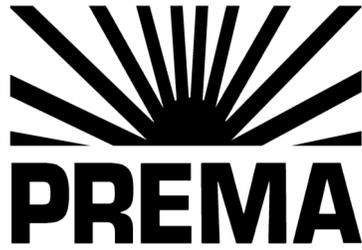


February, 2014



PLUGGED IN WITH . . .

Panhandle Rural Electric Membership Association



New Transformer at Substation 17

R & C Welding uses their crane to remove the old transformer at Substation 17.



PREMA Substation 17, which is located 10 miles west of Alliance, on Otoe Road, received a new transformer in recent weeks. The old 1960's vintage transformer was showing deterioration in the insulation and needed

replaced. The new SPX Waukesha unit was built in North Carolina and delivered to the PREMA yard on December 19, 2013. This transformer, weighing in at 50,940 pounds, was assembled, tested, connected and placed online in the first week of January 2014.

A crane from R & C Welding of Gering, was used to remove the old transformer and then place the new one in its spot. It is interesting to know that two trailers had to be brought from Gering for the job; one to haul the outriggers and the other for the counter weight. This was necessary to avoid load limits on the trailers. Each outrigger weighed 18,000 pounds and the counter weight for the crane was 30,000 pounds!

This new transformer should serve PREMA well into the future and is one of two new transformers in the PREMA system. The second one was placed at PREMA's substation 15, which is located by the Snake Creek feedlot, 20 miles west of Alliance on Otoe Road.





CO2 Proposal Eliminates Coal Option

By Cathy Cash | ECT Staff Writer Published: January 9th, 2014

Carbon dioxide standards as revised by the Environmental Protection Agency still “effectively eliminate new coal power plants as a future electric generation option,” NRECA CEO Jo Ann Emerson warned.

“The emissions standards require carbon capture and storage at new coal plants despite this technology not existing on a commercial scale at any power plant anywhere in the world,” she added. EPA’s new proposal takes “a reliable domestic fuel with a historically predictable cost off the table.”

NRECA is continuing to urge the administration to reconsider this proposal in light of its potential cost to rural communities.

“As not-for-profit, consumer-owned utilities, electric co-ops rely on a diverse fuel mix to provide affordable, reliable electricity to 42 million Americans. We believe strongly in our responsibility both to our environment and to members, who often serve some of the most economically vulnerable populations in this country,” Emerson said.

EPA’s proposed rule, published Jan. 8 in the *Federal Register*, is open for comment for 60 days and the subject of a public hearing at the agency’s Washington headquarters Jan. 28.

Key points of contention about the standards raised by co-ops and congressional leaders remain.

EPA contends that the “best system of emission reduction” for fossil fuel generation is partial implementation of carbon capture and storage technologies. Agency cost analysis assumes that revenue from using the carbon for enhanced oil recovery would make the costs of partial CCS more reasonable.

Kirk Johnson, NRECA senior vice president of government relations, said the proposal’s additional carbon storage and reporting requirements, however, would actually hamper the use of carbon dioxide captured from power plants for enhanced oil recovery. In addition, operational changes by those recovering oil could jeopardize a power plant’s compliance with the carbon dioxide standard.

As evidence of the potential availability of CCS, the agency’s new proposal lists four projects under development and notes that three of the four received financial aid from the U.S. government. But existing law prohibits such standards based on government-funded technologies, House Energy and Commerce Committee Chairman Fred Upton, R-Mich., and his subcommittee chairmen told EPA in a letter last November and asked the agency to withdraw the proposal.

“We still have yet to receive a response to our letter questioning the legality, but EPA appears to be moving full speed ahead with this proposed rule despite the concerns we raised that it is in clear violation of the Energy Policy Act of 2005,” Energy and Power Subcommittee Chairman Ed Whitfield, R-Ky., said Jan. 8. “We will continue our vigorous oversight of this rulemaking, which has been fraught with irregularities, and we continue to believe that EPA is acting far beyond the scope of its legal authority at the detriment of the American public.”

The proposal sets separate carbon dioxide standards for new electric generation from coal and natural gas. EPA said it is not, at present, proposing standards for modified or reconstructed power plants.

