NORTHERN ELECTRIC

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Two New Year's resolutions for you in 2026



Kathy Haas Communications Specialist

I'm a sucker for New Year's Resolutions. Every year, I make grand declarations of various ambitions with varying feasibility. Then comes my favorite part: The Planning. Spreadsheets are beautified into habit trackers then formulated to automatically chart my progress with vivid color displays, and carefully notated color-coordinated calendars are printed. Usually, I lose steam around March.

I think I get caught up by the excitement of a new year—the endless potential of 365 days. Then, I daydream of more than a year's worth of achievements and activities, and try to cram it

I'm striving to be more realistic for 2026. If you're like me and are in need of resolutions that you'll actually achieve, here are two:

UPDATE YOUR INFORMATION

Go into 2026 with correct account information! It's easy to forget all the places you need to update when you change your phone number or email address. In addition, make sure that the correct names are attached to your account. If you had a roommate or family member on your account and they no longer live with you, it's important to let us know.

A piece of information that is often overlooked is your birthday! Your birthday is required to determine eligibility for senior capital credit retirements.

You can update your account by calling 605-225-0310 or by emailing info@ northernelectric.coop.

If you use the SmartHub app, you can submit a request to update your information in the app.

ATTEND NEC EVENTS

Northern Electric is active in your community. From educational outreach to member appreciation, we host and co-host a variety of events throughout the year.

Northern Electric Annual Meeting – June 10, 2026: The 79th annual meeting will be held at the Brown County Fairgrounds Expo building again. In addition to safety demonstrations,



members will have the chance to talk with their directors and stay up to date on your cooperative's business.

Youth Excursion – TBD: High school sophomores and juniors from across the state take a tour of Basin Electric Power Cooperative in Bismarck, ND. This trip is paid for by the cooperatives and gives students an in-depth look at how the electricity they use every day is produced and distributed.

Pancake Breakfast - TBD: Our annual member appreciation breakfast is held during the Spink County Achievement Days in Redfield. From the coffee to the sausages, breakfast is prepared and served by Northern Electric employees and board members.

Farm Safety Party – Aug 13, 2026: Local cooperatives team up during the Brown County Fair to give farm safety demonstrations to families. From how to use a fire extinguisher to electric safety, kids will have fun while learning how to stay safe.



COOPERATIVE CONNECTIONS

NORTHERN **ELECTRIC**

(USPS 396-040)

Board President: Nolan Wipf

Board of Directors

Todd Hettich - Vice President Scott Sperry - Secretary Josh Larson - Treasurer Thomas Lambert B.I. Hansen Kirk Schaunaman Bruce Schumacher, Jr. Mike Traxinger

CEO/General Manager: Char Hager info@northernelectric.coop

Chief Financial Officer: Lorisa Rudolph

Operations Manager: Jerry Weber

Manager of Member Services: Russel Ulmer

Manager of Information Technology: Derek Gorecki

Communications Specialist: Kathy Haas

Northern Electric Cooperative Connections is the monthly publication for the members of Northern Electric Cooperative, PO Box 457, Bath, SD 57427. Families subscribe to Cooperative Connections as part of their electric cooperative membership. The purpose of Northern Electric Cooperative Connections is to provide reliable, helpful information to electric cooperative members on electric cooperative matters and better rural living.

Subscription information: Northern Electric Cooperative members devote 50 cents from their monthly electric payments for a subscription. Non-member subscriptions are available for \$12 annually. Periodicals postage paid at Bath, SD 57427.

Postmaster: Please send address changes to Northern Electric Cooperative Connections, PO Box 457, Bath, SD 57427; telephone (605) 225-0310; fax (605) 225-1684

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NOVEMBER BOARD REPORT

Northern Electric Cooperative's regular board meeting was held Nov. 21, 2025, at Agtegra Cooperative in Aberdeen with all directors present. As the first order of business, the board approved the Oct. 27, 2025, minutes, and October expenditures. The Board then reviewed and accepted monthly reports by management.

East River Director Kirk Schaunaman reported on the actions taken by the East River Board at the Nov. 6, 2025, meeting. The next East River Board Meeting will be held Dec. 4, 2025. South Dakota Rural Electric Association Director Nolan Wipf reported that the next SDREA board meeting will be held Dec. 1-2, 2025.

RESCO Director Todd Hettich reported on the RESCO Fall Board of Directors meeting on Nov. 5-6 in Minneapolis, MN.

