

STEWARDSHIP

Creative solutions are part of Avian Protection Plan

What do cameras, lasers, and the smell of artificial grape juice have in common? They are all safe, new features that regional birds will have to contend with if they try to establish a home within PRECorp power substations. This is part of the ongoing corporate citizenship and environmental stewardship that is ingrained in the cooperative's Avian Protection Plan (APP).

The implementation of the APP has statistically proven to have reduced bird-related mortalities over time and improved the reliability of the PRECorp system by reducing outages related to wildlife. PRECorp annually updates its APP with a status report and voluntarily shares its strategies to continuously improve performance with regulators.

Lasers and grape juice?

One strategy being evaluated in 2023 is the targeting of known problem areas with uncommon types of deterrents. PRECorp Engineering and Operations teams are working together to complete two pilot projects for safely discouraging birds at the Gap and Bonepile Substations.

"Both substations have had numerous wildlife outages over the years that have been mitigated with coverup materials, which have seen potential tracking and fit concerns since in-

stallation was completed six to seven years ago," said PRECorp VP of Engineering Quentin Rogers. "The birds themselves haven't been the cause of all the issues within these stations, but they also are a food source for prey animals, which has resulted in outages."

The solutions being explored include:

- Lasers installed at Bonepile Substation operate during daylight conditions in patterns that are intended to annoy birds so that they do not want to remain or nest in the area.
- A scented chemical that supposedly annoys birds (the same as is used in artificial grape flavors) is being deployed at Gap Substation.
- Low-cost cameras are being installed at both substations. They are pointed at equipment to monitor the effectiveness of the lasers and grape scent.

PRECorp's Engineering team will evaluate the effectiveness of these solutions over the next 12 to 18 months before making a recommendation on whether to adopt these technologies as approved avian mitigation options to be used as needed in the electrical system.

Continued on Page 7...



In This Issue:

CEO Straight Talk
Foundation report
Calendar

Lineman Scholarship
side-by-side raffle
Moonshot logo contest



BRIAN MILLS,
CEO

Growing up on a farming and ranching operation has shaped my understanding of various operational functions, even in running a utility. I often find myself looking back to those days and relying on the wisdom gained from that upbringing.

They say “Business is business” as a way to express a tough luck situation in deals. Well, I believe “Business is business” holds true in how we

run your electric coop and how you run your own business, whether it’s a farm, ranch, or any other service or product. It all comes down to comprehending input costs and charging rates that at least cover those costs. We all employ this principle in our businesses, acknowledging that “business is business.”

At our electric coop, we refer to this practice as a Cost of Service Study (COSS). It entails analyzing our input costs and evaluating the rates we charge. To understand this process better, let’s take a trip back to the farm and ranch.

On the farm, you segregate different operations, such as the cow operation, sheep operation, and haying operation. This division is what we call “enterprising.” It involves carefully examining what the hay operation needs to charge in order to cover expenses like tractor costs, fuel bills, repairs, and the time spent operating the machinery. Similarly, we assess what the grazing operation must charge to account for land, water, and fencing costs. Ultimately, the price charged for the cow or sheep that consumes the hay and grazes the grass reflects these considerations.

In return, we expect the animals consuming the hay and grass to produce offspring, like a calf or lamb, that will generate enough revenue to cover the expenses incurred from their forage consumption throughout the year. However, my farming and ranching neighbors and friends will attest to the fact that this analogy can take a grim turn at times, as market prices may not always cover these accrued expenses. Nevertheless, the fundamental idea of understanding input costs for different operations remains a significant aspect of the “Business is business” similarity.

In conclusion, drawing from my personal experiences on the farm and ranch, I’ve come to appreciate how these insights translate into utility operations. Understanding input costs and employing the principles of “business

is business” form the foundation of our Cost of Service Study (COSS), enabling us to determine fair and sustainable rates for our services. Although challenges may arise along the way, the core principle of comprehending and accounting for different operational costs remains crucial. Whether tending to a farm or managing a utility, let us remember the shared values that drive our businesses forward, reminding us that “business is business.”

