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November 24, 2009

Mr. Chris Petrie  
Wyoming Public Service Commission  
Hansen Building, Suite 300  
2515 Warren Avenue  
Cheyenne, WY 82002

Re: Docket No. 10014-114-CT-09

Dear Mr. Petrie:

Enclosed please find one original and seven (7) copies of Powder River Energy Corporation's application to adjust the Green Tag (GT) rate tariff and the Small Power Production (SPP) rate tariff. The Cooperative is requesting to adjust these rates.

The Green Tag tariff is an optional rate offered to the Cooperative's customers who elect to purchase blocks of Green Tags in support of the production of renewable energy. The Cooperative's current GT rate is on its Tariff Rate Rider, Sheet number 1C.

The SPP rate is an optional rate that applies to residential customers who install facilities for the purpose of generating electric power. Under the rate schedule, the Cooperative pays the customer for all kWh generated per month at its avoided cost as required by the Public Utilities Regulatory Policies Act of 1978. The Cooperative's current SPP rate is on its Tariff Rate Rider, Sheet number 1C.

Powder River Energy requests that the Commission consider approval of this Application with an effective date of January 10, 2010.

Sincerely,

A handwritten signature in black ink that reads "Michael E. Easley". The signature is fluid and cursive, with the first and last names being more prominent.

Michael E. Easley  
Chief Executive Officer

Enclosures

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF WYOMING

IN THE MATTER OF THE APPLICATION OF	)	
POWDER RIVER ENERGY CORPORATION	)	
SUNDANCE, WYOMING, TO REVISE ITS	)	DOCKET No. 10014-114-CT-09
GREEN TAG TARIFF AND SMALL POWER	)	
PRODUCTION TARIFF	)	

APPLICATION

Powder River Energy Corporation, the Applicant named herein and sometimes herein called the "COOPERATIVE," hereby respectfully requests an order from the Public Service Commission of the State of Wyoming, sometimes herein called the "COMMISSION," granting the Applicant authority to revise its Green Tag (GT) and Small Power Production (SPP) rate tariffs, as set forth in the exhibits attached hereto and made a part hereof by this reference.

In support of this Application, the Applicant sets forth the following:

1. The Applicant is a non-profit cooperative electric utility organized, existing under and by virtue of the laws of the State of Wyoming. The Cooperative, pursuant to the laws of the State of Wyoming, is qualified to do business as a corporation within the State of Wyoming.
2. The Cooperative is duly authorized to generate, manufacture, purchase, acquire, and transmit electric energy, sell supplies and dispose of electric energy in its certificated territory.
3. Communications in regard to this Application are to be addressed to Mr. Michael E. Easley, Chief Executive Officer for the Applicant, Post Office Box 930, Sundance, Wyoming 82729 and Mr. Mark L. Hughes, Attorney for the Applicant, Post Office Box 456, Sundance, Wyoming 82729.
4. The rates charged by the Cooperative for its electric service have been established and placed in effect under appropriate orders of the Commission.

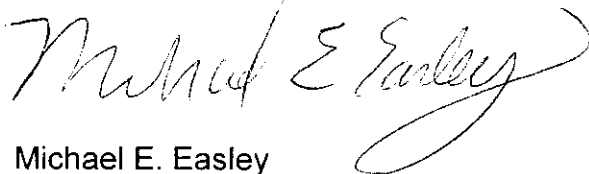
5. The Cooperative represents it is a Class A member of Basin Electric Power Cooperative ("Basin"), Bismarck, North Dakota, and therefore purchases all of its power requirements through agreements and contracts with Basin.
6. In this application, the Cooperative is requesting authority to revise two existing rate tariffs – the Green Tag (GT) rate tariff and the Small Power Production (SPP) rate tariff.
7. The Cooperative's Green Tag rate tariff is an optional rate offered to the Cooperative's customers who elect to purchase blocks of Green Tags in support of the production of renewable energy.
8. The Cooperative purchases Green Tags for sale from Basin through its "Prairie Winds® - Energy in Motion" program. A Green Tag represents the intangible environmental attributes associated with producing one (1) MWh of electricity from a renewable resource. For the year 2010, Basin has lowered the cost of a Green Tag from \$8.00 to \$4.00.
9. The Cooperative currently sells Green Tag blocks at a premium of \$0.80 for one (1) block, which is equivalent to one-tenth (1/10) of a Green Tag at Basin's former rate. The Cooperative therefore requests the authority to lower its Green Tag rate to \$0.40 per block to reflect Basin's revised rate of \$4.00 per Green Tag.
10. The amount collected under the Cooperative's Green Tag rate tariff is used monthly to purchase from Basin an amount of Green Tags equal to the amount sold by the Cooperative. The Cooperative does not recognize any revenue under its Green Tag rate tariff.
11. The monthly premium to purchase blocks of Green Tags is in addition to all other charges contained in the customer's applicable rate schedule and is added to the customer's bill regardless of actual energy consumption.
12. The attached Exhibit A shows the proposed revision to the Applicant's Green Tag (GT) Rate Tariff.

