

# Bluestem NEWS

## BLUESTEM ELECTRIC COOPERATIVE

### BOARD OF TRUSTEES

**Mark Diederich**  
President

**Donald Classen**  
Vice President

**Bruce Meyer**  
Secretary

**Amanda Gnadt**  
Treasurer

**Patricia Bloomdahl**  
Trustee

**Gary Buss**  
Trustee

**Steven Ohlde**  
Trustee

**Stephen J. O'Shea**  
Trustee

**Dan Pollock**  
Trustee

**Matthew Rezac**  
Trustee

**Richard Ridder**  
Trustee

### MANAGEMENT STAFF

**Michael M. Morton**  
General Manager

**Trisha Bradley**  
Manager of Accounting and Finance

**Jerod Chaffee**  
Manager of Line Operations

**Benjamin C. Easterberg**  
Manager of AMI and Mapping/OMS

**Kevin Heptig**  
Manager of Member Services

### CONTACT US

Bluestem Electric Cooperative, Inc.  
P.O. Box 5, Wamego, KS 66547  
800-558-1580

## FROM THE MANAGER

# Electricity Provides Powerful Value

To many, there are aspects of life that become sort of a daily routine. They get ready for work, get in their car and drive to the coffee shop on the way to the office. At lunchtime, they drive to the nearest fast-food location and get lunch. Once they finally end the day at home, they stream an episode or two of their favorite show before bed.

As we all look for ways to save money in this age of increasing inflation, I began to think about my daily routine and how much value it provided me compared to the money I spent. A morning coffee can cost about \$6, a fast-food combo with a burger, fries and a drink sets you back \$10, and a Netflix subscription is about \$16 each month. All these daily expenses total around \$85 a week, or about \$340 monthly. And what is the real value — short-term satisfaction? Even

by packing a lunch, coffee would still cost about \$120 a month. This got me thinking — is this the best value for the money?

The average daily cost of electricity for Bluestem members is about \$5.83, and the average monthly electric bill for members of Bluestem Electric is \$175. You could power your entire home every day for the price of a medium latte. We could brew our own coffee, cook our own meals, binge a series and run on a treadmill for less than the cost of that drink. Now to me, that is real value.

Electricity provides benefits that we often take for granted. It goes well beyond short-term satisfaction by allowing us to charge devices and have

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Mike Morton

**DID YOU KNOW THE AVERAGE DAILY COST OF ELECTRICITY IS \$4.57,\* OR ABOUT \$140 PER MONTH?**

Electricity fuels our daily life essentials, from heating/cooling equipment to entertainment devices and appliances. Think of how vital power is compared to other everyday purchases.

*That's real value.*

## WHERE DO YOU FIND Value?



Morning To-Go Latte



Fast-Food Combo Lunch



All-Day Power

SOURCES: ENERGY INFORMATION ADMINISTRATION (\*BASED ON 2022 NATIONAL AVERAGE OF 907 KWH), MONEYGEEK AND CNET

## NOTICE TO MEMBERS: BOARD TO CONSIDER RATE CHANGES

The Board of Trustees will discuss and vote upon a rate change proposal at a special Board of Trustees meeting. This meeting is open to the membership and will be held on **MONDAY, AUG. 19, 2024**, at 10 a.m. at the cooperative's headquarters at 1000 South Wind Drive in Wamego.

If you are unable to attend or have questions, you may call the office at 800-558-1580 or send written comments to Bluestem Electric Cooperative, Inc., P.O. Box 5, Wamego, KS 66547. Members have the right under K.S.A 66-104d(g) to petition the Kansas Corporation Commission for review of a rate change.

## Electricity Provides Powerful Value

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cold food and hot water, all in a comfortable indoor climate. Besides the privilege it affords, electricity has also remained relatively cost-stable even amid rising inflation.

As a member-owned cooperative, Bluestem does everything in our power to ensure your costs stay reasonable and that electricity remains a great value for our members. It is not always easy, as there are several factors beyond inflation that impact the price of electricity — some within our control but most beyond it.

