



A Touchstone Energy® Cooperative 

PRECorp News

MARCH 2021

Thank a Lineman in April

PRECorp linemen serve on the front lines of our members' energy needs, and on April 12, 2021, PRECorp, along with other electric cooperatives across Wyoming and the country, will honor the brave men and women who work hard to keep the lights on.

Line crews keep power flowing to our local communities. Whether they're restoring power after a major storm or maintaining critical infrastructure to our electric system, lineworkers are at the heart of our co-op.

A service-oriented mindset is one of the many admirable characteristics of an electric lineworker.

Throughout the year, PRECorp members take the time to honor them on the PRECorp Facebook page with many grateful comments during outage events. If you haven't had the chance to send good wishes, feel free to do so anytime, but especially during Lineman Appreciation Week in April.



Build. Maintain. Repair. Repeat.
That's how linemen power our lives.
On April 12, Lineman Appreciation Day, #ThankALineworker



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MIKE EASLEY,
CEO

Last month we experienced a record cold snap as an arctic blast really cooled things down. Hats off to the PRECorp Team for building and maintaining a system that can withstand some really extreme weather. The record cold temperatures did impact some equipment in both our Kitty and our Sheridan Substations, but our crews were able to correct the issues and get the power back on relatively quickly.

It is no small task to design, build, and operate a power system that can operate reliably as weather changes from super hot to super cold. You might recall the news last month about the epic failure of the power market, Electric Reliability Council of Texas (ERCOT), due to the cold weather. There were also problems with some rolling blackouts to the east of us in the market called the Southwest Power Pool (SPP). Our power supplier, Basin Electric, is a member of SPP, and several Basin members to the east of us experienced intermittent load shedding as system operators had to reduce power demand to avoid collapsing the system.

Over the past few years, we have seen power markets in California fail due to extremely hot weather, and now we have seen rolling blackouts in ERCOT and SPP due to extreme cold weather. Shedding load is an action of last resort as operators struggle to keep the overall system intact. Bringing the entire grid back up from a complete blackout is exponentially more complicated than a controlled, yet somewhat chaotic, process of shedding load. It will be many months before all the details are known regarding the root causes, and it may be years before all the needed remediation work will be done.

This event brings narratives from two different camps. One camp says that too much wind generation is the problem, and a competing camp says that it was just a once in a lifetime freakishly cold weather event. My hope is that the rhetoric from these views does not drown out the rational thinking and analysis we need to really understand what happened.

Everyone knows that renewable energy, by its nature, is intermittent, and in the case of wind and solar, it's only available when the wind is blowing, or the sun is shining. Utilities understand this, and they must have generation in place and available to back up these intermittent resources. This back-up generation will keep the lights on when the renewables are offline. There is also reserve generation in case the more conventional power plants have trouble, and these reserves are required to help maintain overall reliability when scheduled generation is

unavailable. If the back-up generation for the renewables and the system reserves are not enough, then system operators must implement load shedding.

In Texas last month, the cold weather impacted both the back-up generation and the reserves by causing problems in the power plants themselves as well as the natural gas fuel supply for this generation. The issues in the SPP market were similar, but not as extreme or drastic as those in the ERCOT market in Texas.

Most of my career has been spent in northern climates, and I have always wondered about the power plants and gas plants in the southern climates because they are all open to the weather. I also know equipment is vastly different in the varying climates. When I lived in Alaska, people used to joke about moving south where people had no clue about the electric plug hanging out from under the hood of a vehicle. I am sure there will be generation and natural gas production and handling facilities getting some cold weather retrofits in the near future.

In Wyoming we can be grateful that these are lessons we don't need to learn the hard way. However, our knowledge of the effects of weather extremes did not preclude the problems we had at two of our substations during last month's cold snap.

We can also be hopeful that what happened last month may encourage market operators and end customers to find even more value in baseload generation that has on-site fuel supply like the Dry Fork Station in Gillette and the Laramie River Station in Wheatland. These two power plants ran hard during the cold snap and then had to come down quickly afterward for some needed maintenance. They performed admirably; hats off to the men and women working in these base load coal-fired power plants.

There is no question that coal-fired power plants are under extreme competitive pressure from low-cost renewables backed by low-cost natural gas plants. Costs have come down for these competitors while coal generation and coal plants that require rail delivery of coal have difficulty competing, even without the federal tax credit subsidies that have driven a huge buildout of wind and solar generation.

We support ongoing dialog and robust critical thinking to debrief what happened. The cooperative model is our strength, and both PRECorp and Basin have your interests at the top of the priority list because you are our member-owners. We hope the lessons related to last month's issues, which are yet to be fully learned, will include a heightened understanding of the value of baseload coal-fired generation.

