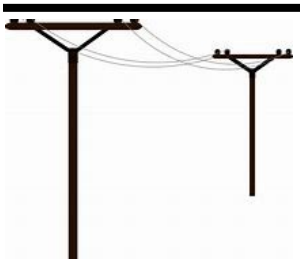
MID-YELLOWSTONE ELECTRIC COOPERATIVE, INC.

OFFICE HOURS
Monday through Thursday
7 a.m. to 5:30 p.m.

406-342-5521

P.O. BOX 386, HYSHAM, MT 59038



ALONG THESE LINES . . .

by Jason Brothen

UNDERSTANDING DEMAND & DEMAND CHARGES

Although the 2024 irrigation season is at it's end, we would like to answer the questions of 'What is demand, and why does MYEC charge a demand on irrigation meters?' "Demand" is the total amount of electricity being used by a consumer at any one time. Demand varies from hour to hour, day to day and season to season. This usage, which is expressed in kilowatts or kW (not kilowatt-hour) is called the "demand" on the system. For irrigation, MYEC uses meters that measure and record the actual maximum kW/demand reading. MYEC monitors demand over a 15-minute period. The irrigator is charged for the highest 15-minute average recorded on the demand meter.

To answer 'Why does MYEC charge a demand?' The simple answer is that MYEC is billed by our power supplier in that way. MYEC's power bill is then passed on to the member based on their energy and demand needs or requirements. The larger the motor, the higher the demand. Our wholesale power supplier invoices MYEC on a calendar-month basis. They read our wholesale electric meters on the last day of each month at midnight. It is MYEC's intent to read our irrigation meters as close to that time as possible. Once you have irrigated during a calendar month, you can start your pump as many times as you want during that same month and still pay for only one maximum kW demand charge. If you are planning to start your pump for the first time during the month and it is close to the end of the month, waiting until the 1st of the next month can save you that month's demand charge. At the end of the month the AMR meter will 'reset' which resets the demand reading, but not the usage reading.

Prior to the 2018 season, the demand rate was based on a per horsepower charge; but that charge does not represent a true demand on the pump or motor. MYEC is billed on kW. For this reason, starting in 2018 the per horsepower was converted to kW, which is equal to $9.58 a kW. This allows us to be more accurate and fair with our rate charges.

Demand charges are how MYEC shares the costs of being ready and able to deliver enough electricity, whenever it's required, among all irrigation members. Meters are designed to sample individual member's power draw (or load) at continuous 15 minute intervals and to identify the highest "demand" level reached during the entire billing month. This is the demand that will be billed since it reflects the level of power that had to be ready to supply when the member needed it. In this way, all irrigators pay their fair share of the overhead for always having sufficient power capacity available.

MID-YELLOWSTONE ELECTRIC COOPERATIVE, INC.

Basic Principles of a Cooperative

The basic principles of a cooperative, to which we subscribe, are:

1. **Voluntary Membership**—Cooperatives are voluntary organizations open to persons willing to accept the responsibilities of membership. The relationship can be voluntarily ended at any time.
2. **Democratic Member Control**—Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. Members have equal voting rights (one member, one vote).
3. **Member Economic Participation**—Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative.
4. **Autonomy and Independence**—Cooperatives are autonomous, self-help organizations controlled by their members.
5. **Education, Training, and Information**—Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperative.
6. **Cooperation among Cooperatives**—Cooperatives often work together through local, national, regional, and international entities.
7. **Concern for Community**—While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by their memberships.

Sophomores & Juniors: Essay due date is December 2—to go to Washington D.C.

FUN FACTS ABOUT COOPERATIVES

- The first cooperative in the United States was the Philadelphia Contributionship for the Insurance of Houses from Loss by Fire, which was founded in 1752 by Benjamin Franklin. This mutual fire insurance company is still in operation today and is the oldest continuing mutual insurance company in the continental United States.
- Dairy and cheese cooperatives: The first dairy and cheese cooperatives were established in 1810.
- Boston's Workingman's Protective Union: This was the first known consumer cooperative, established in 1845.
- Randolph on West Eighteenth Street: This was the first recorded cooperative housing community, established in 1876 in New York.
- Farm Credit System: This was established in 1916 and is the oldest and largest financial cooperative in the United States.
- Number of cooperatives: There are over 29,000 cooperatives in the United States, operating in every sector of the economy.

Source: *Internet*