

# PRECorp News

DECEMBER 2021

## PRECorp Board of Directors retires \$13.7 million in capital credits

Powder River Energy Corporation this month is issuing a capital credit retirement or “refund”. This retirement returns a portion of the money members paid for electric usage during select years. Some Power River Energy members will receive a credit on their bill or a check in the mail.

### What are Capital Credits?

Capital credits are a major benefit of being a member of an electric cooperative and reflect one of the seven cooperative principles: Member Economic Participation. At the close of each fiscal year, all revenue received in excess of expenses for that year are allocated to each member as a capital contribution based on patronage contributed through power purchases.

Members are apprised of their cooperative capital credit “allocation” on their billing statements each August.

The unretired amount in a member’s capital credit account represents the value of ownership in the cooperative. This value or capital contribution is returned to the membership over time in the form of capital credits.

Annually the PRECorp Board of Directors reviews the financial condition of the cooperative and may approve a retirement of a portion of allocated capital credits.

### This year’s payout

This year’s capital credit retirement is related to electricity used during 1989-1992 and portions of 1993-1995 and 2020. Any member who had service with PRECorp in one or more of those years will receive a percentage of the capital credit retirement.

In total, PRECorp members will receive approximately \$13.7 million through retirement of capital credits.

Members who do not have a valid address on file with PRECorp will still receive their retirement, but it will be posted as “unclaimed” on their account. A member may claim their capital credit “refunds” by providing proof of legal interest. Unless they are claimed within three years, the unclaimed funds will become a gift to the cooperative and may be retained as equity or used otherwise for the benefit of the membership.

PRECorp will not issue checks for active members if the total refund is less than \$50. Those amounts will be applied directly as a credit to the member’s monthly bill. Inactive members with less than \$20 total unretired capital credits will receive their entire amount as part of this retirement.

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MIKE EASLEY,  
CEO

**The past year is an example of how PRECorp's strategies manifest themselves into solid paths into the future.**

As we turn the calendar from the old year to the new, some of our lofty personal goals set for 2021 look rather insignificant compared to the new challenges we face heading into 2022.

Despite high hopes that a virus would erase the lines of ideological divisions in our country, we have only seen a widening gap of public opinion regarding the future of this country. Most of our citizens do not like where we are as a nation, however, they have drastically different opinions on where it should go.

The upcoming elections in 2022 might only make those divides deeper. While electric cooperatives as organizations remain neutral on the politics of it all, we remain deeply committed to the well-being of our membership and ability to deliver reliable and affordable power to rural communities. It is vital that individually our members be active in voter engagement, education, and action, and let your wishes and positions be known.

Here at PRECorp, we work to position ourselves to withstand 'storms' of all kinds that hit us on many fronts. Foremost, it is the physical electricity distribution system we constantly manage and fortify to provide reliability in the worst of conditions. This is an ongoing and daily drumbeat to work safely, do the job right, fix breakdowns efficiently, and plan for the future. The completion of our Advanced Metering Infrastructure (AMI) project

is giving the desired performance anticipated through outage detection and rapid response to issues across the service territory.

Another area that isn't as visible is our drive to complete and implement strategies that 'storm-harden' your cooperative against shifting political and regulatory winds of change. Not only do we develop long-range plans as a team, but we also work as a team to execute those strategies.

The past year is an example of how those strategies manifest themselves into solid paths into the future. Our team devoted many hours of

number crunching and analysis in managing the cooperative's finances, members' money, in terms of capital credit retirements, asset management, revenue deferral, and sales forecasting. Your Board of Directors balances all these things, and more, to control rates as much as possible.

There are no rate increases forecasted in 2022. However, we understand that many members are feeling pressure from other areas of the economy whether it is related to the 2021 drought, supply chain issues, labor shortages, or rising prices on basic necessities.

We expect these economic conditions to persist, and we are prepared for an even more difficult 2022 ahead if those are the cards we are dealt.

There are bright spots, though.

PRECorp has instituted and helps facilitate various member-focused programs that can help you control payments and your usage every month. These programs include prepaid metering, payment arrangements, income-based energy assistance programs, energy audits, heat rate credit for members with qualified electric heating systems, zero-interest loans for energy efficiency upgrades, time-of-use rate options, and budget billing to keep high-use months affordable.

Talk to our Member Service team to learn more about these and other ways you can take control of your power costs during this time.

In addition, the PRECorp Foundation assists our communities with grants, food bank donations, preschool, college, and trade-school scholarships, and other funding to lend a helping hand in northeast Wyoming.

Despite our struggles, we must remember that we can overcome challenges when we work together, help each other, and are ready to accept help when offered. This time of year, we hear many stories of generosity, kindness, and forgiveness. Let's keep that spirit going as we venture forward into the next year.

Merry Christmas, a wonderful Holiday Season, and a joyous New Year to all,

*Mike*



# Board approves 2022 COPA

The PRECorp Board has approved a Cost of Power Adjustment (COPA) for implementation with January 2022 consumption.

