A Touchstone Energy® Cooperative

NORTHERN ELECTRIC
JUNE 2026 VOL. 27 NO. 2

COOPERATIVE CONNECTIONS

River Power Renewed

The Fort Randall Dam is retrofitted with new generating units.
Photo by U.S. Army Corps of Engineers

Building Report

Todd
Board Vice President, Building Committee Chair

In the November 2025 issue of Cooperative Connections, I informed our members that construction of the new headquarters building was expected to begin in November. I am happy to report that demolition did start on Nov. 3, 2025, after asbestos remediation. The building is projected to be completed in November 2026.

There has been speculation that the building is the reason for the rate adjustment. The impact of the new building is a minor portion of the January 1, 2026, rate change. The majority of the rate adjustment is due to power cost increases passed down from our supplier, Basin Electric Power Cooperative. **Read more about rates in the President and Manger's report on page 6.**

Like with our infrastructure, the building cost will be spread out to all members, current and future, and the impact will be minimal.

Three years of careful consideration and planning went into the new headquarters. The old building, which had served the membership since early 1967, had major issues that needed to be addressed. Building issues included the need to replace the roof on the office building, replacement of original electrical switchgear and panels, basement wall reconstruction, HVAC issues, and a number of additional issues. The building committee determined that building new would ensure the best value for the members and keep the construction project under the original budget of $7.5 million. While supply costs have increased substantially since this project began in 2023, the board has been dedicated to keeping the costs at or below budget. After several design iterations and a value engineering process, the new building is projected to cost $7.1 million.

Stop by and visit with your Directors prior to the business meeting at the Annual Meeting

Northern signed with CO-OP Architecture to design and develop plans for the new building. This project only includes the office building; the shop will not be impacted. Headquarters will have a slightly bigger footprint than before. Our original building was 12,500 square feet. The initial floor plan for the new building would have been 15,972 square feet. After value engineering, the square footage has been trimmed down to 14,500 square feet. The new building will extend further east and south than previously and will still connect to the shop on the north side.

Building Timeline

- ***FALL 2022:*** *Facility assessments were conducted by CO-OP Architecture.*
- ***MARCH 2023:*** *Assessment results were presented to the board.*
- ***SEPTEMBER 2023:*** *President Nolan Wipf informed membership at the annual meeting of the need for extensive remodel or rebuild.*
- ***NOVEMBER 2023:*** *Building committee formed at monthly board meeting.*
- ***FEBRUARY 2024:*** *The board approved a remodel that would include an addition.*
- ***JUNE 2024:*** *Board Vice President and Building Committee Chair Todd Hettich informed membership of building plans at annual meeting.*
- ***SEPTEMBER 2024:*** *Additional assessments revealed a remodel would not adequately address issues. The board reconsidered the options and voted to build new.*
- ***JUNE 2025:*** *Final design and bid letting. Bids came in higher than expected.*
- ***JULY-AUGUST 2025:*** *The board worked extensively with JDH to value engineer the building and bring it back within budget.*
- ***SEPTEMBER 2025:*** *The board approved a contract with JDH Construction.*
- ***OCTOBER 2025:*** *Northern employees moved themselves to the temporary office building.*
- ***NOVEMBER 2025:*** *Demolition began after asbestos remediation.*
- ***DECEMBER 2025:*** *Excavation, footings, and foundation work began.*
- ***FEBRUARY 2026:*** *Building erection began.*
- ***MAY 2026:*** *Window installation and underground plumbing and conduit began.*

The new headquarters will serve the membership for many years. We have accommodated for future growth, as well as safety and security measures. If you have any questions, please contact your board representative or stop by the director's table at the Annual Meeting on June 10, prior to the business meeting. We will continue to give updates on progress or any changes.

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.J. 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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Northern Electric Cooperative
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APRIL BOARD REPORT

Northern Electric Cooperative's regular board meeting was held April 23, 2026, at the Agtegra Cooperative building with all directors present. As the first order of business, the board approved the March 19, 2026, minutes and March expenditures. The board then reviewed and accepted monthly reports by management.

East River Director Kirk Schaunaman reported on actions taken by the East River Board at the April 2, 2026, meeting. South Dakota Rural Electric Association Director Nolan Wipf reported on actions taken by the SDREA Board at the March 26-27, 2026, meeting. Director Todd Hettich gave an update on RESCO activities.

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 and the East River MAC Meetings held on March 31, 2026.
- Reported on the employee meeting held on March 26, 2026.

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 Thursday, May 21, 2026.
- Approved Work Order Inventory #26-03 for $63,799.13 to be submitted to the RUS for reimbursement from loan funds for electric plant construction already completed.
- Approved the 2025 Audit Report presented by Derrick Larson, Partner/CPA, of Eide Bailly, LLP.
- Approved allocating $1,973,355.71 of NEC's 2025 margins to member patronage capital credit accounts.
- The board approved a resolution to write off 18 uncollectable accounts in the amount of $5,807.67.
- Held Executive Session.

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

FINANCIAL REPORT

	March-26	March-25
kWh Sales	26,683,542	24,721,352
Electric Revenues	$3,048,147	$2,524,536
Total Cost of Service	$3,122,098	$2,470,230
Operating Margins	($73,951)	$54,305
Year to Date Margins	$258,025	$186,480

RESIDENTIAL AVERAGE MONTHLY USAGE AND BILL

MARCH 2026	2,338 kWh	$296.47	$0.1268
MARCH 2025	2,137 kWh	$235.53	$0.1102

Wholesale power costs, taxes, interest, and depreciation account for 82.9% of total cost of Service.

NATIONAL SAFETY MONTH: PLUG INTO WHAT MATTERS

Safety is a word that shows up in mission statements, meetings and job sites across every industry. At its best, it reflects preparation, awareness and responsibility.

That's where the difference shows.

Electricity doesn't leave room for shortcuts. It demands attention, consistency and respect every day. For your local cooperative, that responsibility is built into the work.

The job goes beyond delivering power. It protects the people who build and maintain the system and the communities who rely on it. Reliable and affordable electricity matters, and so does making sure every crew member goes home at the end of the day.

