# Northern Electric

A Touchstone Energy® Cooperative

September 2019 Vol. 20 No. 5

# Cooperative Connections

Ready for the Classroom

Page 8

SD Truckers Keep on Truckin'

Page 12

### EDITOR'S COLUMN

## It's Your Co-op and You Have the Opportunity to Lead It You Have The Power



Ben Dunsmoor

bdunsmoor@northernelectric.coop

You are the members. You are the owners. You have opportunities during the next few months to participate in your cooperative. This is your co-op and you have the opportunity to lead it. If you are reading this column you are likely a member-owner of Northern Electric Cooperative. Electric cooperatives are distinct business entities in the state of South Dakota. Electric co-ops were formed by private citizens of this state to bring power to rural areas where no other utility provider would build lines and infrastructure.

Electric cooperatives are very similar to other corporations in South Dakota; however, co-ops do not have shareholders - we have members. You, the members who are purchasing electricity from the co-op every month, are the shareholders. You are the owners of the co-op and you have a say in what happens with your cooperative.

Coming up in the next few months you have a few opportunities to exercise your responsibilities as co-op members. The first opportunity is the annual meeting which is being held on Thursday, September 5 at the Aberdeen Civic Arena and Theatre. The annual meeting is open to all co-op members. This meeting is your chance as a member-owner to listen to reports from the board and staff about the operation of your cooperative. The annual meeting is also an opportunity for you to meet the employees of the cooperative and ask questions about your co-op and how it functions. The 2019 annual report is included as an insert in this issue of *Cooperative Connections* and includes the department reports and audited financial information that will be reviewed during the September 5 annual meeting.

The annual meeting is also when members are elected to the Northern Electric Cooperative Board of Directors. Northern Electric elects board members based on nine districts which are set up across the co-op's service territory. Every district gets to elect a board member, so they have representation on the board. Board members have term limits and can serve three consecutive threeyear terms, or a total of nine years. This year, the term of Board Treasurer Wayne Holt from District 2 has expired. Todd Hettich from Mina was the only candidate to file a petition to fill Holt's vacant seat. Hettich will be seated during the annual meeting along with Board President Donna Sharp and Board Secretary Nolan Wipf. Sharp and Wipf were both up for re-election and no other candidate took out a petition to run against them.

There is also an opportunity for another member to step up and serve on the Board of Directors over the next few months. District 6 Director Randy Kienow has resigned his seat on the board because he moved to a new residence outside of Northern Electric's service territory. The Board of Directors must fill this vacancy within three months. The Northern Electric Board of Directors is now accepting letters of interest and qualifications from members who wish to fill this vacancy on the board. District 6 generally covers the rural areas west of Warner around the communities of Mansfield, Northville, and Athol. You can read more about this vacancy on page 11.

Northern Electric Cooperative is your co-op. You are the members. You are the owners. You have opportunities during the next few months to participate in your cooperative. This is your co-op and you have the opportunity to lead it.



#### (USPS 396-040)

#### Board President: Donna Sharp

#### **Board of Directors**

Randy Kienow - Vice President Nolan Wipf - Secretary Wayne Holt - Treasurer Fran Esser Victor Fischbach Ron Kaaz Josh Larson Mark Sumption

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

### Chief Financial Officer: Cathi Podoll

**Operations Manager:** Jerry Weber

Manager of Member Services: Russel Ulmer

Manager of Information Technology: Derek Gorecki

### Communications Director:

Ben Dunsmoor bdunsmoor@northernelectric.coop

#### **Executive Secretary:** Kay Albrecht

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

This institution is an equal opportunity provider and employer.

www.northernelectric.coop

facebook.com/NorthernElectricCooperative



now what's **below.** Call before you dig. Northern Electric Cooperative's regular board meeting was held July 24, 2019, at the headquarters in Bath with all directors present. Josh Larson and Nolan Wipf attended via phone. As the first order of business, the Board approved the June 20, 2019, minutes and expenditures. The Board then reviewed and accepted monthly reports by management.

Directors viewed the East River Electric Power Cooperative video report. East River Director Mark Sumption reported on actions taken by the East River Board at the July 3 meeting. General Manager Char Hager reported on the East River MAC Meeting she attended July 8 in Madison. Manager of Member Services Russ Ulmer reported on the Basin Managers Meeting, which he attended July 16-17 in Deadwood. Director Nolan Wipf will report on the South Dakota Rural Electric Association board meeting he attended June 27-28 at the August board meeting. Directors Donna Sharp, Mark Sumption and CFO Cathi Podoll reported on the 2019 CFC Forum, which they attended July 1-3 in New York. Director Josh Larson reported on the VIP Tour which he attended June 25-26 in North Dakota. General Manager Char Hager reported on the SDREA Managers Meeting, which she attended July 10-11 in Fort Pierre.

### **Manager's Report**

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

- Update and discussion on development projects.
- Update on Rural Electric Economic Development (REED) revolving loan fund.
- Legal and Legislative Report

June 2018

- Discussion on staff preparation for the Northern Electric Annual Meeting, September 5, 2019, in Aberdeen.
- Reminded directors of the East River Annual

### JULY BOARD REPORT

Meeting in Sioux Falls on September 4.

- Reminded directors of the 2019 NRECA Regional Meetings September 10-12 in Milwaukee, WI.
- Informed directors of the 2019 Mid-West Electric Consumers Association Annual Meeting, December 9-12, in Denver, CO.
- Informed directors of the 17th Annual Line Patrol Charity Ride September 6-7 in Madison, SD.

