

PRECorp News

JULY 2017

Keep safety in mind during outdoor excursions

By Tim Velder, PRECorp Marketing Communications

With Wyoming's natural beauty and recreation opportunities, it is easy for residents and visitors to spend dawn to dusk outdoors.

The time should be enjoyable and worry free - beyond bug bites, skinned knees, and sunburn. PRE-Corp asks its members to help spread the word about safety around PRECorp power lines and substations.

Oftentimes people encounter our facilities accidentally in their vehicles if they are unfamiliar with their surroundings. Many visitors to this area can stray from established roads in search of adventure, but can also find themselves in places they shouldn't be.

Others are unaware of the dangers of electric shock or electrocution when climbing around underground transfomers, power poles or power lines. Sometimes vandals



intentionally damage signage, insulators, or substations with gunshots or theft.

We need your help to keep our equipment safe, prevent outages, and protect lives. If you notice anyone causing damage to PRECorp facilities, call your local law enforcement office immediately.

PRECorp crews work very hard in all conditions to provide reliable power, and man-made outages due to accidents or vandalism put linemen at risk, and create unnecessary hardships for our members. Thousands of PRECorp members' dollars are spent every year repairing equipment and power lines that have been damaged by the public. As a not-for-profit cooperative, owned by the members, we all share in this expense. This doesn't even include the inconvenience, damages and hazards to members down the line that require power for medical equipment or other needs while a lineman hunts down the problem.

If you have concerns about unsafe conditions related to power lines, call PRECorp Operations Dispatch at at 1-888-391-6220.

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MIKE EASLEY, CEO

After the long winter, it's good to feel like summer is finally here, though with it we've had some severe storms. Our line crews and team responded quickly to the outages caused by high winds and worked through the night to make sure power was restored as quickly and safely as possible.

We appreciate hearing your feedback through social media, or other means, as we work through these events. I think these communication tools are really helpful in getting information flowing in near real time. If you don't follow us on Facebook or Twitter please consider doing so. You can also keep in touch by signing up to use our Smart-Hub App available on our website as well as from the App Store or Android Market. With just a few short minutes of set up time you can customize the app to meet your preferences. In addition to easy options for paying your bill and tracking your usage, you can receive outage notifications and even report outages.

Staying connected with you and communicating is part of our commitment to you and a benefit of being a member-owner.

Active membership engagement is really important in order for the cooperative business model to work effectively. The PRECorp Annual Meeting will be next month on Saturday, August 26, at Upton Elementary/Middle School in Upton. The Annual Meeting is your best opportunity to be actively engaged in the business affairs of your cooperative. I hope that you mark this on your calendar and plan to attend. I will be giving an update on the Cooperative and results of our efforts this past year to address a downturn in sales in the coal and gas industry. I will also be talking about what our future might look like and how we are adjusting our strategy to manage the challenges and to take advantage of the opportunities before us. Our focus on strategy and strategy execution enabled the PRECorp Team to respond to

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the challenges over the past year and to mitigate the effects of the downturn on the membership.

The team aspect is so important in everything we do. It's not just part of who we are as a co-op, but our employees truly translate that collaboration into results that benefit our members, and communities served. It is part of our PRECorp Foundation, funded in part by the Operation Round-Up® program, a program in which members can have their bills rounded up to the nearest dollar. Together this small change makes a big difference in helping local non-profit organizations. In this edition of the PRECorp newsletter, our Foundation Annual Report highlights the grants and support provided across our service territory. If you haven't joined Operation RoundUp® yet, I encourage you to do so, over 90% of our employees are enrolled. At an average of 50 cents per month, it's a great way to support many organizations for very little money.

From keeping the lights on to helping our communities be strong and vibrant, there truly is a cooperative difference. Our mission of service and our commitment to you, our member, is what makes PRECorp a true partner to you and to northeast Wyoming.

Mike

COMMITMENT TO NORTHEAST WYOMING

PRECorp Foundation 2016

Annual Report



A Helping Hand for Northeast Wyoming

From its founding in 1945 through today, Powder River Energy Corporation has teamed up with businesses, schools, and charities throughout the area to strengthen and enhance our communities.