In an electric utility, there are plenty of different facets of our operation to “enterprise”. We analyze each rate class to see what it takes to serve electricity to each respective delivery point. For a coal mine, that is 69kV sub-transmission delivery. For a coal bed methane or oil field operator, that is a three-phase 277/480V service. At our homes, that is a single-phase 120/240V service. Substations, transformers, power line, labor, trucks, etc. are all factored in to arrive at a “Cost of Service”. This Cost of Service is then used to determine the rate that should be charged to cover the costs.

In a cooperative model, our Cost of Service does not include a return on investment for shareholders. The cooperative model, rather, tries to factor in rate stability so that when we establish a rate, we can hold that rate as long as possible for our members.

A very general idea in thinking about adjusting rates is maybe every three to four years. What that means is that the first couple years may produce a little more than needed because as costs rise (like they always do for everyone), the last couple years you will need to apply any of the unused capital to a rate that may not be adequate to cover the actual cost to serve. This provides for that “rate stability”. Essentially, in a cooperative, the rate that you pay will always go toward running the cooperative in one form or another on your behalf.

To bring it full circle, we are currently underway in a COSS. The last study was conducted in 2019, and this task requires significant time and effort from our team as we strive to fine-tune our process for maintaining cost vs. rate awareness year after year. Ultimately, we use this study, along with our load forecast (energy sales), to determine if and when a rate adjustment is needed.

The goal of rate stability is to strike a balance between covering expenses and providing our members with a reasonable period of time for planning and operating their respective businesses, ranches and homes. Electric expenses can constitute a substantial portion of monthly expenses, and by ensuring stability and predictability, we can deliver added value to our member-owners.

Continued on Page 8...

CONCERN FOR COMMUNITY

2022 Foundation Annual Report

A core principle of Powder River Energy Corporation (PRECorp) is Concern for Community. PRECorp established the Powder River Energy Foundation in 2007 to become a robust giving arm of the cooperative. Since then, the Foundation has driven back more than \$2 million to strengthen and enhance the communities in northeast Wyoming.

Market downturns in the ag and energy industries, challenges of Wyoming weather, health care impacts, and shortages of supplies for those most in need, create local needs.

Through long-term planning, the PRECorp Foundation leveraged its relationships with PRECorp, cooperative partners, and generous donors right here in northeast Wyoming to meet these challenges. The Foundation gives directly to programs focused on food distribution, workforce development, families in crisis, Veterans' support, and student scholarships, among others.

The Foundation Board of Directors is grateful to each and every person, business partner, and sponsor organization who helps the Foundation deliver on its mission.

In 2023, the Foundation fundraising events of the Durham Ranch Buffalo Stampede, Lineman Scholarship Raffle, and the annual Foundation Golf Scramble will be held. If you have not engaged with these events as a sponsor, feel free to inquire about opportunities available.

Another opportunity to help is July 12: WyoGives "Day of Giving". Go to www.wyogives.org and search for the PRECorp Foundation for information.

Also new in 2023 is the launch of the Rising Opportunity Student Scholarship (R.O.S.S.) The R.O.S.S. scholarship is available thanks to local business-

man Perry Ross. This scholarship is being offered for hard-working students or adults who are seeking to learn the skills necessary to start a new career or retool to meet the demands of today's labor market. More to come on that later this summer.

Our community is resilient to challenges because we pull together in times of need. Now is an important time to participate in small-giving opportunities such as Operation RoundUp®. This program has been the bedrock revenue stream for the Foundation since 2007.

The program is a voluntary option available only to PRECorp consumer-members of any size. You simply round up your monthly bill to the nearest whole dollar, and you automatically send an average of only 50 cents per month per account to the Foundation.

So far, 15 percent of PRECorp members participate in the program. The Foundation provides four seasonal drawings where new and existing Operation RoundUp® members are eligible to win a prize of 25 pounds of bison, beef and pork. We invite more members to sign up and help the cause.

