the membership.



Special guests who spoke during the meeting included U.S. Sen. John Barrasso (R-WY) and Wyoming Rural Electric Association (WREA) Executive Director Shawn Taylor. Basin Electric interim CEO Todd Brickhouse and Basin VP of Member Services Chris Baumgartner were also guests of PRECorp.

PRECorp CEO Brian Mills outlined happenings with the cooperative over the past year, and the future of power rates for the cooperative.

There are seven value points in the PRECorp strategy upon which the Board remains focused. "The standard has been set. When you flip the switch, the lights have to come on," Mills said. "Whether you pay a dollar for that electricity, or you pay one hundred dollars for the electricity, the lights have to come on."

Mills outlined PRECorp's constant review of the costs to maintain the system so power is reliable and rates are stable.

Some challenges right now include wait times that have doubled and tripled when it comes to vehicles and equipment. Some of that equipment has a price tag that is 30 percent higher than it was just a few years ago. Mills said the "cost of money" has also risen to 7 percent in terms of interest rates on borrowing. Mills said the cooperative model is set up to withstand ebbs and flows of the economy and maintain stability for the membership. Mills said this includes the concept of stewardship of capital credits to "...borrow money from ourselves..." to maintain the same level of service. "The rate you are paying today is for the continuing operations of this company," he said.

Mills said PRECorp will be open to partnerships with members and other cooperatives to ensure stability and cost savings for the mutual benefit of all.

Board President Jim Purdy praised the efforts of the PRECorp employee team in working safely and maintaining a vast delivery system in northeast Wyoming. "Did you know that PRECorp has

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Annual Meeting...

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enough power line to stretch from Los Angeles to New York – four times,” he said. Purdy said that the Board remains focused on ensuring safety and reliability, as well as using the latest technologies and managing outside state and Federal regulations. “PRECorp continues to be in the center of these changes we are seeing take place around the country, and our ability to change and adapt will be important as we try to deliver value back to the membership from this cooperative.”

Two programs PRECorp offers are Cooperative Youth Energy Camp to Steamboat, CO; and Cooperative Youth Tour to Washington, DC. Both are an all-expense-paid experience of touring new places and learning about leadership, where electricity comes from, and the cooperative business model.

Jordyn Crews, Sundance, has attended both camps and is now attending college in South Dakota. She addressed the Annual Meeting audience about her experience this past summer in Washington, DC. “I would first like to thank Powder River Energy for sponsoring me to go on this life changing trip. It is certainly a memory that I will cherish forever, and it really opened my eyes to the world outside of Sundance, Wyoming,” Crews said.

Among the sites the Youth Tour visited were Fort McHenry, the Pentagon, the Holocaust Museum, Mount Vernon, and Arlington Cemetery. The tour also met with the Wyoming Congressional Delegation. “There are many lessons that I learned during my time in DC, and teachings that I will never

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PRECorp photos

Above, Friends Feeding Friends Program Coordinator Breean Waller thanks the PRECorp Foundation for an \$8,000 donation presented during the Annual Meeting. **Lower left,** PRECorp members register and receive a free pair of leather gloves and a 2024 wall calendar.

Lower right, outgoing Director Alison Gee shows an embroidered hoodie gifted for her six years of service to the coop.



PRECorp Walking Taco Booth donates \$8,550 to local hospital, daycare

After a four-year absence from the corner of the Crook County Courthouse lawn, PRECorp employees set up a Walking Taco Booth at the Sundance 'Burnout Wednesday', August 9.

The booth raised more than \$2,500 for three designated local non-profit organizations: Crook County Medical

Services District (CCMSD) Long Term Care, Palliative Care; and Sundance Kid Prints, Inc. - daycare.

The booth's financial success was matched dollar-for-dollar by two partners to triple the giving. Basin Electric, PRECorp's wholesale power supplier; and the Powder River Energy Foundation each contributed \$2,850.



PRECorp photos

Above, PRECorp employees present two \$2,850 donations to CCMSD patient services programs in Sundance. Pictured from left are: Stacy Hansen, Hospital Director of Nursing; Stephanie Pribilske and Tim Velder, PRECorp; Heith Waddell, MD, Hospital Medical Director; Brian Bock, PRECorp; Micki Lyons CEO and Nursing Home Administrator; Karie Feist-Bankenbush, taco booth volunteer; Hazel Beck and Darice Hodge, PRECorp; and Erica Palmer, Long Term Care Director of Nursing.

Below, PRECorp employees on the left Linda Tokarczyk (kneeling), Macee Stocker and Corrie Burgess, stand with Kid Prints staff Jodie Reed, Aislyn Wacker, and Jameka Martins, and other PRECorp employees Stephanie Pribilske, Brian Bock, and Tim Velder, during the presentation of \$2,850.



For more than 15 years, Powder River Energy employees have raised funds for local charities through its Rally Wednesday Walking Taco booth in downtown Sundance. A shortage of volunteers and the COVID pandemic put the booth on hold from 2019 through 2022.

"CCMSD holds a deep appreciation for the individuals within our communities and our patients. It is a privilege and honor to offer long-term care services to those who may no longer be able to reside in their own homes but wish to remain near their loved ones. Our palliative care services enable patients to spend their final days and moments in the company of their supportive community, tended to by a dedicated and empathetic healthcare team," said CCMSD CEO Micki Lyons. "We extend our heartfelt gratitude to Powder River Energy for their generous donation, which will enable us to uphold our commitment to delivering exceptional care in these areas."