We work hard to achieve a better quality of life for the people of northeast Wyoming. With this spirit in mind, the Powder River Energy Corporation Foundation was created in 2007 to act as the philanthropic arm of Powder River Energy Corporation. The specific mission of the Foundation is to focus on the charitable needs in our service territory and more specifically, the member/owners we serve.

The Foundation continues to execute upon that original vision and donated more than \$141,000 into our PRE-Corp communities in 2016, nearly \$60,000 more than 2015.

The Foundation is structured to manage scholarships on behalf of other individuals or organizations. For instance, the Foundation administers the Swanda Ag Scholarship, the PRECorp Member Scholarship, the PRECorp Apprentice Lineman Scholarship, the Geis Family Scholarship, and the Farmer's Cooperative Scholarship. In total, students in 2016 received more than \$30,000 in financial aid for college.

Total donations since 2007

\$576,418

Total donations in 2016

\$141,873

Number of organizations and causes supported in 2016

52

What makes the Foundation different?

One hundred percent of donations to the Foundation go to local nonprofit organizations, making for a direct-line giving process. The Foundation works with donors to make philanthropy easy by managing and administering funds for organizations with charitable objectives.

A Foundation meets long-term community challenges and seeks out opportunities to meet the needs of its communities

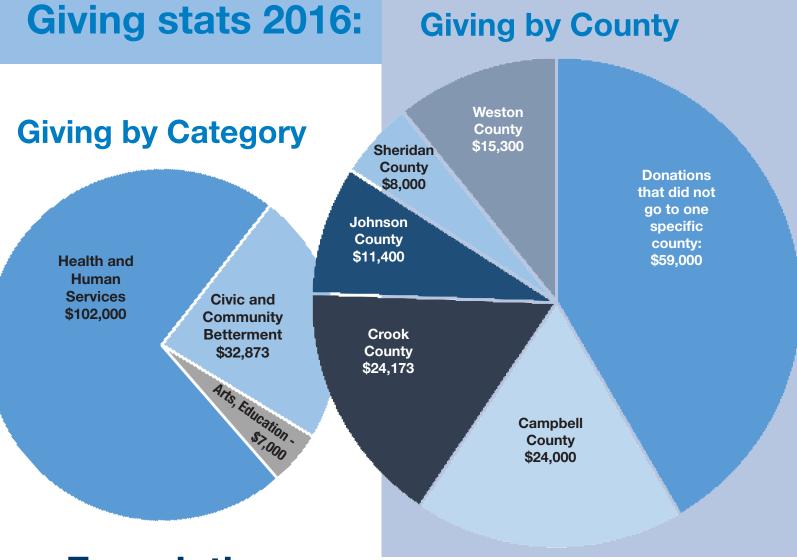
through research and feedback from community members. The PRECorp Foundation connects PRECorp members who care with causes in their communities.

See "Foundation" on Page 4

Powder River Energy Foundation Mission:

The mission of the Powder River Energy Foundation is to demonstrate our commitment to individuals and nonprofit or charitable organizations in northeast Wyoming by lending a helping hand that will improve their quality of life or serve their community.

PRECorp Foundation 2016 Annual Report



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Foundation...

Giving together causes the greatest impact. The Foundation leverages matching dollars to enable the greatest impact for those who benefit from the funds.

More than 10% of PRECorp members voluntarily participate in the Foundation through the Operation RoundUp® program. This simple-yet-powerful program collects additional cents on the member's monthly power bill, to bring it up to the nearest whole dollar.

For example, when a bill of \$100.55 is rounded up to \$101.00, the additional 45 cents goes directly to the Foundation.

Capital Credit donations

For the past five years, many of our members chose to donate their capital credits. A letter explaining this option is mailed with capital credit checks.

Fundraisers

The Foundation Board and support staff have strengthened its third revenue source in 2016 through major fundraising events. The annual golf scramble at the Golf Club at Devils Tower is now joined by the annual Apprentice Lineman Scholarship Banquet, and the Durham Ranch Buffalo Stampede. Each event raises more than \$25,000 through corporate donors and event participants.

PRECorp Foundation 2016 Annual Report

Board of Directors

The Foundation is governed by an independent, voluntary board of directors who represent each county in the PRECorp service area. The Foundation Board governs the operation of the Foundation and sets the framework for the Foundation's active role in helping charities.