That outcome takes focus, repetition and a culture where doing things right matters more than doing them fast.

Built on the Right Habits

Linework is demanding and, at times, dangerous. It's also highly structured. Crews follow national standards designed for utility work. Protective equipment isn't optional. Procedures aren't suggestions.

Before a job begins, it's planned. Crews walk through the work, identify risks and make sure everyone is aligned. Communication stays constant.

What happens after the job matters just as much. Near-misses are tracked, reviewed and discussed to understand what happened and prevent it from happening again. Over time, those lessons build a stronger, more prepared workforce.

Everyone is expected to look out for each other. If something doesn't look right, it gets said. That accountability turns policies into habits.

Contractors working alongside cooperative crews are held to those same expectations.

Extending Beyond the Jobsite

The work doesn't stop at the edge of a right-of-way. Because crews live in the communities they serve, that responsibility carries beyond the job.

Your local cooperative shares electrical safety information through schools, events and outreach. It's simple advice that helps prevent accidents.

June is National Safety Month. Most electrical injuries are preventable, and small decisions matter.

Leave electrical work to qualified professionals. Don't overload outlets. Stay clear of downed power lines and report them. If something looks off, whether it's a damaged transformer or an open substation, say something.

Take the Extra Moment

Electricity is easy to take for granted. But the systems behind it, and the people maintaining them, depend on careful decisions.

When a task involves electricity, take a moment. Look twice. Think it through.

That pause can make all the difference.

"Be safe, lineman!"

Renn Ronning, age 8

Renn urges the line crew to stay safe on the job. Thank you for sharing your picture, Renn! Renn's parents are Justin and Katrina Ronning from Elk Point, S.D.

Kids, send your drawing with an electrical safety tip to 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.

Easy & Delicious FAMILY MEALS

Picture by Shutterstock.

TACO SOUP

Ingredients:

1 lb. hamburger, cooked and drained
1 28 oz. can red or Kidney beans
1 28 oz. can petite diced tomatoes
1 14 oz. can corn
1 pkg. taco seasoning

Method

Put all ingredients into bean pot. Microwave for 20 minutes. Serve with shredded cheese and corn chips. Do not drain liquids.

Marla Gilbert
Southeastern Electric

QUICK PORK CHOP DINNER

Ingredients:

4 pork chops
2 tsps. prepared mustard
2 tbsps. flour
1/2 tsp. salt or Mrs. Dash
Dash of pepper
2 tbsps. fat or oil
1 10 oz. can of chicken rice soup or chicken broth
1/2 cup water
Add onion, potatoes, carrots, garlic powder to taste

Method

Spread mustard over pork chops and sprinkle with flour, salt and pepper. Brown thoroughly in fat or oil in pressure cooker. Add chicken soup and water. Add vegetables and cover. Set control at 10 and cook 12 minutes or 35 minutes if you add vegetables. Cool pan for 5 minutes, then reduce pressure.

Ruth Konechne
Central Electric

CARAMELIZED HAM & SWISS SLIDERS

Ingredients:

12 Hawaiian dinner rolls, split
1/4 cup horseradish sauce, optional
12 slices deli ham (or 24 if it's thinly sliced)
6 slices Swiss cheese, cut in fourths (so you have 24 squares of cheese)

Sauce

1/2 cup butter
1/4 tsp. onion powder
2 tbsps. brown sugar
1 tbsp. Dijon mustard
2 tsps. poppy seeds
1-1/2 tsps. Worcestershire sauce
1/4 tsp. garlic powder

Method

Spray a 9x9 or 9x13 glass dish with non-stick cooking spray. Set aside. Preheat oven to 325˚. Spread roll bottoms with horseradish sauce (if using). Fold up pieces of ham to fit the rolls and place them on the bottom halves of the roll. Next, place 2 squares of cheese, replace roll tops and place in a single layer in the prepared pan.

In a small skillet, heat butter over medium-high heat. Stir in remaining ingredients. Pour over rolls. Cover with foil and bake covered for 20 minutes. Remove foil and bake 5 more minutes. *These can also be made ahead of time. Just cover with foil and refrigerate for several hours or overnight. Bake as instructed.

Jerald and Virginia Jensen
Sioux Valley Energy

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 2026. All entries must include your name, mailing address, phone number and cooperative name.

President and General Manager Report

Nolan Wipf
Board President

Char Hager
CEO/General Manager

The theme for this year's annual meeting is "A Legacy of Service." For almost 80 years, members have relied on Northern Electric Cooperative. The first cooperative lines were built and energized in 1945. Since then and continuing today, our purpose is to provide safe, reliable, and affordable electricity for our member owners.

We understand the effect cost increases have on our membership and have striven to keep your electricity as affordable as possible. After holding rates steady for six years, a rate adjustment was implemented on June 1, 2024, with the expectation the adjustment would cover costs for 2024 and 2025. A few months after the new rates went into effect, our wholesale power provider announced that the 2025 wholesale power costs would be greater than projected. The board opted to hold rates for 2025. Financial pressure created by rising costs of wholesale power along with materials, interest, labor, and other costs continued to increase in 2025.

Northern's employees are committed to carrying out our purpose. Below we will summarize some highlights from 2025.

The Operations Department completed the third year of our four-year workplan in 2025. The workplan identifies areas of our system in need of upgrades for reliability, growth and safety. Installation of 32 miles of overhead line and 43 miles of underground line were completed in 2025. Cost share for 12 miles of the underground installation was awarded to the cooperative by FEMA.

The Northern Electric Member Services Department continues the change out of the load control devices on our system due to the phase out of the existing devices. They also continue to answer rate and billing questions, administer the Cooperative's rebate programs, and respond to members' questions about new construction as well as service upgrades.

Cybersecurity is a priority for our cooperative. Over the past year, the Northern Electric Information Technology Department continued to implement numerous cybersecurity initiatives to protect members' information and personal data. The IT Department also deploys technology to the crews in the field so they can work more efficiently.