### **Board Report**

The board considered and/or acted upon the following:

- Approved date and time of the next regular board meeting for 8:30 a.m. on Thursday, August 22, 2019.
- 2. Approved payment of legal fees for Harvey Oliver in the amount of \$2,729.12.
- Approved Work Order Inventories #19-06 for \$62,979.47 and #19-06MC for \$24,829.75 to be submitted to the Rural Utilities Service for reimbursement from loan funds for electric plant construction already completed.
- Authorized board attendance to the 2019 Basin Electric Annual Meeting, November 6-7, in Bismarck. Appointed Director Ronald Kaaz delegate and Director Donna Sharp alternate.
- Appointed Director Donna Sharp voting delegate for the Basin Electric District 1 Nominating Caucus.
- Approved annual special and general capital credit retirements for members age 70 and over. Estimated retirements will total \$349,230.96.
- 7. Held Executive Session.

Please ask your cooperative manager, staff member or director if you have any questions.

.1259 per kWh

| Financial Report                           |           | June 2019      | June 2018      |  |
|--|-----------|----------------|----------------|--|
| kWh Sales                                  |           | 19,020,911 kWh | 21,948,594 kWh |  |
| Electric Revenues                          |           | \$1,983,740    | \$2,161,226    |  |
| Total Cost of Service                      |           | \$2,108,642    | \$2,163,459    |  |
| Operating Margins                          |           | (-\$124,902)   | (-\$2,233)     |  |
| Year To Date Margins                       |           | \$379,683      | \$274,784      |  |
| Residential Average Monthly Usage and Bill |           |                |                |  |
| June 2019                                  | 1,382 kWh | \$174.77       | .1265 per kWh  |  |
|  |           |                |                |  |

Wholesale power cost, taxes, interest, and depreciation accounted for 79.7% of NEC's total cost of service.

1,432 kWh

\$180.31

### SAFETY TIPS

### **Back to School Safety**

As many prepare for this upcoming school year, we want to share some electrical safety tips that are useful for students of all ages.

### **Elementary School Students**

- Never throw shoes onto power lines and definitely don't try to get them off of the lines.
- Writing utensils and other supplies like paper clips should never be placed in or near electrical outlets, even if you think the outlet isn't working.
- Make sure your hands and the area around you are dry before plugging something in. This is especially important in science labs where there are usually several sets of sinks, an eye wash, chemicals, etc.
- When unplugging things from an electrical outlet, always hold the plastic base to pull the plug out.

### Middle/High School Students

- If you've just received the privilege of driving to school with your newly obtained driver's license, pay close to attention on those morning and afternoon drives for utility crews at work. Should you be involved in an accident involving a power line or pole, assume live electricity is outside of the car and use extreme caution.
- Always steer clear of pad-mount transformers the big green metal boxes. All electrical equipment on school property should be avoided due to the possible dangers of electrical shock.
- Always be cautious in science classes, specifically the ones with labs. Sinks, eye washes, chemicals – it's likely your hands or the area near you will be wet. Keep everything dry and use caution when plugging in equipment.

### **College Students**

- Get in the habit of unplugging what's not in use.
- Use only approved electrical products with the mark of a recognized certification agency.
- Choose a power strip with a heavy-gauge cord that is approved by a recognized certification agency.
- Replace frayed or damaged extension cords with new ones.
- Keep extension cords out from under carpet, rugs or furniture as this could damage the cord and also present a fire hazard.
- Keep flammable materials such as books, paper and clothing away from heaters, stoves and other heating sources.
- Never leave cooking appliances unattended.
- Plug portable heaters and air conditioners directly into the outlet. If an extension cord is needed, to prevent overheating and risk of fire, use only one that is rated for this purpose to ensure that the cord can handle the electrical current.
- Never remove the third prong from an electrical product. The third prong is the grounding device and is a critical safety feature.
- Keep gadgets and cords away from bedding and curtains. The heat from a laptop charger or mini-fridge can start an electrical fire if left in contact with flammable material for too long.
- Avoid overloading outlets or circuits as this can cause overheating that may lead to fire.

Source: twielectric.com



### KIDS CORNER SAFETY POSTER



"If you drive into an electric line, call 911 for help!

#### Sawyer Nelson, 12 years old

Sawyer is the son of Wes and Chris Nelson, Wolsey, S.D. They are members of Dakota Energy Cooperative, Huron, SD.

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.



### **Roasted Vegetables**

| 1 tsp. garlic salt                            | 1 small red onion, cut into |  |
|---|-----------------------------|--|
| 1 tsp. Italian seasoning                      | thin wedges                 |  |
| 1/2 tsp. fennel seed                          | 1 small zucchini, sliced    |  |
|   | 1 cup asparagus pieces      |  |
| 1 small green bell pepper,<br>cut into chunks | 1 cup red potato chunks     |  |
|   |                             |  |

1 small yellow squash, sliced 2 T. oil

Mix seasonings in small bowl. Toss vegetables and oil in large bowl. Add seasonings; toss to coat well. Spread vegetables in single layer on foil-lined 15x10x1-inch baking pan. Bake at 450°F. for 30 minutes, stirring occasionally. Makes 6 Servings.

Nutritional Information Per Serving: Calories 93, Total Fat 5g, Sodium 342mg, Cholesterol 0mg, Carbohydrates 10g, Protein 2g, Fiber 2g

**Pictured, Cooperative Connections** 

### **Microwave Tomato Dish**

| 2 large, firm ripe tomatoes | 1/2 cup seasoned stuffing |  |
|-----------------------------|---------------------------|--|
| 1/2 lb. ground beef         | mix                       |  |
| 4 T. chopped onion          | 2 beaten eggs             |  |
| 1/4 tsp. garlic salt        | Dash of pepper            |  |

Cut a slice off the stem end of tomato. Scoop out pulp; place into a small glass baking dish. Combine remaining ingredients to fill tomato shell. Place filled tomatoes in dish of pulp. Cover with waxed paper. Microwave 5 to 8 minutes. Let set covered 2 minutes.