The COPA is a mechanism to recoup or return changes in the wholesale cost of power that PRECorp pays to Basin Electric Cooperative from the previous year. In 2021, PRECorp's power demand was nearly 100% of forecast, so the changes to the COPA will be negligible on members' bills across all rate classes. The COPA is a line item that appears on bills each month and is calculated as an addition or deduction from the base rate related to the actual cost of wholesale power generation from the previous year.

A residential member using an average of 1,000 kWh per month, will see a change from \$119.86 in 2021, to \$121.85 in 2022 – an increase of \$1.99.

Members can calculate the impact of the COPA for 2022 by using the rate calculators at [www.precorp.coop/rate-calculators](http://www.precorp.coop/rate-calculators).

There are also beneficial changes to the Heat Rate set for 2022, which are also in the calculators.

(Please note that local taxes and municipal franchise fees are not included in the totals with the rate calculators.)



Photo courtesy Basin Electric

## Ritthaler honored by Basin Electric

PRECorp Board Chairman Reuben Ritthaler (center) is presented with the Basin Electric Cooperative Spirit Award during the 60<sup>th</sup> Basin Electric Cooperative Annual Meeting in Bismarck, Nov. 10. Also pictured are Basin Electric CEO Todd Telesz, left, and Basin Electric Board President Wayne Peltier, right. The award is presented to individuals who support Basin Electric and its member cooperatives. Ritthaler has served on the Basin Board of Directors and the NRECA Board of Directors in his four decades as a PRECorp Director.

## Please note our Holiday closures

Powder River Energy Corporation offices will be closed for these upcoming Holiday observances:



### Christmas:

**Thursday, December 23,  
and Friday, December 24**



### New Year's:

**Friday, December 31**



### Presidents Day (All Employee Meeting)

**Monday, February 21, 2022**

**To report an outage call  
1-888-391-6220 or, use  
the SmartHub app on  
your mobile device.**

## 2022 Scholarship information

Powder River Energy Corporation facilitates scholarships for eligible high school and post-secondary students from northeast Wyoming. To apply for any of the scholarships, students must satisfy the required criteria and complete the scholarship application. Updated 2022 scholarship information is available online at: [www.precorp.coop/student-scholarships](http://www.precorp.coop/student-scholarships). Descriptions and deadlines for some of the scholarships follow:

### Basin Electric Scholarship - \$1,000

Applicant's parents or legal guardians must be PRECorp members. One student from the PRECorp membership service territory may be chosen. Another is nominated for consideration for the Members 1st selection. **The filing deadline for the Basin Electric Power Scholarship is February 1, 2022.**



### Powder River Energy Corporation/ Foundation Scholarship - \$1,500

To qualifying seniors and post-secondary students from 14 high schools and up to 5 at-large students in its service territory. Applicant's parents or legal guardians must be active PRECorp members. **The deadline for filing the Powder River Energy Corporation Scholarship is March 1, 2022.**



### PRECorp Lineman Scholarship

The PRECorp Lineman Scholarship is available to qualifying applicants who plan to attend an approved lineworker training program. Awards can be up to \$7,000. **The deadline for filing the PRECorp Lineman Scholarship is March 1, 2022.**



### Kathleen Tavegie Scholarship - \$TBD

To a Weston County High School senior planning to pursue a degree in Elementary Education. The amount of the scholarship is determined by the funds available. **The filing deadline for filing the Tavegie Scholarship is March 1, 2022.**



### Geis Family Scholarship - \$TBD

Awards range from \$400 to \$1,000 to qualifying seniors from Coal Country FFA or Gillette FFA in Campbell County, who are pursuing careers benefitting the agriculture industry. **The deadline for filing the Barb and Bill Geis Memorial Scholarship is March 1, 2022.**



### WREA Lineman Scholarships

The Wyoming Rural Electric Association offers various scholarships for prospective linemen. They include the Hackworth Scholarship and the Adkins Scholarship. Go to [www.wyomingrea.org](http://www.wyomingrea.org) for more information. **There is no filing deadline and applications are accepted year-round.**



## Capital Credits

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Since 2011, PRECorp has provided the opportunity for members to help non-profit organizations in northeast Wyoming. To date, the membership has generously donated their capital credits to the PRECorp Foundation, which has supported local charities in PRECorp's service territory with more than \$1.5 million in direct and in-kind donations since its founding in 2007.

If you would like to donate retired or future capital credits, please contact PRECorp for a donation form.

Please direct any questions or concerns about capital credits to PRECorp Member Service Representatives at 1-800-442-3630.

## No PRECorp News in January

Because there is no WREN Magazine published in January, there will be no January PRECorp News mailed to members.

For up-to-date member information, read the Power Lines in your January bill, go to [www.PRECorp.coop](http://www.PRECorp.coop), or stay tuned to Facebook, Twitter, and SmartHub for updates on happenings in your cooperative.

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

[www.precorp.coop](http://www.precorp.coop)

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