CEO Char Hager and Directors Nolan Wipf, Kirk Schaunaman and Michael E. Traxinger reported on the actions taken at the Northeast Rural Electric Legislative Issues Forum which was held on Nov. 18 in Aberdeen, SD.

MANAGER'S REPORT

General Manager Char Hager's report to the board included the following items:

- Reported on the Rural Electric Development (REED) Board Meeting held on Nov. 4.
- Reported on the East River MAC meeting held on Nov. 2.
- Reported on the employee meeting held on Nov. 3.

- Reported on the SDRE Managers Association Meeting held on Nov.
- · Reminded the board that the SDREA Annual Meeting and Legislative Dinner will be held Jan. 15-16 in Pierre.
- Reminded the board that the NRFCA PowerXchange will be held on March 6-11 in Nashville, TN.

BOARD REPORT

The board considered and/or acted upon the following:

- Approved the date and time of the next regular board meeting for 8:30 a.m. on Friday, Dec. 19, 2025.
- Approved Work Order Inventories #25-10 for \$379,493.52 and #25-10MC for \$110,250.20 to be submitted to the Rural Utilities Service (RUS) for reimbursement from loan funds for construction already completed.
- Authorized acceptance and execution of arrangement letters offered by Eide Bailly LLP to provide audit services for the Cooperative for the year ending Dec. 31, 2025.
- Selected Nolan Wipf as delegate and Kirk Schaunaman as alternate for the 2026 SDREA Annual Meeting and Legislative Dinner.
- Approved the date and time for a special board meeting to review 2026 rates for 8 a.m. on Friday, Dec. 12, 2025.
- Held Executive Session.

Talk to your director or co-op manager if you have questions on these matters.

FINANCIAL REPORT			
THOMICONE REPORT	Ocotber-25		October-24
kWh Sales	25,406,892		22,135,558
Electric Revenues	\$ \$2,584,567		\$2,376,040
Total Cost of Service	\$2,640,214		\$2,283,518
Operating Margins	(\$55,647)		\$92,522
Year to Date Margins	(\$99,385)		\$522,963
RESIDENTIAL AVERAGE MONTHLY USAGE AND BILL			
OCTOBER 2025	1,939 kwh	\$224.04	\$0.1155
OCTOBER 2024	1,592 kwh	\$205.75	\$0.1292
Wholesale power costs, taxes, interest, and depreciation account for 80.8% of NEC's total cost of Service.			

Tree Trimming Safety

Trees are majestic, beautiful and good for the soul. But we also know that our members depend on us to deliver reliable power to their homes and businesses. South Dakota's electric cooperatives strive to balance maintaining the beautiful surroundings we all cherish with ensuring reliable electricity. You might not realize it, but there are several benefits to regular tree trimming.

Keeping power lines clear of overgrown vegetation improves service reliability. After all, we've seen the whims of Mother Nature during severe weather events with fallen tree limbs taking down power lines and utility poles. While many factors can impact power disruptions, about half of all outages nationally can be attributed to overgrown vegetation.

Overgrown vegetation and trees also pose a risk to power lines. For example, if trees are touching power lines in our members' yards, they can pose grave danger to families. If children can access those trees, they can potentially climb into a danger zone. Electricity can arc, or jump, from a power line to a nearby conductor like a tree. A proactive approach also diminishes the chances of fallen branches or trees during severe weather events that make it more complicated and dangerous for line workers to restore power.

come overgrown and expensive to correct. A strategic vegetation management program helps keep costs down for everyone.

When it comes to vegetation management, there are ways you can help too. When planting new trees, make sure they're planted a safe distance from overhead power lines. Medium-height trees (40 ft. or smaller) should be planted at least 25 ft. from power lines. Taller trees (over 40 ft.) should be planted at least 50 ft. from power lines. You can also practice safe planting near pad-mounted transformers. Plant shrubs at least 10 ft. from the transformer door and 4 ft. from the sides. If your neighborhood has underground lines, remember to contact 811 before you begin any project that requires digging.

Additionally, if you spot an overgrown tree or branch that's dangerously close to overhead lines, please contact your local electric cooperative.

We have deep roots in our community, and we love our beautiful surroundings. It takes a balanced approach, and our vegetation management program is a crucial tool in ensuring service reliability.

your local electric cooperative (address found on Page 3). If your poster is published, you'll receive a prize. All entries must include your name, age, mailing address and the names of your parents. Colored drawings are encouraged.





In a separate bowl, mix and beat the cream cheese, sugar, brown sugar, pumpkin puree, pumpkin pie spice, vanilla, and cheesecake pudding mix.

