



Cooperative Connections

**Where
Renewable
Energy Gets
Its Power**

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**Sensing
a Healthy
Electric Grid**

Page 12



Teens: Win a Trip to Washington, D.C.

Each June, high school students travel to Washington, D.C., to participate in the Rural Electric Youth Tour. During the week, they learn about government, cooperative philosophy and rural electric cooperatives. The students are selected and sponsored by their local electric cooperatives. Arrangements for the South Dakota students are coordinated by the South Dakota Rural Electric Association, (SDREA).

Among the sites that will be toured are: the Lincoln Memorial, the National Cathedral, The White House, The Air and Space Museum, The Washington Monument, The U.S. Capitol, Ford's Theatre, The Kennedy Center, the Metro, Arlington National Cemetery, the Tomb of the Unknown Soldier, the Smithsonian, the Iwo Jima Statue, the National Archives, the U.S. Supreme Court, the Vietnam Veteran's Memorial and Mount Vernon.

Who is eligible? All high school sophomores and juniors whose parents or guardians are members of Lacreek Electric are eligible to enter the contest.

What does it cost? The tour is funded by the local rural electric cooperatives which participate in the week-long event. The funding for the tour provides for each participant's transportation, room and board, entertainment and sight seeing. Students are required to provide their own personal spending money (snacks and souvenirs).

When is it held? The week long trip will be held June 7-14, 2018. Participants will meet for an orientation meeting on June 7. The group will fly to Washington, D.C., on June 8 and return to South Dakota on June 14.

How do I qualify? All applicants must fill out a data sheet and take an open book test on the history and organization of rural electrification. Applications are available at Lacreek's office in Martin, via mail at Lacreek Electric, PO Box 220 Martin, SD 57551 or online at www.lacreek.com, download the application and return it to Lacreek's office.

The deadline for entries is Friday, March 2.

IN CASE OF OUTAGE

1ST: Check the fuses or breakers in your home or building in which you do not have power.

2ND: Check meter for display and readings. If the meter is blank, you are probably experiencing an outage and need to call our office immediately.

3RD: If your meter has a display, check your breaker below your meter on the yard pole.

4TH: Please contact your neighbor to see if they are experiencing a power outage because it would be helpful to know if other members in the area are also out of power.

5TH: Make sure you have the name the bill is in, the meter number and/or the account number.

6TH: Call Lacreek Electric at 605-685-6581 or if you are calling long distance dial 1-800-655-9324. We now have a 24 hour answering service. First, you will hear an automated message, "Thank you for calling Lacreek Electric. Your call may be recorded or monitored for quality assurance." You will then hear the following menu:

- If you're calling to report an electrical outage, press 1.
- If you have a billing question, press 2.
- If you're calling to report a meter reading, press 3.
- For all other calls, press 0.



Office Hours: 7 a.m.-4:30 p.m. MDT
Open over noon hour
Closed Saturday, Sunday and holidays

Lacreek Electric Cooperative Connections

(USPS No. 018-912)

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 Troy Kuxhaus – Secretary
 Clarence Allen – Treasurer
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 Brent Ireland – Neal Livermont –
 Dean O'Neill – Wade Risse – Marion
 Schultz – Connie Whirlwind Horse –
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 Member Service Representative

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 Tyler Brown – Alex Christensen –
 Lonny Lesmeister – Garrett
 Metzinger
 Glenn Smith – Maintenance Man
 Cody Larson – Warehouse Man

This institution is an equal opportunity provider and employer.

This publication is mailed the 15th of the month prior to the issue date. Layout is at least three weeks prior to mailing. LACREEK ELECTRIC COOPERATIVE CONNECTIONS is published monthly by Lacreek Electric Association, Inc., PO Box 220, Martin, SD 57551 for its members. Families subscribe to Lacreek Electric Cooperative Connections as part of their electric cooperative membership.

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POSTMASTER: Send address changes to: Lacreek Electric Cooperative Connections, PO Box 220, Martin, SD 57551; telephone (605) 685-6581; fax (605) 685-6957

Please Return Your Payment Stub

Please return your stub with your payment, so that we may be sure the proper account is credited. If you do not have your payment stub, *please make sure to include the name and the account number with the payment.*

Also, if you are taking your payment to one of our drop box locations, **PLEASE HAVE THE CLERK CALL OUR OFFICE TO CONFIRM YOUR PAYMENT**, whether it is a monthly payment, to pay on your delinquent account or if your account has been disconnected. This will ensure we have been notified in a timely fashion to make sure we meet all our member's needs.



Director Petitions Available

Director petitions will be accepted Feb. 26, 2018, from persons interested in running for Lacreek Electric's board of directors.

The election will be held at the annual meeting scheduled for Thursday, April 26, 2018, at the American Legion Auditorium in Martin, S.D.

Anyone interested in being a candidate for Lacreek Electric's board of directors who live in Zone 2, East Bennett County; Zone 4, East Oglala County; Zone 7, Cherry County, Neb.; Zone 9, West Oglala Lakota County, should stop by the office to obtain a petition. The directors currently serving these zones are: Brent Ireland, Zone 2, Marion Schultz, Zone 4, Tom Schlack, Zone 7, and Donovan Young Man, Zone 9.

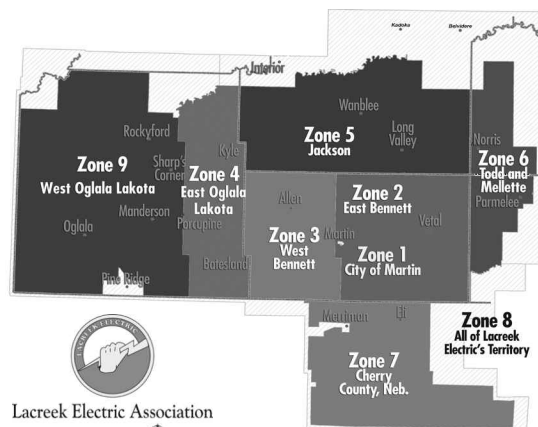
Candidates must live in the Zone they plan

to represent. The petitions must be signed by at least 15 members living in the Zone the candidate is running in. All positions are for three-year terms on the board.

Petitions must be filed with the board secretary no later than March 26, 2018.

Lacreek's board of directors currently consists of 13 members representing nine zones. If you choose to run for a board of director for a nonprofit organization such as Lacreek Electric, you have inherently accepted fundamental responsibilities in addition to a commitment of time and accountability to the cooperative on behalf of the members it serves, keeping in mind, the board has ultimate legal responsibility for the cooperative.