13. The Cooperative is also requesting authority to adjust its Small Power Production (SPP) rate. The SPP rate is an optional rate that applies to residential customers who install facilities for the purpose of generating electric power. Under the rate schedule, the Cooperative pays the customer for all kWh generated per month at its avoided cost as required by the Public Utilities Regulatory Policies Act of 1978.
14. The Cooperative's avoided cost is equal to Basin's published avoided cost for its Western System. Basin's published avoided cost of delivery to its Class A members located in the Western System for 2010 is \$0.011 per kWh.
15. The Cooperative's current SPP rate on its Tariff Rate Rider, sheet number 1C, is \$0.0108 per kWh. The Cooperative therefore requests the authority to raise the rate available under its Small Power Production rate schedule from \$0.0108 to \$0.011 per kWh to reflect Basin's published avoided cost for 2010.
16. The attached Exhibits B and C show the proposed revision to the Applicant's Small Power Production rate on its Tariff Rate Rider and the proposed revision to the SPP rate schedule respectively.

**WHEREFORE**, Powder River Energy Corporation respectfully requests this Commission make its Order authorizing the Cooperative to revise its Green Tag (GT) Rate Tariff and its Small Power Production (SPP) Rate Tariff as set out in this filing. The Applicant further respectfully requests that the new rate tariffs become effective January 10, 2010.

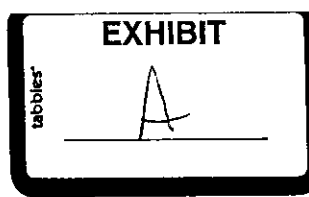
Dated at Sundance, Wyoming, this 24th day of November 2009.

POWDER RIVER ENERGY CORPORATION



Michael E. Easley  
Chief Executive Officer

Powder River Energy Corporation  
P.O. Box 930  
Sundance, WY 82729



Wyoming PSC No. 5

1<sup>st</sup> 2<sup>nd</sup> Revised Sheet No. 38

~~Original~~ 1<sup>st</sup> Revised Sheet No. 38

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**Rate Schedule: Green Tag (GT)**

APPLICABILITY

Applicable to customers receiving electric service under any of the Corporation's rate schedules who elect to purchase Green Tags in support of the production of renewable energy.

A Green Tag represents the intangible environmental attributes associated with producing one (1) MWh of electricity from a renewable resource, such as wind, solar or biomass. The Corporation will purchase Green Tags from Basin Electric Power Cooperative under its Prairie Winds® - Energy in Motion program at the rate published in Basin Electric's rate schedule Green Tag & Green Energy Rate. These Green Tags will be sold to the Corporation's customers in blocks equivalent to one-tenth (0.10) of a Green Tag.

AVAILABILITY

Available within the certificated territory of Power River Energy Corporation.

MONTHLY RATE

~~\$0.80~~ \$0.40 premium per month for one (1) block which is equivalent to one-tenth (0.10) of a Green Tag and represents the environmental attributes of 100 kWh of renewable energy. Customers may elect to purchase as many blocks as they want from the Corporation.

MONTHLY BILLING

The monthly premium to be added to the customer's bill shall be the number of blocks the customer has agreed to purchase multiplied by the monthly rate per block. The monthly premium is in addition to all other charges contained in the customer's applicable rate schedule and will be added to the customer's bill regardless of actual energy consumption during the billing cycle.