Fold the whip cream into this mixture and spread in a graham cracker crust

Refrigerate two hours before serving plus add a spray of whip cream and sprinkle cinnamon on

(Optional) add chopped pecans or walnuts.

Susan Forma **Union County Electric** In a bowl, mix in the remaining ingredients in the order given: eggs, sugar, baking powder, flour, salt, vanilla, chopped nuts, coconut, maraschino cherries.

Spread this mixture over the crust and bake again for 25-30 minutes. cool and cut into squares.

Barbara Anderson **Lake Region Electric**

Please send your favorite recipes to your local electric cooperative (address found on Page 3). Each recipe printed will be entered into a drawing for a prize in December 2025. All entries must include your name, mailing address, phone number and cooperative name.

Method

1 1/2 cups flour

1 tsp. baking powder 1/2 tsp. baking soda

2 cups chopped apples

Pour 1/2 of the batter into a greased and floured bread pan. Sprinkle 1/2 of the cinnamon and sugar mixture over it. Add remaining batter and top with remaining cinnamon sugar mixture.

Bake at 350° for 45-60 minutes.

Grace Klein Sioux Valley Energy

DONATIONS



(From right) Robert Bernhardt, Amy Golden, Ben Peterson, and Quinn Vinger stand with the 396 items collected for the food drive.

From noodles and meal kits to board games and race cars, Northern Electric employees got into the holiday spirit by giving to others. As part of an annual tradition at Northern, employees spent the month before Christmas gathering donations for the Salvation Army and Toys for Tots. Almost 400 canned goods and non-perishable food items were donated to the Salvation Army in Aberdeen. The items will be distributed locally by the Salvation Army as part of their Christmas food distribution program.

"Our employees embody the cooperative spirit every day, but it's especially evident during the holidays," said Char Hager, Northern Electric Cooperative general manager and CEO.

Employees filled two boxes with toys and games to be donated to area children. The Toys for Tots program provides Christmas presents to kids under 13 years old who would not otherwise receive a gift. In 2024, the Aberdeen chapter of Toys for Tots distributed over 3,400 new toys and supported 1,621 children. The local chapter operates in the upper northeast South Dakota region, stretching from Aberdeen to Mobridge, and strives to give each child a large toy and a small toy.



(From right) Rene Waldman, Derek Gorecki, and Christy Nagel stand with the various toys and games donated to Toys for Tots.

Four NEC payment drop boxes available

Recently, Northern Electric Cooperative added two new payment drop boxes. Since the drop box at the Bath office is not available during construction, a drop box has been added at the Bath Quick Stop. Members who prefer to drop their payments at the office can do so at the temporary office in Aberdeen.

The drop boxes at Ken's SuperFair Foods and NEC's Redfield Service Center are also available.

Please include your bill stub with the payment.









Located outside by the flag pole on the west side of the driveway.

KEN'S SUPERFAIR FOODS 2105 6TH AVE SE, ABERDEEN





Located inside Ken's, near the ATM.

NEC SERVICE CENTER 17140 N. U.S. HWY 281, REDFIELD





Located on the north side of the driveway.



EVERY VOICE COUNTS

Frank Turner

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Electric cooperatives carry a wide range of responsibilities to the members they serve. Beyond keeping the lights on, co-ops represent their communities, focus on member needs and help strengthen the places they call home. But behind the scenes, cooperatives also stay actively involved in legislative discussions to stay engaged in the decisions that shape how they serve their members.

According to Steve Barnett, general manager of the South Dakota Rural Electric Association, legislative efforts help protect reliable electricity, keep costs manageable and support rural communities across South Dakota.

"While it's important that we stay involved in the topics that are relevant to our industry, it's really about sharing our values and telling our story," Barnett said. "Being involved means being engaged and aware of the challenges and issues coming up in the 2026 Legislative Session,"

In addition to SDREA's internal

leadership, legislative efforts are supported by the association's lobbying team in Pierre, led by Darla Pollman Rogers of Riter Rogers LLP. Rogers and her colleague, Ellie Bailey, have been involved with SDREA's legislative work for more than two decades.

"A key component of this work involves relationship building with legislators to establish trust and credibility," Rogers said.

Rogers noted that member engagement strengthens the cooperative voice during session and throughout the year. "The grassroots approach is huge for co-ops," she said. "Hearing from members across the state and from different cooperatives helps strengthen our overall impact." Rogers added that one of the best ways members can get involved is by getting to know their local legislators or attending Co-op Day at the Capitol to observe the process firsthand.