A director must act in good faith, in the best interest of Lacreek Electric. A director possesses a fiduciary duty to Lacreek Electric and its members. A director has accountability for the assets and resources of the cooperative. They should never use their position on the board to advance their own private interests. A director should concentrate on the goals and vision of Lacreek Electric. 431700101



Lacreek Electric Association
 Your Sustainable Energy Cooperative

Generator Safety

Portable or permanently installed standby generators can come in handy during long-term power outages. However, if you do not know how to use them properly, they can be dangerous. Contact a qualified



vendor or electrician to help you determine what generator is best suited to your needs. Before using, be sure to read and follow manufacturer's instructions.

If you are installing a permanent generator, it must have a transfer switch. The transfer switch prevents energy from leaving your generator and going back onto the utility electrical equipment when it could be dangerous to a lineman or others near downed power lines, a process known as "back feed." A qualified electrician should install your generator and transfer switch.

Safe Electricity has the following tips to use portable generators safely:

- Operate it outdoors in an area with plenty of ventilation. Never run a generator in a home or garage. Generators give off deadly carbon monoxide.
- Do not plug a generator into the wall to avoid back feed. Use heavy-duty extension cords to connect appliances to the outlets on the generator itself.
- Turn the generator on before plugging appliances to it. Once the generator is running, turn your appliances and lights on one at a time to avoid overloading the unit. Remember, generators are for temporary usage, prioritize your needs.
- Generators pose electrical risks especially when operated in wet conditions. Use a generator only when necessary when the weather creates wet or moist conditions. Protect the generator by operating it under an open, canopy-like structure on a dry surface where water cannot form puddles or drain under it. Always ensure that your hands are dry before touching the generator.
- Be sure the generator is turned off and cool before fueling it.
- Keep children and pets away from portable generators at all times. Many generator components are hot enough to burn you during operation.

Safe Electricity suggests that these safety guidelines as well as basic operating instructions be posted in the home and with the generator.

Source: safeelectricity.org

March 18-24, 2018

National Ag Week



In 2016, \$135.5 billion worth of American agricultural products were exported around the world.

Each American farmer feeds about 144 people! America needs agriculture...and we need our farmers, who provide Food for Life. This is why we're celebrating all things Ag on National Ag Day, March 20. Find out more: <https://www.agday.org/>

KIDS CORNER SAFETY POSTER



"Don't touch power lines."

Christopher Barranco, 5 years old

Christopher is the son of David and Catherine Barranco, Brandon, S.D. They are members of Sioux Valley Energy, Colman.

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.

Seafood Sensations

Seafood Quiche

- | | |
|---|------------------------|
| 1 (6 oz.) can crab, salmon or tuna, drained | 1 cup milk |
| 1 cup shredded Cheddar cheese | 1/2 tsp. salt |
| Onions | Pepper to taste |
| 4 eggs | Fresh chives, optional |
| | Paprika |

Spray a 10-inch pie plate with vegetable cooking spray. Combine seafood, cheese and onions. Press into bottom and up sides of pie plate. Beat eggs, milk, salt and pepper; pour over all. Sprinkle with paprika, if desired. Bake at 350°F. for about 30 minutes or until eggs are set. Let set a few minutes before cutting.

Elaine Rowett, Sturgis

Broiled Salmon with Lemon

- | | |
|---|--|
| 1 T. extra-virgin olive oil | 4 (6 oz.) center-cut salmon fillets (about 1-inch thick) |
| 1 tsp. grated lemon rind plus 1 T. fresh juice (from 1 lemon) | 1/4 tsp. kosher salt |
| 1 tsp. Worcestershire sauce | 1/4 tsp. black pepper |

Combine oil, rind, juice and Worcestershire sauce in a shallow dish. Place fillets, skin side up, in dish. Let stand 15 minutes. Preheat broiler with oven rack 6 inches from heat. Place fillets, skin side down, on a foil-lined baking sheet. Sprinkle with salt and pepper. Broil to desired degree of doneness, 8 to 10 minutes. Remove fillets from foil using a metal spatula.

Tina Haug, Pierre

Freeze Ahead Crab Appetizers

- | | |
|---------------------------------|------------------------------|
| 1 jar Old English cheese spread | 1/2 tsp. seasoned salt |
| 1/2 c. soft butter | 1 T. mayonnaise |
| 1/4 tsp. garlic salt/powder | 1 (7 oz.) can crab meat |
| | 6 English muffins, separated |

Mix first 5 ingredients together well; stir in crab. Spread on each half muffin. Cut each half muffin into 6 wedges. Place in ziplock bag and freeze. When ready to serve, don't thaw. Bake at 400°F. for 10 minutes.

Ginny Jensen, Volga

Spaghetti Squash Shrimp Lo Mein

- | | |
|---|---|
| 1 spaghetti squash, (about 2-1/2 lbs.) | 2 tsp. vegetable oil, divided |
| 1/4 cup reduced sodium soy sauce | 1-1/2 cups matchstick carrots |
| 2 T. honey | 1 medium red bell pepper, thinly sliced |
| 2 tsp. McCormick® Garlic Powder, divided | 1 lb. shrimp, peeled and deveined |
| 1-1/4 tsp. McCormick® Ginger, Ground, divided | 1/4 cup thinly sliced green onions |

Cut spaghetti squash crosswise into 1-inch thick rings. Remove seeds. Place rings on microwavable plate. Pour 1/4 cup water in the plate. Cover with plastic wrap. Microwave on HIGH 7 minutes or until tender. Let stand in microwave 10 minutes. Carefully remove from microwave. Peel the skin off the squash, then shred the flesh, using fingers or a fork, into long thin strands. Place squash noodles in large bowl. Discard the skin. (Should yield about 5 cups of squash noodles.) Meanwhile, mix soy sauce, honey, 1-1/2 tsp. of the garlic powder and 1 tsp. of the ginger in small bowl until well blended. Set aside. Heat 1 T. of the oil in large skillet on medium-high heat. Add carrots and pepper; stir-fry 3 minutes. Add shrimp and sauce mixture; stir-fry 2 minutes or just until shrimp turn pink. Remove shrimp mixture from skillet. Heat remaining 1 T. oil in skillet on medium-high heat. Add squash noodles, remaining 1/2 tsp. garlic powder and 1/4 tsp. ginger; cook and stir gently 1 minute to heat through. Return shrimp mixture to skillet; toss gently with squash noodles. Remove from heat. Sprinkle with green onions. Makes 7 (1 cup) servings

Nutritional Information Per Serving: Calories 165, Total Fat 5g, Saturated Fat 1g, Sodium 479mg, Cholesterol 96mg, Carbohydrates 18g, Protein 12g, Dietary Fiber 3g,

Pictured, Cooperative Connections

Please send your favorite appetizer, beverage and casserole recipes to your local electric cooperative (address found on Page 3).

