Member Newsletter ◆ Fergus Electric Cooperative, Inc., Lewistown, MT ◆ www.ferguselectric.coop



MANAGER'S MESSAGE

From Carson Sweeney

THE DAYS ARE SHORT BUT OUR TEAM IS BUSIER THAN EVER

APPY New Year to the membership of Fergus Electric Cooperative, Inc!

Roundup facility

The completion of our new office/ shop for our team in Roundup is just weeks away. The facility is everything we had envisioned three years ago when we started planning the project. Once perimeter fencing and area lighting is complete, we will begin the transition of moving into the new facility. After we have moved in, we look forward to inviting the membership in for a tour.

New rate structure

Our front office team is also busy working through the details of our new rate structure change. As a reminder, the new rate structure went into effect lanuary 1.

On a month-to-month basis, members will be categorized into a rate class based on the monthly peak kW that occurs between 6–9 a.m. and 6–9 p.m. We have four rate classes as shown on the graphic on this page. Ninety-seven percent of our members land within the 0 kW \leq 30 kW rate class. The remaining 3 percent of our members fall into the other three categories.

Fergus Electric will no longer have unique rates for irrigation or commercial. All active meters will

NEW RATE SCHEDULE: GENERAL SERVICE

RATE PER MONTH - BASED ON MONTHLY PEAK DEMAND

0 kW ≤ 30 kW:

- o Base Charge: \$32.50
- o Energy Charge: \$0.10/kWh
- o Peak Demand Charge: \$2.50/kW

> 30 kW ≤ 60 kW:

- o Base Charge: \$45.50
- o Energy Charge: \$0.0925/kWh
- Peak Demand Charge: \$6.50/kW

> 60 kW ≤ 90 kW:

- o Base Charge: \$58.50
- o Energy Charge: \$0.085/kWh
- o Peak Demand Charge: \$10.50/kW

> 90 kW < 1,000 kW:

- o Base Charge: \$71.50
- o Energy Charge: \$0.0775/kWh
- o Peak Demand Charge: \$14.50/kW

be billed a minimum base charge of \$32.50/month, all months of the year. Irrigation members will no longer be assessed a seasonal horsepower charge. Irrigation members will be subjected to the same rates as all other members.

The new rate structure is designed to create fair and equitable rates across the entire membership, based on usage. The new rate removes historical subsidies as well as excessive charges for minimal usage.

I have worked very hard to communicate these changes in a proactive and transparent manner. For several months we have utilized our monthly magazine to educate our membership on the new rate structure. I hope you found our bill examples helpful in understanding how the new rates will be calculated. If you have any questions pertaining to your electric bill, please call our office. Our team is looking forward to working with you as we dive into the new year.

New transmission line

Our new transmission line in the Hilger-Winifred area is going well, and is ahead of schedule. We have appreciated the work of our contractor Red Rock Power from Chinook. Their crews have been busy setting poles and will soon begin stringing new conductor from pole to pole. They are building a reliable transmission line that will serve our members for 60-plus years. The current expectation is that the project will be completed by the end of April. We will keep the membership updated as this project nears completion.

Happy New Year

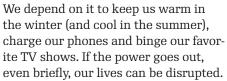
I hope you have an enjoyable start to the new year. From all of us at Fergus Electric, Happy New Year!

A BEGINNER'S GUIDE TO THE ELECTRIC GRID

By MAURA GILES | For Fergus Electric

plays an essential role in everyday life.

It powers our homes, offices, hospitals and schools.



The system that delivers your electricity is often described as the most complex machine in the world, and it's known as the electric grid.

What makes it so complex? We all use different amounts of electricity throughout the day, so the supply and demand for electricity is constantly changing. For example, we typically use more electricity in the mornings when we're starting our day, and in the evenings when we're cooking dinner and using appliances. Severe weather and other factors also impact how much electricity we need.

The challenge for electric providers is to plan for, produce and purchase enough electricity so it's available exactly when we need it. Too much or too little electricity in one place can cause problems. So, to make sure the whole system stays balanced, the electric grid must adjust in real time to changes and unforeseen events.

At its core, the electric grid is a network of power lines, transformers, substations and other infrastructure that span the entire country. But it's not just a singular system. It's divided into three major interconnected grids: the Eastern Interconnection, the Western Interconnection and the Electric



Reliability Council of Texas. These grids operate independently but are linked to allow electricity to be transferred between regions when backup support is required.

Within the three regions, seven balancing authorities known as independent system operators (ISOs) or regional transmission organizations (RTOs) monitor the grid, signaling to power plants when more electricity is needed to maintain a balanced electrical flow. ISOs and RTOs are like traffic controllers for electricity.

The journey of electricity begins at power plants.

Power plants can be thought of as factories that make electricity using various energy sources, like natural gas, solar, wind and nuclear energy. Across the U.S., more than 11,000 power plants deliver electricity to the grid.

Fergus Electric Coooperative receives power from our generation and transmission (G&T) co-op, Basin Electric Power Cooperative. We work closely with Basin to provide electricity at the lowest cost possible. Being part of a G&T benefits members like you by placing ownership and control in the hands of your co-op, prioritizing affordability and reliability, supporting local economic development and fostering a sense of community.

To get the electricity from power plants to you, we need a transportation

system.

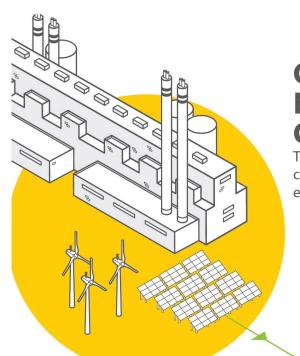
High-voltage transmission lines act as the highways for electricity, transporting power over long distances. These lines are supported by massive towers and travel through vast landscapes, connecting power plants to electric substations.