With the next session approaching, several topics are already drawing the attention of not only electric cooperatives but utilities across the

state. One of the proposals SDREA is following closely is Rep. Kent Roe's data center bill, identified as Draft HB 31.

"We're seeing an increase in interest from large data center developers looking to site facilities in cooperative service territory," said Chris Studer, chief member and public relations officer at East River Electric Power Cooperative, a wholesale power supply cooperative which serves distribution co-ops in eastern South Dakota and western Minnesota. "We have been providing input on the data center bill to make sure the law would fit within our process and require data centers to invest in generation and transmission infrastructure to serve them, so we can protect our current cooperative consumers from the risk of building generation to serve these large consumers. At the end of the day, we're not going to put our member-owners at risk, and engaging with lawmakers working on that issue is very important to our cooperative network."

The association has also been working

with investor-owned utilities on wildfire mitigation legislation, which stands out as another priority for South Dakota cooperatives.

"Wildfire risk is a growing concern, and this proposal gives utilities a clear, consistent way to plan ahead. At its core, this legislation is about preparedness - making sure utilities have a plan and have reviewed it with their governing authority. By strengthening infrastructure, improving vegetation management, and coordinating closely with communities, the framework helps protect public safety while supporting the reliable service South Dakotans depend on," Black Hills Electric General Manager Walker Witt said.

Cooperative members also have an important role in legislative advocacy. Their engagement helps ensure that rural needs and perspectives reach decision makers. Barnett encouraged members to stay active by reaching out to local lawmakers in their districts and attending local legislative forums and cracker barrels. These are formal town hall style gatherings where legislators answer questions and update the community.

"Members can contact legislators in their respective districts via email or by telephone," Barnett said. "Attending cracker barrels is also a good way to stay engaged. These opportunities give members a chance to hear updates, ask questions, and share how policy decisions affect their communities."

Barnett also noted the importance of staying alert during the legislative process, particularly when a bill is significantly amended. He explained that when a bill gets "hog housed," it means it has been changed so much that the original version is no longer recognizable. "A hog housed bill is changed or amended significantly, to the point where a person may change their position on the bill," he said. "Tracking these changes is essential to understanding the real impact a proposal may have if it

Barnett said SDREA will continue to represent the interests of both cooperatives and rural communities across the state. At the end of the day, it's all about providing dependable electricity and keeping the lights on.



Gov. Larry Rhoden takes a picture with members of the electric cooperative network at Co-op Day at the Capitol last February. Photo by Jocelyn Johnson

STAYING INVOLVED

Co-op Day at the **Capitol**

Electric cooperatives' efforts to engage local legislators extend far beyond traditional lobbying. Every February, cooperatives from across the state gather for a lighthearted dinner at the South Dakota State Capitol to break bread with lawmakers, provide attendees industry updates and sit in on legislative committee meetings.

Last year, South Dakota cooperatives continued their time-honored tradition of serving pulled pork sandwiches and cowboy beans prepared by Ken Gillaspie, who formerly served as a director for East River Electric and as board president for Oahe Electric, and Roger Crom, a former loss control manager at

The next Co-op Day at the Capitol is scheduled for Feb. 17, 2026.

Legislative Banquets

In addition to Co-op Day at the Capitol, select electric cooperatives across the state host legislative banquets as a means of communicating the latest legislative environment with both their members and local lawmakers. Many times, these events provide a free meal to attendees and include updates on both the successes and challenges for the co-op.

Reach out to your local cooperative to learn more about local Legislative Banquets, Co-op Day at the Capitol or the latest legislative news affecting cooperatives. The co-op network is more than happy to engage.



Area electric co-ops meet with legislators ahead of 2026 session

Kathy Haas

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Representatives from five northeastern South Dakota electric cooperatives met with local legislators on Nov. 18 to discuss issues for the upcoming 2026 legislative session. The forum is an annual event hosted by local cooperatives across the state in conjunction with South Dakota Rural Electric Association (SDREA). The forum gives cooperatives the chance to advocate for their member owners.