The Accounting and Billing Department is committed to serving the membership and managing the finances of the Cooperative. At both the national and local levels, electric cooperatives have seen prices for essential materials fluctuate wildly over the last five years. The volatile market has made it hard for electric utilities to accurately project costs. Material prices and availability continue to be unpredictable. Utility pole and pad mount transformer prices have increased over 60% since 2022. In addition, cross arms and underground cable each increased around 25%. Northern Electric, like other local businesses, must protect our assets, attract and retain skilled employees, and keep our system running safely and efficiently. As a cooperative, Northern Electric returns money to its members annually in the form of capital credits which represent the members' share of the Cooperative's profits. In 2025, Northern Electric and our Generation and Transmission Cooperatives retired $1,006,900 in capital credits, which were returned in the form of a bill credit on members' bills in September 2025.

From safety demonstrations at fairs to introducing cooperative principles in schools, the Communications Department is dedicated to ensuring our members have the knowledge to stay safe and make smart choices. Because our members are at the heart of everything we do, we support and celebrate outstanding members through our scholarships, community involvement programs, and communications with our members.

After three years of planning, construction on the headquarters building started in November 2025, as reported by Board Vice President Todd Hettich in previous Cooperative Connections. **See the building report on page 2 of this issue.**

LOOKING FORWARD TO 2026

Northern Electric board and staff have been working hard to keep costs as low as possible. We recognize our dual responsibility to our member owners as well as the cooperative's long-term financial stability. Before approving a rate adjustment effective January 1, 2026, at their December 19, 2025, meeting, the board diligently considered all other options. Unfortunately, a rate adjustment was necessary to ensure Northern Electric could continue providing our members with reliable and safe electricity.

Board and staff continue to look for ways to reduce costs. As a result, we have chosen not to fill two open positions that were vacated in 2026. We will hire a seasonal position to cover some of the duties during the construction season and the remainder of the duties will be spread among current Northern employees.

Your cooperative is fortunate to have dedicated employees to serve you. We are committed to providing a secure environment by implementing comprehensive safety protocols, conducting regular training, and maintaining high operational standards. Moving forward, we will continue enhancing our safety programs and fostering a culture of awareness to safeguard our cooperative community.

On behalf of the Board of Directors and the entire Northern Electric team, thank you for the trust you place in us and for your continued commitment to cooperative membership.

MINUTES FROM 2025 ANNUAL MEETING

Pursuant to the notice to all members, the 78th Annual Meeting of the membership of Northern Electric Cooperative, Inc. was held at the Holum Expo Center, Brown County Fairgrounds, Aberdeen, SD, and Northern Electric Service Center, Redfield, SD, on June 16, 2025, at 6 p.m. Registration was from 4 to 6 p.m.

General Manager/CEO Char Hager welcomed the members to the 2025 annual meeting of Northern Electric Cooperative.

General Manager Char Hager called the meeting to order. Following the National Anthem and the invocation given by Senior Accountant Ben Krueger, Hager recognized special guests, directors, and officers of the board.

President Nolan Wipf declared a quorum was present, with the official registrations being 201.

President Wipf gave a report on petitions for nominees. President Wipf stated that petitions were received for the following Director candidates: District 2, Todd Hettich, Mina; District 5, Scott Sperry, Bath; and District 9 Nolan Wipf, Hitchcock.

President Wipf called for the Secretary's report. Upon motion, the reading of the minutes of June 11, 2024, Annual Meeting was waived and the minutes, as previously mailed to all the members prior to this meeting, were approved as printed and mailed.

President Wipf called for the Treasurer's report. President Wipf stated that the financial statements printed in the annual report represented an accurate reflection of the audited financial status of the Cooperative, as of December 31, 2024. The treasurer's report was approved as presented.

President Wipf called for any unfinished or old business. There was none.

President Wipf thanked the Board of Directors and all the employees of Northern Electric Cooperative for all the progress that has been made to move the cooperative forward during the past year.

President Wipf highlighted the addition of 44 new services in the HAPI housing development in Aberdeen along with the installation of 33.5 miles of overhead line and 62 miles of underground line as some of the completed projects.

General Manager Char Hager reviewed the benefits of being a cooperative member-owned cooperative, including the allocation of the cooperative's profits to their members in the form of capital credits. In 2024, Northern Electric Cooperative retired $868,000 in capital credits, which included retirements from Basin Electric and East River Electric.

General Manager Hager stated that Northern Electric is also invested in the communities within our service territories. Northern Electric gave nearly $34,000 back to communities through donations, scholarships and other contributions.

Vice President Todd Hettich provided an update on the current status of the building project.

East River General Counsel, Danny Brown gave an East River Electric update.

We had seven Northern Electric employees celebrating milestone anniversaries with the co-op: Tyler Marken, 35 years; Tiffany Hubert, 20 years; Russ Ulmer, 20 years; Char Hager, 20 years; Aaron Nuhsbaumer, 10 years; Sean Schwartz, 10 years; and one at the Redfield location Shawn Evans, 25 years.

We also want to thank Marty Newman, Line Foreman, who retired in January 2025, for his 33 years of service.

Two employees who joined the cooperative in 2025 were recognized: Dylan Grimes, Apprentice Lineman, and Kathy Haas, Communications Specialist.

President Nolan Wipf called for any new business. Wipf moved forward with the meeting to take action on the election of directors. Harvey Oliver, Northern Electric's attorney, explained the voting rules and procedures of the election of directors. Since the candidates for District 2, 5, and 9 were unopposed, Oliver explained that the chair declared the nominees as elected by general consent.

President Wipf reported that over the past year, the Board of Directors policy committee has been exploring the makeup of our director districts. The proposed amendments to the bylaws and articles of incorporation would authorize the Board of Directors to set the number of directors and districts in the board policy, provided that the number of directors shall not be fewer than five directors and no more than nine directors. Wipf thanked the members of the Credentials Committee for their service to the cooperative. Wipf announced the results of the election for the proposed changes to the Articles of Incorporation and Bylaws were 92 yes votes and 31 no votes. The changes required two thirds majority of votes to pass. Therefore, the proposed changes passed. Wipf called for any other business to come before the meeting, there being none, he thanked everyone for attending the meeting and declared the meeting adjourned at 6:49 p.m.