The cost of electricity can fluctuate due to supply and demand, infrastructure investment, maintenance and operational expenses. Weather patterns also contribute, affecting generation capabilities, with extreme conditions leading to heightened energy use or disruptions. Government policies, such as subsidies for renewable energy or taxes and regulations on emissions, shape electricity costs as well. Bluestem considers all these aspects when adjusting rates, and because we are a cooperative, we consider the impact of those costs on our members as well.

As our community continues to rely on electricity for nearly everything in our homes, schools, hospitals and businesses, we need it to be reliable and affordable. You can be assured, Bluestem always keeps you in mind and works each day to ensure electricity remains the best value for your money.

# COST-OF-SERVICE Study Results

In the last couple of issues of *Bluestem News*, we have discussed the completion of our rate study along with the proposed rate changes. The study showed that overall electric rate revenues should be increased by approximately \$1.5 million, or about 8.2%. The last general rate adjustment was in January 2017. The study also showed rate structures need adjusted to better track the cost of providing electric service. Rate structure refers to billing charges that recover fixed and variable charges. Bluestem plans to implement a three-part rate, which will include the Customer Charge, Energy Charge and Demand Charge. The change to the three-part rate will create a more equitable rate for all members.

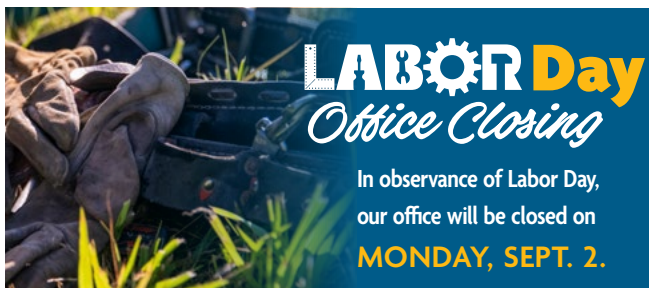
The proposal includes a recommendation to increase the monthly Customer Charge and implement a Demand Charge. With these changes members will notice a decrease in the Energy Charge, or the price per kilowatt hour. A portion of the cooperative's costs are the same for all members in similar rate classes whether a member is a high energy user or low energy user.

The Demand Charge is something each of us can and must control. Over the past few years, we have printed your monthly demand reading on your billing statement. This includes the date and time it was incurred. We encourage you to review your past bills, monitor your current bills and understand what drives your demand reading up and down monthly. Demand is the rate of energy used at any given point in time and is measured by the highest rate at which a member uses electricity during a 60-minute period and is billed accordingly. The demand charge will be billed on the highest demand registered during the billing period.

The tables on these pages give a more detailed explanation of the current and proposed rates for each class. The proposal, if approved by the Board of Trustees, will become effective on Oct. 1, 2024, and will be reflected on the November bill.

Kansas law requires BEC to provide members with notice of the time and location of any meeting of the Board of Trustees where rate changes will be discussed and voted on. Members may attend the special Board meeting, listen to the discussion and the vote of the Board, as well as ask questions on the rate changes. The special Board of Trustees meeting will be held on Monday, Aug. 19, 2024, at 10 a.m. at the cooperative's headquarters at 1000 South Wind Drive in Wamego.

For more information on the proposed rate change, please contact the cooperative office at 800-558-1580.