"This annual event allows us to highlight the issues that are important to electric cooperatives, our members and our rural communities," Northern Electric Cooperative General Manager/CEO Char Hager said. Board members and staff from Cam-Wal Electric Cooperative, FEM Elec-

tric Association, Lake Region Electric Cooperative, Traverse Electric Cooperative, and Northern Electric Cooperative were in attendance at the 2025 Northeast Rural Utilities Legislative Issues Forum. They had a chance to connect with Representative Brandei Schaefbauer of Aberdeen, Representative Lana Greenfield of Doland, Representative Carl Perry of Aberdeen, Representative Scott Moore of Ipswich, and Senator Brandon Wipf of Lake Byron. In addition, representatives from East River Electric Cooperative and Basin Electric Power Cooperative were in attendance. East River is a transmission cooperative that provides power to 28 cooperatives, including Northern Electric and the other cooperatives at the forum. Basin Electric Power Cooperative is a North Dakota-based generation and transmission cooperative that supplies power to cooperatives across nine states, including East River cooperatives.

Lake Region General Manager Jeremy Lindemann gave the welcome remarks. In addition to quick overviews of the cooperatives, Chris Studer, East River's chief member and public relations officer, and Steve Barnett, general manager of SDREA, gave a presentation to legislators on the difference between Demand and Energy, future load growth for East River and Basin, and strategies to protect current members from additional risk associated with large load users. They also discussed two pieces of legislation in 2026 that could directly impact cooperatives— wildfire mitigation and data center bills. The floor was then opened to the legislators to ask questions. Data centers dominated the conversation. Andy Buntrock, vice president of strategic planning and communications at Basin, was able to address many of the concerns. Recently, Basin has created a large load policy that would require hyperscale load to take on a large percentage of the costs related to new generation, transmission resources. The cooperatives thanked the legislators for their time and interest in learning more about cooperatives.

SCHOLARSHIPS AVAILABLE FOR CO-OP STUDENTS

Basin increased amount awarded for 2026

\$2,500 in scholarships

NEC is awarding a

\$500

scholarship to one

Electric Service

territory.

Scan

to apply

With one application, students can apply for three scholarship opportunities. Students of Northern Electric Cooperative members who are currently enrolled in a postsecondary Basin is awarding school or plan to enroll in the fall of 2026 can now apply for three to students from cooperative-sponsored Northern Electric scholarships—one Service territory. from Northern and two from Basin Electric Power Cooperative. This year, Basin has increased the

total amount to be awarded.

Bismarck-based Basin generates electricity for Northern Electric Cooperative and is awarding a \$1,500 and a \$1,000 scholarship to students within the Northern Electric service territory. Northern Electric is also awarding a \$500 scholarship to a student whose parents/ guardians are members of Northern Electric. The scholarships will be directly paid to the institution where the recipient is enrolled in the fall of 2026.

Students can apply for these cooperative scholarships by filling out one Basin Electric 2026 scholarship application. The application is available by scanning the QR code or by going northernelectric.coop/scholarships. Applications can also be picked up at

> Northern Electric's headquarters, at 2914 Industrial Ave. Aberdeen, SD.

In 2025, Maxwell Kulesa of Ipswich was awarded \$1,000 from Basin and Ella Johnson of Frankfurt was awarded \$500 from Northern. Kulesa is pursuing a mechanical

engineering degree at South Dakota State University, and Johnson is attending Mount Marty University pursuing a degree in nursing.

The scholarship application includes information about the student's academic record. work experience, an applicant student from Northern appraisal from an advisor or supervisor, and a one-page essay on the topic: How does the electricity provided by your electric cooperative improve the quality of life in your community?

> The entire application must be completed and returned by mailing or dropping off the application at the Northern Electric Cooperative offices in Aberdeen or Redfield by the Feb. 9, 2026 deadline.

A committee of cooperative employees will critically evaluate the applications and award the \$500, \$1,000 and \$1,500 scholarships from the pool of applicants.



NOW ACCPETING APPLICATIONS

The South Dakota **Association of Cooperatives** (SDAC) is now accepting applications for their 2026 Scholarships. SDAC is awarding two \$1,000 scholarships to students who are members or whose parents/guardians are members of a SDAC member cooperative, such as Northern Electric. Preference will be given to applicants pursuing a degree related to a career at a cooperative.

Application deadline: March 1, 2026 Winners announced: April 30, 2026

The completed form and essay questions can be turned in to SDAC by email Email: bforman@sdac.coop Mail to: SDAC, 116 N Euclid Pierre, SD 57501





SAFETY, RELIABILITY

Why More Room Makes Sense for Co-ops, Line Crews & Members

Jacob Boyko

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Serving rural members means maintaining thousands of miles of power line - and finding the space to safely build and access it. At your local electric cooperative, building, maintaining and repairing thousands of miles of infrastructure is a logistical challenge, but each and every piece of the system has its role in a functioning and reliable electric grid.