OFFICIAL NOTICE *79th Annual Meeting, June 10, 2027*

ANNUAL MEETING OF THE MEMBERS OF NORTHERN ELECTRIC COOPERATRIVE, INC.

The 79th Annual Meeting of the Members of Northern Electric Cooperative, Inc. *will be held on the 10th day of June, 2026 at 6 p.m. at the Holum Expo Building on the Brown County Fairgrounds, Aberdeen, SD and the Northern Electric Service Center, 17140 N. US Highway 281, Redfield, SD to take action on the following matters:*

1. *Approval of 2025 annual meeting minutes*
2. *Approval of the Treasurer's report*
3. *Election and seating of directors*
4. *Discuss and act upon any other business*

PLEASE TAKE NOTICE *that although Directors for Districts 4, 6, and 7 will be elected by the membership at the meeting, paper ballots will not be needed. Josh Larson (District 4), Kirk Schaunaman (District 6), and William (B.J.) Hansen (District 7) submitted petitions for open board seats by the April 24 deadline. Josh, Kirk, and B.J. are the only eligible candidates for their Districts. Since no other nominations can be submitted, the candidates will be automatically elected at the annual meeting.*

2026 Northern Electric Cooperative Board of Director Candidates

District 4	District 6	District 7
Josh Larson	Kirk Schaunaman	William (B.J.) Hansen
Columbia, SD	Aberdeen, SD	Turton, SD

PLEASE TAKE FURTHER NOTICE *that the Secretary has posted such nominations in the principal office of the Cooperative.*

Scott Sperry
Scott Sperry, Secretary

May 19, 2026
Date

The rotor is lifted out of the generator unit using two cranes. This component of the generator will be reused once other parts are replaced. Photo Submitted by USACE

RENEWING RIVER POWER

Fort Randall Dam Undergoes Multiyear Renovation

Jacob Boyko
jacob.boyko@sdrea.coop

A 72-year old hydropower dam in southeast South Dakota is the first of the state's four mainstream Missouri River dams to undergo a substantial retrofit to improve the facility's efficiency and reliability.

Fort Randall Dam, which began operating in 1954, was built near Pickstown, South Dakota, through the Pick-Sloan Missouri Basin Program. The program was included in the Flood Control Act of 1944 by Congress to dam the Missouri River at multiple points to improve the region's water management, irrigation, flood control and navigation while also generating much-needed hydropower. *(See Pages 12-13 for more on how the program came to be.)* A marvel at the time of its construction, the two-mile-long rolled-earth dam holds back 5.4 million acre-feet of water in Lake Francis Case. The dam's eight turbine generators have a maximum generating capacity of 320 megawatts – enough electricity to power about 245,000 homes.

Now, more than seven decades later, the U.S. Army Corps of Engineers is looking to boost those numbers and revitalize the aging dam with state-of-the-art, 21st-century technology to ensure the facility keeps up with the region's modern energy demands.

Overseeing the multi-year project is Maintenance and Operations Manager Michael Schenkel, who's spent the last 14 years at the Fort Randall Project overseeing the facility's maintenance, operation and planning. Schenkel says while the dam's eight original 72-year-old generators and turbines have served reliably, a renewal will improve the project's operation.

"Like many aging public assets, it's time for reinvestment," Schenkel said. "The turbine-generator units were installed in the 1950s and are beyond their expected service life. We're replacing them to ensure long-term energy and infrastructure resilience."

He pointed out that the USACE got its money's worth with the original generators, saying how rare it is for a generator to last over 70 years without needing a rewind – referring to the process of replacing the stators, or the copper windings and insulation that help convert the turbine's rotation into electricity. Over time, heat, vibration and age can weaken that insulation and increase the risk of failure. Schenkel noted that Fort Randall is the only Missouri River dam in South Dakota that has retained its original stators up to this point.

The scale of the units pose a significant challenge – each unit is 40 feet tall and weighs more than 400 tons, necessitating piece-by-piece transport, assembly and installation. Voith Hydro North America, the company awarded the contract to manufacture and install the new turbine runners and generator stators, began the decommissioning and replacement of the first generator in July of 2025. USACE expects that generator to be offline until November 2026 after installation is complete and engineers can inspect it for any issues. Once the first unit is back online and clears inspection, engineers will give the contractor the green light to proceed.
To keep up with hydropower demand and allow adequate flow downstream, USACE's goal is to keep six units operating and two units offline for renovation at a time until the project is wrapped up in 2031.

Schenkel explained how the upgrade solves two problems at once: it replaces aging components in the dam and provides the opportunity to install new, highly efficient generators and turbines to produce more power with the same amount of water.

Fort Randall's original turbines generate hydropower most efficiently with 103 feet of head – the vertical distance between the water levels above and below the dam, determining the pressure at which water moves through the turbine. At 103 feet of head, each generator will produce about 31 megawatts of electricity.

However, due to the region's fluctuating power demands, water

management and other factors, operating in the efficient middle ground isn't always ideal. Schenkel says USACE often operates Fort Randall at 40 megawatts and 119 feet of head – about 4% below peak efficiency.

To solve this problem of lost efficiency, the new turbines being installed are highly-efficient, rated for 52 megawatts at 119 feet of head. This change raises the facility's total generating capacity from 320 megawatts to about 400 megawatts – enough electricity to power more than 300,000 homes.

"We expect to recover roughly 10% more energy output from the same water volume," Schenkel said. "Essentially free power beyond the capital investment once the upgrade is complete."

As part of the renovation, USACE also completed as-needed updates to the switch yard, which is the infrastructure that routes power to transmission lines for transport across the region.

Electricity generated at the Fort Randall Dam is managed, transported and sold by the Western Area Power Administration under the U.S. Department of Energy.

As a co-op member, part of your utility's energy mix is hydropower from the Missouri River dams, including Fort Randall, "so this work directly affects co-op members," Schenkel added.