Substations are like pit stops along the highway, where the voltage of electricity is adjusted. They play a crucial role in managing power flow and ensuring that electricity is safe for use in homes and businesses.

Once the electricity is reduced to the proper voltage, it travels through distribution power lines, like the ones you typically see on the side of the road. Distribution lines carry electricity from substations to homes, schools and businesses. Distribution transformers, which look like metal buckets on the tops of power poles or large green boxes on the ground, further reduce the voltage to levels suitable for household appliances and electronic devices.

After traveling through transformers, electricity reaches you — to power everyday life.

We're proud to be your local, trusted energy provider. From the time it's created to the time it's used, electricity travels great distances to be available at the flip of a switch. That's what makes the electric grid our nation's most complex machine — and one of our nation's greatest achievements.



CRITICAL CONNECTIONS: HOW ELECTRICITY GETS TO YOU

The electric grid is considered one of the most complex machines in the world, delivering the electricity we need for everyday life.



step 1

GENERATION

Power plants generate electricity using a variety of energy sources, like solar, natural gas, nuclear and wind energy.

step 2

STEP-UP TRANSFORMER

A step-up transformer increases the voltage to push the electricity over long distances.

step 3

TRANSMISSION LINES

High-voltage electricity travels over long distances through these lines.



DISTRIBUTION SUBSTATION

These substations lower the voltage again so the electricity is ready to travel on distribution lines.

step 6

DISTRIBUTION LINES

Lower-voltage electricity travels through distribution lines, like the ones you typically see on the side of the road.

step 4

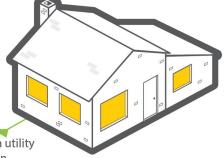
TRANSMISSION SUBSTATION

Voltage is lowered at a transmission substation so electricity can travel across the local distribution system.



FINAL STOP

A transformer located on the ground or a utility pole reduces the voltage a final time, then electricity is sent inside your home, school or business.



Cybersecurity a co-op focus

By JENNAH DENNEY

For Rural Montana

LECTRIC cooperatives recognize the evolving cyber-threat landscape that poses disruptions to the nation's electric grid. As responsible providers of power to our consumer-members, co-ops are taking proactive measures to secure the grid.

Cyber threats, ranging from phishing to compromised passwords, have the potential to disrupt power reliability. That's why electric co-ops are working to stay one step ahead by continually assessing vulnerabilities, monitoring emerging threats and implementing cybersecurity defense measures. By securing the grid against cyber threats, co-ops ensure a more reliable power supply, reducing the risk of disruptions.

Electric co-ops are implementing multiple cybersecurity strategies to utilize a defense-in-depth approach, emphasizing concern for our local communities and the importance of reliability for the members we serve.

Electric co-ops are deploying advanced monitoring and protection systems that continuously analyze network traffic, detect suspicious activity and alert security personnel to potential problems. Additionally, co-ops regularly practice security audits to identify vulnerabilities, assess risks and implement necessary updates and patches to safeguard critical infrastructure.

Recognizing that cybersecurity is a team effort, electric co-ops regularly engage with other co-ops, industry organizations, government agencies and cybersecurity experts to share best practices, develop lessons learned and stay up to date on the latest threats. This kind of collaboration enables us to develop robust cybersecurity measures. Electric co-ops also participate in mutual aid efforts focused on cybersecurity events, such as the Cyber Mutual Assistance Program. By

working together, we are stronger and better prepared.

Electric co-ops also understand the importance of educating all employees on the latest cybersecurity issues, which is why we provide regular trainings to inform co-op staff on best practices, and the significance of adhering to security protocols. By cultivating an internal culture of cybersecurity awareness, we are improving cyber knowledge and skills for co-op employees.

In addition to internal measures, co-ops are establishing dedicated cybersecurity points of contact so that members can easily identify individuals with whom they can discuss any cyber-related concerns. Co-op members are regularly targeted by energy scammers, whether through false claims or messages sent as emails, or phone scams from people falsely claiming to represent the co-op. By identifying and reporting these incidents, you can help play an important role in keeping our co-op community safe from cyber threats and scams.

Electric co-ops remain committed to providing reliable power to the members we serve. Our top priority is to keep your information secure, and your lights on.

We will continue working hard to strengthen the grid, keep data safe and ensure the long-term well-being of our local communities. In the face of increasing cyber threats, these proactive measures provide a foundation for a robust and secure electric grid.

Jennah Denney writes on consumer and cooperative affairs for the National Rural Electric Cooperative Association, the national trade association representing nearly 900 local electric cooperatives. From growing suburbs to remote farming communities, electric co-ops serve as engines of economic development for 42 million Americans across 56% of the nation's landscape.

IDENTIFY ACCOUNT NUMBER*

WIN A \$32.50 CREDIT

If one of the following account numbers is yours, call Fergus Electric (406-538-3465) and identify yourself and your account number and you will receive a \$32.50 credit on next month's statement.

Account 395082, Account 397015 Account 345635, Account 8100 Account 356990, Account 361679

No winner to report for last month.



Your Touchstone Energy® Partner

FOR OUTAGES

First: Check the fuses or breakers in the building in which the electricity is off. Second: Check the breaker below the meter. Third: If electricity is still out, call a neighbor to

see if they have electricity. Fourth: Call 406-538-3465 day or night or:

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Bret Ophus	406-366-7523
Bret Nellermoe (Roundup)	
Carson Sweeney	
Melanie Foran	
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