That's why easements, or agreements to use and access private land, are essential for co-ops and their members. At East River Electric Power

Cooperative, the generation and transmission co-op serving 25 member distribution systems in South Dakota and Minnesota, Engineering and Planning Services Manager Jon Aus works directly with co-op members to get easements for power lines.

In 2025, most cooperatives prioritize building lines along the public right of way - the area between the road and fence lines along roadways - instead of along quarter lines like they have historically, back when rights-of-way were cluttered with telephone and other overhead lines.

"That's where we like it from an access and maintenance perspective," Aus said of rights-of-way. "Nowadays, when we develop a route for a line, we pick the roads we want to zigzag down to get from Point A to Point B."

Placing infrastructure along roads improves accessibility for crews and speeds up outage response time, especially when mud or snow are a factor, Aus added. But the trade offs are a workspace limited to the shoulder and ditch and overall limited access to the infrastructure.

That's where easements make all the difference. When a co-op member allows an easement, the co-op will set poles back just several more feet away from the road right-of-way onto private land, and crews can cross behind the fence when they need to access the poles. The impact on private land is minimal, but it's a massive benefit for the line crews.

"Having an easement allows crews to work on the backside of the structures," Aus said. "If you don't get an easement and you don't have any access rights, they're stuck working everything from the ditch and the roadside."

Engineers are meticulous when mapping routes for new lines, Aus added, noting the lengthy process for engineers as they consider pole placement, obstacles, hazards and community impact.

"At the onset of any project, we're evaluating the impact of our routing," Aus continued. "Public impact is right up there on our priorities along with reliability and maintenance. We don't go down routes we foresee to have challenges with public impact."

Distribution cooperatives see similar challenges on the ground. In southwest South Dakota, Black Hills Electric Cooperative System Coordinator Jesse Sorensen aims to manage a system that's not only reliable and affordable, but also built on cooperation with members.

"Very rarely do we have someone reject giving an easement," he said. "We've had very good luck sitting down with members and explaining everything to them that there are hundreds - if not thousands - of landowners that allowed easements so we could get electricity to this property."

He continued, "The biggest concerns from landowners are about losing their trees or the aesthetic value of their property, and we'll work with landowners by rerouting lines to prevent cutting prize trees or installing lines in prime views."

At East River Electric, Aus' team fields similar questions from landowners, usually concerning specific pole placement and whether poles will interfere with field access, an approach or operation of large machinery. He says it's usually something the engineers can accommodate because ultimately, co-ops want to leave members' land as good or better than they found it.

"We'll even work with landowners to pay to replace any trees we have to remove if we obtain an easement from them," Aus said.

As the co-op steadily grows and expands its transmission system, East River Electric General Counsel Danny Brown stresses that the co-op relies on voluntary easements, and in its 75-year history has never used eminent domain to obtain an easement.

"Eminent domain is not something we ever want to use," Brown explained. "We try to educate and work with the property owners the best we can. At the end of the day, an easement is voluntary, and if we can't make it work from the right of way, we have to start thinking about changing our route."

But opting for alternate, less-efficient routes is a concession that can severely impact system reliability and leads to a higher price tag for co-op members to pay. Fortunately, Aus and Sorensen said most landowners understand the value of working with their cooperative for themselves and their community.

"There have been several times when landowners have said, 'Absolutely, bring that line through here,'" Aus recalled. "They want to improve their reliability, or they know that they just need more electricity in that area for whatever they might be doing on their property. Most of the time we're welcomed with open arms."

That willingness helps keep cooperative power moving across the countryside.



When a co-op obtains an easement to build a line along a road right-of-way, the line is placed several feet away from the rightof-way border. In this photo, the right of way border is about at the fence line, with the poles placed several feet behind the fence.

On this route, East River Electric has an easement for 30 feet behind the fence line for when line crews need to maintain or repair the line, giving crews more room to work and better access to the structures.

Photo submitted by East River Electric.

POWERING COOPERATION

WORKING TOGETHER IS POWERFUL



Understanding the Three-Tier Co-op Structure

Jacob Boyko

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What Is an Electric Cooperative? (Tier 1: Distribution Co-ops)

An electric cooperative is a non-profit, member-owned utility governed by a member-elected board of directors. Co-ops are different from a typical utility because they don't report to shareholders; a co-op's responsibility is solely to the people it serves.

