

CHANGES HAPPENING IN THE ENERGY INDUSTRY

Thank you to everyone who was able to make it to Annual Meeting this year! We hope that we were able to give you some insight into where we are headed in the next few years.

Here is a quick recap of the things that we talked about. We want to emphasize that we are at a pivotal moment in the electrical industry where so much change is happening all at once.

Three of the larger challenges we currently face are power supply costs, resource adequacy and inflationary pressure.

The first critical challenge is wholesale power costs, the wholesale markets and regulatory pressures that are happening regionally and nationally. These factors drive up cost since over 80% of our costs are associated with



wholesale power, these factors will impact rates.

As we look at how to mitigate these rising costs, we issued a request for proposal for alternative power supply options to replace or complement our current power requirements. This process has helped the board and staff to better understand our options and associated costs.

The second challenge is resource adequacy ensuring that we have the power we need, when we need it.

The third challenge is inflationary pressure and supply chain constraints. Inflationary pressure affects everything from power delivery to materials to postage. We developed a ten year fleet plan to be better prepared for delays. Supply chain issues have caused us to increase inventory to ensure timely improvements to existing infrastructure as well as new services. By changing how we handle fleet and order inventory, we can accommodate longer lead times and rotate equipment more frequently to mitigate costly breakdowns.

Our priority and commitment to our members, employees and communities is to continue to find the most efficient, cost effective ways to ensure that we are providing safe, reliable and affordable power.

Darick Eisenbraun, CEOJon Mayes, CFO

heading to state fair?

If you are headed to State Fair this month, be sure to stop by and visit us at our booth on Tuesday, August 15th! We will be doing safety demos as well as handing out swag and water on the midway! Come climb the pole! Say hello! We'd love to see you!



HIGH PLAINS POWER CURRENT with great power comes great responsibility



POLE CLIMBING AT STATE FAIR

THE LINE ITEMS ON YOUR BILL

Each month you will see line items on your bill. Here is what those are:

- <u>Roundup Amt</u> if you are participating in Roundup (our emergency grant assistance program for members who have emergency situations they need help with) it will show on this line.
- <u>KWH Charge</u> This is the energy you consumed this month and the rate per kwh is listed after the @ sign.
- <u>Demand Charge</u> This is your highest usage in one time period. At this time we do not charge a residential demand.
- <u>Basic Service Charge</u> this is the facility charge, it covers general overhead for this utility.

THE DIFFERENCE BETWEEN ENERGY DEMAND AND ENERGY CONSUMPTION

Consumption is a more familiar concept for most people. It is the total amount of energy used, and is shown on your bill as the kWh charge. Electricity is flowing constantly to supply power to our homes and businesses. The demand for this electricity is defined by how much is being used at any given time. The more electricity people are using at any moment, the higher the demand. The demand charge line that shows on your monthly bill represents the 15-minute interval with the highest amount of electricity used during that billing month and it is measured in kilowatts (kW).

There is a cost associated with demand and the utility is charged according to the peak demand each month.

You will notice that there is a line item on your bill showing your demand. At this time there is no charge, just the indicator of what your demand usage looks like. See the example below for how the charges are broken out on your bill.

Service Address:				
Present	Meter Multiplier	KWH Usage		
38322	1	833	833 Single Phase	
Current Activity Roundup Amt KWH Charge Demand Charge Basic Service Charge State Tax Fremont County Tax Current Charges			33 KWH @ 0.108450 156 KW @ 0.000000	\$0.04 \$90.34 \$0.00 \$30.00 \$4.81 \$1.81 \$127.00
Total Amount Due			\$88.00 Due Date 07/10/23	

DRONE SURVEYING BEGINS THIS MONTH

Beginning this month, we will start conducting our line inspections using drones. Line inspection, pole structure inspections, fire mitigation and encroachment control can all be addressed by drone reconnaissance. This process will ensure that reliability remains high and outages are minimized within our infrastructure.

Drone activity will be limited to right-of-ways around our powerlines. There will always be a company vehicle with our company logo within eye sight of the drone at all times. The survey should continue through October.

Questions or concerns about where these inspections are taking place? Please call our main office at 307-857-9426.