Elaine Rowett, Sturgis, SD

### **Zucchini Chips**

4 cups thinly sliced zucchini 2 T. white balsamic vinegar (about 2-3 medium)

2 tsp. coarse sea salt 2 T. extra virgin olive oil

Use a mandolin or slice zucchini as thin as possible. In a small bowl, whisk olive oil and vinegar together. Place zucchini in a large bowl and toss with oil and vinegar. Add zucchini in even layers to dehydrator then sprinkle with coarse sea salt. Depending on how thin you sliced the zucchini and on your dehydrator, the drying time will vary, anywhere from 8 to 14 hours. To make in the oven, line a cookie sheet with parchment paper. Layer zucchini evenly. Bake at 200°F. for 2 to 3 hours. Rotate half way during cooking time. Store in an airtight container.

#### Becki Hauser, Tripp, SD

### **Apple Pie Filling**

- 4-1/2 cups sugar
- 1 cup cornstarch
- 2 tsp. cinnamon
- 1/4 tsp. ground nutmeg, optional

1 tsp. salt

- 3 T. lemon juice
- 2 to 3 drops yellow food coloring

5-1/2 to 6 lbs. tart apples, peeled and sliced

In a large saucepan, blend sugar, cornstarch, cinnamon and nutmeg. Add salt and stir in 10 cups water. Cook and stir until thickened and bubbly. Add lemon juice and food coloring. Pack raw apples into hot jars, leaving 1-inch head space. Use spatula to help distribute syrup. Adjust lids. Process in boiling water bath - pints 15 minutes and quarts 20 minutes. Makes 6 to 8 quarts. Before serving, prepare pastry for a double crust 8- or 9-inch pie. Line pie plate with pastry, add 1 quart apple pie fulling. Adjust top crust, cutting slits for escape of steam; seal edges. Bake at 400°F. for 50 minutes.

Linda Goulet, Tea, SD

### **Kohlrabi Au Gratin**

| 3/4 cup shredded American cheese |  |
|----------------------------------|--|
| 1/2 cup milk                     |  |
| 2 T. sliced green onion          |  |
| 3/4 cup soft bread crumbs        |  |
| (1 slice)                        |  |
|                                  |  |

Cook kohlrabi, covered, in small amount of boiling salt water 25 minutes, drain. Blend flour into 2 T. melted margarine. Stir in sour cream, cheese, milk and onion. Cook and stir until cheese melts. Combine kohlrabi and sauce; turn into 1.5-quart casserole. Toss crumbs and remaining margarine; sprinkle over top. Bake, covered, at 350°F. for 15 minutes. Uncover and bake and additional 15 to 20 minutes. Serves 6 to 8.

Shirley Thedorff, Centerville, SD

Please send your favorite pasta, slow cooker and holiday 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 2019. All entries must include your name, mailing address, telephone number and cooperative name.



## LEARNING ABOUT LIVESTOCK

Seminars Provide 'Nuts and Bolts' Details of Livestock Development

### **Ben Dunsmoor**

bdunsmoor@northernelectric.coop

It is no secret that agriculture is the main driver of South Dakota's economy. The successes and struggles of rural farms and ranches are felt across the state.

Electric cooperatives and agriculture intersect on many levels in South Dakota. It is the reason Northern Electric Cooperative's wholesale power supplier, East River Electric Power Cooperative, has been hosting informational seminars about livestock development over the past several months. The most recent seminar was held at the Agtegra Innovation Center in Aberdeen in July.

"South Dakota and our rural economy are so dependent on what happens on our farms and ranches," East River Business Development Director Mike Jaspers said. "We often focus on the cities and communities that are the hubs for much of our business transactions, but the beginning of that financial chain happens where our agricultural commodities are grown and raised."

East River Electric and its member cooperatives from eastern South Dakota and western Minnesota started the discussion about livestock develop-





ment in November when they hosted the Livestock Development Summit at South Dakota State University in Brookings. Nearly 300 attendees filled the SDSU Performing Arts Center to hear about the economic impact livestock development can have throughout South Dakota.

The November livestock summit prompted Ag United for South Dakota to jump on board with the effort to inform and educate more farmers, producers, and community leaders about livestock development.

"It really was a no brainer to put together the seminars after East River's Livestock Summit last November. The seminars are designed to drill down into more details for farm families," Ag United for South Dakota Executive Director Steve Dick said.

Ag United is a coalition of farm organizations including the South Dakota Cattlemen's Association, the South Dakota Corn Growers Association, South Dakota Farm Bureau, South Dakota Pork Producers Council, the South Dakota Dairy Producers, and the South Dakota Dairy Producers, and the South Dakota Poultry Industries Association. Dick said Ag United's partnership with East River and its member electric cooperatives has been the perfect fit for continuing the conversation about livestock development and the potential it holds for future generations.

"Livestock allows a farm family to diversify their farming operation, it can also allow a younger farmer to get established," Dick said. "These are all important factors in these uncertain economic times of limited grain exports and low grain prices."

"These regionalized meetings are focused on being smaller in nature, so individuals attending have every opportunity to get answers to every last question they may have before they leave."

"East River Electric partnered with Ag United for South Dakota in hosting informational livestock seminars because promoting rural economic development supports the missions of both organiza-



tions," Jaspers said.

