



SPARKS

December 2025

POTENTIAL RATE ADJUSTMENT SET FOR EARLY 2026

High West Energy will be evaluating and potentially implementing a rate adjustment in early 2026 as part of our ongoing commitment to providing our members with reliable and safe energy and services. While we have done our best to avoid retail rate adjustments for the last nine years, we are now facing another rate adjustment from our power supplier, Tri-State Generation and Transmission Association.

As a reminder, we are proud to have absorbed a 6% rate adjustment in 2024 from Tri-State and were financially able to not pass it on to our members. However, ongoing increases in power supply and industry costs may require High West Energy to implement a rate adjustment to ensure reliable service for our members.

Industry costs have continued to rise due to growing electricity demand, supply chain challenges, material shortages, and continually increasing labor expenses, among others (see infographics from the National Rural Electric Cooperative Association on the next page). These costs will only continue to rise, and this is forcing electric utilities to also adjust their costs.

While it is easy to look at this in a negative aspect, we do need to recognize the importance of rate adjustments. Rate adjustments ensure utilities can continue strengthening the grid to minimize outages, while modernizing and upgrading infrastructure. Additionally, it allows utilities to pursue projects that benefit its members and support safe, reliable service.

With every financial decision we make, we consider how we are spending our members' money and if the cost is beneficial for our members. We have continued to focus on reallocating costs to be as reasonable as possible while maintaining excellent reliability metrics. With rising costs across the industry, we've emphasized cost-effective strategies such as developing plans to install fiber optics between critical system communication points, improving workflow efficiency, maximizing the tools offered by our software provider to reduce additional expenses, and comparing material costs, among other efforts. In addition, we continue to utilize load growth and low-risk opportunities to pass those benefits along to you.

High West Energy offers various resources, such as rebates for acquiring energy-efficient appliances and tools. Rebate information is provided on our website. There are also many local organizations that are available to assist if required. If you would like more information about these programs or organizations, please contact our office.

While these circumstances are not ideal, we hope that early communication about a potential rate adjustment will not only help you prepare but will also provide an understanding of why a rate adjustment may be necessary. Further communication about this will be provided in the following months to keep our members informed throughout this process. Please feel free to contact our office if you have any questions.

HIGH WEST ENERGY

IN THIS EDITION:

POTENTIAL RATE ADJUSTMENT

INFRASTRUCTURE COSTS

YOUTH TOUR 2026

High West Energy's mission is to serve our members and communities by providing safe, reliable, and reasonably priced energy and services.

CONTACT US

307-245-3261

www.highwest.coop

MAIN OFFICE

6270 County Road 212
Pine Bluffs, WY 82082

OFFICE HOURS

Monday-Thursday
7:30 AM - 5 PM

BOARD OF DIRECTORS

Mike Romsa, District 11

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David Crouse, Chief Information Officer

Konnie Keehnen, Member Services Manager

Carol Macy, Employee Services Manager

Nate Begger, Operations Manager

Alex Henry, Engineering Manager

For updates, follow us on Facebook and LinkedIn!

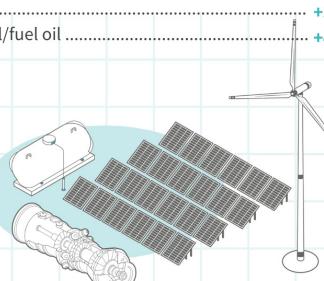
This institution is an equal opportunity provider and employer.

Infrastructure Costs

The past five years have been a period of exploding costs for the electric utility industry and for broadband providers, pushed by soaring demand, supply chain challenges, raw materials shortages, increased labor costs and tariffs. The impact has been rapid increases in the cost of producing power, longer and more unpredictable project timelines and the need for more financing, all of which have driven electric rates up for residences, businesses and other end-users. Here's a look at what's contributing to the trend. Percent increase since 2020:

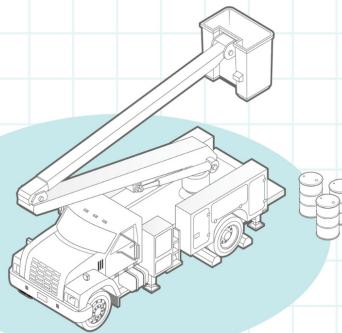
Generation Costs

Diesel gensets	+20-40%
Gas turbines	+20-30%
Solar PV systems	+25-35%
Wind turbines	+25-35%
Hydropower components	+20-30%
Battery storage	+25-40%
SCADA/EMS systems	+20-30%
Inverters	+20-30%
Relays & switch gear	+25-40%
Natural gas	+20-120%
Coal	+30-60%
Diesel/fuel oil	+40-70%



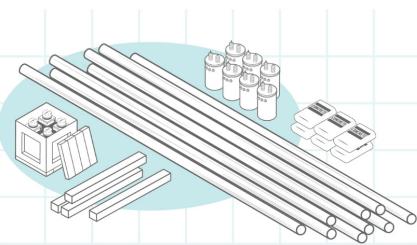
Fleet Costs

Light trucks	+25-40%
Bucket trucks, digger derricks	+20-50%
Fuel costs (especially diesel)	+20-30%
Maintenance	+15-25%
Insurance premiums	+20%



Infrastructure Costs

Utility poles (wood, steel, composite)	+25-40%
Crossarms & braces (steel/wood)	+20-35%
Conductor wire (aluminum/copper)	+30-50%
Transformers	+70-100%
Grain-oriented electrical steel	+80-100%
Oil/dielectric fluids	+25-40%
Copper wiring	+50%
Concrete	+25-35%
Smart meters	+20-35%
Pad-mounted switchgear	+25-40%
Circuit breakers/reclosers	+20-35%



Sources: NRECA, BLS; energynews.com; Reuters; Wood Mackenzie; NREL; IEA

How will you MAKE YOUR MARK?

Experience the trip of a lifetime with Youth Tour!

- Explore Washington, D.C. through historic monuments, world-class museums, and visits with elected officials.
- Build leadership skills and discover how you can make your mark on the future.
- Connect with students from across the country and form friendships that last a lifetime, all sponsored by your local electric cooperative.
- Must be dependent of a High West Energy member.

APPLICATIONS DUE December 19th!



The application can be found at www.highwest.coop/about-my-co-op.

For questions, contact High West Energy at 307-245-3261.

