



PRECorp News

SEPTEMBER 2024



PRECorp photo

PRECorp CEO Brian Mills addresses the membership at Upton Elementary-Middle School, Saturday, August 24.

Upton hosts PRECorp 79th Annual Meeting

By Tim Velder, PRECorp Marketing Communications

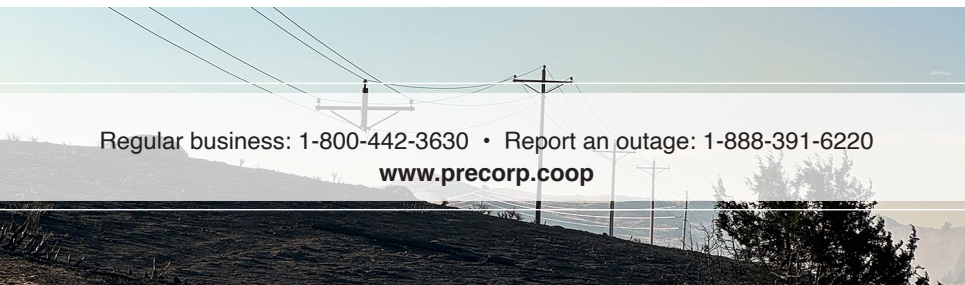
Powder River Energy Corporation (PRECorp) conducted its 79th Annual Meeting at Upton Elementary-Middle School, Saturday, August 24.

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 2025 PRECorp 80th Anniversary calendar and other useful items.

Cooperative members cast ballots for three director seats, re-electing Paul Baker (Crook County), Jim Baumgartner (Sheridan County), and Mike Lohse (Johnson County). The minimum quorum requirement of 100 members attending in-person was exceeded, and more than 200 votes were cast in-person or by mail.

Special guests who spoke during the meeting included U.S. Sen. John Barrasso (R-WY) and Wyoming Rural

Continued on page 4.



Regular business: 1-800-442-3630 • Report an outage: 1-888-391-6220
www.precorp.coop

In This Issue

CEO Straight Talk
 Time of Use hours explained

Ritthaler scholarships awarded
 Wildfire restoration



BRIAN MILLS,
CEO

As I sit down to write this month's column, I am coming off the hills of our annual meeting in Upton where we were able to meet with approximately 200 members.

The employees and I find it refreshing and energizing to come together at events like that. Putting a face to the name of the people with whom we talk over the phone, whether you are serving or being served, is such a rewarding experience. Thank you to

all who were able to make the meeting.

At the meeting we were able to share a little more detail about the rate change that we have been discussing since July. I'm going to take the opportunity with this article and continue to provide some perspective around this change.

While we don't like the idea of rising costs from our power supplier, it is good to keep things in perspective. The last time there was any type of rate increase was in 2020 when PRECorp adjusted its rate. Basin Electric (our power supplier) has not increased its rate since 2016. In fact, Basin's rates actually went down a little last year resulting in the average residential bill seeing a \$1.20 decrease per month. This is not much, but worth a mention as we try to gain perspective on the pending rate change. Another important aspect to keep in mind as we discuss this rate change is the value that Basin provides PRECorp.

A primary value that Basin provides is rate stability. The rate making model they use requires a significant amount of effort in load forecasting coupled with planning of their generation and transmission resources. As they create the most likely scenario they can, it ultimately determines a rate that will stand the ebbs and flows for a time. The value of rate stability ultimately trickles down to individual members. The benefit of this is that you as members can create plans and forecasts of your own. Rate stability means even more to the small and large businesses whose largest expense may be energy.

Basin's rate design efforts are becoming more and more challenging because of the added volatility that we are seeing in today's regulatory environment. Basin has predominantly generated a strong majority of the power that they have sold.

However, with today's influx of available renewable energy and its variable dispatchability (when it is generating and when it is not), it has created an environment where at times and locations within Basin's service area, it may be cheaper for the membership to buy power off the market versus the energy we are building ourselves. But again, those electrons come with added uncertainty. In tandem with this dynamic are the

growing demands for additional power from the membership and new residents and industry finding their way into Basin's territory. This has required Basin to not rely solely on power generation that may or may not be available on the market at a corresponding supply and demand price. It requires that we build generation to serve the load to help minimize the volatility and variability to some degree.

