

February 2019 Vol. 19 No. 10

# **Cooperative Connections**

Commanding, Controlling Energy Savings Page 8

A Matter of Territorial Integrity

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## Find Your Account #

A member's account number has been hidden somewhere in this newsletter. If you find your account number, call the office before Feb. 4 and you will receive an \$80 credit on your next month's billing. If no one finds their account number, the credit will be \$90 in the next issue.

## IN CASE OF AN 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.

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

# Four \$1,000 Scholarships Offered

Lacreek Electric, in conjunction with Basin Electric Power Cooperative in Bismarck, N.D., will once again offer its members a chance to receive a \$1,000 scholarship.

Applicants must have at least a grade point average of 2.0 and they must be entering their first year of continuing education.

In round one of the competition, all applicants will be judged on goals, work experience, school activities, community involvement and grade point average.

The winner of round one will win the \$1,000 scholarship sponsored jointly by Lacreek Electric and Basin Electric. The second place winner will be judged with other applicants in western South Dakota for a chance to win a \$1,000 scholarship sponsored jointly by Rushmore Electric and Lacreek Electric. If this applicant does not win, they will be eligible to compete in round two competition.

Round two competition is simply a drawing held at Lacreek Electric. Two applicants will receive \$1,000 scholarships

sponsored by Lacreek Electric.

This is the 27th year the combined scholarship from Lacreek Electric and Basin Electric has been offered through the two cooperatives and the 21st year for one of the scholarships and the 14th year for the other Lacreek Electric scholarship.

Lacreek Electric wants to recognize and encourage the academic achievements of the students in rural areas. It also serves as an investment in the economic future of our area.

The scholarship may be used at an accredited college, university or technical school. Applications may be obtained from Lacreek Electric's office in Martin, by writing to: Lacreek Electric, PO Box 220, Martin, SD 57551 or by going to www.lacreek.com and downloading the application and returning it to Lacreek's office.

Applications must be returned to Lacreek Electric's office no later than Wednesday, Feb. 22, 2019.

# 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 13 through June 20, 2019. Participants will meet for an orientation meeting on June 13. The group will fly to Washington, D.C., on June 14 and return to South Dakota on June 20.

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 1.



### Lacreek Electric Cooperative Connections

(USPS No. 018-912) Board of Directors

Tom Schlack - President Jerry Sharp - Vice President Troy Kuxhaus - Secretary Clarence Allen - Treasurer Melvin Cummings - Brent Ireland -Neal Livermont - Dean O'Neill -Wade Risse - Marion Schultz -Connie Whirlwind Horse -Donovon Young Man

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Anna Haynes - Finance and Benefits Manager

Mike Pisha - Operations Manager Stacey Robinson - Member Service

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Member Service Representative Ashley Turgeon -

Member Service Representative Operations Personnel

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Journeyman Linemen: Dane Claussen – Ryan Pettit

Aaron Risse – Lonny Lesmeister Apprentice Linemen:

Aarin Ainsworth - Jordon Bakley -Tyler Brown - Alex Christensen -Garrett Metzinger - Brad Hahn -Trace Scott

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.

Subscription information: Electric cooperative members devote 50 cents from their monthly electric payments for a subscription. Nonmember subscriptions are available for \$12 annually. Periodicals Postage Paid at Martin, SD and at additional mailing offices.

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

# **TEENS: Travel to N.D.**

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 22-25, 2019. Participants will be picked up in the morning on July 22 and arrive back home late afternoon on July 25. 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 5, 2019.

# **Director Petitions Available**

Director petitions can be picked up beginning Feb. 25, 2019, from persons interested in running for Lacreek Electric's board of directors.

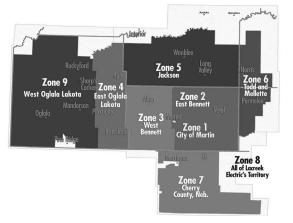
The election will be held at the annual meeting scheduled for Thursday, April 25, 2019, at the American Legion Auditorium in Martin, S.D.

Anyone interested in being a candidate for Lacreek Electric's board of directors who live in Zone 1, City of Martin; Zone 3, West Bennett County; Zone 4, East Oglala Lakota County; Zone 5, Jackson County; and Zone 8, At Large should stop by the office to obtain a petition. The directors currently serving these zones are: open position, Zone 1; Troy Kuxhaus, Zone 3; Connie Whirlwind Horse, Zone 4; Neal Livermont, Zone 5; and Wade Risse, Zone 8.

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 25, 2019.

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 non-profit 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.

### SAFETY TIPS

## Downed and Dangerous

Downed power lines can be deadly. ALWAYS assume a downed power line is live and avoid going near it or anything in contact with it.

#### **Use Precaution**

- Downed power lines can energize the ground up to 35 feet away.
- If you see a downed power line, immediately notify local authorities.
- Never drive over downed power lines or through water that is in contact with them.
- Never try to move a downed power line. Even using items that typically are not conductive will not prevent injury or death.