EPA plans to propose carbon dioxide standards for existing power plants in June.

PREMA has new office hours! We are now open from 7:30 a.m. - 4:30 p.m. Monday through Friday.

Notes From Load Management

PREMA would like to thank the irrigators who have participated in our Load Management program in the past. We first implemented Load Management in the summer of 2001. PREMA has been very successful in using Load Management to reduce its power bill and also reduce kW demand to its system. Estimated savings going back to 2007 is 6.4 million dollars. This is money that stays in our local economy and a percentage is passed back to irrigators that participate in Load Management.

In 2013 Tri-State, our power supplier, changed how we are billed which consequently affected the Load Management Program. With this change, there are less control periods and no control in July and August. Less control periods result in a reduction in savings. Even with this reduction, we can still offer a discount back to irrigators participating in Load Management.

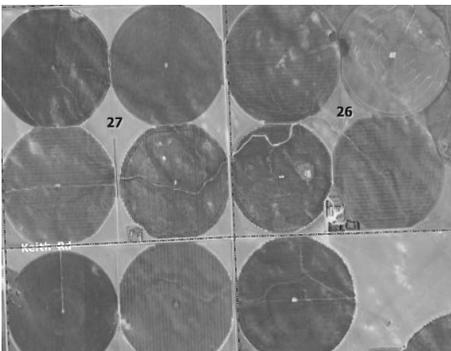
Listed below are the advantages of Load Management:

1. Provides savings to irrigators that sign up for Load Management. (The more participants in Load Management, the more dollars that will be available to pass back)
2. Provides cost savings to PREMA by shifting energy to off-peak times.
3. Helps PREMA's power supplier Tri-State.
4. Allows PREMA the capability to curtail load in emergency situations such as demand over load and equipment failure.



In the past, during emergency situations, we have used the Load Management system to curtail kW load to avoid major equipment damage and system wide outages.

I recommend that if you have participated in Load Management in the past and did not participate in 2013, to reconsider participating in 2014. To get the savings, the account must be enrolled all five months. As long as the accounts are enrolled thru May, there is no penalty to drop off of Load Management.



If you are a PREMA irrigator, you will be receiving a letter in the mail with the guidelines for Load Management. The deadline for Load Management sign up will be February 28. If you have questions about Load Management or would like to sign up for 2014, please call the office at 762-1311 or email Tim Sherlock at tims@prema.coop.



Darci's Dream



Darci Grosz is the 28 year old daughter of Paul & Terry Grosz. **Paul is the Staking Engineer at PREMA.** She was born and raised in Alliance, Nebraska and graduated from Alliance High School in 2004, received a Bachelor's Degree in Physiology from the University of Wyoming in 2009, and is currently pursuing a Master's Degree in Nutrition. Darci is engaged to Jeremy Gross, has danced since she was three years old, and has a passion for music.

On September 11, 2013, Darci was diagnosed with stage 3 Primary Mediastinal Diffused Large B Cell Lymphoma, which is a Non-Hodgkins Lymphoma. It is an aggressive cancer that presented as inoperable tumors in three areas of her body: behind her sternum, in her lymph nodes, and in her abdomen. The main tumor behind her sternum was 13 x 9 cm. In the tumor world, that is huge.

Darci lives and is being treated in Cheyenne, Wyoming. Her treatment protocol is called E-POCH, which is a very aggressive treatment. It involves a five-day continuous chemo infusion every three weeks for six to eight rounds. She has to be hospitalized for the treatments.

Even with insurance, Darci's medical expenses are skyrocketing. With her upcoming wedding, it is Darci's dream, and the dream of her family and friends, that these medical bills can be completely paid by the time Darci walks down the aisle in September.

If you would like to help with the fundraising efforts, you may do so by going to www.giveforward.com and searching for Darci's Dream, where you can make an online donation. Or, you may make a donation in Darci's name at any branch of Wells Fargo Bank. Your support would be greatly appreciated. **Let's help make Darci's dream come true!**



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FAX—(308) 762-5750