While there is an increase in the cost of our power today to help build new generation and manage the volatility present in our industry, the rate could be seen as an investment in the stable rate and reliable energy that we are going to need tomorrow.

This effort that Basin is undertaking reminds our co-op, which was in the middle of serving the growing needs of the Powder River Basin in the late 2000's and early teens, when Basin made a very similar decision that impacted the rest of the Basin family back in 2007. At that time, they decided to invest \$1.35 billion within our service territory for a new generating asset we now call Dry Fork Station power plant. The CBM, oil, and coal and corresponding small business services and residential load growth in the Powder River Basin was likely not felt as strongly up in North Dakota or down in New Mexico or over in Minnesota or Iowa at that time. However, the family of co-ops came together to meet the generational need that was being experienced within the family.

Initially we had discussed an increase change between 8 and 10 percent.

Since that time (and since we are a cooperative), we along with the other 140 member utilities that comprise Basin - with some give and take on what the future growth may amount to - were able to discuss among ourselves an alternative approach that would lessen the initial need for a higher rate. I can attest that the model works, as all 141 of us (Basin), agreed that a slightly lower rate at this time would be a better play.

Now we are looking at a 5.5 to 7 percent increase in the power that we purchase for you. Again, this is not a rate increase for PRECorp to operate. PRECorp is holding the line on that for the time being thanks to a number of reasons, but mainly due to the employee's determination to minimize expenses through stewardship and innovation. This is a rate change only on the power that we buy on your behalf.

When we (the PRECorp Team) discuss how we can continue to build trust with our members in this time of rate change, it always comes back to communicate, communicate, and communicate. In fact, a noble goal that the employees have set is to use this rate change opportunity to gain even more trust. I believe we can, if we stick to our game plan to communicate.

A handwritten signature in black ink, appearing to read "Brian Mills". The signature is fluid and cursive, written in the bottom right corner of the page.

Events Calendar

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

- **Tuesday, October 22** - PRECorp Board of Directors meeting, 9:30 a.m., Sundance.
- **Thursday, October 24** - PRECorp Foundation Board of Directors meeting, 1 p.m., Gillette.
- **Monday, November 11** - Veterans Day Holiday, PRECorp **OFFICES CLOSED**.
Call 888-391-6220 to report an outage.
- **Wednesday, November 13** - Telephone Town Hall meeting with CEO Brian Mills, 6:30 p.m.
- **Tuesday, November 19** - PRECorp Board of Directors meeting, 9:30 a.m., Gillette
- **Tuesday, November 26** - PRECorp Foundation Board of Directors meeting, 9:00 a.m., teleconference.
- **Thursday and Friday, November 28-29** - Thanksgiving Day Holiday, PRECorp **OFFICES CLOSED**.
Call 888-391-6220 to report an outage.
- **Tuesday and Wednesday, December 24-25** - Christmas Eve and Christmas Day Holiday, PRECorp **OFFICES CLOSED**. Call 888-391-6220 to report an outage.
- **Wednesday, January 1, 2025** - New Year's Day Holiday, PRECorp **OFFICES CLOSED**.



IMPACTS OF THE EPA'S POWER PLANT RULE

The Environmental Protection Agency's (EPA) power plant rule threatens access to reliable electricity for millions of Americans. The EPA's power plant rule will:



- 1** Force the premature closure of many power plants that currently provide electricity 24/7.
- 2** Mandate the deployment of unproven carbon capture and storage technology.
- 3** Jeopardize the reliability of the grid at a time when America is already facing a surge in electricity demand.
- 4** Heighten the risk of rolling power outages to relieve pressure on the electric grid.
- 5** Increase costs for consumers as utilities are forced to pay for new power generation to comply with the EPA rule.

Annual Meeting...

from page 1.



PRECorp photos

Above, (from left) PRECorp Board President Jim Purdy presides over the 79th Annual Meeting.

Below, PRECorp member service representative Macee Stocker checks in a member prior to the meeting.



