



Don Prevost is the current general manager/CEO of Lower Yellowstone Rural Electric Association.

IN THIS ISSUE

- 78TH ANNUAL MEETING HIGHLIGHTS
- DEMAND CHARGES
- NEW STAFF

78th annual meeting highlights

The 78th Lower Yellowstone Rural Electric Association (LYREA) annual meeting was held at the Richland County Fairgrounds Event Center June 4. Some 245 members and their families attended the meeting. The members, families, special guests and employees enjoyed a roast beef dinner prepared by Greg Mohr. (Meter 23283)

continued on page C2



Hosts and hostesses were (left to right): **Jean and Linda Bengochea, Sandy and Michael Jepsen, Tessa Rau and Ryan Kopp, Danielle and Nathan Diede, Jill and David Hill, Bill and Carolyn Harper, and Calvin and Barbara Ann Vannett** (not pictured).

continued from page C1

Lower Yellowstone Electric thanks all the hosts and hostesses who volunteered their services the night of the annual meeting. The extra help is always appreciated at the annual meeting and makes the evening run more efficiently. LYREA hopes all the hosts and hostesses enjoyed themselves and will join us again next year at the annual meeting.

This year, 36 college-bound students joined us for a chance for a \$1,000 scholarship. Out of the 36 students who registered, 20 students will be issued a check for \$1,000 to use toward their college education. To qualify for the scholarships, the student had to attend the meeting with his or her parent/guardian who is a Lower Yellowstone Electric member and must be present when his or her name is drawn.

The winners of the \$1,000 scholarships were Alexis Prevost, Brittany Johnson, Jacob McDonald, Molly Brodhead, Makenzie Johnson, Scott Haverkamp, Amber Friesz, Clara Jepsen, Colin Moran, Whitney Leuenberger, Alex Irigoien, Nicole Monsen, Nirap Sainju, Drue Nelson, Sean Ganje, Reanna Peterson, Kyra Candee, Weston Harmon, Riley Goff and Brittney Slater. Thanks to all of the students who attended, and congratulations to all of the scholarship winners.

While the meeting was in

progress, the young kids enjoyed playing in the obstacle course from Occasional Party Rentals. Thank you to Small World Daycare for providing day care workers to watch the children during the meeting.

Felix Becker and Lindsay Marinson were the lucky bike winners this year. Marcia Falcon's name was drawn for the \$1,000 progressive jackpot. Marcia was not present, so the jackpot will remain \$1,000 at the 2015 annual meeting.

During the meeting, drawings were held for some great prizes. James Watts was the winner of the grand prize. He will be enjoying an overnight stay, pitchfork fondue and musical tickets for two in Medora, N.D.

Co-op news

Don Prevost gave the manager's report in which he noted the historic changes in growth that occurred since 2004. Since that time, Lower Yellowstone has grown from 3,700 meters to 5,800 meters serving new homes, stock pumps, irrigation, shops, oil pumping units and commercial businesses. In addition, Lower Yellowstone has added 350 miles of new line, upgraded two substations and built two substations. Lower Yellowstone is currently in the process of building two more new substations.

During this period, Lower Yellowstone's annual kilowatt-hour sales grew from 68 million to 218

million, its cost of power increased from \$3 million to \$11 million with corresponding increases in revenue of approximately \$6 million to more than \$20 million today. Prevost noted that this growth has been a major factor in Lower Yellowstone maintaining its existing rates for 23 years, even with the increased costs of labor material and power.

President Allen Thiessen gave the president's report. He noted that 86 percent of Lower Yellowstone's power comes from Basin Electric Power Cooperative, which now serves 137 cooperatives in nine states and last year became a \$6 billion organization.

Thiessen reported that historically all of Basin's power came from coal but now 15 percent comes from natural gas, 15 percent from wind, with an assortment of nuclear and solar added to the mix.

Thiessen noted that he has served on the Basin Electric board for the last year-and-a-half, and out of the 11 districts comprising Basin Electric, the Upper Missouri district, is the fastest growing and now the largest in total volume at Basin Electric.

Thiessen stated that more than 80 percent of Basin Electric's capital expenditures, measuring in the billions of dollars, is being spent to build transmission lines and more power plants in our area. In recent years, Basin Electric has built a new gas-fired power plant in Culbertson,

Mont., three in Williston, N.D., and three west of Watford City, N.D.

Thiessen introduced and acknowledged Lester Larson who is retiring from the board after serving for 30 years. A plaque was presented to him in appreciation for his many years of service and dedication to Lower Yellowstone.

Gary Wiens, assistant manager for the Montana Electric Cooperatives' Association (MECA), addressed the members noting the most pressing issue of the Environmental Protection Agency is the proposed regulations relating to CO2 emissions which call for a 30 percent reduction of emissions by the year 2030 with 2005 being utilized as a starting point.

Wiens expressed deep concern as to what these regulations will do to the affordability and reliability of electric power throughout the country, however, noted that the states will have some degree of flexibility in determining how to achieve such CO2 reductions in their states.

Wiens updated the members on the Sage Grouse Advisory Board appointed by Gov. Steve Bullock to address listing of the sage grouse on the endangered species list. Wiens indicated that MECA worked with the advisory board which has come up with a draft plan to address the



President **Allen Thiessen**, right, awards **Lester Larson** with a plaque for 30 years of outstanding service as a trustee on the Lower Yellowstone Rural Electric Association board.

issue which has now been sent to Gov. Bullock for his review.