Smaller livestock seminars have already been held in Madison, Watertown and Aberdeen this year. About three dozen people attended the seminar in Aberdeen on July 18. The seminar focused on the details of planning, permitting, constructing, and managing a livestock development project. The seminar included speakers from the Northeast Council of Government (NECOG), ProAg Engineering, the SDSU Extension office, and representatives from Farm Credit Services of America and AgriSwine Alliance.

"The livestock seminars focus on the 'nuts and bolts' level processes a producer would go through to have a livestock feeding facility become reality on their operation," Jaspers said. "These regionalized meetings are focused on being smaller in nature, so individuals attending have every opportunity to get answers to every last question they may have before they leave."

More regional livestock seminars are being planned for Southeastern and Southcentral South Dakota and other areas of the state that have a strong interest in the topic. According to Jaspers, the goal is to start conversations, answer questions, and continue the discussion about economic development in rural South Dakota.

"Just as rural electrification has had a huge impact on the financial sustainability of our rural electric members, we continue looking for ways today to enhance the profitability of our members and their businesses," Jaspers said. "That is especially true when those ways involve opportunities for our families to bring the next generation back to the farm with added cash flow to financially sustain that decision."

If you are interested in bringing a livestock seminar to your community contact Northern Electric Cooperative at <u>info@northernelectric.coop</u> or contact East River Electric Power Cooperative in Madison or Ag United in Sioux Falls.



# TEACHERS HIT ENERGY CLASSROOMS

Annual Seminar Equips Educators with First-hand Experience

### Brenda Kleinjan

editor@sdrea.coop

When Craig Shryock's vocational agriculture students at Wessington Springs High School return to the classroom this fall, they will eventually cover a section on electricity and Shryock can provide some first-hand lessons to his students thanks to a summer course he took.

Several years ago, Shryock was one of dozens of teachers to attend the Lignite Energy Council's Teacher Seminar held each June since 1986. Since the first seminar was offered, more than 3,300 teachers have attended, giving each an insight into not only coal's role in energy production, but also into electricity in general.

At a meeting of fellow ag teachers this summer, Shryock spoke about the seminar and its value. Participants in the 2019 Lignite Energy Council's Teacher seminar descend the 300-foot boom on the Missouri Quest dragline at Freedom Mine near Beulah, N.D. A bucket attached to the boom removes overburden to expose the lignite coal seam for mining.





### EDUCATION

"Being able to hold up that vial of coal and let the students see it is important," Shryock said.

Having that tangible piece of coal to serve as a learning tool helps students understand that electricity is more than just flipping on a switch in the morning.

The piece of coal was just one take away that seminar attendees like Shryock benefit from. At the conclusion of the seminar, teachers take home handouts, videos, coal samples, and activities that can be used in the classroom, as well as two professional graduate credits.

The goal of the seminar is to provide teachers with the information and educational materials they need to teach their students about how lignite is mined and used to produce electricity for homes, farms and businesses in the Upper Midwest. In addition, the seminar covers lignite's economic impact on the region, as well as important environmental issues affecting the lignite industry.

Educators attending the seminar are eligible to earn two professional development graduate credits from three North Dakota universities: North Dakota State University (teaching and learning),



University of North Dakota (education), Minot State University (science).

All teachers and faculty are encouraged to apply for the seminar with preference given to fourth grade through 12th grade teachers, those with science, math or social studies as a primary subject matter and career counselors.

The seminar is a no-cost seminar for K-12 teachers in North Dakota, South Dakota, Minnesota, Montana and Iowa, but they may incur travel expenses. Sponsorships may available for transportation reimbursement to and from the seminar for eligible teachers in Montana, South Dakota, Minnesota and Iowa. Those sponsorships will be arranged by the utilities and cooperatives serving those states. Housing and most meals during the seminar are paid for as are graduate credit hours.

Handouts and classroom activities made available to the teachers go beyond lignite coal and lignite mining and reclamation. Teachers also dive into light bulb efficiencies and types, electricity transmission systems, energy use, carbon capture and storage, workforce issues, geology and environmental compliance.

For more information on the seminar, visit https://lignite.com/events/teachers-seminar/ or contact the Lignite Energy Council at 701-258-7117.



### CO-OP NEWS

# **David Appel Retires**

Redfield Native Completes A Nearly 36-Year Career In His Hometown

### Ben Dunsmoor

bdunsmoor@northernelectric.coop

Redfield Line Foreman David Appel retired from Northern Electric Cooperative at the end of July following a career that spanned nearly 36 years. Appel dedicated his career to serving the members of the cooperative and his friends and neighbors in his hometown.

Appel grew up in Redfield and graduated from Redfield High School. He attended college at the University of South Dakota's campus in Springfield before finishing up his post-secondary education at South Dakota State University. After college, Appel worked for the South Dakota State Highway Department and Rude Transportation before he was hired at Spink Electric in 1983.

"I enjoyed working outside and the satisfaction that came with getting the power back on for members during outages."

Appel started working as an apprentice lineman for Spink Electric when he was 26 years old. He became a journeyman lineman in 1989. He worked on the line for 14 years for Spink Electric before the co-op merged with Northern Electric in 1997. Appel said there was satisfaction in serving the community where he grew up.



Appel said. "I enjoyed seeing all the improvements we made to help out our members."

Appel continued working in the Redfield office following the merger and became the line foreman in Redfield in 2005.

Journeyman Lineman Kenny Swanson worked with Appel for more than 30 years and said Appel took pride in his work and was very organized.

"He always had everything figured out when a new work plan came out," Swanson said. "The materials and everything were always there when we needed them."