Each recipe printed will be entered into a drawing for a prize in June 2018.

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

Aim for Quality

when managing a renovation contractor



Pat Keegan

Collaborative Efficiency

When you review the work, it may be helpful to take photos or to bring in an energy auditor.

This column was co-written by Pat Keegan and Brad Thiessen of Collaborative Efficiency. For more information on thermostats, please visit: www.collaborativeefficiency.com/energytips.

Footnotes & Sources

*https://www.energystar.gov/index.cfm?c=home_improvement.hm_improvement_solutions

*https://www.energystar.gov/index.cfm?c=home_improvement.hm_improvement_solutions

*https://www.energystar.gov/index.cfm?c=hvac_install.hvac_install_index

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<https://www.angieslist.com/articles/11-tips-hiring-home-improvement-contractor.htm>

<https://www.consumerreports.org/cro/news/2008/01/how-to-hire-a-contractor/index.htm>

https://www.energystar.gov/index.cfm?c=home_improvement.hm_improvement_solutions

<https://www.forbes.com/sites/houzz/2016/05/27/a-beginners-guide-to-managing-a-remodel/#2058e5f4ae2c>

Dear Pat: We followed your advice last month and hired a contractor we think will give us an energy efficient renovation. How do we manage the job to make sure the project turns out right? – Bridget and Neil

Dear Bridget and Neil: Last month, I offered tips on how to hire a good contractor, but it's smart to realize that after the hiring is complete, contractors need to be managed.

First, you should decide who will be the main contact with your contractor. Clear communication is critical because a renovation that includes energy efficiency improvements comes with extra challenges. A single point of contact will help avoid confusion, conflicts and cost overruns.

Before the work starts, have a discussion with your contractor about quality. You want the contractor to know you'll be carefully overseeing the work and that there may be others involved in this oversight, such as building inspectors, your electric cooperative or an independent energy auditor. You can discuss the standards of a professional, high-quality job. And you can agree on the points at which the contractor will pause so you or someone you designate can review the work. At a minimum, an inspection should take place before you make an interim payment.

Here are a few examples of interim review points:

The building envelope should be properly sealed before insulation is installed because air leaks increase energy use and reduce comfort.¹

Replacement windows should be properly flashed and sealed before siding and trim are installed, which prevents moisture problems and air leaks.²

Some insulation measures can be inspected before they are sealed up behind walls or ceilings.

Almost all efficiency measures require some kind of final inspection. For example, infrared thermometers can show voids in blown insulation, and fiberglass batts can be visually inspected to ensure there are no air gaps and the batts are not compressed.

HVAC measures require special attention. Nearly half of all HVAC systems are not installed correctly,³ which often causes uneven temperature distribution throughout the home, along with higher energy bills. ENERGYSTAR® has a special program to ensure quality HVAC installation. Forced air systems typically have poorly balanced supply and return air delivery that can often be improved. Air flow can be measured at each register, and a duct blaster test can identify and quantify duct leakage.

When you review the work, it may be helpful to take photos or to bring in an energy auditor. Be sure to have these inspections outlined in the contract and discussed beforehand so the contractor is comfortable.

It will be tempting to add “just one more thing” along the way, and the contractor may agree a change is simple and possible within the timeframes. Contractors and customers often miscommunicate about change orders and end up disagreeing about a additional costs when the project is completed. Before you make any changes, be sure to get a written cost quote. If it's significant, you can then weigh the cost against the benefit of the change.

It's a good idea to maintain good records as the project progresses. These records could be helpful for building inspectors or to qualify for rebates or tax credits.

When the renovation is complete, it may be tempting to sign the check, shake hands and breathe a sigh of relief that it's all over. Depending on the size and complexity of the project, it may be worth the extra step of having a final audit by a licensed energy auditor.

My neighbors were saved from a home renovation disaster when an energy audit discovered the energy efficiency contractor had failed to produce the promised efficiencies. The contractor had to perform thousands of dollars' worth of improvements to fulfill the contract before my neighbors made the final payment.

Once you confirm that the work is 100 percent complete, you can write a check for the final payment, then sit back and enjoy your revitalized, more energy-efficient home!

Lignite Education Seminar: Energy, Economics and Environment

The Lignite Energy Council and Basin Electric Power Cooperative are sponsoring the 33rd annual Lignite Education Seminar, titled Energy, Economics and Environment, being held June 11-14, 2018, at Bismarck State College's National Energy Center of Excellence in Bismarck, N.D.

The seminar provides instruction on these topics and more: history, geology, land reclamation, environmental protection, and economics of the lignite industry; the need for more workers, energy conservation, and transmission. Besides the classroom instruction and the tours, teachers will take home handouts, videos, coal samples, and activities that can be used in the classroom.



2018 LIGNITE EDUCATION SEMINAR
JUNE 11-14
BISMARCK STATE COLLEGE

Learn about the lignite coal industry and the important role it plays in providing electricity to the Midwest!

- 2 FREE PROFESSIONAL DEVELOPMENT CREDITS
- TOUR A LIGNITE COAL MINE AND POWER PLANT
- RECEIVE TEACHING MATERIALS FOR THE CLASSROOM

www.lignite.com/teachers Lignite Energy Council

Teachers who attend and complete a lesson plan can choose from one of three North Dakota institutions from which to receive two professional graduate credits: University of North Dakota, North Dakota State University and Minot State University.

School administrators and teachers from all subjects and grade levels (K-12) are encouraged to apply to the program before April 13. Should applications outnumber available spots, preference will be given to earth science, social studies, math teachers and career counselors. The cost of the seminar and associated travel will be paid by Basin Electric for Iowa, Minnesota, Montana, South Dakota and Wyoming teachers within our member service territory.

Find more information and register on the Lignite Energy Council's website: <http://www.lignite.com/teachers>. For further questions, please contact Kay LaCoe, Lignite Energy Council, at kay.lacoe@lignite.com, or 1-800-932-7117.

Teachers who are selected to attend the seminar will be required to send a \$60 deposit to the Lignite Energy Council that will be held and returned at registration on June 11. Deposits should not be sent until a confirmation to attend has been received.

