



NOVEMBER 2023



CO-OP NEWS

GENERAL MANAGER'S REPORT

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877-WYRULEC

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May through September
Office hrs: 6:30–5:00, Mon.-Fri.

October through April
Office hrs: 7:30–4:00, Mon.-Fri.

Board of Directors

Julie Kilty
President

Dewey Hageman
Vice President

Mark Knaub
Secretary

Ben Scott
Treasurer

Kenda Knudsen
Assistant Secretary

General Manager
Ryan Schilreff

Senior Staff
Miles Duffy
Operations Manager

Tiphanie Fuss
Office Manager

As we near the end of the 2023 operating year I want to bring you up to speed on a few important issues we are engaged in here at the cooperative. I also want to give a big thanks to all those who have served this county in the military and those who are currently serving. It is imperative we maintain a strong military to secure the freedoms we enjoy each and every day. From all of us here at the cooperative we hope you have a great Veterans Day and a Happy Thanksgiving!



Ryan Schilreff
General Manager

Wholesale Rates

We were notified by our wholesale power provider that they will adjust their electric rates and change how they apply demand and energy costs to their members, effective January 2024. For Wyrulec, this adjustment equates to about a 7.5%, or \$950,000 increase in our cost of purchased power. We have been anticipating this news for some time, and have been actively discussing our options with the board of directors. With the exception of some contractual obligations, the Wyrulec board of directors voted to absorb this increase out of our operating margins in 2024 and not to pass the increase through to the membership. It is our goal to see how this adjustment actually affects the cooperative's revenues, given our load profile, the new rate structure, and cost increase. Our financial position remains strong, and we believe we can use the 2024 operating year to get a better idea of how these changes will impact the cooperative. Depending on the outcome of the 2024 operating year, we may need to make rate adjustments in 2025. Tri-State has filed the proposed rate adjustment with the Federal Energy Regulatory Commission (FERC) and anticipates approval before the first of the year.

Legislative Issues

We have been actively engaged in two pieces of legislation that are extremely important to the cooperative. The first piece of legislation deals with our certificated territories. Wyrulec and the other cooperatives throughout the state have certificated territories, where we are obligated to serve electricity, and anyone locating in that territory is obligated to take service from us. Certificated territories have allowed us to invest millions in electric infrastructure to reliably serve our members over the last 85 years.

Your cooperative is a proud member of these fine organizations



***continued* . . . GENERAL MANAGER'S REPORT**

Knowing we have a guaranteed return on that investment to help pay our debt and continue to maintain, repair, and rebuild that infrastructure over time is imperative. We believe violating these certificated territories is already against state statute, however there are no penalties or repercussions currently in state statute if a violation occurs. Our neighboring cooperative, Niobrara Electric Association, has had their territory violated twice by large industrial loads who are being served by a neighboring Investor-Owned Utility, who is reaping the benefits at Niobrara's expense. Through the Wyoming Rural Electric Association, we have drafted a bill to cure these situations. That bill will be in front of the Corporations Committee for consideration over the next few months.

The second piece of legislation deals with "Third Party Generation", which as written would also have a detrimental effect on our certificated territory. Right now, by law, any individual or entity can self-generate power for their own consumption. What they cannot do is generate electricity and sell it to other individuals or entities without becoming a public utility, which would require them to go through a tedious regulatory process. There is a proposed draft bill right now which would allow Third Party Generation to come into our certificated territory to serve a large industrial load, and up to five additional large loads. There is no rhyme or reason for these numbers, or any idea how many miles of line could be built through our service territory to serve these loads. In addition, the Third Party Generators would want us to provide backup power in case their generation went down. That would mean we would have to hold a significant amount of capacity in reserve to meet their demand when they needed it. In addition, there would be no regulatory oversight when it comes to safety of these operations of the proposed generation or operation of their power lines, because they would be defined as a non-public utility. We have been engaged with the Public Service Commission to strongly oppose this language. We have been told this language is intended for Small Modular Reactor's (SMR's) to be able to serve these types of loads. While I commend the PSC for being proactive, this technology is not close to being commercially viable today.

Our members have invested millions of dollars in infrastructure to serve these loads, and we currently serve several large industrial loads which are a great benefit to the cooperative. We already have rules and regulations on file at the Public Service Commission, which have been approved by the Commission in an open meeting, that outline how we serve these types of loads. The bottom line is - anyone who can come in our service territory and generate electricity for sale to other members, and not be defined as a public utility, will erode our service territory by cherry-picking some of the best loads that benefit all our members. We will keep you posted on how these important issues progress.