Appel said his career as a lineman was rewarding.

"I enjoyed working outside and the satisfaction that came with getting the power back on for members during outages," Appel said.

Appel retired on July 31.



apprentice lineman.

"I knew all the people in the area well,"

### CO-OP NEWS

### Randy Kienow Steps Down Applications Being Accepted To Fill Kienow's Seat on Board



Randy Kienow District 6

The Northern Electric Cooperative Bylaws under Article IV, Section 3, state that board members must be a - "bona fide resident of the service area served by the cooperative located within the particular district."

Northern

Electric Coop-

Vice President

Randy Kienow

has resigned his

because he has

of the co-op's

moved to a new

residence outside

service territory.

seat on the board

erative Board

of Directors

The co-op's bylaws state that the Board of Directors has three months to fill the vacancy. The Board is requesting co-op members who live in District 6 to submit a letter of interest and a summary of their background and qualifications by September 20 if they would like to be considered for the vacant seat. Once the Board of Directors has received the requested information from all interested members, they will vote for the member who has the best qualifications to serve on the board. The member who is chosen to fill the vacancy will serve on the board until Kienow's term expires in September of 2020. The member who is chosen to fill Kienow's vacant board seat has the option of filing a petition to be elected by the members in District 6 at the 2020 annual meeting. Applicants must meet all board qualifications as laid out in Article IV, Section 3 of the Northern Electric Cooperative Bylaws. Copies of the bylaws are available at the co-op offices in Bath or Redfield. The bylaws can also be found online at www.northernelectric.coop/ cooperative-bylaws

District 6 encompasses any members who live along or west of U.S. Highway 281 near the communities of Warner, Mansfield, Northville, and Athol. The northernmost border of District 6 is 136th Street north of Warner. The southernmost border of the district is 166th Street south of Athol. Members who are interested in applying for the vacant seat should call the Northern Electric office at 605-225-0310 to confirm that their residence is within the boundaries of District 6.

Members interested in filling the vacancy can mail their letter of interest and summary of background and qualifications by September 20 to:

Kay Albrecht Northern Electric Cooperative PO Box 457 Bath, SD 57427

The requested materials can also be dropped off before September 20 at one of the co-op offices in Bath or Redfield.

## **OFFICIAL NOTICE OF ANNUAL MEETING**

### Members of Northern Electric Cooperative Inc.

The **Annual Meeting of the members of Northern Electric Cooperative Inc.** will be held at the Aberdeen Civic Arena and Theatre in the City of Aberdeen, State of South Dakota, on the **5th day of September, 2019, at 6:30 p.m.** to take action on the following matters:

- Reports of Officers, Directors, and Committees
- Election of Three Directors
- Discuss and Act Upon Any Other Business

**PLEASE TAKE NOTICE** that although Directors for Districts 2, 5, and 9 will be elected by the membership at the meeting, paper ballots will not be needed. Incumbent directors Donna Sharp (District 5) and Nolan Wipf (District 9) and member Todd M. Hettich (District 2) are the only eligible candidates for their districts. Each of the eligible candidates is running unopposed. Since no other nominations can be submitted, the candidates will be automatically elected at the annual meeting.

### 2019 Northern Electric Cooperative Board of Director Candidates

**District 2** Todd M. Hettich Mina, SD District 5 Donna Sharp Bath, SD District 9 Nolan Wipf Hitchcock, SD

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

Nolan Wipf Secretary July 24, 2019



## **Trucking Along**

Future Driver Shortage May Tap the Brakes

### Brenda Kleinjan

editor@sdrea.coop

Our industry could be short just over 100,000 drivers in five years and 160,000 drivers in 2028.

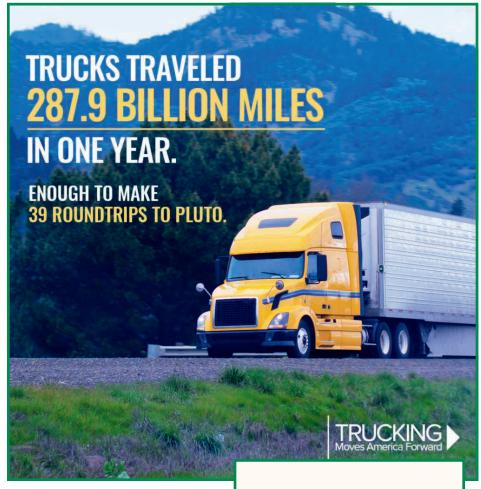
Travel down any major highway in the region and chances are you'll encounter dozens of semi trucks.

Some are hauling agriculture equipment or products, others may be hauling specialized loads such as wind turbine components. Yet others contain items destined for your local grocery store's shelves. Even your electric cooperative relies on timely deliveries of poles and materials hauled in by trucks.

There's no doubt about it, we're all connected by this nationwide trucking industry network.

This summer, the American Trucking Associations released its latest examination of the driver shortage, finding the industry needed 60,800 more drivers at the end of 2018 to meet the country's demands for freight services.

"Over the past 15 years, we've watched the shortage rise and fall with economic trends, but it ballooned last year to the highest level we've seen to date," said ATA Chief Economist Bob Costello. "The combination of a surging freight economy and carriers' need for qualified drivers could severely disrupt the supply chain.



The increase in the driver shortage should be a warning to carriers, shippers and policymakers because if conditions don't change substantively, our industry could be short just over 100,000 drivers in five years and 160,000 drivers in 2028."

The report details the factors that contribute to the shortage, including an aging driver population, increases in freight volumes and competition from other blue-collar careers. It also outlines potential market and policy solutions. While the report covers the entire trucking industry, the bulk of the shortage is in the over-the-road for-hire truckload market.