Electric Association (WREA) Executive Director Shawn Taylor. Basin Electric CEO Todd Brickhouse and Basin VP of Member Services Chris Baumgartner were also guests of PRECorp. Roger Connett of Rare Element Resources also presented a booth with information.

Board President Jim Purdy praised the efforts of the PRECorp employee team in working safely and maintaining a vast delivery system in northeast Wyoming. "From my perspective PRECorp and its Board are blessed to have a solid group of employees who demonstrate their service to the membership every day," Purdy said. "We saw it on display this week, during those unfortunate times when the power goes out from a storm or wildfire. The situation is already bad, but our crews go out in the field to meet it. Their support teams back at the offices focus everything on making sure the crews are safe, fully supplied, and using operable machinery to get the job done."

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

Mills outlined PRECorp's constant review of the costs to maintain the system so power is reliable and rates are stable. Mills said the bottom line is "Working to Improve Lives Through Energy."

"Our values will define our identity. We're going to value working safely, doing the right thing, innovative decisions, accountable decisions, and serving others," Mills said. "We expect our values to be lived, not visited. Not just when it's convenient or when it's obvious. These values become part of our fiber."

Continued on page 5.



Annual Meeting...

from page 4.

The primary themes for this goal are providing an A+ Member Experience, Great Rates, and a Trusted Energy Partner. Mills said these are services that go above and beyond the basic reliable and affordable goals of most utility companies.

PRECorp Board Secretary-Treasurer Gerry Geis outlined the highlights of the annual financials of the cooperative.

“Our coop is strong financially and we’re at the top of the class in a lot of things because we have a lot of great employees to make things work,” Geis said. “Everything keeps going up in price but our usage has gone down which has kept the power cost about the same. We’ve also deferred some revenue to keep our rates as stable as possible.”

Continued on page 8.



PRECorp photos

Top, US Senator John Barrasso (R-WY) addresses the PRECorp membership during the 79th Annual Meeting, Saturday, August 24, at Upton Elementary-Middle School.

Left, PRECorp IT Network Infrastructure Supervisor Jonathan Tinsley highlights some pilot technology that will help streamline power control systems in the field. The annual meeting showcased some special information booths for the members.



PRECorp photos

PRECorp loses hundreds of poles and miles of line to complex of wildfires

By Tim Velder, PRECorp Marketing Communications

Powder River Energy crews and staff spent much of late August and early September responding to damage and outages caused by a complex of four large wildfires that struck Johnson, Sheridan, and Campbell counties.

Even though the fires were still burning, PRECorp VP of System Operations Rich Halloran updated the PRECorp membership at the Annual Meeting on August 24 with an impromptu report.

“There could be as many as 400 poles that need to be changed out. It’s going to take time to get to all of the damage,” he said. “A lot of poles are still standing and we have to go out and completely assess all that damage.”

The fires started on Wednesday, August 21, after a string of thunderstorms rolled through northeast Wyoming. The fires – The House Draw Fire, Constitution

Fire, Flat Rock Fire, and Remington Fire – created combined fire perimeters encompassing more than 400,000 acres of prairie, brush, and timber. Local firefighters and mutual aid resources were stretched thin with all fires burning at once. Many PRECorp members were on evacuation preparedness alerts. As of press time, no residences were destroyed and no human injuries reported.

However, countless acres of pasture and numbers of wildlife have been destroyed. “It has been pretty devastating for the landowners involved,” Halloran said. “The entire PRECorp team has been involved in this operation. I’m pretty proud of the cooperative as a whole, and watching everybody work together and get the work done.”

Halloran said it could be weeks or even months before all the damage is fully realized.



Foundation provides preschool tuition assistance in memory of Shayna Ritthaler

The Powder River Energy Foundation awarded preschool tuition scholarships totaling \$3,465 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.

Miss the Annual Meeting prizes?



You can still pick up a free 2025 PRECorp Calendar - while supplies last - at our offices in Sundance or Gillette. The calendars feature the photographic talent of PRECorp employees and the natural beauty of northeast Wyoming. Sign up for Operation RoundUp® and get a free hat or walking stick (while supplies last.)