SPECIAL CONDITIONS

Customers who elect to purchase blocks of Green Tags under this rate schedule will indicate the quantity they intend to purchase monthly. The commitment to purchase Green Tags will be for a minimum of a one (1) year period and will continue on a monthly basis thereafter until the Corporation is notified in writing to either change or end the customer's participation.

RULES AND REGULATIONS

Service supplied under this rate schedule is subject to the terms and conditions set forth in the Corporation's Rules and Regulations on file with the Public Service Commission of Wyoming.

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Issued by  
Michael E. Easley, Chief Executive Officer

Issued: ~~February 25, 2009~~ November 24, 2009

Effective: ~~April 10, 2009~~ January 10, 2010

Dkt. No. ~~10014-109-CT-09~~ 10014-114-CT-09

## THE PUBLIC SERVICE COMMISSION OF WYOMING

NAME: Powder River Energy Corporation  
 ADDRESS: P.O. Box 930, Sundance, WY 82729

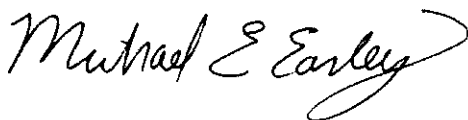
WY PSC Tariff No. 5  
 6th 7th Revised Sheet No. 1C  
 Cancels 5th 6th Revised Sheet No. 1C

TARIFF RATE RIDER				
-continued-				
Class	Billing Unit	2010 Base Rate	2010 COPA	2010 Adj. Rate Tariff
Idle Service (IS)	Basic Charge-Annual	\$210.00		\$210.00
Green Tag (GT)	One block equivalent to the environmental attributes of 100 kWh of renewable energy	<del>\$0.80</del> \$0.40		<del>\$0.80</del> \$0.40
Small Power Production (SPP)	\$/kWh on all kWh generated per month	<del>\$0.0108</del> \$0.0110		<del>\$0.0108</del> \$0.0110
<p>The Idle Service Schedule (IS) is a yearly charge with no energy usage.            Rate Schedules are subject to monthly minimums as stated on the individual rate schedule sheet.</p>				

Date Issued: November 24, 2009  
~~February 25, 2009~~

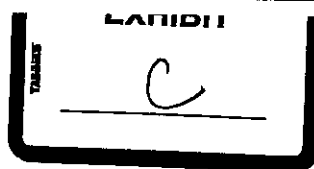
Date Effective: January 10, 2010  
~~April 10, 2009~~

By:



Title: Chief Executive Officer

Powder River Energy Corporation  
P.O. Box 930  
Sundance, WY 82729



Wyoming PSC No. 5

Original 1st Revised Sheet No. 16  
Cancels Original Sheet No. 16

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**Rate Schedule: Small Power Production (SPP)**

APPLICABILITY

Applicable to residential customers of the Corporation who install facilities on their property for the purpose of generating electric power. Includes wind generation, solar electrical generation and other generation from renewable resources.

AVAILABILITY

Available within the certificated territory of Powder River Energy Corporation.

TYPE OF SERVICE

Single phase, 60 cycles, at Seller's standard secondary voltage, which is being supplied at the existing service entrance.

RATE

The Corporation shall pay the customer for all kWh generated per month at the Corporation's avoided cost. This rate is available on the Corporation's Tariff Rate Rider, sheet number 4A 1C.

The Corporation's avoided cost shall be the avoided cost of Basin Electric Power Corporation, as published in Basin's Electric Policy for Administering the Public Utility Regulatory Policies Act of 1978 (PURPA).

MINIMUM BILLING

Not applicable except where the minimum is subject to the line extension policy.

TRANSFORMATION CHARGE

When more than 15 kVa of transformer capacity is required, a monthly charge of \$1.00 per kVa for each kVa greater than 15 kVa shall be required.

PARALLEL OPERATION

Interconnection of the customer's generation with Corporation's system will be permitted only under the terms of a contract between customer and the Corporation. Such contract will include but not be limited to the following:

1. The customer shall indemnify and hold harmless the Corporation from any and all liability arising from the operation and interconnection of the customer's facilities.

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Issued by  
Michael E. Easley, Chief Executive Officer

Issued: ~~September 16, 2005~~ November 24, 2009

Effective: ~~August 9, 2006~~ January 10, 2010

Dkt. No. ~~10014-82-CR-05~~ 10014-114-CT-09