

PRECorp returning \$20 million Capital Credits

This month Powder River Energy Corporation (PRECorp) is issuing a capital credit retirement or “refund” of almost \$20 million. This retirement returns a portion of the money members paid for electric usage during select years. Some PRECorp members will receive a credit on their bill or a check in the mail.

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 annual power purchased.

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 capital credit retirement - which includes \$9.5 million PRECorp received from Basin Electric Power Cooperative (BEPC) as a retirement of its capital credits - is related to capital contributions generated during 1993 to 2002. Any member who had service with PRECorp in one or more of those years will receive a percentage of the PRECorp and BEPC capital credit retirement. Since inception, PRECorp has retired well over \$120 million to its members.

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 capital credit “refunds” by providing proof of legal interest. Unless they are claimed within three years, the unclaimed funds will be returned to the cooperative for the general benefit of the membership in the form of education scholarships, community grants, and other member related benefits.

...continued on next page.

Events Calendar

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

- **Monday, December 26** - Christmas Day Holiday observed, PRECorp offices closed. Call 1-888-391-6220 with an outage.
- **Monday, January 2** - New Year’s Day Holiday observed, PRECorp offices closed. Call 1-888-391-6220 with an outage.
- **Tuesday, January 17** - PRECorp Board of Directors meeting, 9:30 a.m., Sundance.
- **Monday, January 23** - Youth Leadership Camp application deadline.
- **Wednesday, February 1** - Basin Scholarship application deadline.
- **Monday, February 20** - Presidents Day, PRECorp offices **WILL BE OPEN**.
- **Tuesday, February 21** - PRECorp Board of Directors meeting, 9:30 a.m., Gillette.
- **Tuesday, February 28** - PRECorp CEO Telephone Town Hall meeting, 6:30 p.m.
- **Wednesday, March 1** - Application deadline for PRECorp and Lineman scholarships.

Capital Credits... from front page.

Capital Credit retirement awards of less than \$50 will be applied directly as a credit to the member's monthly bill. Retirement amounts of \$50 or more will be mailed to the members through a check. Inactive members with less than \$20 total unretired capital credits will receive their entire capital credit allocation amount – regardless of year earned - as part of this retirement.

Since 2011, PRECorp has provided the opportunity for members to help non-profit organizations in northeast Wyoming. Many members have generously donated their capital credits to the Powder River Energy Foundation, which has supported local charities in PRECorp's service territory with \$2 million in direct donations since its founding in 2007. A letter and donation form are enclosed with each mailed capital credits check.

Any members who would like to donate retired or future capital credits are asked to 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.

COPA to be applied to February statements

The PRECorp Board has approved a Cost of Power Adjustment (COPA) for implementation in January 2023.

The COPA is a mechanism to recoup or return changes in the wholesale cost of power that PRECorp pays to Basin Electric Power Cooperative from the previous year and weave in anticipated changes in the wholesale power cost in the coming year.

This is a separate line item that appears on electric bills each month and is calculated as an addition or reduction to the base rate charges, which is related to the actual cost of purchasing wholesale power.

PRECorp's power cost was nearly 100% of forecast in 2022 and there is a small change in the cost of power expected in 2023, so the changes to the COPA will be negligible on the members' bills across the rate classes.



A residential member using an average of 1,200 kWh per month, will see an average monthly increase of \$1.24 beginning with their February bill from January usage. Commercial accounts using a monthly average of 1,700 kWh per month will notice an increase of \$1.75 per month.

Members can calculate the impact of the COPA for 2023 by using the rate calculators at www.precorp.coop/rate-calculators.

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



See this logo?

The logo above signifies PRECorp's aspirational Moonshot to drive down costs so that the first megawatt hour of energy usage is at or near zero cost by 2050. This Moonshot logo is embedded with various articles in the PRECorp publications, to link our Moonshot goal of putting our strategy into action for the benefit of the PRECorp membership.

There are many aspects to this work which include the work to drive down controllable costs; rate design; and others.

Enter to win a prize.

When you see this logo attached with messages to you, email communications@precorp.coop and enter to win a prize such as a new mousepad, insulated grocery bag, or a Bluetooth speaker.

How to enter:

1. Look for the Moonshot logo in the December edition of the PRECorp News or PowerLines bill insert.
2. Email communications@precorp.coop with your name, and where you saw the logo in this edition. That's it! (Don't have email, call our office at 1-800-442-3630 to enter. Mention the "Moonshot Logo Contest".)
3. We will hold monthly random drawings for a special Moonshot prize package, with the first drawing to be held in January 2023.