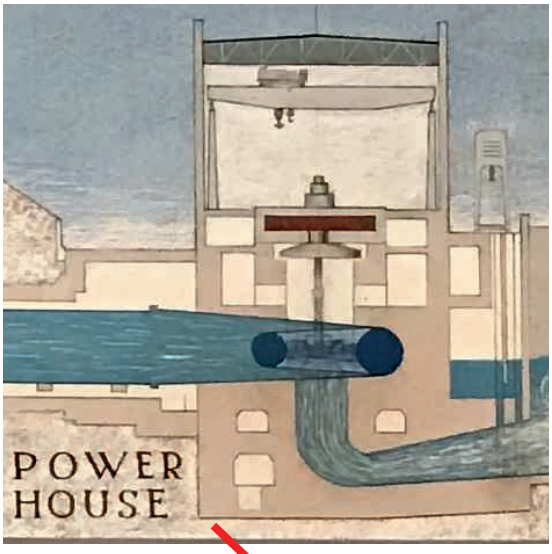
Looking at the dam's age and efficiency profile – and also being the only dam in South Dakota possessing its original stator windings – Schenkel said Fort Randall was the clear priority. The USACE has begun planning a similar renovation project for the Oahe Dam.

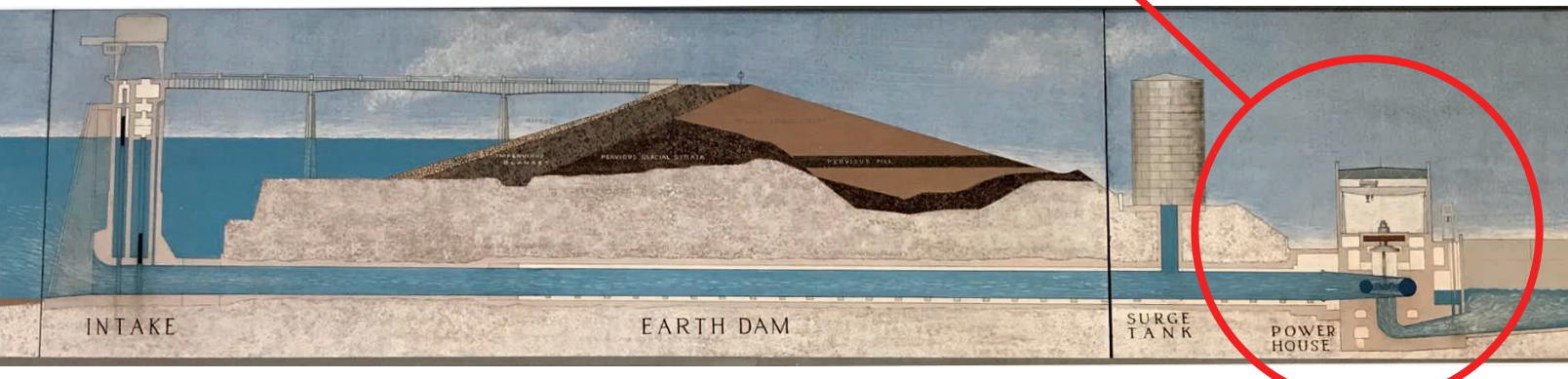
Work at the Fort Randall Project is scheduled to wrap up in 2031 once all eight generating units are replaced.

Above: The Fort Randall Dam is equipped with eight turbines. Unit 6 turbine is shown being removed for the first time since it went online in 1955.

Below & Right: A visual of Fort Randall Dam. Water flows into the powerhouse via the intake tunnel. As the water passes through, it spins the turbine. The rotor, connected to the turbine, spins inside the stator. As the rotor spins inside the stator, its magnetic field passes through copper windings and produces electricity.

Photos Submitted by USACE





ASSETS *What We Own*

FIXED ASSETS	2024	2025
General Plant	$9,803,574	$9,016,039
Electric Distribution Plant	$97,404,505	$105,564,337
Less Depreciation Reserve	$27,836,767	$28,000,594
TOTAL FIXED ASSETS	***$79,371,311***	***$86,579,782***
CURRENT ASSETS		
Cash	$5,033,708	$4,015,288
Receivables Less Uncollectable Reserves	$3,117,711	$4,212,525
Line Material On Hand	$3,378,221	$2,516,884
Prepaid Insurance And Dues	$128,589	$133,323
Other Current And Accrued Assets	$3,030	$3,037
Deferred Debits	$138,397	$84,486
TOTAL CURRENT ASSETS	***$11,799,656***	***$10,965,543***
OTHER PROPERTY & INVESTMENTS		
Non-Utility Property	$196,457	$184,312
Patronage Capital From Associated Co-Ops	$23,233,082	$23,945,668
Investments In Associated Companies	$379,094	$379,094
Other Investments	$551,704	$668,287
Restricted Cash - Revenue Deferral	$1,842,605	$1,092,605
TOTAL OTHER PROPERTY & INVESTMENTS	***$26,202,942***	***$26,269,966***
TOTAL ASSETS	**$117,373,910**	**$123,815,291**

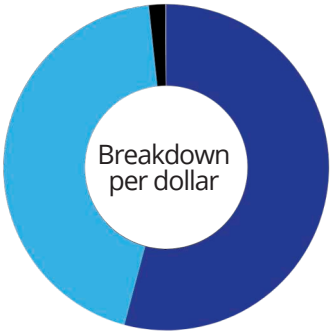
LIABILITIES *What We Owe*

LONG-TERM DEBT	2024	2025
Long Term Obligation To RUS/FFB	$68,077,073	$74,387,663
Long Term Obligation To CFC	$6,568,589	$5,888,349
ER Rural Development Member Loans	$3,806	$0
TOTAL NET LONG-TERM DEBT	***$74,649,469***	***$80,276,012***
CURRENT LIABILITIES		
Accounts Payable	$2,051,328	$2,817,888
Consumer Deposits	$207,116	$250,673
Other Current And Accrued Liabilities	$1,228,355	$1,323,589
TOTAL CURRENT & ACCRUED LIABILITIES	***$3,486,800***	***$4,392,150***
DEFERRED CREDITS	***$1,932,052***	***$1,092,605***
WHAT WE ARE WORTH - NET WORTH		
Patronage Capital Assigned	$34,358,326	$35,022,495
Unassigned Capital	$2,947,263	$3,032,029
TOTAL NET WORTH	***$37,305,589***	***$38,054,524***
TOTAL LIABILITIES & EQUITIES	**$117,373,910**	**$123,815,291**

