

High West Energy, Inc.
PO Box 519
Pine Bluffs, Wy 82082-0519

BOARD OF DIRECTORS

- District 11 - Troy Freeburg PH #308-673-5336**
Bushnell, NE
 - District 12 - Don Wisroth PH #245-3454**
Pine Bluffs, WY
 - District 13 - Clinton Farrar PH #547-3435**
Hillsdale, WY
 - District 14 - Jerry Burnett PH #970-895-3386**
Hereford, CO
 - District 15 - Dan Acheson PH #308-235-2300**
Kimball, NE
 - District 16 - Wayne Child PH #632-5401**
Cheyenne, WY
 - District 17 - Russ Nielsen PH #308-879-4262**
Potter, NE
- The monthly board meeting is normally held on the 4th Monday of each month.**

MANAGER: Brian D. Heithoff
EDITOR: Tamara McNamee

OFFICE HOURS

Mon-Fri - 7:30 a.m. - 5:00 p.m.
Open During Noon
Closed Weekends - Holidays

PHONE NUMBERS

Outage calls 24 hours a day
Laramie County 245-3261
Toll Free 1-888-834-1657

WEBSITE INFORMATION

www.highwestenergy.com
www.TogetherWeSave.com
www.ourenergy.com
www.touchstoneenergy.com

BILLING QUESTIONS

Local 245-3261
Toll Free 1-888-834-1657

High West Energy
Your Touchstone Energy® Partner

Join us for the 72nd Annual Meeting

WHEN: NOVEMBER 12th, 2011, DOORS OPEN AT 10:00 a.m.

LUNCH AT 11:30
BUSINESS MEETING AT 1:00

WHERE: KIMBALL HIGH SCHOOL
901 SOUTH NADINE
KIMBALL, NEBRASKA

At the August 29th meeting of the High West Energy Board, the Directors voted and elected to retire 1.6 million dollars in patronage dividends at this year's annual meeting. When you attend the meeting be sure to pick up your check and if you just simply can't be there in person we will mail it to you.



Office Closures

The offices and outposts of High West will be closed:

Thanksgiving Day and the Friday after:
November 24th & 25th

As always, in case of emergencies please be sure to call as we are available 24/7.

Power Outages and Winter Storms

When a winter storm comes in during warmer temperatures the cause of outages are a combination of the rain, snow, wind and temperature. As the rain or wet snow turns to ice on the power lines, it forms ice below the wire and as the wind hits the wire it rolls the ice sideways causing it to bounce. This is what causes the blinking as the lines hit together until the ice falls off or the wind quits blowing or the wire burn down causing an outage. When we get into the colder weather we do not have as much trouble with ice, but it is still possible.

Continued on page 3

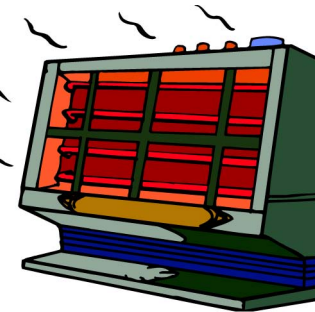
Cut Your Heating Bill in Half!

Did this headline catch your attention? That is what retailers are hoping to do with phrases and headlines similar to this one. While these claims do have some truth to them, they are also very misleading. The truth in the statement is not based on the quality of the heater, but rather your use of the heater and your home heating system.

Small space heaters are typically used when the main heating system is inadequate or too expensive to operate. They are also used to boost room temperatures of individuals who are sensitive to cold. While these are the intended and practical uses for portable heaters, they should not be used to heat your whole house.

Most space heaters rely on convection (the circulation of air in a room) to heat a room, some rely on radiant heating; that is, they emit infrared radiation that directly heats up objects and people that are within their line of sight. Radiant heaters are a more

If you are considering using one of these types of heaters, you must first realize the truth of using portable heaters. First, any appliance (portable heater) that you have to plug in will increase your electric bill. The claims made by most retailers is that it will only cost you as little as \$1 a day. Well, while this claim may be partially true, the fine print reveals the true cost. Generally these advertisements use a lower



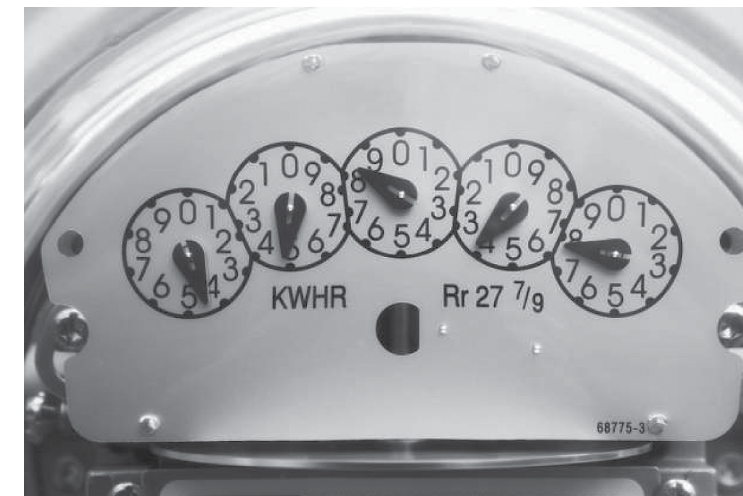
cost per kWh (usually around 7 cents). High West Energy's cost per kWh is .09235 cents over 500 kWh. Secondly, the hours per day that the unit is running will greatly influence the cost that is added to your electric bill. If your house is not well insulated or has large open rooms, chances are that the portable heater will run