Please take a moment to review this report or go to our website at www.precorpfoundation.org and see how your donation funds are distributed across the PRECorp service territory.

Sincerely,



Chairman
John Flocchini



Executive Director
Jeff Bumgarner

Giving by Category

Health & Human Services:

B.R.E.A.D.
 Blessings in a Backpack - Hulett
 Blessings in a Backpack - Wright
 Bread of Life Food Pantry - Buffalo
 Campbell County Council of
 Community Services
 Campbell County Prevention Council
 Campbell County Senior Center
 FBO Home Delivered Meals Program
 CHAPS Equine Assisted Services
 Corner Market FBO Holiday Baskets
 Food Bank of Wyoming
 Helping Hands Foundation
 of Weston County
 Johnson County Friends Feeding Friends
 Kaycee food pantry
 Moorcroft Interfaith Community
 Newcastle Ministerial Association
 Salvation Army
 Sheridan Foster Parent Exchange
 Sheridan Health Center, Inc.
 Silver Sage Senior Center
 The Food Group, Inc.
 The Hub on Smith
 Volunteers of America Northern Rockies
 Y.E.S. Foundation

Civic & Community Betterment:

A.B.A.T.E. of N.E. Wyoming
 American Legion Post 42
 Big Horn Fire District
 Boys and Girls Club of Campbell County
 Buffalo Volunteer Fire Department
 Campbell County Fire Department
 Clearmont Fire District
 Crook County Library Foundation
 Crook County Volunteer Fire
 Dayton Fire Protection District
 Edible Prairie Project
 Greater Hulett Community Center -
 2022 Old West Invitational Turkey Shoot
 Habitat for Humanity of the Eastern Bighorns
 Imagination Library of Campbell County
 Johnson County Family YMCA
 Johnson County Fire District 1
 Little Levi Rodeo, Inc.
 Newcastle Volunteer Fire Department
 Operation Blue Santa
 Pine Haven Volunteer Fire Department

Powder River Fire District
 Sheridan Area Rural Fire Protection District
 Sheridan Community Land Trust
 Sheridan Police Department - Cops for Kids
 Story Fire District
 The Mercantile at Rawhide Elementary
 Tongue River Fire Protection District
 Upton Volunteer Fire Department
 Veteran Village - AMNACS
 Weston County Fire Protection District
 Weston County Friends of Fair
 Weston County Peace Officers -
 Shop with a Cop
 Wyoming Sportsmen's Group -
 Hulett Youth Field Day
 Campbell County Fair
 Clearmont Community Center Foundation
 Crook County Family Violence
 Crook County Natural Resource District
 Devils Tower VFW Post 4311
 Gillette Festival of Trees
 Gillette Senior Babe Ruth Baseball / Rage
 Gillette Treat Street
 Havoc Fastpitch
 Meadowlark Ski Patrol
 Moorcroft Area Chamber of Commerce
 Newcastle Stingrays Swim Team
 Pine Haven Beautification Alliance
 Recluse Community Trust
 Ron Materi Road Trip Foundation
 Sheridan County Sportsmen's Association
 Sheridan Recreation District
 Sundance Chain Gang
 Sundance High School
 Texas Trail Cruisers Car Club
 Visitation & Advocacy Center
 Vitalant - Guns & Hoses Blood Drive
 Wright AAU Volleyball
 Wright Babe Ruth

Scholarships:

The Foundation managed funds
 for the PRECorp Scholarship;
 Apprentice Lineman Scholarship;
 CBH Scholarship;
 Geis Family Scholarship; and
 Shayna Ritthaler Memorial
 Scholarship.