Department of Energy Grant

We are excited to announce that after our initial application to the Department of Energy for a \$4.5 million dollar infrastructure grant, we have been invited to continue on and submit a full application to be considered through a competitive award process. While this is a tremendous amount of work, we are hopeful to be able to obtain these funds to help benefit our membership.



2024 ANNUAL MEETING

The Board Seat for District #5 will be up for re-election at the 2024 Annual Meeting, which is scheduled for March 28th. Julie Kilty currently represents District #5, and she plans to run for her Board Seat as an incumbent. If you currently live in this district and are interested in running or would like further information, please contact a member of the Nominating Committee:

District #1: Art Davis 307-575-1852
 District #2: Douglas Frederick 307-532-0302
 District #3: Kent Hunter 307-534-5721
 District #4: Jack Revelle 308-631-8026
 District #5: Curtis Grandstaff 307-575-2459

Article IV, Section 3 of the Wyrulec Company By-Laws states:

It shall be the duty of the board to appoint not less than ninety days before the date of the meeting of the members at which directors are to be elected, a committee on nominations consisting of one member from each directorate district referred to in Article IV, Section 2 of these By-laws. No officer or member of the board shall be appointed a member of such committee.



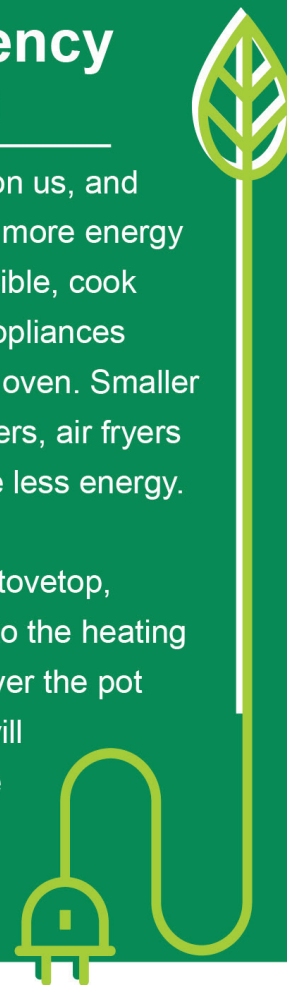
1. The committee shall prepare and post at the principal office of the Cooperative at least sixty days before the meeting, a list of candidates for each directorship to be elected.
2. Any fifteen (15) or more members may make other nominations in writing over their signatures not less than (45) days prior to the meeting, and the secretary shall post the same at the same place where the list of candidates selected by the committee is posted.

Energy Efficiency Tip of the Month

The holiday season is upon us, and that means we'll be using more energy in the kitchen. When possible, cook with smaller countertop appliances instead of the stovetop or oven. Smaller appliances like slow cookers, air fryers and Instant Pots consume less energy.

When using the oven or stovetop, match the size of the pot to the heating element and place a lid over the pot while cooking. The food will cook faster, and you'll use less energy.

Source: Dept. of Energy

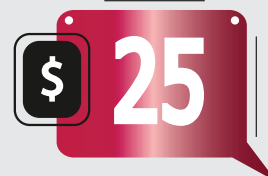


**The following names have been drawn for a \$25 bill credit.
 Contact Wyrulec Company at 877-WYRULEC to claim your credit!**

Kevin Burge
 Mathew Howe

Marlan Wiedman
 Brian Wold

Don Prall



RESPECT SUBSTATIONS

and all other electrical equipment



REPORT SUSPICIOUS ACTIVITY

Only authorized utility workers should approach a substation, touch the fence or enter the gate.

Paying attention to activity in or near substations and other utility equipment helps keep everyone safe.

 Learn more at:
Electricity.org®

Authorized workers should:

- Wear proper personal protective gear and display an ID badge.
- Use work vehicles that have utility branded logos/information.

Suspicious activity includes individuals in street clothes who are:

- Near or inside a substation fence.
- Tampering with equipment, such as power poles, meters and padmount transformers.

If you notice anything unusual at a substation, please report it to the electric utility. Examples include:

- An open or unlocked gate.
- A damaged fence.
- Obvious damage inside the fence.

Call 9-1-1 and then the electric utility if you see:

- Smoke or fire.
- Non-utility workers inside the substation fence.
- Non-utility workers on a pole or tampering with a meter.