more often which will dramatically increase your bill. In the advertisements, the low cost is usually based on a run time of 6 hours per day; when in reality, the run time for portable heaters is usually at least 12 hours per day. Finally, the claim says that you can lower your heating bill. This can only be accomplished if you can lower the setting on your thermostat

for your whole house heating system. If you don't lower your thermostat and use a portable heater, you are actually doubling your heating bill.

While we are the electric company and we do provide you with safe reliable electricity, we don't like to see inefficient uses of electricity that cost you more money.

"Buyer beware", while this phrase is a good guide to live by; we would like it to be your guide as you enter this winter season. If you are considering using or purchasing a portable heater this year and it sounds too good to be true, feel free to call our office and we will give you an estimate of the cost to run the heater.



efficient choice when you will be in a room for only a couple of hours, if you can remain within the line of sight of the heater. A convection heater may be used efficiently for smaller rooms that can be sealed off from the rest of the house (bathrooms, back bedrooms, etc.).

Thank you to everyone that participated in our online survey regarding our website, our service, how we can make paying your bill even easier and outage information. AND THE WINNERS ARE: Raymond Martin \$200.00, Collette Vossler \$100.00 and Justin Miller \$50.00. CONGRATULATIONS!

Power Outages and Winter Storms con't.....

On our storm October 8, 2011, in the Cheyenne area, we had about 6" of snow packed to the sides of the pole and about 2 1/2 to 3 inches of ice on the lines. We had about 5 broken poles, 12 wires burned down and 12 wires wrapped together. Our line crews started at 2:00 P.M. on Saturday and worked straight through until 4:00 P.M. on Sunday to get our customers power back on.

We want to take this opportunity to thank you for your patience understanding and cooperation during this recent storm.

CAPITAL CREDIT QUESTIONS & ANSWERS

What's the difference between allocated and retired capital credits?

Allocated capital credits appear as an entry on the permanent financial records of the cooperative and reflect your equity in High West Energy. When capital credits are retired, a check is issued to you and your equity in the cooperative is reduced. It generally takes 30 years after the year in which the margins were earned to be entirely paid off.

Are there other names for capital credits?

Yes, the term "capital credits" is synonymous with several other terms, such as: patronage capital, deferred patronage capital, membership dividends and patronage dividends. They all refer to the same thing - the cooperative's way of tracking and paying members their pro rata share of excess revenue over that of our expenses.

How are capital credits calculated?

The amount of capital credits you earn in a given year is based upon the amount of capital you contribute to the co-op through payment of your monthly bills. The more energy you use, the greater your capital credits account – although the percentage will remain the same. The sum of your kWh consumption for a year is compared to the total kWh sales of the year to determine your capital credits.

How does High West Energy raise capital for operations and improvements?

Cooperatives usually obtain capital in two ways: borrowing and retention of capital supplied by members.

Do my capital credits earn interest or dividends?

No. If that were the case, higher electric rates would be needed to generate the interest or dividend fund.

Will I receive a capital credits check every year and if so, how much??

HWE cannot make a guarantee as to if and/or how much of a retirement will be paid each year. That decision is made annually, usually in the fall. Please know though that the Board of HWE is strongly committed to making an annual dividend payment, and the Board of Directors is responsible for authorizing a retirement before you receive a check. When considering a retirement, the board analyzes the financial health of the cooperative and will not authorize a retirement if High West Energy cannot afford it.

What happens to the capital credits of a member who dies?

The capital credits of a deceased member may be paid without waiting for a general retirement and can be paid on a discounted basis to reflect the early retirement. However, these estate payments are not automatic. A representative of the estate must request the credits by submitting a form and a copy of the death certificate. These will be considered by the High West Energy Board of Directors. If retirement is approved by the board, a check will be issued to the estate and the account closed.

Does the size of my capital credit account affect voting rights in Board of Director elections?

No. In a cooperative, every member has one vote.

Do I lose my capital credits in the years the co-op decides not to make refunds?

No. All capital credits from every year members have been served by High Wests Energy are maintained until such time as the board refunds them.