Foundation focus

Health & Human Services

Civic & Community

Scholarships

Education

Meat Donations

Culture & Arts

Board of



Secretary
Zeta Anderson



John Riesland



Vice Chair
Susan Berry



Chairman
John Flocchini



Support staff:



Executive Director
Jeff Bumgarner



Administration
Linda Tokarczyk

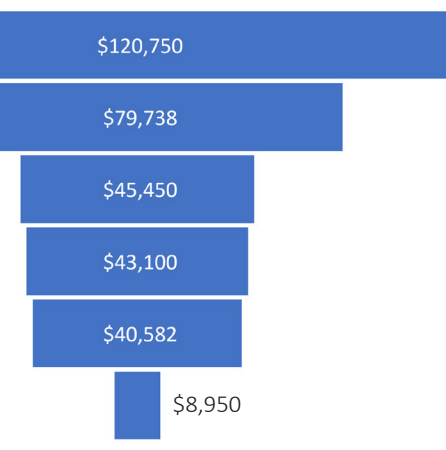


Financials
Karri Blasi



Financials
Angie Sabus

s of giving in 2022



Directors



Phil Jordan



Mary Geier



Michelle Edwards



Mary Yemington



Joanie Kiser



Northeast Wyoming



Marketing
Tim Velder

Giving by Category, cont'd

Education:

Climb Wyoming - Gillette
Hulett Recreation Board -
Hulett Swimming Lessons
Kid Prints, Inc.
Learning Tree Christian School tutoring program
Wyoming Agriculture in the Classroom
Academics for All
Buffalo High School After Grad
Crook County 4H - (Camp)
Crook County 4H - (Show Clinic)
Gillette College Foundation
Hulett Booster Club
Kaycee Crew
Kaycee High School
Student Council
Moorcroft High School Fine Arts
Moorcroft Post Prom
Newcastle Post Prom Committee
Powder Basin Classic
Senior Send Off
Special Olympics - WY
Sundance Post Prom Committee
Upton After-Prom Committee
Weston County Library Foundation
Whitcomb FFA Moorcroft HS
Wright Booster Club
Wright Junior Senior High School

Meat Donations:

Arvada Clearmont High School
Bread of Life Food Pantry
Campbell County Council of
Community Services

Clearmont Community Center Foundation
Clearmont Community Food Pantry
Crook County Council of County Services
Crook County Senior Services, Inc.
Durham Ranch Buffalo Stampede
Fyffe Breast Cancer Benefit
Hulett Volunteer Fire Department
Lineman Banquet Auction
Moorcroft Interfaith Community
Operation RoundUp® member prizes (6)
Salvation Army, Boys & Girls Club,
Habitat for Humanity
Silver Sage Senior Center
Story-Banner Community Food Pantry
Upton Food Bank
Wright Centennial Museum
Wright Days
Wright FCCLA
Wright HS cancer benefit

Culture and Arts:

Weston County Arts Council
Crook County Rodeo Royalty
Cruising For A Cure
Gillette College Rodeo
Hulett Roping Club
Kaycee Night Rodeo
Kaycee School - Arts & Humanities Club
Little Levi Rodeo, Inc.
Madness on Main
Sundance Handbell Choir
Weston County Fairgrounds
Wright Centennial Museum

Total value given since 2007:
\$2,023,730

Total given in 2022:
\$338,570

Number of organizations supported in 2022:
140

Powder River Energy Foundation Mission:

The Mission of the Powder River Energy Foundation (PRECorp Foundation) is to demonstrate our commitment to people and non-profit or charitable organizations in northeast Wyoming by lending a helping hand that will improve their quality of life or serve their community.



2023 Apprentice Lineman Scholarship Fundraiser

Buy a ticket and get a chance to win a side-by-side or a Mule Deer hunt!



Why donate?

Help us maintain a scholarship fund for future generations. Help us provide funds for scholarships for locally-grown apprentices who live, work, and contribute to our northeast Wyoming communities.

Keep our best and brightest in our communities where they can be active citizens and leaders. Train quality and hard-working linemen that provide safe and affordable electricity to rural northeast Wyoming.