MTI Power Program Honored

Mitchell Technical Institute has been named a winner of the Siemens-Aspen Community College STEM Award by the Aspen Institute College Excellence Program and the Siemens Foundation. MTI's Power Line Construction and Maintenance program will receive an award of \$50,000 and is among eight exceptional community college programs recognized for providing outstanding preparation for high-demand jobs. <http://ow.ly/Y6NI30ifXFP>



MITCHELL TECHNICAL INSTITUTE

PROGRAM:
Power Line Construction & Maintenance

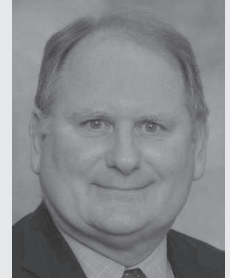
\$52,842
Earnings five years after leaving the institution

2018 WINNER
COMMUNITY COLLEGE STEM AWARD

THE ASPEN INSTITUTE | SIEMENS Foundation

Missouri Electric Co-op CEO Named RUS Administrator

Ken Johnson, general manager of Co-Mo Electric Cooperative, has been appointed as USDA Rural Utilities Service (RUS) Administrator.



Ken Johnson

"We are excited and thrilled that Ken has been selected to lead the RUS program. Electric cooperatives have a storied history of working with RUS to power the rural American economy," said NRECA CEO Jim Matheson. "The ongoing collaboration between RUS and electric co-ops remains essential to the success of rural communities across the nation as co-ops invest in infrastructure upgrades to modernize the grid and meet consumer expectations. Ken is exceptionally qualified to serve in this role and we look forward to working with him in his new capacity."

"Ken Johnson is one of the top co-op managers I have ever worked with in my 40-year career," said Barry Hart, executive vice president and CEO of the Association of Missouri Electric Cooperatives. "He has never forgotten that he works for the co-op members at the end of the line. When the members of Co-Mo Electric Cooperative told the co-op they wanted access to high-speed Internet services, Ken worked with his staff and found a way to deliver what the members wanted. Because of Ken's leadership, Co-Mo's members today enjoy internet with speeds of up to 1 Gigabit and access to the latest technology."

USDA's Rural Utilities Service (RUS) administers programs that provide infrastructure or infrastructure improvements to rural communities.

The National Rural Electric Cooperative Association is the national service organization that represents the nation's more than 900 not-for-profit, consumer-owned electric cooperatives.



Solar energy generates about 1 percent of the nation's electricity.

WHERE RENEWABLE ENERGY GETS ITS POWER

Here are the basics of a small but fast-growing source of your electricity.

Paul Wesslund

NRECA Contributing Writer

Solar energy and wind power may not seem like a big deal. Unless you're talking about the future. Or maybe even the present.

For all today's talk about renewable energy, it still makes up a pretty small portion of the energy sources that generate our electricity. But it's coming on fast, and it's picking up speed.

Here's your crash course in how wind, the sun and water generate electricity.

Solar energy

Solar energy generates only about 1 percent of the nation's electricity, but that's a stunning increase from just five years ago, when the number was too small to report for the U.S. Department of Energy. Solar growth will continue as costs fall, technology improves and people figure out better ways to use solar energy.

There are lots of ways to use energy from the sun. You can hang your washed clothes outside to dry, and you can open curtains to warm your home on a sunny day. More ambitious projects use the sun to warm pipes full of water that is pumped around a building for heat.

But what most people mean when they talk about solar energy is photovoltaic electricity. When certain materials get hit by sunlight, their atoms spit out an electron, and electricity is just

DID YOU KNOW?

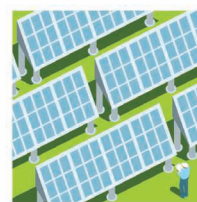
Approximately 15 percent of the nation's electricity is generated from renewable energy sources, like hydro, wind and solar power. That percentage may seem low, but renewable energy generation is gaining momentum and continues to play an important role in reducing greenhouse gas emissions.



6.5%
generated by
hydropower.



5.6%
generated by
wind.



0.9%
generated by
solar.

*Additional sources, like geothermal and biomass, contribute to the 15 percent of renewable energy generation.

Source: Energy Information Administration

a stream of electrons. Over the decades, scientists and engineers experimented with solar-sensitive materials to make them into lighter, longer-lasting and more affordable wafers called photovoltaic cells, which are combined and integrated into solar photovoltaic modules. One of their first uses was space travel, and continued improvements are allowing solar to become a more down-to-earth kind of energy.

One of those improvements is cost. Solar panel prices dropped 85 percent in the past seven years with improvements in materials and larger-scale production methods.

Another technological advance is about to give the industry an

extra boost, says Dale Bradshaw, a technical consultant with the National Rural Electric Cooperative Association (NRECA). He says solar panels can now track the sun as it moves across the sky rather than sitting fixed in place, raising their productivity by collecting more sunlight throughout the day. This year, the U.S. Department of Energy's Energy Information Administration reported that half the large solar installations in the country already use some kind of sun-tracking technology.

It's also worth knowing that the solar industry is maturing with different forms of ownership: utility, industrial, commercial and residential scale, and community solar installations.

Utility scale is what you might expect – large banks of solar panels owned and operated by an electric utility or other large organization, producing many megawatts of solar energy. Industrial and commercial solar installations can range from kilowatts up to multi-megawatts and be placed on rooftops, over parking lots or on land near industrial and commercial enterprises. Industrial and commercial installations are beginning to increase as the price for solar continues to drop. Residential solar installations are also being installed primarily on rooftops, especially in the southwestern United States.

NRECA's Bradshaw says community solar can ease the higher expense of self-owned rooftop solar. With community solar, a utility builds a large solar installation and sells shares in the project to customers interested in an investment in renewable energy. That style of ownership and development is especially suited to consumer-owned electric co-ops, and many are offering solar shares to their members.

"Co-ops are doing a great job of building community-scale solar," says Bradshaw. "They're going full blast on that."

Bradshaw also notes that community solar allows a homeowner to avoid both maintenance of their own system, and the hassle of sorting out different offers from rooftop solar vendors.

Wind power

Wind power has increased significantly as costs continue to decrease. Wind power generates nearly 6 percent of the nation's electricity, and it is growing at a pretty good clip, with an increase of about 35 percent during the past four years.

In a way, wind generates electricity the same way as coal, natural gas and nuclear – by spinning a turbine that creates an electricity-producing magnetic field. The huge difference is that the turbine is turned by enormous propeller-like blades designed to catch the wind.

It's the size of those blades, and the height of the turbine towers (as much as 300 feet in the air) that makes the difference, says NRECA's Bradshaw.

"Wind is a really useful renewable, but it has to be utility scale," he says.

A tall utility-scale tower can capture as much as 50 percent of the wind, but there's not a practical, personal alternative to compare with rooftop solar. A rural residential customer or a rural commercial customer with a 50 to 100-foot tower will probably generate electricity only about 25 percent of the time. "It's really

not cost-effective for small-scale home use when compared to utility scale wind turbines," says Bradshaw.

