

**BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING**

IN THE MATTER OF THE APPLICATION OF )	
POWDER RIVER ENERGY CORPORATION FOR )	DOCKET NO. 10014-202-CR-19
AUTHORITY TO IMPLEMENT A GENERAL )	(RECORD NO. 15372)
RATE INCREASE OF \$7,030,045 PER ANNUM )	
AND REVISE TARIFFS )	

**NOTICE OF APPLICATION**  
**(Issued November 1, 2019)**

1. Pursuant to the Wyoming Administrative Procedure Act and the Wyoming Public Service Commission's (Commission) Procedural Rules, notice is hereby given of the Application of Powder River Energy Corporation (PRECorp or the Cooperative) for authority to increase its overall system revenue by \$7,030,045 per annum and approval to revise its tariffs to accomplish the increase, effective no later than September 1, 2020.

2. PRECorp is a public utility as defined in Wyo. Stat. § 37-1-101(a)(vi)(C), subject to the Commission's jurisdiction pursuant to Wyo. Stat. § 37-2-112.

3. PRECorp's principal office is located at 221 Main Street, Sundance, Wyoming. PRECorp is duly authorized to generate, manufacture, purchase, acquire, and transmit electric energy, sell supplies, and dispose of electric energy in its certificated territory. PRECorp is a Class A member of Members 1st Power Cooperative and a Class C member of Basin Electric Power Cooperative. PRECorp serves customers in northeastern Wyoming, including in Campbell, Crook, Johnson, Sheridan, and Weston Counties, and also in a small area of southern Montana.

4. In its Application, PRECorp proposes to: (i) increase its overall system revenue by \$7,030,045 per annum; (ii) restate the base cost of power in the Cost of Power Adjustment (COPA) mechanism to reflect the current level of power cost; (iii) revise the existing base rates to reflect the appropriate recovery of COPA revenue based on the restated base cost of power; and (iv) revise rates to recognize changes in the cost of providing service and move rates for all rate classes closer to the cost of service. The impact of the proposed rate change on the average residential customer will be to increase the monthly billed charge from \$127.05 to \$138.28.

5. The proposed net revenue adjustments by class are as follows:

	<u>Change</u>	<u>% Change</u>
Residential (all classes)	\$2,062,487	8.87%
Seasonal	139,552	7.53%
Irrigation	24,338	5.61%
General Service	1,113,579	8.86%
General Service –CBM	-254,836	-10.17%
Large Power	2,621,679	6.20%
Large Power - CBM	297,638	1.66%

Large Power Transmission	882,114	1.54%
Large Power Transmission --CBM	134,798	3.70%
Large Power Transmission - General	7,123	1.42%
Lighting	1,573	0.46%
Total	\$7,030,045	4.32%
Other Revenue	0	0.00%
Total Revenue	\$7,030,045	4.23%

6. Due to rate design and individual customer load factors and usage characteristics, the percentage rate change to individual customers within each rate schedule may be higher or lower than the average for the customer rate class or rate schedule. The impact on individual bills may vary from the proposed increase in rates. **Further, the rates ultimately approved by the Commission on an individual customer class basis may be lower or greater than those being proposed by the Company.**

7. In addition to the proposed changes in rates for natural gas service, PRECorp is also proposing certain revisions to its service tariffs to incorporate its proposed changes in its rates for service. PRECorp states the rate increase proposed in its Application is to ensure PRECorp's operational and financial stability in a declining sales environment. As a result of declining sales to coal bed methane, oil and gas, and coal customers, PRECorp is facing an immediate revenue shortfall.

8. This is not a complete description of PRECorp's Application. The Cooperative's Application is on file with the Commission at its offices in Cheyenne, Wyoming, and at PRECorp's offices, located in Sundance, Wyoming. The Application may be inspected by any interested person during regular business hours. PRECorp's Cost of Service Study can also be reviewed on the Cooperative's website at [www.precorp.coop](http://www.precorp.coop).

9. Anyone wishing to file a statement, intervention petition, protest or request for a public hearing in this matter must do so in writing filed with the Commission on or before December 2, 2019. Any intervention request filed with the Commission shall set forth the grounds of the proposed intervention or request for hearing as well as the position and the interest of the petitioner in this proceeding. Please be sure to mention Docket No. 10014-202-CR-19 (Record No. 15372) in all correspondence with the Commission

10. If you wish to intervene in this matter or request a public hearing which you will attend, and you require reasonable accommodation for a disability, call the Commission at (307) 777-7427 or write to the Commission, 2515 Warren Avenue, Suite 300, Cheyenne, Wyoming 82002. Communications-impaired persons may contact the Commission through Wyoming Relay at 711.


11. Published notice of these matters shall consist of paragraphs 1 through 10 hereof.

12. This *Notice of Application* is effective immediately.

MADE and ENTERED at Cheyenne, Wyoming, on November 1, 2019.

BY ORDER OF THE COMMISSION



  
MICHAEL A. KOLLKER, Assistant Secretary  
Wyoming Public Service Commission  
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