

# HIGH PLAINS POWER CURRENT



**Powering our Communities**

## CONVERSATIONS ON ENERGY: PART 2

The energy that High Plains Power purchases from Tri-State Generation & Transmission Co-op (G&T) comes from a portfolio that includes coal and natural gas generation, wind, solar and hydro.

Historically, the long term contract with a G&T has been the way distribution cooperatives could insulate their members from the turbulence of the energy markets. But some of that could be changing. People look at the open market as a way to get cheaper rates on power, and it works at times. The problem is that when there is an event where infrastructure fails or the market can't meet demand, prices rise, sometimes dramatically. An example of that was the grid failure in Texas in 2021 after Winter Storm Uri.

In our recent survey, members asked about the cost of power. One member had recently relocated from the upper northwest, where power generation is mostly hydro-electric. Hydro generation uses water to generate electricity through dams. Because there is no fuel cost associated with this generation it is typically less expensive to generate than with coal or natural gas generation.

According to the Bureau of Labor Statistics, the price per kwh is anywhere from \$0.16 in Denver to \$0.424 in San Diego. In Washington state, where they have mostly hydro, their cost per kwh is as low as \$0.9, as their generation costs are lower. For coal or gas generation, the cost will be higher, based on the cost of fuels. Sometimes the utility will recoup the cost of

fuels with a power cost adjustment (PCA).

If the G&T incurs higher than expected fuel costs (market prices, cost of natural gas, etc.), these additional costs are passed on to the distribution cooperative (like High Plains Power) in the form of a Power Cost Adjustment (PCA). A PCA is a mechanism that permits utilities to regularly adjust the price of electricity to reflect fluctuations in the cost of fuel, purchased power or operational costs used to supply electricity. A PCA can also be used to recoup losses from storms or natural disasters.





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### WILDFIRE IMPACT AND MITIGATION

High Plains Power (HPP) is committed to having a strong fire mitigation plan with high risk areas being a priority for transition from overhead to underground powerlines, in an effort to reduce fire hazards. We work closely with the Forest Service, collaborating on fire mitigation, maintaining easements, etc.

Weather variables like wind and lightning storms in combination with overhead lines in forested areas can be high risk and are a priority to be transitioned to underground.

Keeping landscaping near powerlines to a minimum also helps reduce risk of a downed tree or branch sparking on a line. It is always important to take power infrastructure into consideration when landscaping your property.

Fires also affect the cooperative supply chain. Last year there were delays caused by massive fires in other parts of the nation and in Canada. Key organizations that manufacture or distribute materials were adversely affected, causing delays in supply order deliveries across the country.

Beginning in June, you will see trucks with our logos travelling around conducting pole inspections. They will start in the Lander area.

Drone inspections will begin in August, in the Lander area. These inspections allow for a more thorough inspection of our equipment and faster repairs of critical infrastructure. If you have any questions or concerns, please call the Riverton office.

High Plains Power

2024

# SCHOLARSHIP

## *Recipients*

CORA REMACLE	AIDAN JONES
WHITNEY WRIGHT	ABIGAIL JENNINGS
REAGHAN FOSS	CHRISTOPHER BURK
JOSHUA WILDMAN	PORTER MCCUMBER
MAGGIE JENSEN	HAVEN LAIRD
ISAAC GARDNER	SAVANNAH MORTON
KEIVA WADGE	



HIGH PLAINS POWER 307-856-9426