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General Manager



CO-OP NEWS

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GENERAL MANAGER'S REPORT

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

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Regulatory Updates

I want to spend some time this month bringing you up to speed on Tri-State Generation & Transmission. There are a number of important things that are happening with Tri-State that could affect your Cooperative.

FERC Regulation

In my article late last summer, I mentioned that Tri-State was in the process of applying to the Federal Energy Regulatory Commission (FERC) for approval to become FERC regulated. Tri-State was approved earlier this year and is now FERC jurisdictional. Tri-State's move to FERC was something that Wyrulec supported and the main reasons are stated below.

Historically, the Tri-State board of directors has set rates for the membership as outlined in the company by-laws. But what we have seen over the last few years is the New Mexico Public Regulation Commission (NMPRC) and the Colorado Public Utilities Commission (CPUC) assert rate regulation over Tri-State.

Shifting Costs to Others

In 2012, the New Mexico Public Regulation Commission suspended Tri-State's rates from going into effect for the New Mexico co-ops, which shifted approximately \$40 million onto all the

remaining Tri-State members in the other three states. Most recently, the Colorado Public Utilities Commission has asserted rate jurisdiction over Tri-State as well.

This past year, two Colorado cooperatives who are members of Tri-State have requested to terminate their contracts with Tri-State. Those contracts are in effect until 2050.

Contractual Obligation

What they are really asking is how much money will it cost them to get out of their contractual obligations. Tri-State and the two co-ops failed to come to an agreement on what that exit charge should be or how the calculation should be applied to make sure the remaining members of Tri-State are made whole.

The two co-ops then filed a complaint with the CPUC and asked the CPUC commissioners to assert jurisdiction over Tri-State and decide what the exit charge and exit methodology should be. During this time, Tri-State was approved for FERC regulation, which caused some additional problems.

From State to Federal

Any decision by the CPUC should be preempted by FERC since Tri-State is now regulated by FERC. However,

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Regulatory Updates

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Tri-State will need to get their exit methodology tariff approved by FERC before it will go into effect. Tri-State has filed that tariff and is awaiting approval. In the meantime, the CPUC is moving forward with their decision to set an exit charge.

Fair and Equitable

The eight Wyoming cooperatives that are members of Tri-State, including Wyrulec, are concerned that the CPUC will not have the best interests of our Wyoming members in mind when they make that decision. Any decision made must make sure all other members of Tri-State are made whole and do not incur additional expenses.

As a group, we filed a motion to intervene in the CPUC hearing and make our case for our members in Wyoming. Not surprisingly, the CPUC denied our motion, stating we didn't have a tangible interest in the hearing. As a group, we objected to that ruling and asked them to reconsider, but they denied our motion again.

It's hard to believe that we wouldn't have a tangible interest in these proceedings since Wyrulec is a member of Tri-State and has a substantial investment in Tri-State. Any decision that the CPUC makes will no doubt affect our members in some way.

Trying to appease each state's membership and their regulatory bodies has become impractical. This is the very reason why Wyrulec supported the move to FERC.

FERC Facts

Public utilities subject to FERC regulation must charge rates that are "just and reasonable" and "not unduly discriminatory and preferential."

FERC is composed of five commissioners who are nominated by the President and confirmed by the Senate. There may be no more than three commissioners of one

political party serving on the commission at one given time.

It is our hope that Tri-State becoming FERC regulated will ensure an even playing field when it comes to the rate decisions of Tri-State, eliminating individual "non-impartial" state regulatory decisions. The move to FERC should allow a single consistent rate regulator across all states.

Move to Renewables

In some of my previous articles, I mentioned Tri-State's Responsible Energy Plan. This is the plan to make an aggressive move from fossil fuel generation to renewable generation.

Under the plan, Tri-State is closing all its coal generation in New Mexico this year and all coal generation in Colorado by 2030.

Plant Investments

The question we have been struggling with is: How will Tri-State write down those generating assets when taken out of service, and how will that decision affect our rates?

It appears Tri-State will ask FERC if they can write down the cost of those assets over the initial life of the assets, which is around 2039 and 2044. If approved, this should have no impact on our rates.

Tri-State is expecting wholesale rates to remain constant for an extended period of time, however, the legitimacy of that projection will depend on the outcome of the two co-ops requesting to exit from Tri-State. The most important part of that decision is making sure the rest of the members are made whole.

