FALL - 2026
Volume 69 No.4

HIGHLIGHTS

Garkane energy

"Owned By Those We Serve"



Garkane to see a modest rate increase in 2027

Garkane has been notified by its wholesale power supplier, Deseret Power, of an expected rate increase beginning in 2027. Deseret's historically low wholesale rates are a big part of why Garkane members have enjoyed affordable power for decades — and while rates will rise slightly, members will continue to benefit from low-cost power overall.

The rate increase traces back to a major equipment failure in March of this year, when the turbine at Deseret's coal-fired power plant went offline. For the past seven months, Deseret has been unable to generate its own electricity and has instead had to purchase power on the open market to meet its commitments to its six member cooperatives. That reliance on market purchases, combined with the cost of repairing the turbine, has created a significant unforeseen financial burden — one that must ultimately be passed on to Deseret's member-owners, including Garkane. (1313900)

Recognizing the strain this could place on members, Deseret and Garkane opted to spread the rate increase over two years rather than implement a single larger hike this year. The impact has been softened by a relatively stable power market over the past several months, which helped limit how much the interim purchases actually cost.

Deseret's low rates have long been possible because it owns its

(cont. on pg. 3)



Crews lower the repaired generator in the Bonanza Power Plant, located near Vernal, UT. The Bonanza Power Plant is owned by Deseret Power and provides low-cost power to Garkane Energy

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PRESORTED
STANDARD
U.S. POSTAGE
PAID
LAS VEGAS, NV
PERMIT NO.
707

Rate Increase

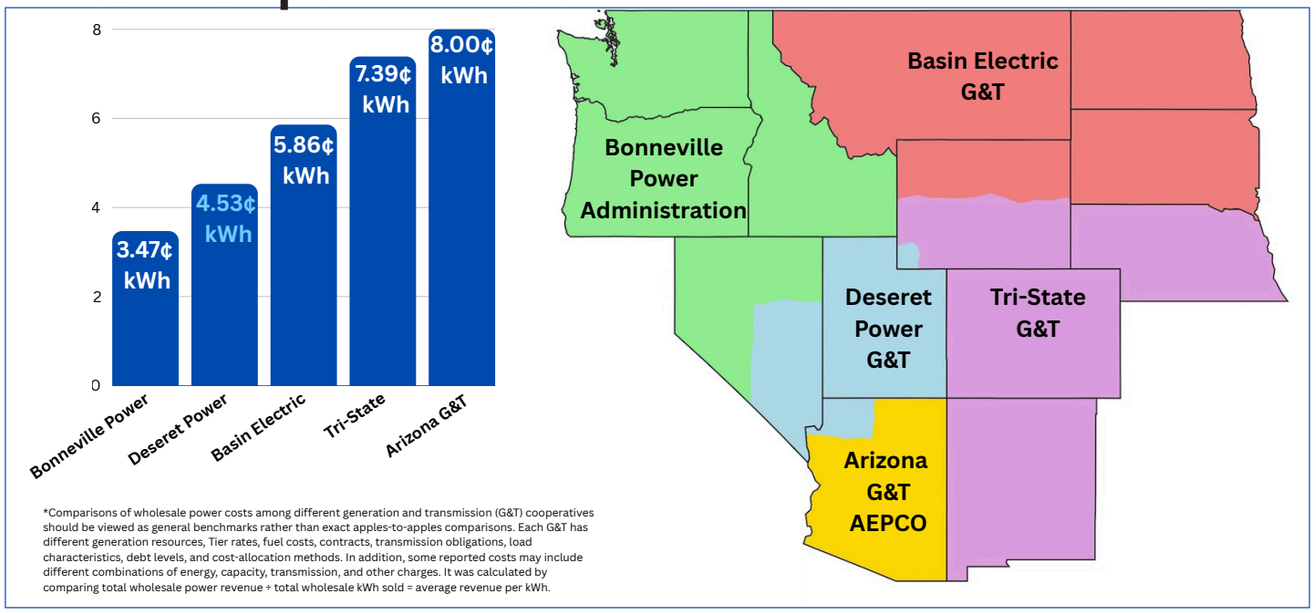
(cont. from pg. 1)

own coal mine, power plant, and transmission lines, giving it unusual control over the cost of producing and delivering electricity. For many years, Deseret produced more power than its six member cooperatives needed and sold the surplus on the open market — with that extra revenue helping keep rates low across the board. But as demand has grown among the member cooperatives, that surplus has shrunk. Deseret's capacity is increasingly needed to serve its own members, meaning less power is available to sell externally and less outside revenue is available to offset rates. (10901)