MEMBER CLASS		CURRENT EFFECTIVE RATE	CHANGE	PROPOSED RATE	
SINGLE PHASE SERVICE	STANDARD	Annual Revenue	\$13,977,532	\$1,333,689	\$15,311,221
		Customer Charge \$/mo.	\$36.00	\$14.00	\$50.00
		NCP Demand Charge \$/kW		\$4.50	\$4.50
		Energy Charge \$/kWh			
		Winter (Oct.-May)			\$0.10820
		First 750 kWh	\$0.13400	(\$0.02580)	\$0.10820
		Next 750 kWh	\$0.13150	(\$0.02330)	\$0.10820
		Next 1,500 kWh	\$0.12900	(\$0.02080)	\$0.10820
		Over 3,000 kWh	\$0.12650	(\$0.01830)	\$0.10820
		Summer (June-Sept.)	\$0.14150	(\$0.02330)	\$0.11820
	ELECTRIC HEAT	Winter (Oct.-May)			\$0.10000
		First 750 kWh	\$0.13400	(\$0.03400)	\$0.10000
		Next 750 kWh	\$0.12650	(\$0.02650)	\$0.10000
		Over 1,500 kWh	\$0.11570	(\$0.01570)	\$0.10000
		Summer (June-Sept.)	\$0.14150	(\$0.03150)	\$0.11000
	HEAT PUMP	Winter (Oct.-May)			\$0.09000
		First 600 kWh/ton	\$0.10550	(\$0.01550)	\$0.09000
		Excess kWh	\$0.12650	(\$0.03650)	\$0.09000
		Summer (June-Sept.)	\$0.13150	(\$0.03150)	\$0.10000
	TOU	Winter (Oct.-May)	\$0.11750	(\$0.03850)	\$0.07900
Summer (June-Sept.)					
Peak (3-6 p.m.)		\$0.30000	\$0.10000	\$0.40000	
	Off-Peak (6-3 p.m.)	\$0.11750	(\$0.03850)	\$0.07900	
CATHODIC PROTECTION OF PIPELINES	Annual Revenue	\$81,445	\$8,160	\$89,605	
	Customer Charge \$/mo.	\$8.00	\$42.00	\$50.00	
	Demand Charge \$/kW	\$14.00	\$0.00	\$14.00	
	Energy Charge \$/kWh	\$0.10819	(\$0.07319)	\$0.03500	
THREE PHASE SERVICE	STANDARD	Annual Revenue	\$492,977	\$9,991	\$502,968
		Customer Charge \$/mo.	\$48.00	\$22.00	\$70.00
		NCP Demand Charge \$/kW		\$4.50	\$4.50
		Energy Charge \$/kWh			
		Winter (Oct.-May)			\$0.09650
	First 2,000 kWh	\$0.13561	(\$0.03911)	\$0.09650	
	Next 3,000 kWh	\$0.13311	(\$0.03661)	\$0.09650	
	Over 5,000 kWh	\$0.13061	(\$0.03411)	\$0.09650	
	Summer (June-Sept.)	\$0.14311	(\$0.03661)	\$0.10650	
	Winter (Oct.-May)	\$0.11311	(\$0.04551)	\$0.06760	
TOU	Summer (June-Sept.)				
	Peak (3-6 p.m.)	\$0.75000	\$0.00000	\$0.75000	
	Off-Peak (6-3 p.m.)	\$0.11311	(\$0.04551)	\$0.06760	
GENERAL SERVICE DEMAND	Annual Revenue	\$282,882	\$3,660	\$286,542	
	Customer Charge \$/mo.	\$48.00	\$22.00	\$70.00	
	Demand Charge \$/kW	\$14.00	\$6.00	\$20.00	
	Energy Charge \$/kWh	\$0.09177	(\$0.01177)	\$0.08000	
	Load Management Demand Credit \$/kW	(\$14.00)	\$0.00	(\$14.00)	
	Load Management Energy Credit \$/kWh	(\$0.00800)	(\$0.00400)	(\$0.01200)	