Member-ownership keeps the co-op focused on serving the interests of the community and maintaining low costs to members. Co-ops employ democratic principles; each member has one vote, which keeps control local and shields the co-op and members from outside interests.

Your local electric cooperative owns and maintains distribution power lines to serve members throughout its territory. While electric cooperatives' territories cover almost all of South Dakota, most of the state's population lives in cities and small towns and purchase electricity from a city-owned municipal power system or a for-profit investor-owned utility.

Most of the electric distribution cooperatives in South Dakota were organized by members beginning in the 1930s and 1940s to serve the rural areas that investor-owned utilities determined would not be profitable enough to be worth serving.

Rural residents formed co-ops, going

door-to-door collecting \$5 sign-on fees - a lot of money at the time - from their neighbors to kickstart the fledgling co-ops. They applied for loans from the Rural Electrification Administration to begin construction, and by the early 1950s, most rural South Dakotans were enjoying amenities made possible by electricity.

Who Supplies My Co-op's Power? (Tier 2: Regional G&Ts)

East River Electric Power Cooperative in Madison and Rushmore Electric Power Cooperative in Rapid City are generation and transmission (G&T) cooperatives that sell electricity to a total of 27 distribution systems in South Dakota.

East River sells electricity to 19 member systems located in eastern South Dakota and six member systems in western Minnesota, while Rushmore sells electricity to eight member systems: seven located in western South Dakota and Cam Wal Electric Cooperative serving Campbell and Walworth counties in eastern South Dakota.

Both East River and Rushmore are governed by a board of directors comprised of directors from the distribution co-ops. Therefore, each distribution co-op receives one vote on its respective G&T's board.

Beyond selling electricity, East River and Rushmore assist their member systems in other areas; East River builds and maintains transmission systems to serve its member systems and offers support for information technology, marketing, public relations and economic development. Rushmore also offers marketing, PR and IT support, along with engineering services.

Two co-op systems in South Dakota are affiliated with neither East River nor Rushmore. Rosebud Electric Cooperative, based in Gregory, and Grand Electric, based in Bison, are part of District 9 – a collection of other distribution cooperative systems in Minnesota and North Dakota that purchase their energy from multiple sources rather than from a single supplier.

Who generates my electricity? (Tier 3: Basin Electric)

Rushmore Electric, East River Electric, and District 9 systems including Rosebud Electric and Grand Electric purchase energy from Basin Electric Power Cooperative, a G&T cooperative based in Bismarck, North Dakota.

Just like the regional G&Ts it serves, Basin is governed by a board of directors representing its member systems. There are 11 directors on Basin's board, and they know the energy industry inside and out – after all, to serve on the Basin board, the directors must also serve on their local co-op's board as well as the regional G&T's board, and are elected by their colleagues to represent the co-op, board, and its members.

Currently, Mike McQuistion of the Fort Pierre area represents his local coop, West Central Electric Cooperative, on Rushmore's board, and represents Rushmore on Basin's board.

Kermit Pearson of the Lake City area represents his local co-op, Lake Region Electric Association, on East River's board. and represents East River on Basin's board.

The cooperative systems that comprise District 9 also elect a director from

COOPERATIVE STRUCTURE

a District 9-affiliated co-op to represent them on Basin's board. Wayne Peltier from Minnesota Valley Electric Cooperative in Montevideo, Minn., represents Rosebud, Grand and the other District 9 co-ops on Basin's board.

Basin Electric was formed in 1961 by electric co-ops in the upper Midwest to generate and transmit electricity exclusively for cooperative systems to purchase. The system has grown to serve North Dakota, South Dakota, Nebraska, Minnesota, Iowa, Montana, Wyoming, Colorado, and New Mexico.

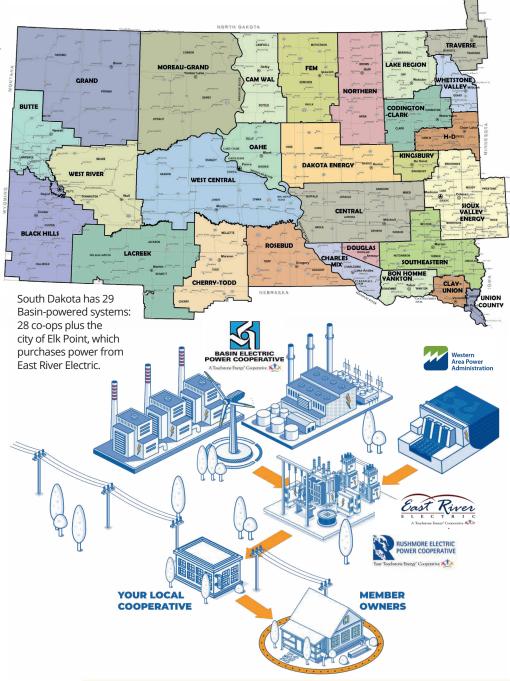
Basin Electric generates electricity using its owned and leased generation assets, which include coal, natural gas, solar, wind, oil and waste heat, with a maximum generating capacity of about 8,500 megawatts.