Consolidated Statement of Operations

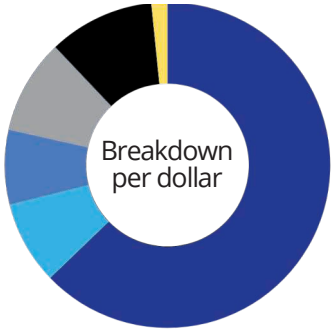
INCOME - *What We Took In*	2024	2025
Sale of Electricity	$29,303,259	$31,616,815
Miscellaneous Electric Revenue	$156,954	$177,625
TOTAL GROSS INCOME	***$29,460,213***	***$31,794,440***
EXPENSES - *What We Spent*		
Purchased Power	$18,798,875	$19,899,747
Operation Expenses Of Distribution Lines	$465,217	$682,654
Maintenance Expenses Of Distribution Lines	$1,514,715	$1,647,411
Consumer Accounting & Collecting Expense	$389,499	$391,442
Consumer Service, Information & Sales Expense	$642,991	$608,299
General, Administrative, Office Expense & Insurance	$1,480,625	$1,642,736
Director Fees & Expenses	$136,927	$135,479
Legal Counsel Expense	$29,578	$48,849
Auditing, Programming & Other Outside Services	$39,922	$53,142
Maintenance Of Buildings And Land	$83,155	$79,200
Depreciation Of Electric Plant, Property & Equipment	$3,096,950	$3,320,640
Taxes	$504,611	$512,729
Interest	$2,231,787	$2,613,091
Other Deductions	$1,242	$2,840
TOTAL GROSS EXPENSE	***$29,416,094***	***$31,638,261***
MARGINS - *What We Have Left*		
Operating Margins	$44,119	$156,179
Non-Operating Margins	$323,708	$59,262
Other Deferred Patronage Capital Credits	$1,570,884	$1,757,914
TOTAL MARGINS	$1,938,712	$1,973,356

ELECTRIC REVENUE BY DOLLAR



- Farm/Residential ***$0.542***
- Commercial/Industrial ***$0.442***
- Irrigation ***$0.016***
- Public Lighting ***$0.001***

ELECTRIC EXPENSE BY DOLLAR



- Power Costs ***$0.629***
- O&M ***$0.074***
- Depreciation/Amortization ***$0.105***
- Interest ***$0.083***
- Admin/General ***$0.094***
- Taxes ***$0.016***

THE PICK-SLOAN PLAN

Taming North America's Longest Waterway

Jacob Boyko
jacob.boyok@sdrea.coop

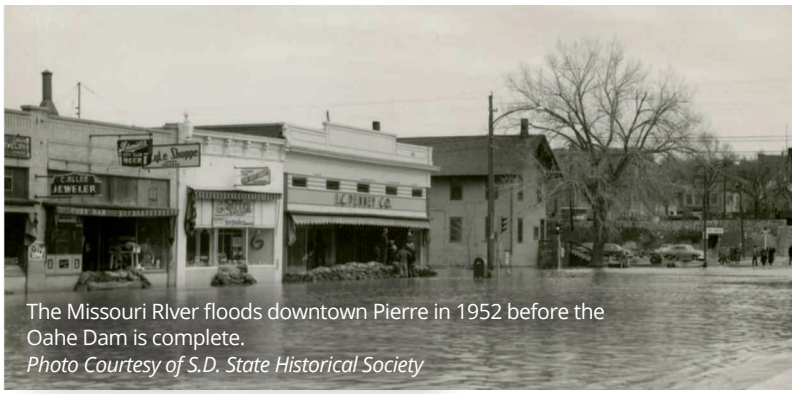
In the 1930s, both the upper Missouri River and its home in rural America looked notably different than they do today.

That was a period in which electricity was still a luxury enjoyed by townsfolk lucky enough to have a municipal or investor-owned utility serving the community. As rural neighbors founded electric cooperatives to serve their homes, the once-primitive prairie quickly began to light up. And with that step into the modern age came the growing need for more electricity.

At this same time, the 2,300-mile-long Missouri River passing through seven states in the region was proving to be an untamable, destructive force for the communities and agriculture producers on its banks.

The floods would wreak havoc on riverside cities like Omaha, Kansas City, St. Louis, and Mississippi River communities like Memphis and New Orleans during swells, disrupting economic activity and trade. During low-flow years and toward the end of summer, the low water levels made navigation extremely difficult for barge traffic.

These problems had been ongoing. All the way back in 1933, President Franklin D. Roosevelt's New Deal constructed the Fort Peck Dam near Glasgow, Mont. There, the nearly 4-mile-long and 250-foot high rolled-earth dam created Fort Peck Lake, stretching 134 miles across eastern Montana and generating up to 185 MW of electricity. Even so, the federal government understood more work was needed to fully rein in the power of the Missouri.



The Missouri RIver floods downtown Pierre in 1952 before the Oahe Dam is complete.
Photo Courtesy of S.D. State Historical Society

Competing Visions: Pick vs. Sloan

Lewis A. Pick, an officer with the US Army Corps of Engineers, and William G. Sloan, an official with the Bureau of Reclamation, each had a vision for the future of the Missouri River Basin.