MEMBER CLASS		CURRENT EFFECTIVE RATE	CHANGE	PROPOSED RATE	
IRRIGATION SERVICE	STANDARD	Annual Revenue	\$445,866	\$78,730	\$524,596
		Customer Charge \$/mo.	\$36.00	\$14.00	\$50.00
		Horsepower Charge \$/HP	\$35.00	\$0.00	\$35.00
		On Peak Demand Charge (June-Sept., 3-6 p.m.)		\$5.00	\$5.00
		Energy Charge \$/kWh Summer (June-Sept.)	\$0.13972	(\$0.02472)	\$0.11500
	LOAD MGMT	Winter (Oct.-May)	\$0.13222	(\$0.02472)	\$0.10750
		Load Management Credit \$/HP	(\$20.00)	\$5.00	(\$15.00)
		Energy Charge \$/kWh	\$0.07088	\$0.00000	\$0.07088
		Annual Revenue	\$1,913,004	\$17,045	\$1,930,049
		Customer Charge \$/mo.		\$82.00	\$82.00
LARGE POWER SERVICE	STANDARD	Demand Charge \$/kW	\$14.00	\$6.00	\$20.00
		Energy Charge \$/kWh	\$0.10247	(\$0.01567)	\$0.08680
		CP Demand Charge \$/kW			
		Summer (July-Aug.)	\$15.40	\$0.00	\$15.40
		Winter (Sept.-June)	\$11.15	\$0.00	\$11.15
	TIME OF USE	NCP Demand Charge \$/kW	\$4.50	\$0.00	\$4.50
		Energy Charge \$/kWh	\$0.10247	\$0.00000	\$0.10247
		Demand Charge \$/kW	\$14.00	\$6.00	\$20.00
		Load Management Demand Credit \$/kW	(\$14.00)	\$0.00	(\$14.00)
		Energy Charge \$/kWh	\$0.10247	(\$0.01567)	\$0.08680
LOAD MGMT	Load Management Energy Credit \$/kWh	(\$0.00800)	\$0.00000	(\$0.00800)	
	Annual Revenue	\$12,757	\$2,439	\$15,196	
	Demand Charge \$/kW	\$10.00	\$5.00	\$15.00	
	Energy Charge \$/kWh	\$0.07818	\$0.00000	\$0.07818	
	Load Management Demand Credit \$/kW	(\$10.00)	\$0.00	(\$10.00)	
KG MOATS	Load Management Energy Credit \$/kWh	(\$0.00800)	\$0.00000	(\$0.00800)	
	Annual Revenue	\$361,124	\$5,376	\$366,500	
	Wholesale Power Cost Plus:				
	Customer Charge \$/mo.		\$18.75	\$18.75	
	Demand Charge Adder \$/kW	\$1.25	\$0.35	\$1.60	
MAPCO	Energy Charge Adder \$/kWh	\$0.00373	\$0.00000	\$0.00373	
	Annual Revenue	\$153,842	\$0	\$153,842	
	NCP Demand Charge \$/kW	\$5.00	\$0.00	\$5.00	
	CP Demand \$/kW				
	Summer (June-Sept.)	\$15.40	\$0.00	\$15.40	
NING	Winter (Oct.-May)	\$11.15	\$0.00	\$11.15	
	Energy Charge \$/kWh	\$0.05453	\$0.00000	\$0.05453	
	Annual Revenue	\$6,430	\$0	\$6,430	
	Energy Charge \$/kWh	\$0.17216	\$0.00000	\$0.17216	
	Annual Revenue	\$149,208	\$0	\$149,208	
HIGHWAY LIGHTING	Small Lights \$/mo	\$11.55	\$0.00	\$11.55	
	Large Lights \$/mo	\$20.77	\$0.00	\$20.77	
	Annual Revenue	\$149,208	\$0	\$149,208	
OUTDOOR AREA LIGHTING	Small Lights \$/mo	\$11.55	\$0.00	\$11.55	
	Large Lights \$/mo	\$20.77	\$0.00	\$20.77	
	Annual Revenue	\$149,208	\$0	\$149,208	

## NOMINATING COMMITTEE SELECTED

Each year the Board of Trustees of the cooperative shall appoint a nominating committee whose function is to nominate one or more candidates for trustee positions with expiring terms. The Bluestem Board of Trustees has appointed the following members to serve on the respective nominating committee:

### DISTRICTS 1 & 2

*(TO MEET IN CLAY CENTER ON OCT. 1)*

#### DISTRICT 1

- ▶ **RANDY MEYER** — Palmer
- ▶ **JON PENNER** — Hanover
- ▶ **LARRY SCHEEL** — Linn

#### DISTRICT 2

- ▶ **JANE BURGMAN** — Leonardville
- ▶ **STEVEN FOX** — Clay Center

### DISTRICTS 3 & 4

*(TO MEET IN WAMEGO ON SEPT. 30)*

#### DISTRICT 3

- ▶ **CODY BROCK** — Onaga
- ▶ **MIKE HEPTIG** — St. George
- ▶ **JON HOLLIDAY** — Soldier
- ▶ **KATHRYN MURRAY** — Onaga