"The trucking industry needs to find ways to attract more and younger drivers," Costello said. "Right now, the average age of an over-the-road driver is

### Sept. 8-14 is National Truck Driving Appreciation Week

National Truck Driver Appreciation Week is a week recognizing the 3.5 million professional truck drivers that are an important part of our economy. Every day these dedicated professional men and women transport goods and services safely, protected and on time, while keeping highways safe.



46 years old, and almost as alarming is that the average age of a new driver being trained is 35 years old.

"Whether by removing barriers for younger drivers to begin careers as drivers, attracting more demographic diversity into the industry, or easing the transition for veterans, we need to do more to recruit and retain drivers," he said. "That includes increasing pay, which happened at a brisk pace last year, to keep pace with demand, addressing lifestyle factors like getting drivers more time at home, and improving conditions on the job like reducing wait times at shipper facilities."

In order to meet the nation's freight demand, the report says the trucking industry will need to hire 1.1 million new drivers over the next decade – an average of 110,000 per year to replace retiring drivers and keep up with growth in the economy.

Myron Rau, president of the South Dakota Trucking Association in Sioux Falls, recently commented on the shortage in the *SDTA Trucking News*.

"It is probably not new news to anyone but it is reported that the U.S. trucker shortage is expected to double over the next decade. The driver deficit swelled by more than 10,000 to 60,800 in 2018 from a year earlier. The American Trucking Associations (ATA) estimates that 160,000 driver positions will go unfilled a decade from now. A possible solution has been proposed to regulators by the ATA. That solution is to lower the age for commercial drivers who can cross state lines by three years to 18. This proposal included increased training and supervision. Over 40 states now allow 18 year old drivers to get a commercial driver license to operate within the borders of their license issuing state. I believe there is a chance, if all parties come to the table, to implement this proposal that will bring some relief to predicted driver shortages," Rau wrote.

The SDTA holds its annual convention Sept. 4-6 in Sioux Falls, S.D.

### **Facts About Trucking**

- Professional truck drivers drove over 287.9 billion miles in 2016, more than double 25 years ago. Those miles accounted for 14.2 percent of all motor vehicle miles and 29.8 percent of all truck miles.
- The trucking industry paid \$41.8 billion in federal and state highway taxes in 2016, and represented 13.3 percent of vehicles on the road. The trucking industry paid \$17.6 billion in federal highway-user taxes and \$24.2 billion in state highway-user taxes in 2016.
- The trucking industry consumed 54.9 billion gallons of diesel fuel and gasoline in 2016. Based on consumption and price, ATA reported that motor carriers spent \$142.9 billion in 2015.
- The federal fuel tax for diesel in 2018 is 24.4 cents per gallon; the average state tax for diesel fuel was 25.2 cents per gallon.
- There are 3.68 million class 8 trucks on the road in the United States and 11.7 million commercial trailers were registered in 2016.
- There are 7.7 million truck drivers in the United States. Total industry employment is 3.5 million or one out of every 16 people working in the United States.
- There are 777,240 for-hire carriers and 700,591 private carriers in the United States; 97.3 percent of them have fewer than 20 trucks and 91 percent are operating six trucks or less.
- In 2016, the trucking industry hauled 10.77 billion tons of freight, or 70.1 percent of total U.S. freight tonnage. Rail was the next busiest mode, moving 13.8 percent of the nation's freight tonnage.
- In 2017, the trucking industry was a \$700.18 billion industry, representing 79.3 percent of the nation's freight bill.
- More than 80 percent of U.S. communities depend solely on trucking for delivery of their goods and commodities.

Source: Professional Truck Drivers and The Trucking Industry, October 2018

### OFFICIAL NOTICE

## **2019 Annual Meeting Minutes**

Pursuant to the notice to all members, the 71st Annual Meeting of the membership of Northern Electric Cooperative, Inc., was held in the Aberdeen Civic Arena and Theatre on the 12th day of September 2018, at 6:30 p.m. with registration commencing at 5:00 p.m.

More than 500 members and guests were served a buffet dinner before the business meeting. An electric products and services expo was also held.

Following the National Anthem, President Donna Sharp called the meeting to order. The President then called on Pastor Chuck Hogle from New Life Fellowship to deliver the invocation. General Manager Char Hager and President Sharp then recognized guests, directors and officers of the board.

Secretary Glen Larson declared a quorum was present, with the official registration being 227. He then gave a report on petitions for nominees. Larson stated that petitions were received for the following Director candidates: District 1, Mark Sumption, Frederick, District 3, Ron A. Kaaz, Aberdeen, and District 8, Francis Esser, Redfield.

President Sharp called for the Secretary's report. Upon motion, the reading of the minutes of the September 13, 2017, Annual Meeting was waived and the minutes, as previously mailed to all the members prior to this meeting, were approved as printed and mailed.

Treasurer Wayne Holt 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, 2017. The treasurer's report was approved as presented.

President Sharp called for any unfinished or old business. There was none. Sharp and General Manager Char Hager began their presentation.

### In combined President/Manager reports, Sharp and Hager stated:

Member Owned and Member Focused is the theme of this year's annual meeting as we take a look at the operation of your cooperative and how our decisions are guided every day by you - the members we serve.

The cooperative exists to serve members with safe, reliable, and affordable electricity so you can run your businesses, operate your farms, and raise your families right here in rural South Dakota. Within the last year the co-op has implemented several changes and taken on several projects to ensure the long-term reliability and stability of your cooperative. earlier this year when a rate change for all members took effect on March 1st. This rate change was developed to reflect the true cost of your electricity and the costs Northern Electric must pay to our wholesale power supplier -East River Electric Power Cooperative every month.

