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WHEATLAND **ELECTRIC COOPERATIVE** 





**Delivering Energy for Life** 

A Touchstone Energy Cooperative

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P.O. Box 1010 Syracuse, KS 67878

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### FROM THE MANAGER

# **Rising Costs Influence Rate Restructuring**

As a member-owned not-for-profit organization, Wheatland Electric Cooperative, Inc. (WEC) relies upon the revenue received by selling electricity to our member-owners to pay for our costs. These costs include the physical assets (poles, meters, fleet vehicles, etc.), as well as the expenses (wholesale cost of electricity, employee wages and tools, etc.).

Earlier this year, we hired C. H. Guernsey, our long-standing and reputable consultants, to prepare a study that examines our cost of providing electric service and the rate (tariff) charges for this service. This costof-service study (COSS) determines

the revenue needed to cover the cooperative's operating expenses and debt obligations, as well as examines the equitability of the rates among various consumers classes.

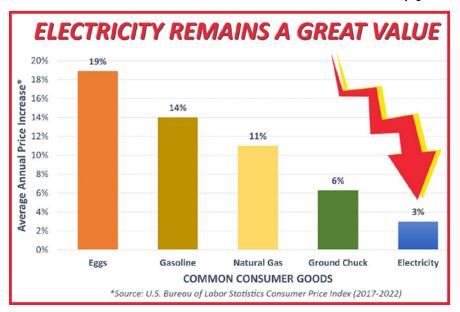
Prior to this year, the last COSS conducted at WEC took place in 2019, which



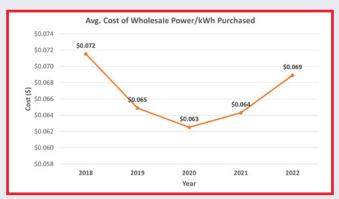
Bruce W. Mueller

resulted in the adoption of a revenue neutral rate adjustment, simplifying some rate classifications and realigning charges to cover the contributions toward providing electric service more accurately. Rate changes included a

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# Rising Costs Influence Rate Restructuring Continued from page 12A>



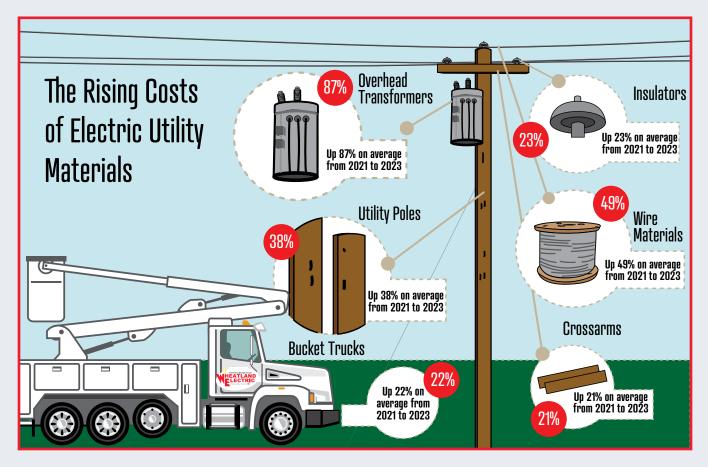
Our average cost of power per 1,000 kWhs purchased reflects our wholesale power cost and is a pass-through expense we charge cooperative members.

> decrease in the kWh charge, an increase in the monthly Service Availability Charge, simplified tariff language and redesigning the Power Cost Adjustment. These rate changes were phased in over a three-year period and overall, were designed to neither increase nor decrease WEC's generated revenue.

Over the past few years WEC's operating expenses have continued to rise despite ongoing efforts to control costs while providing reliable electric service to the membership. The financial integrity of WEC has been adequately maintained even though the cooperative's base rates have not increased since 2016. However, the time has come that, to meet future financial requirements, the board of trustees will be considering an update to base electric rates.