This program is an employee-based initiative that supports the cooperative's mission and vision of being an employer of choice throughout the region and enhancing service to our member/owners.

The Apprentice Lineman Scholarship Program is administered through the Powder River Energy Foundation, the charitable arm of Powder River Energy Corporation.



SPECIAL DRAWINGS!

D-Ranch Mule Deer Hunt by Philip & Jeanne Habeck
Open hunt, choice of hunting date including opening day.

\$100 per ticket with only 350 tickets sold!

Special limited-entry drawings for a WINNER'S CHOICE:

2023 Polaris Ranger 1000 Side-By-Side - OR -

A Mule Deer hunt at Crook Co. D-Ranch

Drawing will take place on **Saturday, August 26**, during the PRECorp Annual Meeting in Buffalo. Need not be present to win. Second drawing gets remaining prize. **Winner of hunt must be eligible to hunt in Wyoming and is responsible for purchasing appropriate state licensing. Winner of side-by-side is responsible for applicable federal tax.**

For tickets call Rick at 307-283-4930 or or PRECorp at 1-800-442-3630

Others to contact:

Campbell County:

Rich Halloran, Aaron Meek, Brad DeLong

Crook/Weston counties:

Rick Gill, Eric Anderson, Ethan Devlin

Sheridan/Johnson counties:

Tommy Nimick, Travis Geis, Bruce Burr



2023 Polaris Ranger 1000
From Peak Power Sports of Sheridan

Avian Protection Plan...

from page 1.

PRECorp's electrical distribution system features thousands of miles of overhead power lines and power poles spread across northeast Wyoming. The poles and their adjoining cross-arms, switches, and insulators offer an inviting perch or nesting area for many species of birds. Lines can also pose collision hazards for some birds in flight.

The APP has been a part of PRECorp's operating procedures since 2005. PRECorp has updated the plan multiple times to ensure it aligns with the U.S. Fish and Wildlife Service (USFWS), Wyoming Game and Fish Department (WGFD), and PRECorp's power delivery technology and systems.

The cooperative began collecting and reporting on avian incidents prior to the adoption of PRECorp's first APP, almost 20 years ago. By analyzing the data collected, PRECorp has learned which structure types pose the greatest risk to our avian friends, which has allowed PRECorp to focus our efforts on retrofitting select structure types in an attempt to make them avian safe.

In 2022, the overall avian and eagle mortalities were at a record low for PRECorp. This success is occurring when federal agencies are reporting high levels of eagle populations, Rogers said. PRECorp reported 15 bird-related outage incidents in 2022 averaging about an hour and 20 minutes each. These are major reductions compared to 2021, when 28 incidents were reported averaging about two hours each. Over the years, PRECorp has undertaken specific measures to reduce bird injury and deaths, as well as associated power outages.

Incidents are not just birds landing on or colliding with energized equipment. Some of the outages are nest fires, with no bird mortalities at all. Instead, the empty nests touched energized equipment starting the nest on fire, destroying the nest and the power equipment on the pole.

Installation of protective covers, and increasing the distances between transformers, lines, and other energized device areas has helped the cooperative bring down bird mortalities and outage minutes by as much as 80 percent. Although PRECorp goes to great lengths to avoid occasions of bird deaths, electrocutions still occur. The majority of incidents involve owls and non-raptor birds. Some eagles and hawks have wingspans that stretch over six feet, putting them in danger of electrocution by touching energized lines. About one-third of the incidents involve hawks or eagles.

Some species you might see

The following is a list of bird species in northeast Wyoming that PRECorp works to protect from power delivery infrastructure:

Predatory birds:

Bald Eagle
Golden Eagle
Turkey Vulture
Osprey
Ferruginous Hawk
Rough-legged Hawk
Swainson's Hawk
Barn Owl
Great Horned Owl
Red Tailed Hawk

Peregrine Falcon
Prairie Falcon
Northern Harrier
Cooper's Hawk
American Kestrel

Migratory birds:

Common Raven
American Crow
Pelican
Great Blue Heron
Sandhill Crane



What you can do

Although PRECorp employees have the greatest probability of noticing bird threats, PRECorp members, wildlife officials, and partner agencies also play a large role in reporting general hazards.