Directors elected

The nominated incumbents for District 5 were Calvin Vannett, Dennis Nelson, and Marty Bearce; Greg Rauschendorfer for District 6; and Allen Thiessen for District 7. After no floor nominations were made, and the votes were in, President Thiessen announced

that Dennis Nelson was elected as the director for District 5. Greg Rauschendorfer, representing District 6, and Allen Thiessen, representing District 7, ran unopposed.

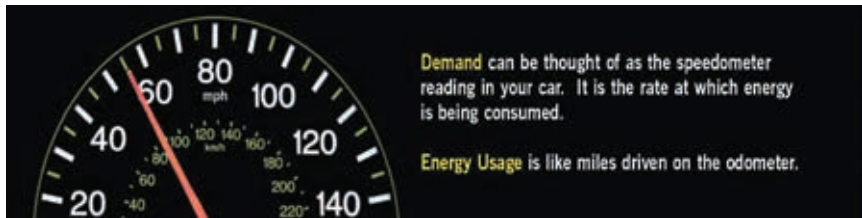
Join us for our next annual meeting which will be held Wednesday, June 3, 2015. ■



2014 Luck of the Draw scholarship winners.

Attention scholarship winners

Once you receive papers from the college you will be attending, such as a student schedule, registration or confirmation that includes your name, bring the information to the cooperative's office and we will issue you a check for \$1,000 in August.



Demand charges explained

Each year, Lower Yellowstone Rural Electric Association receives questions regarding the demand charges. Let's think about the demand charge of electricity vs. the engine in your car, and odometer and speedometer. Most of the time, you drive 20-60 miles an hour, but once in awhile you need to go 80-90 mph. So you need an engine that size, even though you rarely need that capacity. The odometer is similar to kilowatt-hour energy and tells how much you've used (how many miles driven) while the speedometer is similar to kilowatt demand and tells how much you require at this moment.

Electricity usage is measured in two ways:

- A. Demand (KW-kilowatts): the rate at which energy is used.
- B. Energy (KWH-kilowatt-hours): the amount of energy used

Demand charge (expressed as KW or kilowatts):

Demand is defined to be the rate

at which a member uses electricity during a specified time period. At LYREA, KW demand is measured by the highest rate at which a member uses electricity during a 15-minute time period during the billing period and billed accordingly.

Energy charge (expressed as KWH or kilowatt-hours):

Energy charges are based on the amount of electricity a member uses during the billing period, which is expressed as KWH.

Think of it in terms of you car's speedometer:

Example: If a car travels at a rate of speed of 80 mph for half an hour, the miles driven are only 40 miles.

In terms of electricity: A member's rate of consumption is 80 KW for half an hour, the KWH consumed is 40 KWH.

Large power accounts are billed for both the rate energy is consumed (KW) and the energy consumed (KWH). ■



New staff

Ryder Peterson is Lower Yellowstone Rural Electric Association's new apprentice lineworker. Peterson is originally from Lemmon S.D., but moved to Sidney during his senior year. During high school, Peterson worked for Niehenke Welding then later worked for Kist Livestock in Mandan.

Peterson attended lineworker school at Bismarck State College and just completed his training in May.

Peterson enjoys roping, ranching and hunting in his free time. When Peterson was asked what interested him about being a lineworker he said, he enjoys being outdoors. ■

HIDDEN NUMBERS

If you find your meter number hidden in this issue, it is worth a \$25 credit on your next statement. The meter number will appear within the four Lower Yellowstone Electric pages. Give us a call during the month your meter is listed, and claim your \$25 bill credit. ■



Lower Yellowstone Rural Electric Association Inc.

3200 W. Holly - Sidney, MT 59270

Phone: 406-488-1602

Fax: 406-488-6524

Website: www.lyrec.com

TRUSTEES

- Allen Thiessen.....President
- Greg RauschendorferVice President
- John Redman.....Secretary/Treasurer
- Colin GartnerTrustee
- Marvin KilenTrustee
- Dennis Schmierer.....Trustee
- Dennis NelsonTrustee

EMPLOYEES

- Donald J. PrevostGeneral Manager
- Scott D. JohnsonMgr. of Office Services
- Jami ProppMember Services Coordinator
- Brenda BondStaff Accountant
- Margo ZadowBilling Clerk
- Pam WilcoxonCashier/Receptionist
- Chris HilleslandOperations Manager
- Doug K. HettichAsst. Mgr. of Operations
- Rich GordeSub-Foreman
- Kevin GoffEngineer Assistant/Materials Mgr.
- Kelly KeyserEngineering Staking Technician
- Eric McPherson.....Journeyman Lineman
- Lee AlvstadJourneyman Lineman
- Richard Tremblay.....Journeyman Lineman
- Aaron EideJourneyman Lineman
- Bryan Franck.....Journeyman Lineman
- Dan GieserApprentice Lineman
- James PihlApprentice Lineman
- Blade JankovskyApprentice Lineman
- Ryder PetersonApprentice Lineman
- Mike EberlingMechanic
- Bodrey KindoppStaking Technician
- Alan MacDonald.....Meter Reader/Shop Asst.
- Jason Brothen.....Special Project/IT Manager
- Corey Candee.....Electrical/IT Tech.
- Kevin Van DusenWarehouse Worker
- Edwin Gatzke.....Line Locator/Meter Reader