#### DISTRICT 4

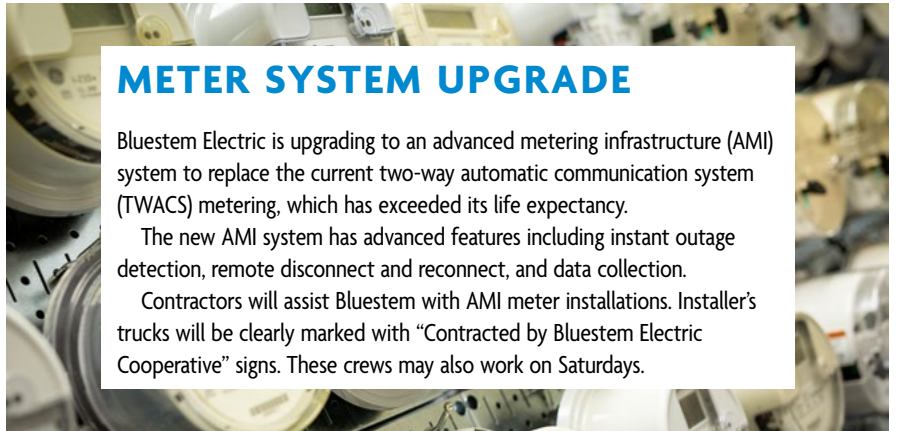
- ▶ **EVAN PARSONS** — Manhattan
- ▶ **CONNIE MILLER** — Alma

### TRUSTEE POSITIONS WITH EXPIRING TERMS

**DISTRICT 1 & 2, POSITION – AT LARGE**  
**MARK DIEDERICH** — Greenleaf

**DISTRICT 3, POSITION – 2**  
**DAN POLLOCK** — Havensville

**DISTRICT 3 & 4, POSITION – AT LARGE**  
**RICHARD RIDDER** — St. George



## METER SYSTEM UPGRADE

Bluestem Electric is upgrading to an advanced metering infrastructure (AMI) system to replace the current two-way automatic communication system (TWACS) metering, which has exceeded its life expectancy.

The new AMI system has advanced features including instant outage detection, remote disconnect and reconnect, and data collection.

Contractors will assist Bluestem with AMI meter installations. Installer's trucks will be clearly marked with "Contracted by Bluestem Electric Cooperative" signs. These crews may also work on Saturdays.

## EXCERPT FROM THE BLUESTEM ELECTRIC COOPERATIVE BYLAWS

### Bluestem Nomination and Election Process

#### SECTION 4.05 NOMINATION OF TRUSTEES.

The Board shall appoint a nominating committee, on or before the first of October of each year, consisting of not less than one, nor more than five members from each district for whom a Trustee is to be elected. Board members may not serve on the nominating committee.

Only committee members from each district will nominate their own candidate. Committee members from districts one and two will meet together in any County within District #1 and/or District #2 where the Cooperative is providing a Cooperative Service and committee members from districts three and four will meet together in any County within District #3 and/or District #4 where the Cooperative is providing a Cooperative Service. Nominating committees shall meet during the month of October. On or before the first day of November, the nominating committee shall prepare and post a list of nominations for Trustee at the Wamego headquarters and on the Cooperative Website and/or other Cooperative Social Media sites. The committee shall nominate one or more candidates for each position. Nominations may be made by petition, filed on or before the close of business, November 30, at the Wamego headquarters. The

petition must be signed by no less than 5% of the membership of the district for whom the Trustee is to be elected. The secretary shall immediately post such nominations at the same place where the list of nominations by the committee is posted. Nominations made by the petition shall appear on the ballot in the order received

#### SECTION 4.06 ELECTION OF TRUSTEES.

The election of Trustees shall be by mail ballot and/or electronic ballot as determined by the Trustees. Only those nominees selected by the nominating committee or nominated by petition shall appear on the ballot. There may be write-in votes for a qualified member not named on the ballot. The ballot shall first list the name(s) nominated by the committee, then the name(s) nominated by petition in the order received and, at the end, a place to write in a name. Failure of strict compliance with provisions of this section shall not affect the validity of any election of Trustees.

The secretary shall mail the ballots to the respective members by the 10th day of December of each year.

On or before the first day of January of each year, ballots must be postmarked or received at the Wamego office.