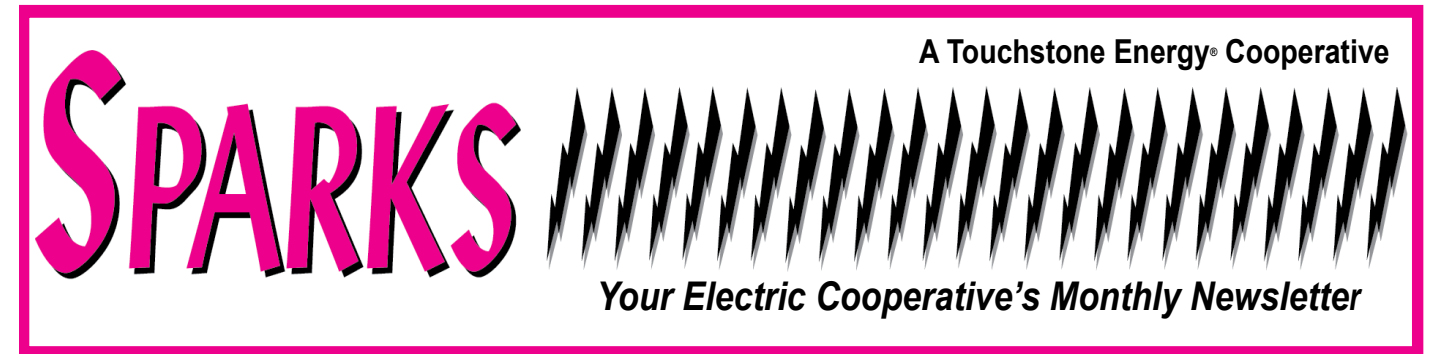
Why doesn't HWE simply lower rates instead of paying a dividend?

The HWE Board of Directors has a fiscal responsibility to maintain the financial integrity of the cooperative in a way that provides competitive rates and allows the return of capital credits to members. We need to finance a portion of our assets with equity and cannot finance 100% of the cooperative assets with debt. No lending institution would do that, and if they did, the interest rates would be much higher. Our members, as ratepayers, would pay for that added interest expense in your electric bills; so in fact, your electric rates would not go down. In essence, a small amount you pay for your electricity goes to equity. If we didn't do that, a similar amount would be needed to pay off high debt financing.

How much has High West Energy paid in total capital credits refunds since it began in 1938?

High West Energy has paid \$16,987,680 in capital credits refunds to current and former members through December 31, 2010.

Please feel free to call if you have any questions or visit with one of the employees at the annual meeting.



NOVEMBER 2011

NOAA says: "Know your winter weather terms"

The National Oceanic and Atmospheric Administration (NOAA) urges folks to keep abreast of local forecasts and warnings and familiarize themselves with key weather terminology. Here are some terms you will want to learn as we head into the heart of winter:

Winter Weather Advisories: Issued for accumulations of snow, freezing rain, freezing drizzle, and sleet which will cause significant inconveniences and, if caution is not exercised, could lead to life threatening situations.

Dense Fog Advisory: Issued when fog will reduce visibility to ¼ mile or less over a widespread area.

Snow Flurries: Light snow falling for short durations. No accumulation or light dusting is all that is expected.

Snow Showers: Snow falling at varying intensities for brief periods of time. Some accumulation is possible.

Snow Squalls: Brief, intense snow showers accompanied by strong, gusty winds. Accumulation may be significant. Snow squalls are best known in the Great Lakes region.

Blowing Snow: Wind-driven snow that reduces visibility and causes significant drifting. Blowing snow may be snow that is falling and/or loose snow on the ground picked up by the wind.

Sleet: Raindrops that freeze into ice pellets before reaching the ground. Sleet usually bounces when hitting a surface and does not stick to objects. However, it can accumulate like snow and cause a hazard to motorists.

Freezing Rain: Rain that falls onto a surface with a temperature below freezing. This causes it to freeze to surfaces, such as trees, cars, and roads, forming a coating or glaze of ice. Even small accumulations of ice can cause a significant hazard.

Winter Storm Outlook: Issued prior to a Winter Storm Watch. The Outlook is given when forecasters believe winter storm conditions are possible and are usually issued 3 to 5 days in advance of a winter storm.

Winter Storm Watch: Alerts the public to the possibility of a blizzard, heavy snow, heavy freezing rain, or heavy sleet. Winter Storm Watches are usually issued 12 to 48 hours before the beginning of a Winter Storm.

Winter Storm Warning: Issued when hazardous winter weather in the form of heavy snow, heavy freezing rain, or heavy sleet is imminent or occurring. Winter Storm Warnings are usually issued 12 to 24 hours before the event is expected to begin.

Blizzard Warning: Issued for sustained or gusty winds of 35 m.p.h. or more, and falling or blowing snow creating visibilities at or below ¼ mile; these conditions should persist for at least three hours.

Wind Chill Advisory: Issued when wind chill temperatures are expected to be a significant inconvenience to life with prolonged exposure, and, if caution is not exercised, could lead to hazardous exposure.

Wind Chill Warning: Issued when wind chill temperatures are expected to be hazardous to life within several minutes of exposure.