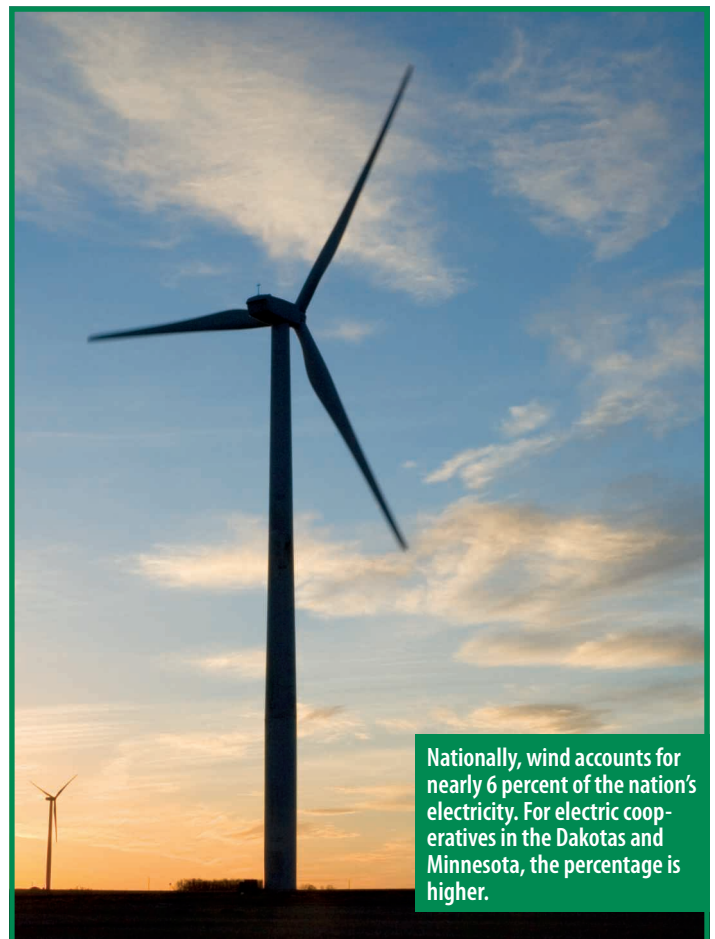
Hydroelectric power

Another way to turn an electricity-generating turbine is to store water behind a dam then harness its power as it flows from the reservoir to the river below.

Specialists disagree on whether to count hydroelectric power as renewable energy. On the one hand, it doesn't create greenhouse gas or other chemical pollutants by burning fossil fuel. On the other hand, large-scale hydro typically calls for building a permanent dam across a river valley and flooding the area behind it. Another option is to put hydroelectric generators directly in rapidly flowing rivers to capture power, but this is a significantly more expensive option than using hydroelectric power from water stored behind a permanent dam. Then there's the question of whether you consider flowing water renewable, or something that can be used up.

Hydroelectric power generates nearly 7 percent of the electricity in the United States. Although that number changes a bit during times of drought or heavy rain, the amount of electricity produced by hydro power has been relatively stable during the past several years.

Paul Wesslund writes on cooperative issues for the National Rural Electric Cooperative Association, the Arlington, Va.-based service arm of the nation's 900-plus consumer-owned, not-for-profit electric cooperatives.



Nationally, wind accounts for nearly 6 percent of the nation's electricity. For electric cooperatives in the Dakotas and Minnesota, the percentage is higher.



Where is your account number?

A member's account number has been hidden somewhere in this newsletter. If you find your number, call the office before Feb. 28 and you will receive a \$30 credit on your next month's billing. If no one finds the account number, the credit will be \$40 in the next issue. Happy searching!

Read Your Heat Meter

Please read your heat meter to receive your heat credit during the heat season which is October through April. If you would like to have an office-read heat meter, please contact our office at 605-685-6581. A \$25 charge is required to install this type of meter.



Can You Dig It?

Area students sought for July trip to North Dakota

This summer, Lacreek Electric will sponsor two area students for the South Dakota Rural Electric Youth Excursion. This three-day event will be headquartered in Bismarck, N.D.

WHO is eligible? All 14- to 16-year old students whose parents or guardians are members of Lacreek Electric.

WHAT does it cost? The trip is funded by Lacreek Electric. Funding for the trip provides for each participant's transportation, lodging, meals, entertainment and sight-seeing events. Students are required to supply their own personal shopping money.

WHEN is it held? The excursion will be held July 23-26, 2018. Participants will be picked up in the morning on July 23 and arrive back home late afternoon on July 26. Commercial buses will be used for transportation.

HOW do I qualify? Contact Lacreek Electric or fill out the application form online at www.lacreek.com and return it to Lacreek's office for a random drawing.

Application forms must be filled out and in the Lacreek Electric office by April 6, 2018.

December Board Meeting Minutes

The regular meeting of the board of directors was held on Dec. 19, 2017.

Also present were Finance and Administration Manager Anna Haynes, Member Services and Procurement Manager Josh Fanning, Administration Assistant Stacey Robinson and Executive Assistant Sherry Bakley.

Motion was made, seconded and carried to approve the minutes as mailed.

Additions to the agenda were asked for by President Schlack.

The following additions were made:

- Wanblee 115 Construction Proposal
- General Manager performance evaluation

A motion was made, seconded and carried to approve the agenda with additions.

Josh presented the Wanblee 115 Construction proposal. After discussion among the board, a motion was made, seconded and carried to approve the Wanblee 115 Construction Contract with no bond.

The Operating Report for October and the List of Disbursements and Investments for November were presented by Office Manager Anna Haynes and reviewed by the board.

Tracie Hahn, bookkeeper for Lacreek, discussed mileage on the 1099 form.

A motion was made, seconded and carried to accept the Check Audit Committee's review of the list of November checks and disbursements as listed in your book/iPad. (Connie "chairman", Marion and Wade). The January Check Audit Committee will be: Brent "chairman," Neal and Dean.

Anna presented the Analysis of Investments for November. The investments were reviewed by the board.

Motion was made, seconded and carried to approve the list of new members, attached hereto.

Anna reported that member appreciation cookie days were successful; gave an update on past due account/ payment assistance promises and that Eide Bailly recommended an employee benefit audit once every five years to ensure we are in compliance. A motion was made, seconded and carried to approve hiring Eide Bailly to complete this audit in 2018.

Josh gave Mike's report about the Wanblee Tap construction; on work in progress with Thunder Valley and a new building for the Oglala Lakota College in Kyle; on truck repairs (#10); that apprentice lineman Jacob Novotny resigned and now advertising for a 1,000 hour replacement position.

Josh gave the safety report and said that Mark Patterson with SDREA will be here on Dec. 21 for CPR recertification.

Josh reported that Purchase Orders have been awarded to the vendors; that will be having a member service budget meeting on Jan. 4; about a full-time employee in the warehouse; on the Christmas party and big project for November and December was reorganization of the warehouse which included a new office for the warehouse personnel.