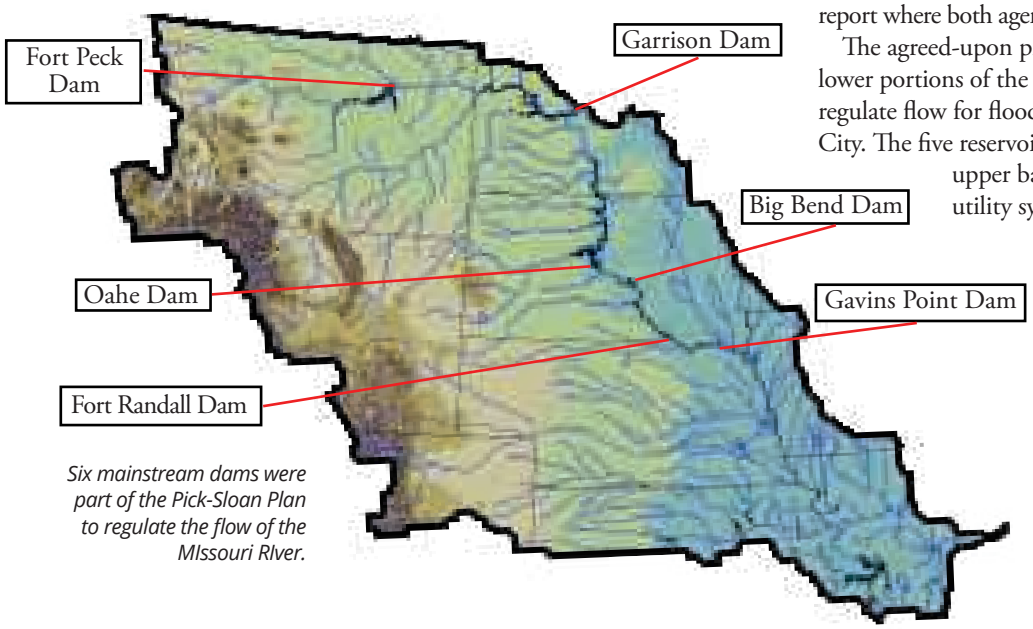
Pick envisioned large dams on the main channel of the Missouri River with a focus on flood control and navigation downstream in the lower Missouri River basin. His plan included five main-channel dams with levees from Sioux City, Iowa, to the river's confluence with the Mississippi River in St. Louis, Missouri.

Sloan, on the other hand, wanted the projects to benefit the upper Missouri River basin, with a focus on water storage for irrigation and agricultural development. Sloan recommended dozens of smaller dams with hydro-electric power plants.

The battle between the USACE and DOR was contentious, but it became clear that no side could garner enough support on its own to pass a project with price tags of about $1 billion each.

Finally, in 1944, USACE and DOR released a joint engineering report where both agencies' goals for the basin were represented.

The agreed-upon plan would benefit both the upper and lower portions of the basin, with five hydro-power dams to regulate flow for flood control and navigation past Sioux City. The five reservoirs would store water for uses in the upper basin, including irrigation, recreation, utility systems and hydropower generation.



Six mainstream dams were part of the Pick-Sloan Plan to regulate the flow of the MIssouri RIver.

Oahe Dam during construction in 1958.
Photo Courtesy of S.D. State Historical Society

Fort Randall Dam (1946-1954)

Location: Pickstown, S.D.
Length: 10,700 feet long – over 2 miles!
Height: 165 feet at highest point
Generating Capacity: 8 hydroelectric generating unites producing up to 320 MW. (See pp. 8-9)

Completed in the 1950s, Fort Randall was the first of South Dakota's mainstream Missouri River dams to come online, generating hydropower for the region and changing the river from a threat into a resource. The Fort Randall Dam creates Lake Francis Case, named for South Dakota's US Senator and Pick-Sloan advocate Francis Higbee Case. The reservoir can store about 5.3 million acre-feet of water (enough water to flood 5.3 million acres at a depth of 1 foot).

Garrison Dam (1947-1955)

Location: Riverdale, N.D.
Length: 11,300 feet long – over 2 miles!
Height: 210 feet at highest point
Generating Capacity: 5 hydroelectric generating unites producing up to 583 MW.

Garrison Dam creates lake Sakakawea, which stretches across western and central North Dakota. The reservoir is the largest on the Missouri River, holding more than 23.5 million acre-feet of water. The dam is named after the nearby town, Garrison. Controversially, the lake flooded the homes of the Mandan, Hidatsa and Arikara tribal nations.

Oahe Dam (1948-1963)

Location: Pierre/Fort Pierre, S.D.
Length: 9,360 feet long – about 1.8 miles!
Height: 245 feet at highest point
Generating Capacity: 7 hydroelectric generating units producing up to 786 MW.

Oahe Dam sits north of Pierre and Fort Pierre, forming Lake Oahe. The reservoir can hold about 23 million acre-feet of water. Oahe Dam has the highest generation capacity, producing enough electricity to power about 600,000 homes.

The dam and lake's name came from the Oahe Indian Mission established more than 70 years before. The mission's site, as well as other communities and tribal lands, were submerged beneath the resevoir.

Gavin's Point Dam (1952-1957)

Location: Yankton, S.D.
Length: 8,700 feet long – about 1.6 miles.
Height: 74 feet at highest point
Generating Capacity: 3 hydroelectric generating unites producing up to 132 MW.

The farthest downriver dam on the Missouri, Gavin's Point is a dam essential for controlling the water levels for downstream barge traffic starting at Sioux City on the Missouri River and all the way down to New Orleans on the Mississippi River. The dam creates Lewis and Clark Lake on the South Dakota-Nebraska border, with a storage capacity of 492,000 acre-feet of water.

Big Bend Dam (1959-1966)

Location: Fort Thompson, S.D.
Length: 10,570 feet long – about 2 miles.
Height: 95 feet at highest point
Generating Capacity: 8 hydroelectric generating unites producing up to 439 MW.

The final mainstream Pick-Sloan dam to be completed on the Missouri River, Big Bend Dam creates Lake Sharpe, holding about 1.7 million acre-feet of water.

The Good and the Bad

A lot of good came from the Pick-Sloan Plan: affordable hydropower for communities throughout the region and water storage to mitigate drought and reduce flooding.

However, a project of such magnitude will also naturally have downsides. University of South Dakota Professor David Swanson says the disruption of natural patterns has affected ecology for riverside habitats.

Cottonwood seedlings need wet, sandy soil to germinate – without spring floods, it's hard for new trees to establish. Today, there are fewer young cottonwoods growing.

