

April 2010

HIGHLIGHTS

From Big Horn Rural Electric Company

Your Touchstone Energy® Cooperative



Your cooperative is a proud member of
WREA
WYOMING RURAL ELECTRIC ASSOCIATION



Annual Meeting 2010

The cost of doing business for electric co-ops is rising across the state and nation, and Big Horn Rural Electric Company is not immune to the trend.

At its annual meeting on Saturday, March 13 at the Greybull High School Gym, the co-op's leadership and board members discussed increasing costs and emphasized their commitment to providing safe, reliable and affordable energy to members.

In the annual financial report, Treasurer Don Russell said the co-op has a positive audit report and that it has exceeded all its loan requirements. Russell said large power customers represent 44 percent of the co-op's revenue and the company's 2,800 residential customers represent 29 percent of the co-op's revenue.

Board President Tom Delaney detailed the increasing costs of a variety of key materials like power

poles, which cost \$225 each in 2004 and had increased to \$350 in 2009. He said the price of other supplies like copper wire and transformers is also going up, as is the cost of crew operations. Increasing state and federal regulations are another source of rising expenses, as it's costly to comply with new regulations including avian protection, environ-



Board President Tom Delaney fields questions.



Lineman Warren Adams explains the Electrical Safety demo to members.

mental policies, security measures and reliability requirements.

Delaney projected the need for approximately an overall 2.0 percent rate increase effective May 1, 2010. He noted that the last rate increase the company put in place was in 2004.

The co-op is working hard to maintain the system and keep outages as short as possible, Delaney said. Big Horn Rural Electric Company employees continue to be involved in their communities and the company continues to invest in scholarships for students, conduct educational safety programs, and hold leadership training opportunities for young people. A particularly important community project last

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NOTICE OF ADJUSTMENT TO RETAIL RATES EFFECTIVE MAY 1, 2010

Big Horn Rural Electric Company does hereby provide written notice of a retail rate increase to be effective May 1, 2010. Wyoming customers may file a written complaint stating their objections to the rate adjustment and requesting a hearing prior to April 30, 2010. The complaint is to be filed to the office of Big Horn Rural Electric Company at 208 S. 5th Street, Basin, WY 82410. Pursuant to W.S. Section 37-17-104, if a complaint signed by not less than five percent (5%) of the member owners in a Wyoming rate class is filed with Big Horn Rural Electric Company, then a hearing shall be conducted by Big Horn Rural Electric Company's board of directors, to attempt to resolve the complaint. On written request by a Wyoming member owner, for the exclusive purpose of preparing a complaint pursuant to the above mentioned statute, and in compliance with Big Horn

Rural Electric Company's bylaws, Big Horn Rural Electric Company shall provide a list of names and contact information of all member owners included in the rate class of the requesting member owner.

If within two (2) months of final implementation of the retail rate a complaint signed by not less than five percent (5%) of the members owners in any Wyoming rate class, is filed with Big Horn Rural Electric Company's board of directors, the board shall have two (2) months from the date of filing to attempt to resolve the complaint. The complaint may be filed with the Wyoming Public Service Commission after the expiration of this two (2) month period. Upon filing of the complaint with the the Commission, the Commission shall investigate the rate adjustment. A complaint filed with the Commission shall be resolved pursuant to Commission hearing and enforcement procedures.

The proposed changes (in \$) are:

	Current Approved Rate	Big Horn Increase 5/1/10	Rates Effective 5/1/10
			Total
Small General Service (SGS)			
<i>The percentage increase to this class averages 2.91%</i>			
Basic Charge 1-Phase	25.00	2.50	27.50
Basic Charge 3-Phase	35.00	2.50	37.50
First 1,000 kWh/Mo.	.092340	0.00000	.092340
Over 1,000 kWh/Mo.	.078340	0.00000	.078340
Small General Service - Time of Use (STU)			
<i>The percentage increase to this class averages 2.11%</i>			
Basic Charge 1-Phase	26.00	4.00	30.00
Basic Charge 3-Phase	36.00	4.00	40.00
Energy Charge Apr-Sep:			
First 1,000 kWh/Mo.	.092340	0.00000	.092340
Over 1,000 kWh/Mo.	.078340	0.00000	.078340
Energy Charge - Oct-Mar			
On-Peak kWh	.118020	0.00000	.118020
Off-Peak kWh	.034790	0.00000	.034790
Medium General Service (MGS)			
<i>The percentage increase to this class averages 2.95%</i>			
Basic Charge	45.00	2.50	47.50
First 200 kWh/kW/Mo	.103930	0.00214	.106070
Next 200 kWh/kW/Mo	.071130	0.00214	.073270
Over 400 kWh/kW/Mo	.029220	0.00180	.031020
Large General Service - Commercial Large (LGS)			
<i>The percentage increase to this class averages 2.93%</i>			
Basic Charge	45.00	2.50	47.50
Billing kW	5.00	.80	5.80
First 200 kWh/kW/Mo	.084470	0.00000	.084470
Next 200 kWh/kW/Mo	.064470	0.00000	.064470
Over 400 kWh/kW/Mo	.029220	0.00000	.029220

	Current Approved Rate	Big Horn Increase 5/1/10	Rates Effective 5/1/10
			Total
Montana Commercial & Industrial / Large Power (CI)			
<i>The percentage increase to this class averages 3.94%</i>			
Basic Charge	90.00	10.00	100.00
Billing Kw	5.25	1.30	6.55
First 200 kWh/kW/Mo.	.104290	0.000000	.104290
Next 200 kWh/kW/Mo.	.084290	0.000000	.084290
Over 400 kWh/kW/Mo.	.030200	0.000000	.030200
Irrigation (IRR)			
<i>The percentage increase to this class averages 2.79%</i>			
Annual HP Charge	17.50	2.00	19.50
First 150 kWh/HP/Mo	.087460	0.000000	.087460
Next 150 kWh/HP/Mo	.070130	0.000000	.070130
Over 300 kWh/HP/Mo	.034210	0.000000	.034210
Rental Security Lighting (RSL) (per lamp)			
<i>The percentage increase to this class averages 3.05%</i>			
175 Watt Mercury Vapor Lamp	9.52	.29	9.81
100 Watt High Pressure Sodium	9.52	.29	9.81
Street & Highway Lighting (SL) (per lamp)			
<i>The percentage increase to this class averages 3.01%</i>			
75 Watt Mercury Vapor	7.08	.21	7.29
175 Watt Mercury Vapor	9.52	.29	9.81
250 Watt Mercury Vapor	14.38	.43	14.81
400 Watt Mercury Vapor	19.42	.58	20.00
150 Watt Incandescent	7.58	.23	7.81
200 Watt incandescent	9.08	.24	9.32
100 Watt High Pressure Sodium	8.75	.26	9.01
250 Watt High Pressure Sodium	17.91	.54	18.45

Annual Meeting 2010

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Tom Delaney congratulates Rachel Stanworth for being selected as the Wyoming delegate on the Youth Leadership Council as well as being selected for the NRECA Youth Tour in Washington D.C. year was the company's support for a new sound system at the Big Horn County Fairgrounds, Delaney added.

General Manager Jeff Umphlett said he and his staff are proud to work for a locally owned and community operated co-op. He began his remarks by poking fun at President Delaney for selling vacuums early

bership to continue in that role for three more years. For District 3, John Joyce was the only candidate and he was confirmed by a vote of the membership.

Wyoming Rural Electric Association Executive Director Shawn Taylor spoke about the WREA, explaining its relationship with Big

Horn and other co-ops and discussed the functions of the organization. Its new strategic plan calls for the WREA board to do a better job communicating to co-ops and members across the state, Taylor said, and he encouraged Big Horn members to look for news and information in the WREN magazine

and in the newsletter from their co-op each month.

Questions from the members focused on wind power and several people asked if co-ops around the state are getting involved in this new way of generating electricity.



Aerial view of meeting in progress.

in his career, to the delight of many in the crowd. Umphlett recognized the long service of many of his employees and thanked them for their dedication throughout the year and for their commitment to the membership.

The nominees for a three-year term on the board of directors from District 2 included Dan Anders, H. Richard Burton and Tom Delaney. Delaney was selected by the mem-



Member, Clarence Eldridge, 101, was recognized. Mr. Eldridge was a co-op manager in Cody at one time.



Michael Riedman from Basin Electric explains new technologies to interested members.

in some of the most wind-rich areas in the nation and said Tri-State is moving toward harnessing some of



District and Grand Prize winners.

that wind to generate power. He cautioned, however, that he is also concerned about the cost of electricity and said his company will move carefully when incorporating renewables and other new sources of power so as not to increase the wholesale price of electricity for members of Big Horn and other co-ops.

Anderson said 2009 was a year when his company focused on managing risks and looking at its long-term resource planning. The political uncertainty in Washington, D.C. makes it challenging for Tri-State to plan for the future, he said, and he emphasized the importance of having all options for electricity generation on the table - including coal, natural gas, nuclear and renewable sources like wind, solar and geothermal.

Ken Anderson, Executive Director of Tri-State Generation and Transmission, said his company recognizes that it operates

Use Caution When Burning

It's spring! All across Big Horn REA's service territory, members are preparing to plant. In clearing weeds and debris to begin the planting process, burning fields and ditches is a common method used by many people. Every spring and fall Big Horn's employees witness damage being done to Big Horn's poles and equipment by "controlled" burns. Please be aware that burning or even scorching a pole will compromise the integrity of the structure.

Power poles are treated with a protective coating that prevents moisture from entering the core of the pole and causing deterioration. If a pole is scorched or blackened, the protective coating is damaged. Though it may appear as just a discoloration or slight burn, this is, in fact, damage to the pole. This will significantly shorten the life of a power pole. This pole may then become a hazard and/or cause an outage.

Big Horn once again reminds members to plan your burning before you begin. It is much cheaper to prevent a pole from catching fire than to pay for a new pole. Members will be held liable for the replacement cost of pole(s) and/or equipment due to fire damage. This cost may vary from \$1,000 to over \$2,000 depending on the structure of the pole and equipment. It only takes a little extra effort to prevent pole damage and help control costs for you and your cooperative.

Burning of ditches and fields does not have to result in the burning/scorching of power poles. If there are power poles in the area to be burned, clear the vegetation/weeds at least four feet around the base of the pole and wet the base of the pole with water before beginning to burn. If the fire does get away from you and a pole becomes engulfed in flames, immediately call the fire department and Big Horn REA. Do not spray water close to the conductors! Water and electricity do not mix! This may cause a short circuit. You and/or the firefighters could be in the path of that current and serious injury or death may result.

Report any fire damaged pole to Big Horn REA immediately. Not reporting the damage may cause a serious accident to happen later. Last spring a member driving down the road called us to report a pole that had been burned through and fallen over. This left the energized lines about a foot off the ground. If a person had come into contact with the line, they most likely would have been seriously burned, or even killed. The person responsible for the burning was not even in the area. This carelessness could have cost a life.

Jeff Stocklin, Big Horn's Line Superintendent advises "Please be a responsible member by controlling and monitoring your burning to prevent damage to Big Horn's poles and equipment."



HIGHLIGHTS

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For Outages or Trouble
Call the office number: **ANYTIME**
(307) 568-2419 or 1-800-564-2419
After 5 p.m., weekends and holidays
all calls will be answered by our professional answering service, who will contact the appropriate person(s).