Tom reported on the NREA and Mid-West Meetings he attended.

Marion reported on the Legislative Banquet he attended.

Josh gave Derek's report on the NREA, Mid-West, and Economic and Business Development Meetings he attended; worked with John Pankratz from WAPA on the Martin Substation Contract; Negotiating with Basin Electric on a new lease agreement for the Vetal Tap 115kV and a lease agreement termination signed in 2011; will be meeting with ACLARA and RESCO to resolve service issues and that the 2018 rate schedule received from Rushmore Electric verifies the rates have lower for 2018.



Lacreek Electric Association

Your Touchstone Energy® Cooperative 

Tom re-opened the agenda to make the following additions:

- SDREA board meeting – Donovan
- Rushmore board meeting – Tom

A motion was made, seconded and carried to approve the added items to the agenda.

Donovan gave a report on the SDREA board meeting he attended.

Tom gave a report on the Rushmore board meeting he attended.

Discussion was held on the updated 2018 budget provided by Anna Haynes.

Discussion was held on the SDREA annual meeting in Pierre with Marion being the delegate and Neal being the alternate. Tom, Clarence, Troy and Derek will also be attending.

A nomination was made, seconded and carried to appoint Donovan Young Man to represent Lacreek on the SDREA Board for a three-year term being in 2018.

Discussion was held on the margins. A motion was made, seconded and carried to allocate between \$100,000-\$150,000 to be divided among all members based off their 2017 revenue which will reflect a bill credit on the December 2017 billing.

A motion was made, seconded and carried to approve the revenue deferral.

The Board President excused the staff and administration assistant from the meeting at which time the board discussed General Manager Derek Sorley's one-year evaluation.

Next Board Meeting – Jan. 16, 2018

Robots and Sensors

Electric co-ops use innovative technologies for real-time feedback on the health of the grid.

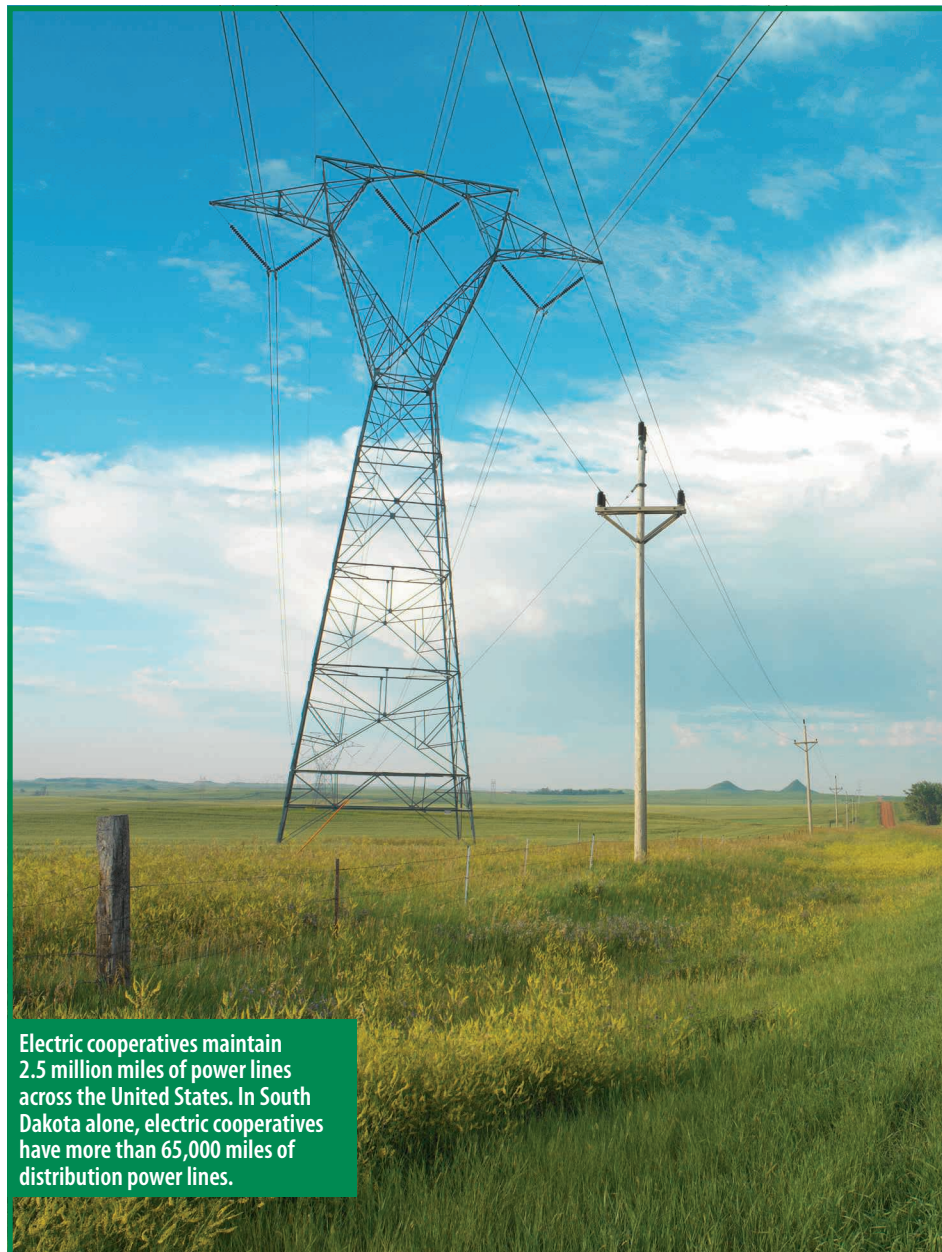
Thomas Kirk

NRECA Associate Analyst

Today, electric cooperatives may choose from a wide array of technologies that give them near real-time feedback on the health of the grid.

Electric grids are immense machines that span counties, and often entire states, bringing power to many homes and businesses. So how do the electric companies know what's happening on their lines? How much power is being delivered? What equipment needs to be replaced? These are important questions that electric cooperatives spend a lot of time and money to answer.

For many years, electric co-ops relied entirely on in-person inspections to determine asset conditions and calls from members to discover power outages. During and after storms, this could mean lengthy recovery times as supervisors evaluated the available information and decided where to send line crews, who then searched for damaged lines in order to make repairs and restore electric service. Even normal operations required personnel to be sent into the field constantly to perform manual inspections. Today, electric co-ops may choose from a wide array of technologies that give them near real-time feedback on the health of the grid. Monitoring and automation tech-



Electric cooperatives maintain 2.5 million miles of power lines across the United States. In South Dakota alone, electric cooperatives have more than 65,000 miles of distribution power lines.

nologies are becoming more affordable and gaining more functionality leading to greater use in the field.