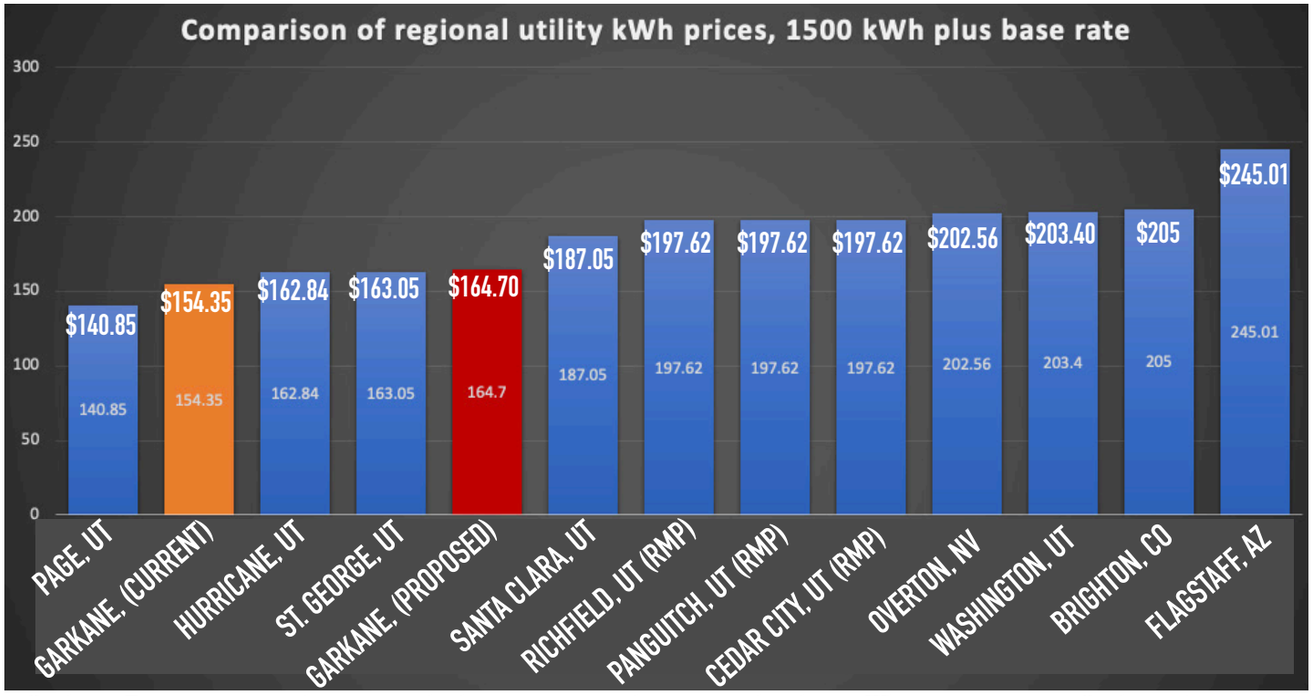
"We can't completely control the rates our wholesale power supplier must charge to remain financially stable, but we can control how we prepare," said Garkane CEO Bryant Shakespear. "We understand the difficulty rate increases can place on our members. That's why we're working to reduce our internal costs of delivering the power we purchase from Deseret and operate as efficiently as possible." To that end, Garkane's management and Board of Directors have implemented a cost-containment plan and made prudent cuts to the 2026-2027 budgets.

A public hearing is scheduled for November 23rd at 1:00 p.m. at the Garkane Hatch office. Members can provide comments about the proposed rate changes as they will be posted to Garkane's website after the October 26, Board Meeting.

Generation & Transmission utility comparison by wholesale power rates*



Deseret Power's wholesale rates rank among the lowest in the west. You can see the comparison with other wholesale electric providers in the western region. Garkane is very fortunate to be part-owners in the Deseret Power Cooperative.



Garkane Energy rates rank amongst the lowest compared to regional utilities. When you compare Garkaene's massive service territory compared to these regional utilities, Garkane is fortunate to have had good financial stewards over its 87-year history, providing safe, reliable power, and very affordable rates. (564002)