Staying in Contact

If you have questions or comments or just want to talk about Wyrulec Company, please don't hesitate to contact me. To reach me at the office, call (307) 837-2225, toll free at (800) 628-5266, on my cell at (307) 575-2435, or via email at rschilreff@wyrulec.com.





We're happy to introduce you to our newest employee, Tyler Hunt.

Tyler graduated from Lingle/Fort Laramie High School in 2017 and earned an Associate's Degree from EWC in 2019.

He graduated from Western Nebraska Community College's Powerline Maintenance and Construction program in May, then joined the Wyrulec team as an Apprentice Lineman.

Tyler completed his internship for the program here at Wyrulec, so you may have seen him out working with the crews this past winter.

He did a great job with his internship, so we're excited to have him on the Wyrulec crew!

Farm & Ranch Safety

We don't have to remind those who work the land and raise livestock that they have a potentially dangerous occupation. However, due to the nature of the job, and because of long days and tiring work, here are some reminders about electrical dangers on the farm or ranch.

Overhead power lines

If you make contact with a power line, don't get out

If you make contact with a power line, guy wire, power pole, electrical box, or any

other electrical equipment, do not get out of your cab or truck. Stay put and call 9-1-1 to dispatch the local utility to de-energize the

power. If you must get out due to smoke or fire, make a solid jump out without touching any part of the tractor or vehicle, and hop away as far as you can, keeping both feet together as you hop. Another option (after you make a clean exit) is to shuffle or waddle away while keeping your feet together and on the ground.

Once you are out, never try to re-enter the cab or truck.

Remember: *If your machinery or vehicle comes in contact with a power line or other utility equipment, do not get out of the cab.* ● *Stray power could energize your equipment and the ground. Call 9-1-1 and wait for us to arrive and cut the power so that you can safely exit your tractor or vehicle.*

Determine proper clearance

Contact us to measure power line heights; do NOT do this yourself. Once you know the heights, you can determine appropriate equipment, implement and extension clearances. Always maintain at least 10 feet between the power line and the tallest height of the equipment that will be transported. Keep in mind that due to wear, age, and even weather conditions, power lines can change height. Please contact us with any concerns. It's good to know power line clearance, but always have a spotter.

Call us before moving or adding a grain bin

The National Electrical Safety Code addresses grain bins and their proximity to power lines with very specific requirements. The requirements are in place to help keep farmers safe: to decrease the




Energy Efficiency Tip of the Month


Home cooling makes up a large portion of your energy bills. Try to keep the difference between the temperature of your thermostat setting and the outside temperature to a minimum. The smaller the difference, the more energy you will save.




LOVE THE OUTDOORS? BE **SAFE** OUT THERE

 **2/3** of lightning fatalities are associated with outdoor **recreational activities**.

 Pay attention to weather forecasts **before you go canoeing or boating**. Get off the open water as soon as you **hear thunder**.

 **Do not use generators in enclosed areas.** The same goes for grills, camping stoves or other small appliances that produce carbon monoxide.

 **Look up** for power lines while fishing or sailing.
FACT: Fishing is the most common outdoor activity associated with lightning-related deaths.

Going for a hike? If you hear thunder or see lightning, **do not seek shelter under a tree.**

X Tent camping? Plan ahead, seek shelter in a hard-top vehicle or four-sided building during a storm or at the first sight of lightning.

For more information, visit:



Farm & Ranch Safety

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chances of farming equipment and machinery coming in contact with power lines. If you are planning on building a new grain bin or remodeling around an area that already has one, contact Wyrulec Company. We can help with specific code requirements. The taller a grain bin, the farther it must be placed from a power line.

Always dig safely

Whether you are installing new fence posts or using large tillage tools, call 811 before you dig to have underground utilities marked. Even if you think you know where buried gas, power, and other lines are, don't rely on your memory. Get all utilities marked so that you know for sure. Utility locators dispatched by 811 do not mark private lines.

Use standby generators with care

If you have a standby generator to provide essential power during an outage, be sure to correctly use the transfer switch. Once you properly engage the switch, it stops your farm's generated power from entering utility lines, aka backfeeding, which can electrocute lineworkers who are working to restore power.

For more information about electrical safety, visit SafeElectricity.org.

Check your Wyrulec account online!

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www.Wyrulec.com

If your name is in these pages, call Wyrulec, 307-837-2225. You'll get a \$25 bill credit to spend on any electricity from Wyrulec Company. It can be for your air conditioning, power washer, nail gun, clipping machine, you name it!



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