In addition, birds like the least tern that nest on sand bars struggle to find suitable ground, affecting populations.

The reservoirs also flooded more than 1 million acres of land along the Missouri River, some held by private landowners and tribes, and displaced about 6,000 people from land where their families had lived for generations.

In South Dakota, several former communities lay beneath Lake Oahe, including parts of Polluck and Forest City.

Between Chamberlain and Oacoma, American Island was once a statewide destination for boy scouts, with its miles of forest, camp with cabins and bathhouse, racetrack. Today, it sits below dozens of feet of water in Lake Francis Case.

American Island's locally-famous animal statues were moved before Lake Francis Case flooded the island.
Photo Courtesy of the Cozard Memorial Library

Tribal leader George Gillette wipes tears as land is seized for the Garrison Dam.
Photo Courtesy of National Archives

Northern Electric Cooperative BOARD & MANAGEMENT

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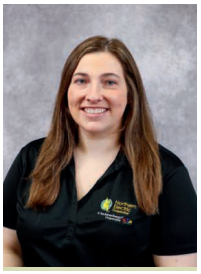
Thomas Lambert
District 8

Char Hager
CEO/General Manager
20 years



Lorisa Rudolph
Chief Financial Officer
5 Years

Jerry Weber
Operations Manager
43 Years

Russ Ulmer
Manager of Member Services
21 Years

Nick Nielsen
Assistant Manager of Member Services
15 Years

Derek Gorecki
Manager of IT
21 Years

Amy Golden
Executive Secretary
4 Years

Kathy Haas
Communication Specialist
1 Years

CONSULTANTS TO THE BOARD OF DIRECTORS AND MANAGEMENT

Legal: Harvey Oliver
Auditor: Eide Bailly, LLP
Engineering: Power System Engineering, Inc. (PSE)

Northern Electric Cooperative EMPLOYEES

ACCOUNTING

Ben Krueger
Senior Accountant
6 years

Brittany Holcomb
Senior Billing Accountant
5 years

Tiffany Hubert
Accountant
21 years

Christy Nagel
Billing Clerk
16 years

MEMBER SERVICES

Brandon Flack
Member Services Representative
13 years

Kelby Fey
Member Services Representative
12 years

OPERATIONS

Ben Peterson
Line Foreman
20 years

Brian Hansen
Line Foreman
10 years

Shawn Evans
Line Foreman
26 years

Tyler Marken
Journeyman Lineman
36 years

Chris Piehl
Journeyman Lineman
16 years

Steve Beck
Journeyman Lineman
13 years

Sean Schwartz
Journeyman Lineman
11 years

Kyle Miller
Journeyman Lineman
8 years

Collin Gades
Journeyman Lineman
7 years

Nick Dean
Journeyman Lineman
7 years

William Torrence
Journeyman Lineman
6 years

Riley Whitley
Journeyman Lineman
4 years

Quinn Vinger
Journeyman Lineman
4 years

Dylan Grimes
Journeyman Lineman
2 years

Landon Johnson
Journeyman Lineman
1 years

Rene Waldman
Dispatch/ Engineering Aide
16 years

Aaron Nuhsbaumer
Operations/Dispatch Aide
11 years

Lance Dennert
Purchasing Agent
14 years

IT SERVICES

Benji Grajczyk
Network Systems Tech
13 years

JUNE 19-20
77th Annual Tabor Czech Days
Food, Dancing, Parade
Tabor, SD
taborczechdays.com

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.

JUNE 4-6
Black Hills Quilt Show
Thurs. 5-8 p.m.
Fri. 9 a.m.-5 p.m.
Sat. 9 a.m.-4 p.m.
Rushmore Hall
at the Monument
Rapid City, SD

JUNE 5
Northern Bull Riding Tour
Prairie Village
Madison, SD

JUNE 6
Bulls 'n' Pulls
Antique Tractor Pull
Prairie Village
Madison, SD

JUNE 6
Citywide Rummage Sale
Sales Throughout Community
– Treasures Guaranteed!
Redfield, SD

JUNE 6
Eureka Citywide Rummage Sales
8 a.m.
605-230-1777
Eureka, SD

JUNE 10
BFest Concert Series & Farmers Market
Landree Wilson Performing
Museum Park
Bruce, SD
605-627-5671

JUNE 13
Journey Into Uncovering Historic Pickstown
9 a.m.-5 p.m.
Pickstown, SD
605-487-7299

JUNE 13
America's 250th
Baseball/Softball Day
Train Day, Carnegie Library
Open House, Fireworks
Redfield, SD

JUNE 13
Luce Pioneer Day
10 a.m.-3 p.m.
Rope & Candle Making, Butter
Churning, Dutch Oven Cooking
Lake Herman State Park
Madison, SD
605-880-5077

JUNE 19-20
Estelline Rodeo Days
5:30 p.m. Mutton Bustin'
6 p.m. Rodeo (Both Days)
Estelline, SD
www.estellinerodeo.com

JUNE 19-21
Ipswich Trail Days
Ipswich, SD
www.ipswichtraildays.com
ipswichtraildays@gmail.com

JUNE 26-27
Buckhorn Rodeo
Britton, SD
605-880-5077

JUNE 26-27
Orient Days
Orient, SD

JUNE 26-28
Bowdle Tower Days
Bowdle, SD
605-252-6694

JULY 2-4
USA 250th Celebration at Mount Rushmore
Rapid City, SD
www.nps.gov

JULY 3
City of Eureka Celebration – USA's 250th Anniversary
3 p.m.-11 p.m.
Eureka, SD
605-284-2441

JULY 8
Tracy Area Gardens & Quilts Tour
2-7:30 p.m.
Lakes Area – Shetek, Sarah, Gavin
Rain Date: July 9
Tracy, MN
507-629-3252
tracy.area.garden.quilts@gmail.com

JULY 11
40th Annual Spearfish Canyon Half Marathon & 5K
Start: 7 a.m., Savoy, SD
End: City Park, Spearfish, SD
Register: www.nhcasa.org

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.