Two of the most common technologies in this space are Supervisory Control and Data Acquisition (SCADA) and

Automated Meter Infrastructure (AMI).

SCADA systems have greatly evolved since their original development in the 1920s. Modern systems take advantage of communication, monitoring and automation technologies to give utilities a



Electric cooperatives are exploring a host of innovative technologies, such as smart meters and special sensors placed on power lines for niche applications, including fault location, power theft detection and asset management.

real-time picture of how substations are performing and make changes as needed. At the end of the line, AMI, also known as smart meters, report back to the utility how much energy consumers use, often on a 15-minute basis. Utilities can “ping” these meters to determine if they’re still receiving power during storms or other types of outages.

Beyond AMI and SCADA, utilities are exploring a host of other sensor technologies for niche applications including fault location, power theft detection and asset management. These applications are being enabled by a new wave of inexpensive sensors that cost one-tenth of what they did a decade ago. When a fault occurs on a transmission line (the large power lines that carry power from plants to substations), they create transient waves on the lines. By placing special sensors on transmission lines and measuring the time that a wave reaches two of these sensors, the location of a fault can be accurately and quickly determined. This lets the utility know exactly where to send repair crews.

Across the whole U.S. electric industry, roughly \$6 billion worth of electricity is stolen annually, which leads to higher prices for everyone. Traditionally, one of the best tools for identifying power theft

For members, these technologies provide three primary benefits: increased reliability, reduced outage times and lower prices.

is visual inspection of meters for signs of tampering, but with AMI systems, utility personnel aren’t visiting meters in-person as often. Load-monitoring sensors – often called current transformers (CTs) or current sensors – can be placed on distri-

bution power lines to help catch significant losses along a line, from theft or for other reasons. Data gathered by CTs can be reconciled with meter readings to investigate discrepancies between the electricity passed through the line and the electricity measured by the meters. CT devices are also valuable for diagnosing excessive line loss due to other problems, such as conductor damage or aging transformers.

For members, these technologies provide three primary benefits: increased reliability, reduced outage times and lower prices as the utility manages employee time and resources more efficiently. As sensors continue to improve and drop in price, expect to see more real-time grid monitoring.

Thomas Kirk is an associate analyst of distributed energy resources for the Arlington, Va.-based National Rural Electric Cooperative Association’s Business & Technology Strategies (BTS) division.



Dakota Gasification Company's Great Plains Synfuels Plant is located near Beulah, N.D., and is adjacent to Basin Electric's Antelope Valley Station.

VALUE OF AN ASSET

Why Basin Electric will continue to operate Dakota Gasification Company

Tracie Bettenhausen

Basin Electric Senior Editor

Here is a high-level look at why the decision to continue to operate Dakota Gas makes sense for Basin Electric's members.

Spend a bit of time thinking about your hardest business decision.

Was it always clear it was the right thing to do? What about the moments you questioned yourself, or outside forces made the decision seem foolish? Did you stick it out? Has it paid off?

The nature of the business surrounding Dakota Gasification Company's Great Plains Synfuels Plant is based on commodity prices. The price of oil and natural gas, the prices that crops are selling for, the price of fertilizer and, though less so, the price of other products like carbon dioxide.

When commodity prices were higher, profits meant Basin Electric was able to return a lot of money to its members. The Great Plains Synfuels Plant has served as a \$1.4 billion benefit to its members since 1988, and continues to provide benefits.

However, the most recent 10-year financial forecast shows losses every year.

Basin Electric directors and senior staff have decided the cooperative needs to hang steady with Dakota Gasification Company while maintaining its focus on strategic cost management and continuing to look at other options.

The decision was explained to Basin Electric members during a Members Strategic Direction Meeting in November.

"We wanted to be able to have an open dialogue with our

members, where they could ask specific questions we just can't answer in an open meeting," says Paul Sukut, Basin Electric CEO and general manager. "We were pleased with how that meeting turned out. It was very well attended, and we took as much time as everyone needed to get questions answered. There is still work to do on this, but I know by going to our cooperative roots, using the business model's best attributes of transparency and democracy, we are making the best decisions we can."

Here is a high-level look at why this decision makes sense for Basin Electric's members.

History of the purchase

Basin Electric bought the Great Plains Synfuels Plant from the U.S. Department of Energy (DOE) as a way to salvage the synergies that had been built between the Synfuels Plant and Antelope Valley Station. The DOE had acquired the plant after the original owners failed.

"At the time the DOE announced its intent to close the plant, Basin Electric was under a great deal of financial stress," says Mark Foss, Basin Electric senior vice president and general counsel. "The load growth the cooperative had forecasted was not materializing, and Basin Electric had about 2,000 megawatts (MW) of generation. Our peak loads were only at 1,000 MW."

Basin Electric formed two subsidiaries to make the deal: Dakota Coal Company paid \$69 million for the coal rights, Dakota Gas paid \$16 million for the natural gas pipeline that reaches to the Northern Border Pipeline, and Basin Electric paid \$0. As part of the deal, Basin Electric agreed to forgo production tax credits and go through with a profit-sharing agreement for 15 years.

Basin Electric had interest in keeping the plant operating for several reasons, including those related to member rates. The Synfuels Plant used about 90 MW of electricity when operating at full load. If the plant had closed down at that time, Basin Electric would have had to increase rates by 14 percent, Foss says.

From 1988-2014, Dakota Gas invested \$845 million into the plant in capital improvements, all funded with self-generated cash, including the proceeds from a legal settlement concerning the gas pipeline, according to Foss.

Bottom line impacts

While the decision to buy the Synfuels Plant paid off initially, the benefits proved themselves year after year when commodity prices were high.

Of the \$1.4 billion in benefit Dakota Gas has had to Basin Electric since 1988, \$300 million has been through dividends and bill credits paid to members, and \$1.1 billion is in synergies in operations between the various facilities, according to Susan Sorensen, Basin Electric vice president and treasurer.

Sorensen explains that the shared coal supply keeps costs down for other Basin Electric facilities. If the Synfuels Plant would be shut down, the cost of mining coal would need to be absorbed by other users. A shutdown of the Synfuels Plant would increase coal prices for Leland Olds Station and Antelope Valley Station, coal-based power plants near Stanton, N.D., and Beulah, N.D., respectively.

Also, because the Synfuels Plant shares water and rail services with Antelope Valley Station, those benefits would be shifted over to the power plant.

“Dakota Gas currently pays about 30 percent of the overhead costs at Basin Electric Headquarters,” Sorensen says. “That percentage that is already netted down when considering some costs, like a haul road or computer mainframe, cannot be reduced by selling the asset.”