We began discussing this rate change with you during the annual meeting last year. The new rates encourage members who exceed certain power thresholds to avoid using electricity when East River is approaching peak demand for the month. Avoiding these peak demand periods allows your cooperative to control its wholesale power costs to East River - which in turn - helps Northern Electric members control their monthly bills.

This rate change was necessary because many of the old rate structures were implemented in the 1980's and 1990's and over the past several decades the power needs of our members have changed.

This new member-focused rate structure offers flexibility to those members with unique power needs because they can make decisions about controlling their costs by avoiding peak demand periods throughout the month.

The rate structure also follows the third cooperative principle of 'member economic participation' because it ensures that every member - whether they are a large industrial user or a tenant in an apartment building – are paying their share of the necessary costs to turn on the lights or power their businesses. If you have any questions about the new rate structure, we encourage you to speak with a member services representative either over the phone or in our office.

As we mentioned, East River Electric Power Cooperative is your co-op's wholesale power supplier. East River operates the large transmission lines and substations that deliver electricity to the Northern Electric service territory. East River gets its electricity from Basin Electric Power Cooperative in North Dakota as well as the Western Area Power Administration - or WAPA - which administers the distribution of electricity from the hydropower dams on the Missouri River.

This three-tiered system aims to bring our membership the most reliable and affordable electricity possible.

A video report from East River was shown which talked about some important infrastructure improvements East River will be making to ensure a consistent and reliable power supply is always available. The Northern Electric Operations Department led by Mike Kelly has also been working hard over the past year to upgrade infrastructure and build new lines to bring reliable power to your homes, farms, and businesses. Northern Electric currently maintains nearly 2, 600 miles of distribution power line.

Within the past year, our crews replaced 267 distribution poles, upgraded more than 100 services to accommodate more electric load, and built 129 new electric services to connect new homes, businesses, or buildings within the cooperative's service area.

Co-op crews have also been working to upgrade infrastructure by installing electronic breakers and switches throughout the system to minimize time spent on maintenance and improve accuracy in responding to outages.

This year, the operations department has been working to integrate a new digital mapping system that will also improve accuracy and efficiency. The new mapping system will work hand in hand with the new outage management system that is being implemented this year. The outage management system will assist crews and dispatchers in pinpointing and responding to outages.

Moving forward, the cooperative is identifying projects for its new four-year work plan after completing the previous work plan within the last year. This work plan guides the co-op and its crews as they work to build, upgrade, and maintain the infrastructure that delivers power to you every day.

Manager of Member Services Russ Ulmer and our member services representatives have been busy informing the membership about the new rate structure which was implemented this year. Member services representatives have been working closely with members to help them understand the new structure.

In response to the new rate structure, member services representatives have been installing hundreds of new load-control devices which will help members avoid electric demand during those peak times.

In the first six months of 2018, the member services department installed more load-control devices on grain bin fans, irrigation, water heaters and air conditioners than they did the entire year in 2017.

Through the first half of this year they have installed more than 230 load-control devices which can control up to three megawatts of electric load.

These load-control devices cycle loads on and off during periods of peak demand which

One of the biggest changes was implemented

### OFFICIAL NOTICE

allows the cooperative to avoid paying a higher price for the power you need.

Going forward we hope the additional load control devices and the new rate structure will allow co-op members to use electricity in a responsible and cost-effective manner.

The Northern Electric Cooperative accounting and billing department continues to offer new member-focused options to make managing your account more convenient.

Use of SmartHub - our online account management and payment tool – has increased over the past year with more than 1,400 members who are now using the online tool. The accounting and billing department also implemented a new prepaid billing option this year.

With prepaid, members can pay for their electricity before they use it. This option allows members to load their account with money when it is convenient for them. When members use electricity, a daily bill calculation deducts that amount from their account. Members get notifications when their account is getting low, so they can load more money onto their account.

Prepaid is one more option for members looking for a convenient way to pay their bill. The accounting and billing department is responsible for sending out more than 6,500 bills for electric service every month.

The Northern Electric Information Technology department manages the software, infrastructure, and cybersecurity initiatives which allow the cooperative to utilize the latest technology in a safe and secure manner.

The IT department worked with the accounting and billing department to assist in the launch of the new prepaid billing software and is working with the operations department to implement the new outage management system and new mobile applications for co-op crews in the field.

The IT department also manages the cooperative's network of towers which are used to communicate with electric meters at the end of the line and the co-op's servers. Going forward, they will be installing a new wireless network for substation communications.

Another focus of the IT department has been cybersecurity initiatives. A few of these initiatives include training for employees so they are aware of the latest cybersecurity threats, and maintenance of the co-op's Payment Card Industry Security Compliance to protect member data.

At Northern Electric Cooperative we strive to communicate with you as members. We want to share energy efficiency tips, safety facts, and outage information with you. We continue to communicate to you through our monthly *Cooperative Connections* magazine and have continued to grow our social media presence on Facebook.

This spring Northern Electric was recognized for its *Cooperative Connections* magazine when we received the "Gold Spotlight on Excellence Award" from the National Rural Electric Cooperative Association for having the "Best External News Publication" in the country for co-ops our size.

This recognition demonstrates our commitment to the fifth cooperative principle of educating our members and communicating with you about the operation of your electric co-op.

The message of electrical safety also continues to be a key focus of your cooperative's communication efforts.

Communications Director Ben Dunsmoor has been involved in organizing local safety presentations for youth camps and local first responders and assisting the East River Electric Power Cooperative Communications and Marketing Committee in developing regional marketing campaigns focused on safety.