### **Increased Distribution Costs**

Currently, 30% of WEC's costs (expenses) are to deliver electricity to 32,000-plus meters. Just like many of the items you purchase for your household, inflation and supply issues have impacted our cooperative. In the past couple of years, items essential to delivering safe and reliable electric service have skyrocketed. On average we have seen prices increase for transformers by an average 87%, wire materials by an average 49%, and utility poles by an average 38%. We have seen lead times for some materials jumping from a few



months to over a year. In addition, other expenses such as fuel and the cost of regulations and compliance have seen significant increases.

### **Keeping Rates** Low

Wholesale power costs account for about 70% of the total

cost of providing electricity to WEC members. Sunflower Electric Power Corporation (Sunflower), a non-profit electric generation and transmission cooperative, provides WEC's wholesale power. Wheatland continues to help keep wholesale power costs down while acting as an advocate for our member-owners through representatives on the board of directors at Sunflower, our wholesale power supplier, and Kansas Electric Cooperatives, our statewide organization. These roles enable us to participate in the budget processes of both organizations and prioritize WEC member needs.

WEC is continually looking for ways to minimize the cost to deliver safe. reliable electric service to our members without sacrificing service. For example, WEC is utilizing technology such as advanced metering infrastructure (AMI) and drones which allow quicker response times and improved service



The residential cost per 1,000 kWhs reflects what our residential members pay for electricity (taxes not included), and this all-in cost has not increased since 2016.

to members all the while reducing operating costs. In addition, we've implemented purchase ordering processes that allow us to save money on bulk purchases.

The WEC Board of Trustees and management carefully consider the interests of the membership when a rate adjustment is recommended to them. Any proposed rate adjustment will be designed to provide only the revenue needed to ensure WEC can safely and reliably provide electric service to members for years to come while meeting our financial obligations.

We will continue to update you with information in Kansas Country Living (KCL) magazine as we continue to work on and finalize the COSS results. A meeting notice will be sent to the membership in one of the upcoming editions of KCL when the Wheatland Board of Trustees will consider action on the proposed COSS.

UNTIL NEXT TIME, TAKE CARE.







# We're Working on It!



We do our best to avoid them, but there's no way around it: power outages occasionally happen. For most Wheatland Electric members, outages are rare and only last a few hours.

But when severe weather impacts our area, extended outages are unavoidable, like those experienced by our co-op members in Great Bend and across our southwest Kansas service territory in mid-July.

When damaging storms like these strike, our employees get to work — immediately. When severe weather struck Great Bend on July 16, 2023, our line crews began working on restoration repairs right away, and our cooperative sent crews from our southwest and other central district offices to aid in repair efforts in less than 24 hours.

Later that week, when damaging storms again

struck our western districts of Scott, Finney, Kearny, Wichita and Greeley counties on July 20, 2023, crews from Great Bend and Harper reciprocated relief efforts to minimize outage duration and speed up repairs, including hundreds of utility poles that needed to be replaced.

The round-the-clock work for most of our crews across our expansive service territory could not have happened without a dedicated team of employees — across our cooperative — who care about the work they do and put their jobs first, oftentimes before family, fun, and other personal agendas when the need arises. We do not take the hard work and dedication of our employees for granted — in many ways, they are the heart of our cooperative!

So, when the power goes out, how do our crews know where to start working? And how do you know if we are aware of your outage or if it has been reported? We've got answers to these questions and more, and it all starts with a safe, efficient plan for power restoration.

When the lights go out and it's safe for our crews to begin the restoration process, they start by patrolling the power lines and assessing the damage and causes. Then they safely repair the power lines and equipment that will restore power to the greatest number of people in the shortest time possible.

Our lineworkers have access to an advanced metering infrastructure (AMI) system and an updated mapping system to restore power quickly and safely. This process typically begins with repairs to the larger main distribution lines that service the greatest number of homes and businesses. After those repairs are made, crews work on tap lines, which deliver power to transformers, either mounted on utility poles (for above-ground service) or placed on pads (for underground service). Finally, individual service lines that run between the transformer and the home are repaired.