The Synfuels Plant uses a large amount of electricity, which supports Basin Electric’s margins. Also, the Freedom Mine, which supplies coal to the North Dakota facilities, is a large electricity consumer of Roughrider Electric Cooperative, a Basin Electric Class C member.

Rates and projects

The urea production facility at the Synfuels Plant has had financial challenges for some of the membership. The budget increased over the course of construction due to increases in quantity of materials and costs of labor required to build the facility. The project was further challenged by the quality and timeliness of engineering, and

ultimately, staff released the general contractor for sustained poor performance. Once those issues were resolved, the project has consistently met its targets and is set to go into production by the end of January 2018.

Despite those struggles, recent rate increases can’t be attributed to the construction project’s budget.

“Basin Electric’s average member rate went up through 2016 due to several factors,” says Dave Raatz, senior vice president of Resource Planning. “Member growth was increasing across the entire membership, and we were building infrastructure to support that. Especially in the Bakken oil region of western North Dakota and eastern Montana, the growth meant Basin Electric was building generation and transmission to support the reliability of the transmission system.”

The plant will produce 360,000 tons of urea each year. According to Ken Rutter, Basin Electric senior vice president of Marketing and Asset Management, there is 2.2 million tons of demand each year within a 200-mile radius of the plant.

Backing up the decision

While these factors may be enough on their own for Basin Electric to keep the Synfuels Plant operating, staff knows more action needs to be taken.

Through September 2017, Dakota Gas employees have been able to find ways to reduce expenses by \$24.5 million.

Once the urea production facility is operating, the Synfuels Plant will need 160 MW of electricity, and is expected to run at a 93-percent capacity factor, according to Dave Sauer, Dakota Gas senior vice president and chief operating officer.

A creative tactic would change the way the power contract between Dakota Gas and Basin Electric is written. Currently, the Synfuels Plant pays a higher-than-market rate. Having the plant pay market rates wouldn’t impact Basin Electric. Also, a plant write-down is being considered, which wouldn’t affect operation of the plant.

Employees of Dakota Gas and Basin Electric continue to search for ways to reduce costs and operate the plant more efficiently. Normal staff attrition has helped reduce the workforce as employees leave due to retirement and other opportunities.

On the Basin Electric side, directors are looking at a revenue deferral plan, which would allow for financial flexibility for future instances like what is happening today. Staff is working to optimize the generation fleet, focus on market exposure, and work on a coal asset strategy.

Urea Plant Starts Up

North Dakota’s first urea fertilizer production facility, located at Dakota Gasification Company’s Great Plains Synfuels Plant near Beulah, N.D., is successfully making product and was declared commercial Feb. 1.

Urea is a dry, granular fertilizer commonly used in agricultural applications, and has the highest nitrogen content of all solid fertilizers. The facility produced urea for the first time Jan. 19. Employees are currently working toward the goal of producing up to 1,100 tons of product per day.

“I want to thank the employees of Dakota Gasification Company and Basin Electric for working safely and efficiently to achieve this major milestone,” said Paul Sukut, Basin Electric CEO and general manager. “Hard work and innovation are hallmarks of America’s Heartland, and I’m proud that the completion of this project carries on that tradition.”

The plant has the ability to shift a portion of the urea production to produce diesel exhaust fluid, used to reduce emissions of nitrogen oxides from diesel engines. Additionally, the new facility has the capability of producing liquefied carbon dioxide, which is expected to be used in the oil production industry. The products bring the Synfuels Plants total product count to 13.

Construction on the project started in July 2014.

March 3-6

2018 Summit League Basketball Championship, Sioux Falls, SD, 605-367-7288

March 9-10

Holiday Arts Spring Craft Show, Masonic Temple, Mitchell, SD, 605-359-2049

March 10

Farm and Home Show, 10 a.m. to 5 p.m., Auditorium, Gregory, SD, 605-830-9778

March 10-11

2018 Gun Show, American Legion Hall, Saturday 9 a.m. to 5 p.m., Sunday 9 a.m. to 3 p.m. MST, Philip, SD, 605-859-2280 or 605-441-8466

March 15-17

South Dakota High School State B Boys Basketball Tournament, Barnett Center, Aberdeen, SD

March 15-17

South Dakota High School State A Boys Basketball Tournament, Rushmore Plaza Civic Center, Rapid City, SD

March 15-17

South Dakota High School State AA Boys Basketball Tournament, Premier Center, Sioux Falls, SD

March 16-17, 23-24

60th Annual Schmeckfest, Freeman, SD, 605-925-4237

March 17

Annual Ag Day at the Washington Pavilion, Sioux Falls, SD, 605-367-6000

March 24

Spring Craft Fair/Flea Market, American Legion Hall, Wagner, SD, 605-384-3543



February 24: Annual Outhouse Races and Chili Cook-off Contest, Nemo, SD, 605-578-2708

March 24

Milltones Spring Show, 7 p.m., High School Theatre, Milbank, SD

April 5

McCrossan's Wildest Banquet Auction in the Midwest featuring A Night Out with the PBR, 5:30 p.m., Arena, Sioux Falls, SD, Tickets: \$75 each, 605-339-1203, www.mccrossan.org

April 6

SPURS Spring Dance, Dakota Events Center, Aberdeen, SD, Tickets available at the Hitch 'N Post or by calling 605-226-1099

April 6-7

Forks, Corks and Kegs Food, Wine and Beer Festival, Deadwood, SD, 605-578-1876

April 6-8

Professional Bull Riders Built Ford Tough Series, Sioux Falls, SD, 605-367-7288

April 7-8

Hats Off to the Artists Art Show, Faulkton, SD, 605-598-4160

April 25-29

Black Hills Film Festival, Hill City, SD, 605-574-9454

April 28-29

Bike Show, Ramkota Convention Center, Aberdeen, SD, 605-290-0908

May 10

Chris Young, Don Barnett Arena, Rushmore Plaza Civic Center, Rapid City, SD, 605-394-4115

May 13

1880 Train Mother's Day Express, Hill City, SD, 605-574-2222

May 18

Turkey Races, Huron, SD, 605-352-0000

May 18-19

Sioux Empire Film Festival, Sioux Falls, SD, 605-367-6000

May 18-20

State Parks Open House and Free Fishing Weekend, Pierre, SD, 605-773-3391

May 18-20

Tesla Road Trip Rally, Custer, SD, 605-673-2244

July 7

Hedahls Auto Value Car Show, Hav-A-Rest Campground, Redfield, SD, 605-380-9985

July 10-15

4th Annual 3 Wheeler Rally, Deadwood, SD, 605-717-7174, www.d3wr.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.