These board members are just like you, members of the community. They volunteer their time and many hours to support the Foundation. John Flocchini, Gillette, is the Foundation Board Chairman. Other members are Susan Berry, Buffalo; Mary Yemington, Sundance; Billie Little, Leiter; Kathleen Tavegie, Newcastle; Phil Jordan, Gillette; and Zeta Anderson, Devils Tower.

The Board of Directors follows a long-range strategic plan and initiatives to fulfill its mission and vision.

Because of its alignment, Powder

River Energy Corporation staff help donors and the Board attain philanthropic goals with:

- A thorough knowledge of community opportunities, resources, and issues;
- Administrative expertise and a central request point for nonprofit organizations which ensure timely and accurate request processing; and.

 A focus on local nonprofit organizations and encouragement of cooperative dialogue and approaches to key issues.

Contact Foundation Executive Director Jeff Bumgarner at 307-283-4905 or email jeffb@precorp.coop for more information on becoming a Foundation director.



Chairman John Flocchini



Vice Chair Susan Berry



Secretary Zeta Anderson



Kathleen Tavegie



Mary Yemington



Billie Little



Phil Jordan

PRECorp Foundation 2016 Annual Report

2016 Grants:

- All Souls Episcopal Church
- B.A.C.A. (Bikers Against Child Abuse)
- Blessings in a Backpack, Hulett
- Bread of Life Food Pantry
- Campbell County Cattlewomen
- · Campbell County Council of **Community Services**
- Cam-Plex Heritage Center Arts in Education
- CHAPS Equine Therapy
- CLIMB Wyoming
- Corner Market

FBO Blessings in a Backpack

- Crook County Council of County Services
- Crook County Family Violence
- Crook County Library Foundation

- First Presbyterian Church
- Gillette Energy Aid

(partnering with Salvation Army) • Silver Sage Senior Center

- Habitat for Humanity of the **Eastern Bighorns**
- Home Loving Care of Weston County
- Hometown Veterans
- Johnson County Family YMCA
- Johnson County Special Olympics "A" Team
- Johnson County Toys for Tots
- Ministerial Association: **Christmas Appeal**
- PRECorp Apprentice Lineman Scholarship Banquet
- PRECorp CAFA Food Drive
- Sheridan Police Department K9 Request

- Sheridan Senior Center Help at Home
- Sheridan Senior Center FBO Giving Tree
- Sundance Community Christmas **Baskets**
- Veterans' Home of Wyoming
- Walmart FBO Shop with a Cop
- Weston County Health Services Foundation
- Weston County Peace Officers
- Weston County Senior Services
- Wright Community Assistance
- Wyoming Agriculture in the Classroom
- Wyoming Food Bank of the Rockies
- Wyoming Wildlife Foundation
- Y.E.S. House Dancing With The Stars

Learn more at www.precorpfoundation.org

The Foundation website provides more information about giving and Foundation impacts in the community and alsoprovides an online sign up area for Operation RoundUp®. It includes applications for Foundation funding, a downloadable Foundation brochure, the Swanda Scholarship application, staff and board listings, and press releases. Visit the site at www.precorpfoundation.org regularly to keep up to date on Foundation news.





Either call, log onto our



website, or fill out this form and remit with your bill to sign up for this great local program



Each month, we will round up your electric bill to the next whole dollar

- The extra cents will be contributed to the Operation RoundUp® fund
- The fund was created to help members connect with worthy causes in our communities

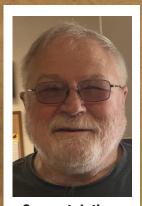
ROUNDUP FOR NORTHEAST WYOMING.

- ☐ Enroll all my accounts in Operation RoundUp®
- ☐ Enroll one of my accounts in Operation RoundUp®
- ☐ Enroll these specific accounts in Operation RoundUp®:

Account #'s

Phone Number:_





Congratulations to Larry Broers of Gillette for winning the 25-pound meat bundle in our June 1 drawing. Larry has been an Operation RoundUp® member since 2013.

In Operation RoundUp?

YOU COULD WIN

ANOTHER BUNDLEY

(of meat.)

A great way to close out the summer, Powder River Energy is offering Operation RoundUp® members and new enrollees another chance at a free bundle of bison, beef, and pork, just because you are part of the monthly contribution network to the Powder River Energy Foundation.

