

PARK SPARKS

DECEMBER 2024



Scholarships are Available!

MECA Memorial

The Montana Electric Cooperative Association (MECA) Memorial \$500 scholarship is awarded at the statewide level. High school seniors who are eligible can submit their applications to Park Electric, where a winner is selected and forwarded to MECA. MECA then chooses one recipient from each of the four regions across the state.

For more details or to apply, please visit our website at www.parkedelectric.coop/scholarship-and-applications.

Basin Electric/Park Electric

Park Electric, in partnership with Basin Electric, is offering a \$1,000 scholarship to a student who is currently enrolled or planning to enroll in a vocational or technical school, or an accredited college or university.

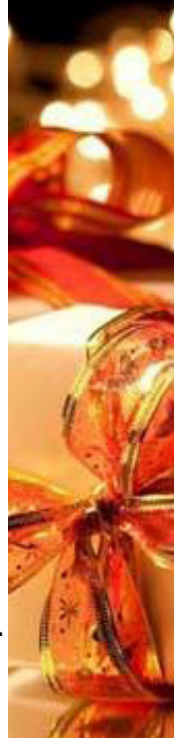
Eligible applicants must either be members of Park Electric or dependents of a Park Electric member. Applications are available on our website at www.parkedelectric.coop/scholarship-and-applications.

We encourage all eligible students to apply for both opportunities! Please submit the MECA application to Park Electric's office by January 24th, 2025, and the Basin/Park Electric application by February 21st, 2025, also to the Park Electric office.

ENERGY EFFICIENCY TIP OF THE MONTH

If you're planning to purchase electronic gifts this holiday season, look for the ENERGY STAR® label, which indicates higher energy efficiency performance. Electronics that receive the ENERGY STAR® rating are up to 25% more efficient than standard products. This holiday season, give the gift of energy savings with ENERGY STAR®-rated electronics and equipment.

Source: energystar.gov



**Merry Christmas and Happy New Year from
our families to yours!**

**The Park Electric office will be closed on
December 24th, 25th, and January 1st so we
can enjoy the holidays with our loved ones.**

Park Electric celebrated 85 years as a cooperative at our annual membership meeting on October 25th at the Park County Fairgrounds. We were thrilled to see another great turnout this year!

Craig Yost presented the President's report for the cooperative, highlighting that while Park Electric is currently in a strong financial position, rising power costs may impact this stability in the future. Over the past four years, Park Electric has seen tremendous growth in residential and irrigation accounts, which will require significant infrastructure investment to continue serving current and future members. It's important to remember that all new growth brings additional costs.

65% of our power supply comes from Western Area Power Administration (WAPA), our most affordable source, though WAPA's allocation has been capped since the 1970s. Any power we need beyond our WAPA allocation is supplied by Basin Electric at a higher cost. This means that growth, from new homes and businesses to expanded irrigation services, adds to overall expenses.

Our power supplier has notified us of a wholesale rate increase of approximately 9% starting in January 2025, with a similar increase expected in 2026. Park Electric worked with our power supplier to implement this rate increase over two years instead of one, in an effort to reduce the impact on our members. Both of our power providers cited inflation, infrastructure upgrades, and growth are the reasons for their rate increases.

During my manager's report, I explained what the increase in power costs would mean for our members. Simply put, we will have to raise rates in early 2025 and again in 2026, as we cannot absorb these higher costs from our power supplier while still covering our expenses. Our management team and board of directors are currently working through the rate-setting process to ensure a fair and equitable rate for our members. As a non-profit organization, we only charge slightly above our operating costs to meet your energy needs, and any excess is returned to you as capital credits. We will notify you by mail with details on the rate increase and its effective date.

We had two guest speakers address our membership. First was Chris Christenson, a rancher from near Hinsdale, MT, who drove nearly 7 hours each way to join us. Chris serves as a board member for NorVal Cooperative based in Glasgow, MT,

and is Montana's representative on NRECA's board. He explained that NRECA and cooperatives are bipartisan organizations focused on advocating for legislation that impacts reliability and the ability to maintain affordable electric service. Chris discussed how recent mandates from the Environmental Protection Agency are set to prematurely retire baseload generation across the U.S., potentially leading to power generation and supply shortfalls. He emphasized that baseload generation includes dispatchable resources, such as hydro dams, coal, and natural gas, that can be increased as needed to meet demand. Limiting or removing these sources would significantly affect both the reliability and cost of service for our members.



Mark Lambrecht, our legislative director for the Montana Electric Cooperative Association based out of Great Falls, discussed the situation surrounding the Snake River Dams. He explained that removing these dams would impact the region's power supply, jeopardizing reliability and leading to a power shortage. I believe this is an issue we should all pay attention to, even in other states across the U.S. If these dams are removed, it could set a precedent for dam removal nationwide. The result would be reduced reliability and a diminished power supply. Which, following basic supply and demand principles, would likely lead to higher costs.

This potential shift in energy policy highlights the importance of steady leadership within our cooperative. On that note, Bill Brownless announced the director election results, with both trustees running unopposed: Craig Yost won District 3, and Matt Jesson won District 4. Next year, elections will be held for District 2, currently represented by Dan Skattum, and District 7, represented by Perry Anderson.

In closing, I addressed any questions the membership had for Park Electric, after which the meeting was adjourned. I appreciate everyone who attended and enjoyed the opportunity to speak directly with many of you.

Park Electric Board of Trustees

District 1 - Alan Johnstone 406-220-2186
District 2 - Dan Skattum 406-223-0545
District 3 - Craig Yost 406-223-3008
District 4 - Matt Jesson 406-939-2306
District 5 - Bert Otis 406-333-4802
District 6 - William Brownlee 406-932-6210
District 7 - Perry Anderson 406-537-4546
General Manager - Matt Haggerty 406-222-3100

Connect with Park Electric

Billing and general information: 406-222-3100
Outage and project information: 406-222-7778

Online: www.parkedelectric.coop
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Livingston, Montana