It is the "all of the above" generation strategy that will keep the lights on and the economy working no matter what mother nature throws our way.

Mike

Board of Directors seat information

A powerful aspect of being an electric cooperative member is that you have a voice in how PRECorp is run. Members play a crucial role in the process of who serves on the Board of Directors, from start to finish.

Members serve on nominating committees that put forth qualified candidates for the Board of Directors. Members like you, stand for election to the Board, whether nominated by a committee, or nominated by petition of 25 of the nominee’s fellow members. Members also count the ballots during Board elections at the Annual Meeting.

Are you qualified?

Any PRECorp member from the aforementioned director districts can run for a three-year term on the Board, providing the member meets the following qualifications:

- Must reside within the service territory of the county from which he/she is elected. However, members taking service outside the counties of Campbell, Crook, Johnson, Sheridan or Weston shall be deemed to be a member of and within the area served by the county closest to the nearest meter serving the members’ residence;
- Must be a member receiving electric energy from the Corporation;

- May not be in any way employed by, or have a substantial financial interest in, a competing enterprise or a business selling electric energy or supplies to the Corporation.

In 2021, Board seats are up for election in Crook, Johnson, and Sheridan counties. The following are ways members in those counties can stand for election to the Board:

How you can get on the ballot:

- Be nominated by the committee appointed by the PRECorp Board of Directors.
- Return a nominating petition, signed by at least 25 PRECorp members, by June 11, 2021.

Election process dates:

Friday, May 21: Deadline for nominating committees to post their list of candidates.

Friday, June 11: Deadline for candidates to file nominating petitions at a PRECorp business office.

Friday, July 16: Publication of director candidates, notice of Annual Meeting, mail-in ballot, and Annual Report.

Friday, August 20: Deadline to submit mail-in ballots to a PRECorp business office.

If you have specific questions regarding eligibility, please contact PRECorp at 1-800-442-3630.

Weston County AMI installation is complete

Powder River Energy technicians are working on schedule for the replacement of the cooperative's automated meter reading (AMR) system with a more robust and feature-rich advanced metering infrastructure (AMI) system.

When the project launched in 2019, a planned roll-out of new meter installations in Weston County took place at the same time as relay installations in Crook County. Meter installations in Crook County would follow similar to the pace of roll-out in Weston County.

As of January 2021, Weston County is now 100% AMI. Crook County will be the next to be 100%, as areas north of Hulett, Sundance, Pine Haven, and Moorcroft are currently between 50% and 85% complete. PRECorp VP of System Operations Rich Halloran said, "The good weather this winter has helped production through typically slow months. December and January meter exchanges both exceeded expectations."

PRECorp releases communications to members when and where crews or technicians will be working. Please contact our offices at 1-800-442-3630 with questions about the project in your area.

The project is also installing new meters in Campbell and Johnson counties. While PRECorp personnel have conducted the meter exchanges to this point, a third-party contractor will be brought in to assist with the more high-density exchanges in areas around Gillette and Buffalo. Contractor personnel are required to have PRECorp identity on their vehicles and their person. Many areas around Wright, Rozet, and rural Campbell County range from 50% to 100% completion.

AMI basics

The new AMI system comes with an improved solid-state meter and a two-way communication network. The system receives readings like the older AMR system, but can also transmit signals to the cooperative when it is experiencing a problem.

The new AMI system is the current industry standard.

More specifically, PRECorp is installing an integrated system of meters, communication networks, and data management systems that enable two-way communication between PRECorp and its meters.



AMI Meter

The old AMR meters perform as intended, but they are approaching the end of their useful life. Industry suppliers no longer support these meters with parts and repairs.

The cooperative saves money in the long-term by moving away from a higher-cost, unsupported meter system. No adverse impacts to the annual operating costs of the cooperative or its rates are expected as a result of the implementation of the AMI system. The benefit is improved service to our membership.

The AMI system ties in perfectly with the personalized member phone app **SmartHub**. SmartHub helps you track usage, pay bills, follow outages, and receive important messaging. Call 1-800-442-3630 to sign up.

The AMI meters can also respond to requests or send information on their own, such as voltage readings, allowing the cooperative to verify, or be notified of, a member's power outage on the PRECorp-side of the meter. With this level of information, PRECorp crews can speed up finding the location and cause of the outage. This will expedite restoration efforts.

The AMI system will be capable of capturing usage data more frequently than AMR, several times daily, and the usage data retrieved will contain individual readings that are captured every 15 to 30 minutes, providing better data to members to help diagnose high-use events or simply better understand and manage their electrical usage.

The detailed usage data will also enable the flexible pricing plans, such as Time-Of-Use plans, where members who shift usage to off-peak hours of the day can save even further.



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