If you are currently enrolled in Operation RoundUp® or you sign up before August 31, 2017, you will be entered in a drawing for a bundle of bison, plus 4-H beef and pork totaling 25 pounds.

The drawing will be held Friday, September 1.

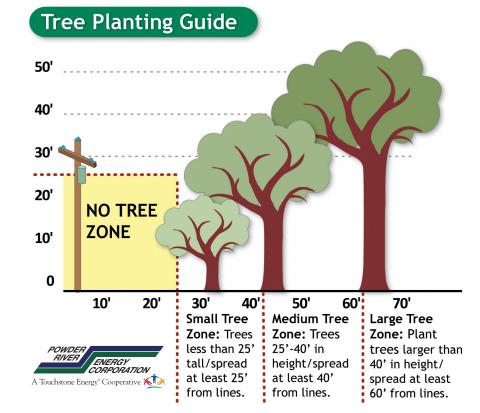
If you are not a member of Operation RoundUp®, <u>SIGN UP NOW</u> by checking the box on your bill, or by calling PRECorp at 1-800-442-3630.

Mind your clearances when planting trees

PRECorp crews are reporting some issues with residential trees growing too close to power lines. Our linemen do not want to cut down - or severely trim - your trees. But if they are posing a danger to a power line or are growing into a line causing power blinks and outages, the chain saw will have to come out.

The best way to avoid the problem is to know the clearance for that tree and its potential canopy. Consult the tree planting guide at the right to know how far away the sapling must be planted to ensure it will be a safe distance from overhead power lines.

Also remember to call 811 before you dig to ensure there are no surprises underground.



Potential for drone line inspections still up in the air

Today, PRECorp personnel inspect transmission lines yearly with a piloted helicopter to identify potential problems before they become major outages. PRECorp is one of many electric cooperatives who cover territory that is often difficult to access when they need to survey the system for necessary repairs or to locate a new power line route. In the future, PRECorp crews might be able to send in an unmanned aircraft or drone. Flying above the area with a drone would give a great view of the situation and allows the crew to make an assessment of what to do next without having to be there in person.

When severe weather impacts the electrical grid, coop crews are in the field as soon as possible, often in the midst of the storm. With ground access frequently blocked by snow, debris, or flooding, getting a comprehensive assessment of damage is both time consuming and dangerous. If conditions are muddy, trucks could also damage soft roads or fields while driving line. Flying a drone over the area could capture detailed images of the situation and help the co-op dispatch the right crews with the right materials to the right location. This kind of intel ligence gets members' power back on faster, saves the cooperative's members money, and reduces the risk of injury to our crews.

Drones have significant potential in preventive maintenance as well. Programmed to fly over far-flung transmission and distribution lines using the coop's mapping data, a drone can video the route and return with an assess ment of potential tree or vegetation problems. By integrating Global Positioning System data, the exact areas needing attention are pinpointed, and crews are then dispatched to correct the issues. This eliminates a lot of time and expense of patrolling lengthy rights-of-way.



Further applications include equipping the drone with an infrared (IR) camera to search for hot spots on pow er lines or substations. These hot spots are not typically visible to the naked eye but often lead to future outages. Many co-ops use hand held IR devices for just such purposes today. With a drone, they could cover far more area at a much lower cost. Problems could be solved before causing an inter ruption to your service.

However, getting a drone in the air is not a trivial mat ter. Since recreational use of drones has created some issues, the Federal Aviation Administration (FAA) is regulating their use for commercial activities. The co-op needs to get approval from the FAA to operate a drone and the pilot has to be FAA licensed, backed by dedicated and certified ground support. This will keep drones out of regular airspaces and away from sensi tive areas. While the FAA has been directed to stream line and expedite rules for electric coop use, these new regulations are not yet defined. Finally, drones capable of utility tasks can be expensive, ranging from a few thousand to a hundred thousand dollars.

While the use of drones is one technology that PRE-Corp is exploring, as with all technology initiatives, PRECorp does a thorough investigation before moving forward. For instance, cost savings, safety, power reliability, and member privacy concerns have to be satisfied before drones will be used. If you have any specific concerns regarding the use of drone technologies, feel free to contact us regarding those concerns. This technology is another example of how PRECorp is looking to reduce the co-ops operating costs, improve service and power reliability, and reduce the risk of in juries to our crews and members.