The communications department also organizes the co-op's various youth programs including the Youth Tour trip to Washington, D.C.

This year, Sarah Aman, a junior at Warner High School, was selected to represent Northern Electric Cooperative during the week-long Youth Tour trip to Washington D.C.:

### *Sarah Aman spoke at the podium about her experiences on Youth Tour.*

Teens are selected for Youth Tour through an essay contest after they attend the annual Youth Excursion trip to tour the power plants and resources in North Dakota. We are happy to provide educational experiences like the Youth Tour trip to our members.

All the accomplishments and projects we have highlighted during this meeting would not be

possible without the hard work of a committed group of co-op employees and a dedicated Board of Directors. We would like to thank a few of them tonight for their longevity and service to the co-op.

At this time, we would like to recognize Secretary Glen Larson for his nine years of service on the Northern Electric Cooperative Board of Directors by presenting him with a plaque for his dedication to the co-op.

After serving on the Northern Electric Board of Directors for the past nine years Glen has reached his term limit and will officially finish his duties as a director tonight. I would like to invite Glen up onto the stage to receive his plaque.

Thank you, Glen. We would also like to recognize two Northern Electric employees who are celebrating major milestones with the co-op tonight. As I read your name please come up to the stage to be recognized for your years of service. Rebecca Kappenman, Accountant, 10 years, Cathi Podoll, Chief Financial Officer, 10 years. Thank you for your years of service to Northern Electric Cooperative. We appreciate all you do.

We would also like to welcome one new employee to the cooperative. Megan Spears was hired by Northern Electric Cooperative in June to fill a vacant accountant position. Please, join us in welcoming Megan.

At this time, I would also like to thank all our employees for their hard work and dedication over the past year. Please, recognize them with a round of applause.

Sharp called for New Business. Hearing none, called to take action on the election of directors. Attorney Harvey Oliver explained the voting rules and procedures of the election of directors and explained that there was no election. The District 1, 3 and 8 candidates ran unopposed and were declared elected by general consent.

Sharp called for any other business to come before the meeting, there being none, she declared the meeting adjourned at 7:12 p.m. and thanked all for attending. It is important for you – the member-owners to be informed and involved in your cooperative.

Employees Ben Dunsmoor and Kay Albrecht then conducted drawings for a number of prizes.



#### August 21-25

Corn Palace Festival, Mitchell, SD, 605-995-8430

August 22-24 Senior Games, Watertown, Contact Andrew Magedanz at 605-949-0028

August 22-25 Prairie Village Annual Steam Threshing Jamboree, Madison, SD, 605-256-3644

August 22-25 Kool Deadwood Nites, Deadwood, SD, 605-578-1876

August 22-25 Hugh Glass Rendezvous, Lemmon, SD, 605-393-5832

August 24-25 Great Dakota Wine Festival, Vermillion, SD, 605-624-4500

August 26-September 1 Mustang Rally, Sturgis, SD, 605-490-1663

August 29 South Dakota State Fair Value Added Ag Day, 10 a.m. to 4 p.m. CDT, Huron, SD

August 29-September 2 South Dakota State Fair, Huron, SD, 605-353-7340

August 30-September 2 Cheyenne River Sioux Tribe Powwow, Fair and Rodeo, Eagle Butte, SD, 605-964-2447

September 4-7

AAUW Annual Used Book Sale, Super City Mall, Wednesday 6 to 9 p.m., Thursday 7 a.m. to 9 p.m., Friday 7 a.m. to 9 p.m., Saturday 7 a.m. to 1 p.m., Aberdeen, SD, 605-225-6713 August 24-25: Fourth Annual Fall River Balloon Fest, 6 a.m., Airport, Hot Springs, SD, 605-745-4140



September 6-7 Supermoto, Sturgis, SD, 605-720-0800

**September 6-7** Ribs, Rods & Rock n' Roll, Vermillion, SD, 605-624-2021

**September 7** Sidewalk Arts Festival, Sioux Falls, SD

**September 7** Insect Festival at McCrory Gardens, Brookings, SD, 605-688-6707

**September 7** Germanfest, 1 to 10 p.m., Fawick Park, Sioux Falls, SD

**September 7** Foothills Bud Light Bull Bash, Wessington Springs, SD, 605-770-4370

**September 7** Geothermal Greenhouse & High Tunnel Tours, Mission,

SD, 605-430-4699, SDSPAmembers@gmail.com September 7-8 Quilt Show, Hill City, SD, 605-574-2810

**September 8** Homesteader Day Celebration, Valley Springs, SD, 605-367-4210

September 13 Organic Grains & Pumpkin Patch Agritourism Tours, Milbank, SD, 605-430-4699, SDSPAmembers@gmail.com

September 13-14 Deadwood Jam, Deadwood, SD, 605-578-1876

September 13-15 Dakota Western Heritage Festival, Fort Pierre, SD, 605-222-0079

**September 14-15** Stirling Family Memorial Ranch Rodeo, Fort Pierre, SD, 605-870-2472

**September 14-15** Twin Rivers Old Iron Harvest Festival, Delmont, SD, 605-505-0535 **September 19-21** St. Joseph's Indian School Powwow, Chamberlain, SD, 605-234-3452

September 21

AgriCulture on the Square, 11 a.m. to 3 p.m. MDT, Free, Main Street Square, Rapid City, SD, 605-394-1722

**September 26-28** Buffalo Roundup Arts Festival, Opens at 10 a.m.,

Game Lodge grounds, Custer State Park, Custer, SD, 605-255-4541

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.