Kid Prints, Inc. provides full-time daycare for families in and around Sundance with lunch and snacks and outdoor play areas. There is also on-site early childhood education and preschool to prepare the children for kindergarten.

"These three non-profit entities provide critical services to families in the Sundance and Crook County area, and, with the community's assistance, we are proud to help them out as much as possible," said PRECorp Executive Assistant Steph Pribilske.

Foundation provides preschool tuition assistance in memory of Shayna Ritthaler

The Powder River Energy Foundation awarded preschool tuition scholarships totaling \$3,450 to students at six preschools in Crook and Weston counties. This is the fourth allotment in a sustaining preschool tuition assistance program as part of the Shayna Ritthaler Memorial Scholarship.

The Powder River Energy Foundation (PRECorp Foundation) Board of Directors awarded funds to Weston County Children's Center/Region III Developmental Services and Sundance's Kid Prints, Inc. preschool.

The scholarship fund was established after the tragic 2019 homicide death of Shayna Ritthaler, a high school student with ties to Moorcroft and Upton high schools. Shayna enjoyed her life with her sister Josalyn, and their grandparents Reuben and Shelly Ritthaler, on their ranch near Upton.

Region III provides early intervention and special education services for birth to school-age children. Their



service areas include Crook and Weston counties, with preschools in Newcastle, Upton, Hullett, Moorcroft, and Sundance. Kid Prints, Inc. provides preschool education and kindergarten readiness to children ages 4 and 5.

"This distribution of scholarship funds is part of an ongoing effort to support early childhood education in memory of Shayna," said Foundation Board President John Flocchini. In 2021, the Foundation raised more than \$50,000 in the raffle of a donated '72 Mustang Mach I. According to the wishes of the car's donor, the program has expanded the scholarship to more students in more preschools.

"This is a critical part of the Foundation's overall mission to help working families in need in northeast Wyoming. These students will benefit from extra days in their preschool programs to help them be ready to start kindergarten on Day 1," Flocchini said.

The Foundation will manage the scholarship fund in an investment strategy to last until at least the year 2040 to provide for future generations of students.



Go to www.precorp.coop/employment-opportunities for more information.

Annual Meeting...

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forget," Crews said. "None of this would have been possible if it weren't for your support and sponsorship, and for that, I am truly grateful. Thank you, from the bottom of my heart, for giving me this once in a lifetime experience."

Purdy later recognized departing Board member Alison Gee of Gillette. Gee served two terms on the Board from 2017 to 2023 and was part of the launch of the PRECorp Moonshot, protection of members with security deposits, and maintaining safety and reliability during the COVID pandemic.

To close the meeting, the drawing was held for the Apprentice Lineman Scholarship Fundraiser. The drawing grossed approximately \$30,000 for the program that supports local youth who would like to pursue a career in electrical line work. Winners are: Jason Dziedzic, 2023 Polaris Ranger Side-by-side; Becky Morgan, Mule Deer hunt on the D Ranch in Crook County, donated by Philip and Jeanne Habeck; and Christy McKenzie, Savage 6.5 PRC rifle.

The 2024 PRECorp Annual Meeting will be held Saturday, August 24, at Upton Middle School.



Courtesy photo

Jordyn Crews of Sundance showed the Annual Meeting audience photos of the Youth Tour experience in the Washington, DC area.

Time of Use discount hours explained

PRECorp's Time-of-Use Rate extends from from October through May. Members can achieve lower off-peak rates for electricity usage from 10 a.m. to 4 p.m. beginning in October.

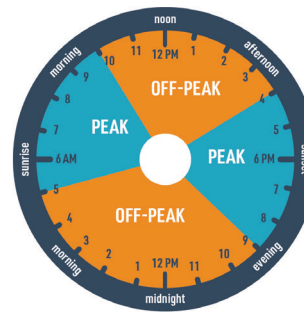
This rate option is one more way PRECorp provides members with affordable rates and options that fit their individual energy needs. The concept behind this program is fairly simple: rather than a single flat rate for each unit of energy used (e.g. kWh), you pay different rates for the electricity you use based on the time of day and season. Under this voluntary rate option, *when* you consume electricity is just as important as the amount of electricity you use.



On Time-of-Use, rates are lower during midday and overnight because of the decreased demand for electricity during those times. To help lower costs, you can shift energy use to off-peak periods (when electricity prices are lowest). Our Time-of-Use Rate also changes seasonally, because electricity demand differs between summer months and the rest of the year. These rates can make a big difference for members particularly in the areas of heating and cooling; major appliances; and water pumping equipment.

To learn more contact your Member Service Representative at 800-442-3630.

TIME OF USE - OCTOBER THROUGH MAY

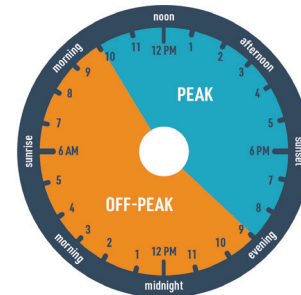


THE TIME OF USE RATE PLAN HAS TWO PERIODS:

\$ Lowest price (OFF-PEAK):
14 hours each day

\$\$ Highest price (PEAK):
10 hours each day

TIME OF USE - JUNE THROUGH SEPTEMBER



THE TIME OF USE RATE PLAN HAS TWO PERIODS:

\$ Lowest price (OFF-PEAK):
13 hours each day

\$\$ Highest price (PEAK):
11 hours each day

Regular business: 1-800-442-3630 Report an outage: 1-888-391-6220

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