



MIKE EASLEY,  
CEO

This month's CEO Straight Talk is my third article in a series of four articles introducing and explaining PRECorp's strategy and our new Strategy Map. So far I have introduced our Moonshot, Purpose, and Vision, as well as our Member and Financial Perspectives. This month I will be talking about our Internal Process Perspective and our three Strategic Themes. These Strategic Themes are the real drivers for the outcomes we measure in our Member and Financial Perspectives and are guided by our Moonshot,

Purpose, and Vision.

The first Strategic Theme that I want to discuss is "Monitor, Predict, and Harness the Power of Accelerating Technologies". This means that PRECorp will be keeping an eye on accelerating technologies to see how we might be able to use them to reduce costs and increase your level of service. One example of how we are harnessing accelerating technology is in the outage response and meter reading systems.

When I came here 17 years ago, there was a part-time person who handled the outage calls after hours. The calls would come in, and that person would begin making calls to get the crews out. We would depend on more calls from our membership to actually pinpoint the location and magnitude of the outage. If that person was on the phone, you simply heard a busy signal.

We now use an Outage Management System that is able to automatically determine outage location and magni-

tude based upon who is calling in to our outage response center or reporting outages online through the SmartHub application. In the very near future the meters themselves will be communicating directly with the Outage Management System to help determine location and size of the outage. This will reduce overall outage response time as well as help us to communicate outage information in near real-time while doing it cheaper and faster than ever before.

Our second Strategic Theme is "Mitigate Wholesale Power Supply Risk". Wholesale power costs represent over 75% of the cooperative's overall expenses. The competitiveness of PRECorp's wholesale power costs have become increasingly challenged when you compare prices to wholesale markets. While the markets don't reflect any long-term commitment for supply, we know we have to improve the overall outlook of long-term power supply.

Cheap natural gas, increased efficiencies of wind power, battery storage, and regulatory challenges are working against power supplies that are predominantly coal-based. We have a long-term relationship for power supply with Basin Electric that has served us well in the past, and we have work to do in order to keep it working for us in the future. One example of how we have helped to mitigate wholesale power supply risk is by offering a special rate for electric heat usage to residential members. These rates help members save money, they help the cooperative increase its sales, and they help Basin to increase the operating efficiencies of its base load coal plants. We have started looking at how we might expand

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this offering beyond the residential membership. If we are able to do this, we help more members, Basin Electric, and your cooperative run more efficiently. Our third Strategic Theme is "Member Engagement and Community Development". At the heart of the cooperative experience is the member-owner relationship and our shared interest in keeping our communities healthy and vibrant. We tend to think of communities as physical places, but in today's changing world, and in the future, communities also include our social networks. We also hear a lot about economic development, and most people tend to think this means recruiting new businesses.

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While recruitment is a part of economic and community development, taking care of existing business and helping them get to the next level is essential to keeping our communities vibrant and healthy. This helps to position them to someday diversify with a newly-recruited business. Several years ago, PRECorp was able to secure a low interest loan from Basin that we could redeploy to help support small business and create economic development.

We were successful in working with a local bank to de-

ploy a portion of this loan to help start a new retail business in one of our smaller communities. This business continues to thrive, and the community is a better place with the business in their town.

We have just launched an economic development website to present to the wider world the unique opportunities of our communities, many of which have had no presence like this before. I am excited about how we might be able to engage members and their communities to make us all stronger and our collective voices louder.

Each of these Strategic Themes has four Objectives. Guided by our Vision, these Objectives will create and spin out new processes and initiatives that your PRECorp Team will pursue in order to drive the outcomes we are looking for in our Member and Process Perspectives to help us fulfill our Purpose and ultimately achieve the Moonshot.

*Mike*

## Events calendar

The PRECorp Board of Directors meets the third Tuesday of the month at 9:30 a.m. in Sundance, Gillette, and Sheridan. Meetings might be moved to avoid conflicts with state or national cooperative events. The tentative dates for 2018 are as follows:

**April 17 - Sundance**

**May 22 - Gillette**

**June 18-19 - Sheridan**

**July 17 - Sundance**

**August 21 - Gillette**

**September 17-18 - Sheridan**

**October 16 - Sundance**

**November 20 - Gillette**

**December 17-18- Sheridan**

Other events to remember:

- **Saturday, April 28:** Apprentice Lineman Scholarship Banquet, 5:30 p.m., Gillette Cam-Plex Energy Hall. (See Page 7 for details.)
- **Wednesday, May 16:** Telephone Town Hall, 6:30 p.m., call 1-844-881-1317.
- **Saturday, June 2:** Durham Ranch Buffalo Stampede 5K/10K Walk/Run.
- **Wednesday, August 22:** Telephone Town Hall, 6:30 p.m., call 1-844-881-1317.
- **Saturday, August 25:** PRECorp 73rd Annual Membership Meeting, Gillette Cam-Plex Energy Hall and Heritage Center Theater.