People who discover a bird carcass, injured bird(s), or nests atop PRECorp power lines, should call 1-800-442-3630. Please do your best to have a location and any identifying numbers from a nearby pole. Callers will also be asked for their contact information and any photos of the scene would also assist in the response.

Reporting is the most important part of the APP. The quicker PRECorp is notified, the quicker the cooperative and its partner agencies can respond and assess the situation. This reduces mortalities and lessens the chances for outages and potential fires.

PRECorp partners with the USFWS, WGFD and other involved agencies to investigate certain bird mortalities. Some of our investigations are very lengthy and detailed to determine what the bird was trying to do at the time of the incident; to re-create where and how the contact was made; and, to learn how to better protect from future incidents happening.

Data is logged, mitigation devices are often installed, and a record is kept regarding the incidents. The data helps in determining the cause of the incidents which assists in driving improvements to the overall APP. All new power line

Continued on Page 8..

Events calendar

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

- **Friday, June 16** - Deadline for PRECorp Director candidates to file nominating petitions.
- **Tuesday, June 20** - PRECorp Board of Directors meeting, 9:30 a.m., Sheridan.
- **Tuesday, June 27** - PRECorp Foundation Board meeting, Gillette.
- **Tuesday, July 4** - Independence Day, PRECorp offices closed.
- **Monday, July 17** - Publication of notice of Annual Meeting in the July WREN magazine.
- **Tuesday, July 18** - PRECorp Board of Directors meeting, 9:30 a.m., Sundance.
- **Tuesday, July 25** - PRECorp Foundation Board meeting, teleconference.
- **Wednesday, August 9** - PRECorp Walking Taco booth charity fundraiser, 11 a.m. to ???, downtown Sundance
- **Tuesday, August 22** - PRECorp Board of Directors meeting, 9 a.m., Gillette
- **Tuesday, August 22** - PRECorp Foundation Board meeting, 1 p.m., Gillette
- **Saturday, August 26** - 78th PRECorp Annual Meeting, Buffalo High School.
- **Monday, September 4** - Labor Day Holiday, PRECorp offices closed.
- **Friday, September 15** - PRECorp Foundation Golf Scramble, Golf Club at Devils Tower.

May Moonshot logo hunt contest winner:

Albert T., Gillette

Email communications@precorp.coop to enter.



CEO Straight Talk...

from page 2.

As we look forward, I continue to share that PRECorp is not immune to the cost pressures that all businesses are facing. Increase in the cost of equipment, the cost of capital, and the cost of labor are realities we all face in operating our businesses...ultimately realized by the end consumer in the price or rate they pay.

As we complete the COSS, we will begin to get a clearer picture of when a rate adjustment may be merited, and we will share with you as soon as we gain that clarity. Again, planning and predictability mean a lot.

Our job for now is to squeeze as much life as possible out of our current rate before asking the membership for any rate adjustment. I can assure you that as we meet each month with your elected board of directors, we are working together to ensure that PRECorp continues to drive as much value as possible back to the members.

Have a great summer!

Avian Protection Plan...

from page 7.

construction is designed with adequate spacing to reduce the chances of incidents occurring.

PRECorp will continue to retrofit existing structures to reduce overall impact to wildlife in conjunction with its system maintenance plan. Specially designed structures may also be installed near prior incident sites where they are needed as a follow-up to special mortality cases. These structures can include nesting platforms located near problem poles. Under USFWS and WGFD guidance, PRECorp has successfully moved many nests to safe platforms since 2005.

Anyone with questions or comments regarding PRECorp's Avian Protection Program should call 1-800-442-3630 or email raptors@precorp.coop.



Regular business: 1-800-442-3630

Report an outage: 1-888-391-6220

www.precorp.coop

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