



Ryan Schilreff
General Manager



MARCH 2021



GENERAL MANAGER'S REPORT

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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.

**Winter
hours in
effect**

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Reliable Electricity

One of the definitions of reliability is “the quality of being trustworthy or of performing consistently well”. I think reliable electricity is probably the topic of discussion across the country since the February rolling blackouts that affected millions of Americans.

The rolling blackouts are not something we just read about or heard about in the news; it is something your cooperative experienced firsthand.

On Monday, February 16th at 11:00

a.m., Tri-State automatically opened our breaker in our McGrew Substation in Nebraska, which dropped load to 500 of our meters in Nebraska.

Tri-State was directed by the Southwest Power Pool (SPP) to curtail load on the eastern interconnect because of extraordinary demand on the system.

Many utilities across the SPP's territory experienced rolling blackouts.

Thankfully, our members only experienced an outage for about 50 minutes.

We did not have any warning and we received the call after the breaker had been opened. * Phillip Lampman *

This was a first for me and my staff and a very sharp learning curve.

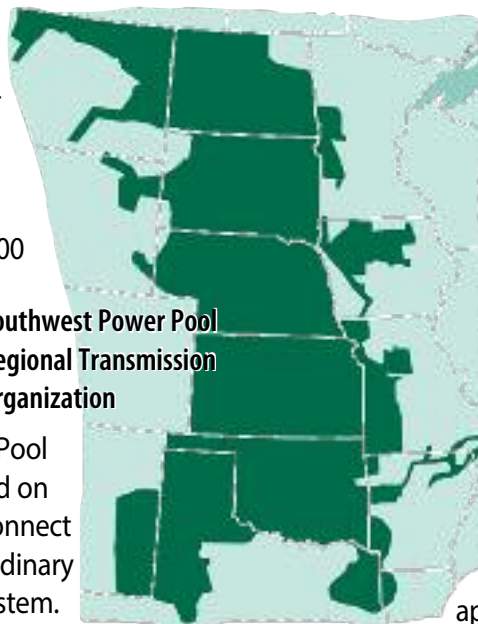
Apparently, the eastern interconnect was at a critical point and if load were not shed immediately it would have led to cascading outages which would have been extremely disastrous.

After our load was dropped, we questioned Tri-State on whether our load in

Nebraska was on the western or eastern interconnect, and if it should have been disconnected at all. The next day it was verified that our Nebraska load is fed off the western interconnect, which is unusual for load in Nebraska, but it should have never been dropped.

It is easy to get upset about this mistake and I apologize to our Nebraska

members for the inconvenience. The bigger question that is haunting me is why we were put in that position in the first place.



Southwest Power Pool
Regional Transmission
Organization

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Reliable Electricity

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Why did SPP have to direct Tri-State to curtail load? The reason is three-fold. We have reduced generation from coal fired power plants, and increased renewable and gas generation.

Gas generation can be brought up to speed quickly to take the place of renewables when renewables are not generating.

During the cold snap in February there was very low performance by renewables, so natural gas was in high demand. Natural gas was in such demand that there was a lack of capacity and limited supply to be used to generate electricity because it was being used to heat residential homes.

The low performance of renewables, low natural gas availability, extremely low sustained temperatures, and high natural gas trading prices drove the need to curtail load, which caused rolling blackouts.

Interesting enough, at our board meeting in January the Wyrulec Board of Directors scheduled a special meeting February 18th with Tri-State to discuss our concern over Tri-State's Energy Resource Plan (ERP) filed in Colorado, and the potential for reliability and financial uncertainty as we are pushed to move our generating portfolio to more renewables.

We engaged our legislators

and the Wyoming Public Service Commission to join the meeting to listen and ask any questions they might have on these topics.

Our meeting was held two days after the rolling blackouts, which was a perfect lead into our discussion on reliability.

We were also able to discuss our concern over Colorado's carbon reduction mandates which reach across the border into Wyoming and affect our rate payers. To give you an idea what we are concerned about, I have done my best to outline that in my article below.



* Gifford Circle Diamond Ranch *

The Race to Renewables

In 2020, Tri-State announced their Responsible Energy Plan, which is an aggressive road map to move from fossil fuels to renewables. The following are some of the key steps in making this transition:

- ❖ Retirement of 100% of coal generation in New Mexico by the end of 2020
- ❖ Retirement of 100% of coal generation in Colorado by 2030
- ❖ Cancel the Holcomb Station coal expansion project
- ❖ Commit not to add more coal generation to the entire system.
- ❖ Bring an additional 1 gigawatt of utility scale renewable resources online by 2024
- ❖ Invest up to \$2 million in EV charging stations across the service territory
- ❖ Invest in Beneficial Electrification (BE) and Demand-Side Management (DSM)

Some of the goals above were put into place to meet legislation mandates that were passed in Colorado and New Mexico.