Other Generation: Western Area Power Administration

East River, Rushmore and the District 9 systems also purchase an allocated amount of electricity from the Western Area Power Administration. WAPA is the power marketing administration under the U.S. Department of Energy that markets and transmits power from the U.S. Army Corps of Engineersoperated Missouri River dams and other generators in the western U.S.

WAPA purchases make up about 18% of East River Electric and 12% of Rushmore Electric's purchases, respectively. District 9 systems also purchase some of their electricity directly from WAPA.

Each year, WAPA transmits about 25,000 gigawatt hours of electricity across its 17,000-circuit mile transmission system. WAPA serves a 15-state region that includes North Dakota, South Dakota, Minnesota, Iowa, Wyoming, Montana, Nebraska, Kansas, Colorado, Utah, Texas, New Mexico, Arizona, Nevada and California.



Basin Electric Directors Representing South Dakota



Kermit Pearson East River, Lake Region Submitted Photo



Wayne Peltier District 9, Minnesota Valley Submitted Photo



Mike McQuistion Rushmore, West Central Submitted Photo

REGISTER TO WIN!

Bring this coupon and mailing label to the Touchstone Energy® Cooperatives booth at the Black Hills Stock Show & Rodeo to win a prize!

Your Phone Number:______ Your E-mail Address:



To have your event listed on this page, send complete information, including date, event, place and contact to your local electric cooperative. Include your name, address and daytime telephone number. Information must be submitted at least eight weeks prior to your event. Please call ahead to confirm date, time and location of event.

UNTIL DEC. 26 Christmas at the Capitol

8 a.m.-10 p.m. (Holidays Included) South Dakota State Capitol Pierre, SD 605-773-3178 christmasatthecapitol.sd.gov

DEC. 20-21, 23-24, 27-28 1880 Train Holiday Express

Hot Chocolate, Santa Hill City, SD www.1880train.com 605-574-2222

DEC. 31New Year's Eve Bash

Doors Open at 5:30 p.m. American Legion Sioux Falls, SD Tickets: 605-336-3470

JAN. 10 Knights of Columbus Coats for Kids Bowling Tournament

1 p.m. Meadowood Lanes 3809 Sturgis Rd. Rapid City, SD

JAN. 20 Prohibition & the Pig

Lake Cty. Museum Fundraiser; Prohibition-Era Bootlegging 6 p.m.-7:30 p.m. \$60 per ticket The Office Bar & Grill Madison, SD 605-256-5308

JAN. 22 Gentleman's Quartet: Instrumental

7 p.m. Johnson Fine Arts Center Aberdeen, SD

JAN. 23-24 Pro Snocross Races

Deadwood, SD 605-578-1876

JAN. 30 Box Elder Ball

6 p.m.-8 p.m. Box Elder Events Center Box Elder, SD 605-390-9341

JAN. 30-FEB. 7

Annual Black Hills Stock Show Central States Fairgrounds Rapid City, SD www.centralstatesfairinc.com 605-355-3861

FEB. 1 The Great Lake County Hotdish Competition

11:30-1:30 p.m. St. Thomas School Gym Madison, SD 605-256-5308

FEB. 7-8 The Black Market/Formerly Benson's Flea Market

Sioux Falls, SD 605-332-6004

FEB. 13-16 12th Annual Frost Fest

Brookings, SD 605-692-7444

FEB. 20-22 Winterfest

Fireworks, Parade of Lights, Bonfire, Snowshoeing Lead, SD www.leadmethere.com/winterfest 605-584-1100

FEB. 21 Bellator Titans Casino Night Fundraiser

6-11 p.m. City Lights Bar & Event Center Aberdeen, SD

FEB. 22 C Street Brass

4 p.m. Johnson Fine Arts Center Aberdeen, SD

> Note: We publish contact information as provided. If no phone number is given, none will be listed. Please call ahead to verify the event is still being held.