

PARK SPARKS

January 2024



SCHOLARSHIPS AVAILABLE

PARK ELECTRIC / BASIN SCHOLARSHIP \$1000

MECA MEMORIAL SCHOLARSHIP \$500

VISIT WWW.PARKELECTRIC.COOP/SCHOLARSHIPS-AND-APPLICATIONS
FOR MORE INFORMATION.

STUDENTS ARE ENCOURAGED TO APPLY FOR BOTH!

 **DUE FRIDAY,**
JANUARY 26th

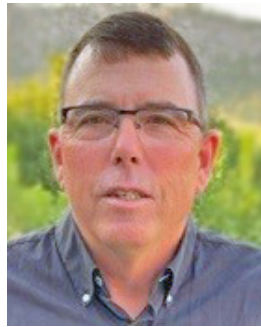
NEW RATE IN EFFECT

Check your power bill at the end of the month to see the new rate change that went into effect as of January 1, 2024. There is a separate line item on every bill for demand measured in kW. The new charge for every account, except irrigation, is \$2.00/kW. Each month, the peak demand will be measured and reset for the next month.

The peak demand can be reached at any time of the day. The average household in Montana hits their peak demand typically during the week between 6-8 am or from 5-7 pm. If you are looking for ways to reduce your demand, visit our website for more information - www.parkelectric.coop/reducing-demand. If you have questions about when you hit that peak, feel free to reach out to the office and we can look it up for you.

NEW BOARD MEMBER

In October at the Annual Meeting, the membership elected a new board trustee to fill the seat vacated by Melanie Roe. Bill Brownlee was selected as her replacement for District 6, which covers the area south of Big Timber in the Boulder Valley.



Bill is a 5th generation Montanan who resides on his family's farm which was established in the early 1900's. He had served on the Park Electric nomination committee and was interested in filling the vacant seat so he could learn more about the electric cooperative and how it operates. Bill is optimistic about the future of Park Electric and hopes to continue our great service to members at reasonable prices.

Energy Efficiency Tip of the Month

Get smart with a better way to heat and cool your home! Smart thermostats are Wi-Fi enabled and automatically adjust heating and cooling temperature settings in your home for optimal performance. Smart thermostats learn your temperature preferences and establish a schedule that adjusts to energy-saving settings when you're asleep or away.

For maximum energy savings, look for smart thermostat models with the ENERGY STAR® label.

Source: Dept. of Energy



By Matt Haggerty

I thought it would be beneficial to revisit our power supply, rates, and the factors that ensure a steady power flow. Our wholesale power provider is Central Montana Power Cooperative (CMEPC), and we maintain an All-Requirements Power Contract with them. This contract commits us to purchasing 100% of our power from CMEPC, and in return, they guarantee to fulfill 100% of our power needs. This agreement is in effect until 2075. One question that has arisen is why we entered into such a long-term commitment. The answer is straightforward: we seek the assurance that we can consistently deliver power to our members at the most stable rates possible.

Park Electric functions solely as a distribution cooperative, which means we do not generate electricity, we purchase it from CMEPC. CMEPC, in turn, acquires 65% of its power from the Western Area Power Administration and 35% from Basin. We then distribute this power from our substations to your meter.

To meet our power needs, Basin invests billions of dollars in infrastructure for power generation and transmission, designed to operate 24 hours a day, 7 days a week, 365 days a year. Securing loans for such substantial projects however, is challenging. Lending agencies typically demand long-term all-requirements contracts with consumers before providing the necessary funds. This contractual commitment gives the lenders confidence in repayment, allowing our power providers to build the required infrastructure.

Recently there had been an inquiry about Park Electric's pursuit of funding from the Inflation Reduction Act (IRA) to develop renewable energy sources. Due to our all-requirements contract, we are restricted to buying wholesale power exclusively from our provider. This means that if we were to construct a 30-Megawatt solar generation system, we'd be compelled to sell all generated power to our provider at a predetermined rate, only to buy it back at the same rate. This structure offers minimal savings for us, with the only potential cost recovery being a small reduction in transmission costs, contingent on the generation occurring during peak usage hours. Considering the economics involved, participating in such projects would likely result in increased costs for our members. This is due to the misalignment between the hours of sunlight in Montana and the peak power usage hours — typically 6-9 am and 5-8:30 pm.

With this in mind, the Inflation Reduction Act is more suited for our power supplier, Basin, which handles both generation and transmission for our cooperative. Basin has a dedicated team researching the act, funding opportunities, and conducting cost analyses. This team evaluates generation times versus usage times and calculates the benefits for our membership. While Park Electric may not directly participate in the IRA, we will benefit when Basin decides what projects to choose. I will provide periodic updates on these projects as Basin shares information with us.

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

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