

NOTICE TO MEMBERS OF BEARTOOTH ELECTRIC COOPERATIVE

A two-year power contract with Energy Keepers, Inc. starts in 2022, and includes an option for three-year extension.

The Beartooth Electric Cooperative Board of Trustees voted on June 27, 2017 to approve a two-year contract for wholesale power with Montana-based Energy Keepers, Inc. (EKI). The contract will supply BEC requirements from October 1, 2022 through September 30, 2024. A current contract with Morgan Stanley meets BEC wholesale power requirements from October 1, 2017 through September 30, 2022.

BEC is notifying co-op members that the contract with EKI includes an option to extend the contract for three additional years, through September 30, 2027. BEC may choose to exercise the option within 75 days of the June 27 execution of the contract. If BEC declines the option to extend the contract, the co-op could begin negotiations with EKI for three additional years of power supply, which also could increase the term of a new power contract beyond two years.

BEC Bylaws require 60-day notice to members of proposals for power contracts exceeding two years. Either of our current potential alternatives, exercising the contract extension option or negotiating further with EKI, could result in a favorable contract with EKI exceeding two years. To begin the required process of informing and hearing from members BEC will follow this notification with an announcement of the new contract with EKI, including background on the potential extension.

Opportunities for members to comment include board meetings on July 25 and August 29.

Beartooth Electric Bylaws Article IV, Section 1, G: The Board shall provide at least 60-day notice to Members of proposals before the Board approves long-term debt exceeding two (2) years, or enters or amends power contracts exceeding two (2) years. During the notification period, Members shall be allowed to comment on such proposals, including, at the monthly Board Meeting immediately prior to the Board Meeting at which a vote on the proposal is scheduled, or at specially scheduled Board Meeting for Member comments and discussion.

Submitted June 29, 2017 9:15 a.m.

For additional information, call the co-op at 446-2310 or contact any member of the Beartooth Board of Trustees.