We can't control the weather, but we can prepare for it. WEC keeps a supply of extra utility poles, transformers, and other equipment on hand in all the communities we serve so we can quickly get to work in the event of an outage. When widespread outages occur, like those this past July, multiple crews will be out in the field simultaneously working to repair damage at multiple locations.

Thank you to our cooperative employees for their hard work and dedication during storm season! Mother Nature can be unpredictable, but as a member of Wheatland, you can feel confident knowing we're standing by, ready to restore power as quickly and safely as possible.





### HOW TO REPORT AN

If you experience a power outage, don't assume a neighbor reported it. It's best to report the outage yourself. During business hours, call your local WEC office or use our outage reporting hotline after hours, on holidays and weekends: 1-800-ON-AGAIN (1-800-662-4246).

To stay up to date, you can also view our live outage map at www.weci.net/view-or-reportoutage. We also post updates in real time to our Facebook page (www.facebook.com/ WheatlandElectric) and update with new information as it becomes available. Do not report outages on Facebook. Please call to report your outage. After reporting, follow us on Facebook or check our website to stay up to date!

AFTER HOURS OR YOUR LOCAL WHEATLAND OFFICE DURING REGULAR BUSINESS HOURS.

### FEELING GRATEFALL FOR OUR

# Shared Success

Sharing Success Fund makes a difference in our communities



AUG. 8 — MELVEN O. KUDER SENIOR CENTER

WEC Member Services and Key Accounts Manager Kayanna Hammeke (far left) presents a \$1,000 Sharing Success grant to Melven O. Kuder Senior Center. Pictured from left are: Senior Center Director Chelsey Cavenee; her two sons, Kameron and Brantley (front left and right); board members Dave Tarman, Shirley Price, Daryl Miller and Al Foster. Grant funds will be used toward patio furniture near the community garden.



**MAY 17 — CHAPARRAL JUNIOR HIGH CHEER** 

The Chaparral Junior High School cheer squad received a \$1,000 WEC Sharing Success grant to help purchase new uniforms and other equipment.



JULY 14 — CALDWELL CLUB SCOUT PACK

WEC presents a \$1,000 Sharing Success grant to Caldwell Cub Scout Pack 940. Funds will be used toward building an American flag retirement box used to collect flags to retire them with dignity and respect.



**AUG. 8 — FINNEY COUNTY RETIRED AND SENIOR VOLUNTEER PROGRAM** 

Finney County Retired and Senior Volunteer Program volunteers accept a \$1,000 Sharing Success grant from WEC Member Services and Key Accounts Manager Kayanna Hammeke (far left). Grant funds will help purchase items for Santas for Seniors benefitting more than 145 seniors with non-perishable foods, personal hygiene items, puzzle books, new socks and blankets.



**AUG. 8 — GREELEY COUNTY ELEMENTARY SCHOOL** 

WEC Member Services and Key Accounts Manager Kayanna Hammeke (left) presents a \$1,000 Sharing Success grant to Jana Phillips, first-grade teacher at Greeley County Elementary School in Tribune. Funds will be used to purchase hands-on learning manipulatives for the first-grade classrooms to enhance their learning environment in reading and math and allow them to move from concrete experiences to abstract learning.



**AUG. 8 — SYRACUSE FIRE DEPARTMENT** 

Syracuse Fire Department Fire Chief David Stimatze (left) accepts a \$1,000 Sharing Success Grant from WEC Member Services and Key Accounts Manager Kayanna Hammeke. Grant funds will be used to purchase mannequins for trainings allowing firefighters to experience realistic scenarios and prepare for emergencies.



## MAY 30 — BARTON ARTS MOVEMENT

WEC Member Services and Key Accounts Manager Mary Hoisington (second from right) presents a \$1,000 Sharing Success grant to Barton Arts Movement represented by Andrea Bauer (right). Grant funds will be used toward the sunflower mural project on the Sunflower Building, which houses the Great Bend Chamber of Commerce represented by Edith Solorzano (left) and Megan Barfield (second from left).