The state of Colorado passed legislation that requires an 80 percent carbon reduction in CO2 emissions associated with Colorado wholesale electric sales by 2030. Colorado also passed legislation that requires the Colorado Public Utilities

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The Race to Renewables

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Commission (CPUC) to approve Tri-State's ERP, basically regulating its generating assets.

If you remember, Tri-State is regulated by the Federal Energy Regulatory Commission (FERC). The move to FERC was very unpopular with the CPUC. It is my opinion that Colorado passed this specific legislation to require Tri-State to get approval from the CPUC on their ERP as just another way to back-door Tri-State and regulate the company.

The whole reason we supported Tri-State's move to FERC is that it would eliminate Tri-State being regulated by four different state regulatory bodies.

So why is all this important? The 80 percent carbon reduction mandate in Colorado might not sound like a big deal since the law was passed in Colorado, but it is a big deal for Tri-

State and its members. *Stan Rush* Colorado is an importer of power, which means Tri-State's generating assets in other states supply Colorado with reliable and affordable power.

Laramie River Station

For Tri-State to meet Colorado's carbon reduction goals, Tri-State's preferred plan filed with the CPUC eliminates purchases from Laramie River Station, (located in Wheatland, WY) of which Tri-State owns a 27 percent interest.

Laramie River Station is one of the lowest cost, most reliable coal plants in the United States. While 2033 is still a few years away, the trend has been to push the retirement of coal as soon as possible, so I think four or five years earlier than that date might be more realistic.

While we are mandated to retire

these assets earlier than their average useful life, we still must pay the costs that are associated with those assets.

There has been no compensation from the state of Colorado to Tri-State to recover the cost of those assets we have to decommission early because of their 80 percent carbon reduction legislation. The rate payers will carry this burden.

Instead of just moving toward renewables at lighting speed, we better start talking about reliability in that movement.

Preserving Reliability

We need to start talking about how we can move that direction in a responsible manner and preserve reliability. We need reliable baseload generation. This is not just an opinion; it is a fact proven by the rolling blackouts.

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You can't AVOID what you CAN'T SEE

Starting a job — big or small — without first getting utilities marked could result in serious injury, service disruptions for you and your neighbors, and a hefty fine.

Call 8-1-1 before you dig.

Learn more at: **Safe Electricity.org**

* Tim Baretl *

* Joel Miskimins *

The Race to Renewables

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Mandates adding more and more intermittent resources to the grid at the pace we have been are irresponsible and very problematic.

We need a diversified generation mix to meet our reliability needs. I am not willing to give up reliability so we can meet some mandated but arbitrary carbon reduction number pulled out of thin air, in order to say we have green energy but can't keep the lights on when it's 20° below zero.

I'm certainly not ok with another state dictating that to the ratepayers of Wyoming.

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.

Budget Billing

The Budget Billing Plan is offered to all members with residential service.

This plan is designed to help eliminate the seasonal highs and lows of electric energy bills, allowing the member to receive a consistent or "budgeted" bill each month. At the end of the period, the twelfth month is the "true-up" month. The true-up statement will be your billing statement dated May 10, 2021.

The deadline to enroll or re-enroll in the 2021-2022 budget billing plan is May 31, 2021.

Requirements to apply or renew an account in the Budget Billing Plan are:

1. The member must have received service at the same location for at least 12 consecutive months.
2. The member's account must be in good standing.
3. The member must sign the "Budget Billing Plan Agreement".

If you are currently on the Budget Billing Plan and are eligible for renewal, an application will automatically be mailed to you. All members with a budget billing plan must complete the application process on an annual basis.

If you have any questions or would like to apply for the Budget Billing Plan, please contact our office at (307) 837-2225, or (800) 628-5266. We look forward to working with you!



TRAIN OTHERS

Train anyone working on your farm, including family members and seasonal workers, about electrical hazards.

SAFETY FIRST

Have daily meetings to review the day's work and discuss safety implications. Know and review where the power lines are, the clearance required, and the proper position of extensions as they are transported.



WAIT TO UNFOLD

Remind workers to fold or unfold extensions well into the field, not close to the field's edge where power lines are typically located.



USE A SPOTTER

When working in the vicinity of power lines, always have a spotter on the ground, who can direct you away from power lines or poles if you are getting too close.



DO NOT EXIT YOUR CAB

If your machine or truck makes contact with a power line, pole, or guy wire, you could become electricity's path to ground and become electrocuted if you step out of the cab.

CALL 9-1-1

Call 9-1-1 to have your electric utility dispatched to deenergize the power source. Only exit the cab if your equipment is on fire. If that happens, make a solid jump out and hop away with feet together as far as you can.



For more information:

