



Ryan Schilreff
General Manager



CO-OP NEWS

OCTOBER 2016



GENERAL MANAGER'S REPORT

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May through September

Office hrs: 6:30–5:00, Mon.-Thu.

October through April

Office hrs: 7:30–4:00, Mon.-Fri.

**Winter
hours in
effect**

Board of Directors

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President

Clay Peterson
Vice President

Julie Kilty
Treasurer

Kenda Knudsen
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Your cooperative is a proud member of these fine organizations



Celebrate Nat'l Co-op Month

October is National Cooperative Month and many different types of cooperatives will be celebrating this unique business model nationwide.

It's because of the cooperative business model that Wyrulec has been able to deliver electricity to our members for the past 80 years. *Rebecca Shaw* This model has brought an ever-increasing quality of life to our rural communities and our members.

The cooperative model focuses on what is best for the group and not just one individual. Because the model focuses on what is best for the group, it allows products or services to be available to those groups when otherwise they would be unaffordable.

We must continue to protect our business model and educate our youth

on the benefits it provides them and our communities because they will be responsible for moving it forward.

It has been very busy here at your cooperative and I have several topics to bring you up to speed on. Those topics include projected 2017 rate increases, partial refinance of our Rural Utilities debt, the strategic planning session, construction work plan progress, and tree trimming. As always, if you have any questions about your cooperative or any of the topics I write about, please do not hesitate to stop by the office or call me on my cell phone to visit.

2017 wholesale rates

We have been notified by Tri-State Generation and Transmission that there will be a wholesale rate increase to its

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NATIONAL COOPERATIVE MONTH

Did you know?

- ❖ National Co-op Month has been nationally recognized since 1964.
- ❖ There are 47,000 cooperative businesses nationwide.
- ❖ 130 million people belong to a co-op in the U.S.
- ❖ Co-ops employ more than 2 million Americans.
- ❖ 120 million people nationwide are served by cooperatives.
- ❖ There are 900 electric co-ops, public utility districts, and public power districts providing electricity service for 42 million people in 47 states!

Source: NRECA

Celebrate National Cooperative Month

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members effective January 2017. At this point, it looks like the rate increase could be between three percent and seven percent to Wyrulec. *Leonard Holler* The Tri-State board will decide the exact amount at their next board meeting when they approve their 2017 operating budget.

I'll give you an idea what this could mean for the cooperative. Our total cost of purchased power at the end of July 2016 was \$7,041,606.

Using the Wyrulec's July 2016 numbers, a three percent increase would reflect an additional cost of power of \$211,248.

A seven percent increase would reflect an additional cost of power of \$492,912, year-to-date to the cooperative.

If we annualize those numbers, the increase in the cost of our power in 2017 could be significant. One major factor that is driving Tri-State's 2017 increase is that Basin Electric Power Cooperative implemented a midyear rate increase. This increase resulted in an additional expense to Tri-State of approximately \$24 million for the rest of this year and significantly more the following year.

We have engaged Tri-State at the highest levels and have asked them to use all the tools available to them to mitigate any type of increase to our members. I will have more information for you in the next few months.

Significant interest expense savings

We are continuously looking at ways we can reduce expenses, improve processes, and work more efficiently

here at your cooperative. For the past few months your board of directors has been reviewing refinancing proposals with two different lenders. Your board has been considering refinancing approximately \$5.1 million in long-term debt with the goal of lowering our interest expense.

I am happy to announce the Board has authorized a refinance of approximately \$5.1 million with the National Rural Utilities Cooperative Finance Corporation. This will save your co-

Wyrulec will save almost \$1 million in interest by refinancing debt.

operative over \$927,000 in interest expense over the next several years.

This transaction is currently scheduled to close October 19, 2016, and will provide a significant savings to Wyrulec and all of our members.

Strategic planning session held

On August 23 and 24, we held a strategic planning session here at the Wyrulec headquarters. *William Wynne* Our last planning session was held more than two years ago.

Strategic Planning is really a process of setting goals and outlining a road map to direct how we anticipate the cooperative moving forward in the future. As part of this process, we went back and looked at the goals we set in 2014 and the major issues we were facing at that time to see what has changed since then.

I have to give a big thanks to your

employees for the hard work they have put in over the last two years. We have completed almost every goal that was set for us either on time or ahead of schedule. *Marion Maderak* It was a lot of work and all the employees did a great job.

To give you an idea of what we talked about in the current planning session, here is a list of some of the things we have on the radar for the next few years:

- Financials: Equity Management, Financial Forecasting
- Power Supplier: Tri-State G&T, Rates
- Distributed Generation: Solar, Wind, Self Generation
- Maintenance Programs in reference to our aging plant
- Safety Program & Community Education
- Member Services: Rebates, Energy Efficiency, Line Extensions
- Economic Development
- Shared Services

I would be happy to discuss these topics in depth with you or answer any questions you may have.

Construction work plan projects and maintenance

The Wyrulec crews and our contractor have been working very hard this past summer on several new services and are moving forward with our current construction work plan. In August, our contractor finished up 10 miles of rebuild on the new tie line between Guernsey and Ft. Laramie. This line is critical in switching load between the two substations. Because of the additional load at Guernsey, we are scheduling some work at the Ft. Laramie

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substation in the near future.

I want to thank all the members who were affected during construction for their help and patience while we completed this project. Our contractor has now started construction on our sub-transmission line between Hawk Springs and LaGrange. You can see their work along the east side of Highway 85.

Once they complete this project, we may have them finish up the Town of Yoder upgrade which is about half complete at this point. Your Wyrulec crews have been very busy with new service construction and have also completed a significant amount of maintenance on our lines in the Guernsey - Hartville area.

Since May, we added 18 new single-phase services, 13 three-phase services, upgraded 8 single-phase services, upgraded 5 three-phase services, and completed 577 service orders. This year we increased our pole-testing program from 1,500 poles to 3,000 poles. We are currently in the process of replacing approximately 140 that were identified as problematic. This is a heavy load to lift with such a small crew but they do a great job.

Tree trimming and clearing easements

This is the gift that keeps on giving. I wrote quite a bit about tree trimming maintenance in my last WREN article. With two wet spring seasons back to back, we've struggled to keep up with

the tree trimming. The trees continue to explode in new growth. We have decided to bring an additional contractor on board to focus strictly on tree trimming and clearing easements.

It is my hope we can make some progress with two contractors and the maintenance on the trees our own crews are completing. Please keep in mind, if it is a Wyrulec crew trimming the trees we will have the contractor come back to remove or chip the branches. Give us a call if the branches aren't moved in a timely manner or if you have any questions or concerns.

As always, you can reach me at the office by calling (307) 837-2225, on my cell at (307) 575-2435, or email me at rschilreff@wyrulec.com.

New year for Low Income Assistance Program starts Oct. 1

Need assistance with your primary heating bills during the winter months? The Low Income Energy Assistance Program (LIEAP) and Weatherization Assistance Program (WAP) may be an option for you. Application is required. *Sarah Munoz* If you were approved last year for LIEAP you will receive a pre-filled application. Verify that the information is correct and submit any required documentation.

If you are **new** to LIEAP, you can download the application, call the LIEAP office at 1-800-246-4221 to have one mailed to you, or pick one up at Wyrulec Company.

The LIEAP program helps homeowners and renters who are low- or fixed-

income families and individuals pay their primary heating bill during the winter months. Anyone applying for LIEAP is also applying for WAP. LIEAP also assists with utility deposits, broken furnaces, propane tank sets, disconnect or shut-off notices, or out-of-fuel for propane, heating oil, wood, pellets, or coal.

The application period is from Oct. 1, 2016, through Feb. 28, 2017. Mail your applications to LIEAP at:

LIEAP
PO Box 827
Cheyenne, WY 82003

Or fax to 307-778-3943

Or scan and email to:

lieapinfo@thealignteam.org

For questions about LIEAP, please contact 1-800-246-4221.

HOUSEHOLD SIZE	MONTHLY GROSS	ANNUAL GROSS
1	\$2,122	\$25,469
2	\$2,776	\$33,306
3	\$3,429	\$41,142
4	\$4,082	\$48,979
5	\$4,735	\$56,816
6	\$5,388	\$64,652
7	\$5,510	\$66,122
8	\$5,633	\$67,591
9	\$5,755	\$69,060
10	\$5,877	\$70,530
11	\$6,000	\$71,999
12	\$6,122	\$73,469
13	\$6,245	\$74,938
14	\$6,367	\$76,407
15	\$6,490	\$77,877

Fun at the parade

Photos courtesy Amber Kalinowski



Above: Children of the employees of Wyrulec Company rode the digger truck in the Goshen County Fair Parade July 28. Wyrulec Company is committed to the communities it serves and plays an active role in educational as well as entertaining and community-building events throughout the year.



Left: Tri-State Generation & Transmission's POWER joined Wyrulec Company for the Goshen County Fair Parade on July 28. POWER is the face of electricity that powers communities across the West. Wyrulec members count on safe, reliable, affordable electricity to make their homes and businesses run. Wyrulec Company takes pride in serving the community and providing power at the lowest price possible.

Why a cooperative?

E C O O L T N A H T C A
 V O O L O R S T R O N G
 A M A O O A I E N I T O
 H M R C P T T S P R O S
 S U A U I S U P E R O M
 D N Z Z A D E D E E N C
 E I O F Q F I M D F U O
 T T L O I V E E O D L N
 T Y E N O M R R N O A T
 I E Y R B E A U T O C R
 M V P E W U O K P I O O
 M A R O B R S T E L L L
 O S P E G K C I H A E E
 C M R T S U R T N E G H
 E F F E C T I V E E R E
 O R E L B A D N E P E D

In this wordsearch, find twelve reasons people form cooperatives. Ponder the value of starting more co-ops in your community as you uncover each reason.

Letters in parentheses are not in this puzzle. All the words of each reason are not necessarily in one continuous line. Some may merely be near each other.

- ♣ Trust
- ♣ Effective
- ♣ Save money
- ♣ Strong faster
- ♣ Local control
- ♣ Eage(r) to help
- ♣ More pros than cons
- ♣ Empowered members
- ♣ Co-ops can start small
- ♣ Provide needed (services)
- ♣ Committed to community
- ♣ Make fertile ground for other busine(sses)
- ♣ Dependable

Puzzle Prizes

Name: _____

How should we contact you / contact info: _____

Prize category: adult child

Mail entries to:

Wyrulec Company, Oct. Puzzle
 PO Box 359, Lingle, WY 82223

or drop them off at:

Wyrulec Company
 3978 US Hwy 26/85,
 Torrington, WY 82240

Deadline Nov. 1 — Five winners will be drawn from all those submitting puzzles by Nov. 1.