#### Know What to Do

- The safe way to move away from a downed power line is to shuffle away with small steps, keeping your feet together and on the ground at all times.
- If your car comes in contact with a downed power line while you are inside, stay in the car. Do not touch any part of the car's frame or any other metal. Use a cell phone or honk your horn to summon help. Allow only rescue personnel to approach the car.
- If your car is in contact with a downed power line and you must exit due to fire or another imminent threat:
  - Do not touch your vehicle and the ground at the same time with any part of your body or clothing.
  - Open the door to your vehicle without touching the metal door frame.
  - Jump out of the vehicle with both feet together and so both feet land at the same time
  - Shuffle away so that the toe of one foot shuffles forward along the length of the other foot, ensuring that both feet are in constant contact and always touching the ground.
- If someone comes in contact with a downed power line or something else that has become electrified, call 911 immediately.
- Never touch someone who has come in contact with a power line. They are energized and pose a danger to anyone who comes in contact with them.
- Remember power lines don't have to fall in order to be dangerous. Always call 811 before you dig and keep yourself and your equipment at least 10 feet from overhead power lines. Source: esfi.org

# **Getting Involved**

The state legislatures of both Minnesota and South Dakota convened in early January. Need to contact your legislator while in Pierre or Saint Paul? Here's how:

#### **Contacting Members** of South Dakota's Legislature:



Go to http://sdlegislature.gov/ From there, you can search your senator or representatives, see

the committees which they are assigned and send them an email. Need to reach them by phone? You can call and leave a message with the Senate at 605-773-3821 or with the House of Representatives at 605-773-3851. You can also send a fax to 605-773-6806.

#### **Contacting Minnesota Legislators:**

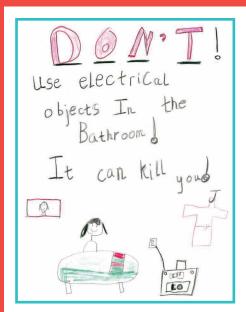
#### For contact information on Minnesota house members, visit:

https://www.house.leg.state.mn.us/members/hmem.asp

#### For contact information on Minnesota senators, visit:

http://www.senate.leg.state.mn.us/members/index.php?ls=%20-%20 header

### KIDS CORNER SAFETY POSTER



#### "Don't use electrical objects in the bathroom. It can kill you!"

#### Gracie Biggins, 7 years old

Gracie is the daughter of Jessy and Katie Biggins, Gregory, S.D. They are members of Rosebud Electric Cooperative, Gregory.

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.

# Bountiful Brunch

#### **Slow Cooker Monkey Bread**

1 cup (2 sticks) butter

1 cup firmly packed light brown sugar

1/2 cup granulated sugar

1 T. ground cinnamon

2 (16.3 oz. each) cans flaky layers refrigerated biscuits, each biscuit cut into 6 pieces

Spray 6-quart slow cooker and outside of wide mouth glass jar with no stick cooking spray. Place glass jar in middle of slow cooker. Melt butter in small saucepan on medium heat. Add brown sugar and stir to combine; set aside. Place cinnamon and granulated sugar in large resealable plastic bag. Add biscuit pieces in batches and shake to coat. Place 1/2 of the biscuit pieces in slow cooker around glass jar. Pour 1/2 of the butter mixture over biscuit pieces. Place remaining coated biscuit pieces in slow cooker. Sprinkle with any remaining cinnamon-sugar mixture in bag. Pour remaining butter mixture evenly over top. Cover slow cooker with clean kitchen towel then with slow cooker lid to secure towel. Cook 1 hour on HIGH. Carefully remove slow cooker insert and rotate. (This allows monkey bread to cook evenly.) Cook 1 hour longer or until toothpick inserted in center comes out clean. With towel and lid still secure, remove slow cooker insert from heat. Let stand 10 minutes. Carefully remove glass jar. Invert monkey bread onto serving platter. Makes 18 servings.

Nutritional Information Per Serving: Calories 302, Total Fat 14g, Saturated Fat 8g, Protein 3g, Cholesterol 27mg, Sodium 491mg, Carbohydrates 41g, Fiber 1g

Pictured, Cooperative Connections

#### **Oatmeal Pancakes**

2 eggs, separated	1/3 cup flour	
2 cups warm milk	2-1/2 tsp. baking powder	
2 cups quick cooking oats	1 tsp. salt	

1/3 cup oil or shortening

Beat egg whites until stiff. In separate bowl, add warm milk to oatmeal; let set a few minutes. Add egg yolks. Mix in oil, flour sifted with baking powder and salt; mix well. Fold in whipped egg whites. Heat a nonstick griddle over medium heat. Coat pan with cooking spray. Spoon about 2-1/2 T. batter per pancake onto griddle. Turn pancakes over when tops are covered with bubbles; cook until bottoms are lightly browned.

#### Elfrieda Postma, Sioux Falls, SD

#### Wake-up Casserole

8 frozen hash brown patties	7 eggs
4 cups shredded Cheddar cheese 2 cups cubed ham	1 cup milk
	1/2 tsp. salt
	1/2 tsp. dry mustard powder

RECIPES

Place hash brown patties in a single layer in a greased 9x9-inch glass dish. Sprinkle with cheese and ham. In bowl, beat eggs, milk, salt and mustard together. Pour over ham and cheese. Cover and bake at 350°F. for 1 hour. Uncover and bake an additional 15 minutes until edges are golden brown and knife inserted in center comes out clean. Makes 8 servings.

Mary Jessen, Holabird, SD

#### **Eggs Benedict Casserole** 8 large eggs into 1/2-inch pieces

3 cups milk, divided	6 English muffins, cut into 1/2-inch pieces	
3 green onions, chopped		
1 tsp. onion powder	1/2 tsp. paprika	
1 tsp. salt	1 (.9 ounce) pkg. hollandaise sauce mix	
3/4 lb. Canadian bacon, cut	1/4 cup butter	

Spray 9x13-inch baking dish with cooking spray. Whisk eggs, 2 cups milk, green onions, onion powder and salt together in a large bowl until well mixed. Layer half the Canadian bacon in prepared baking dish. Spread English muffins over meat and top with remaining Canadian bacon. Pour egg mixture over casserole. Cover baking dish with plastic wrap and refrigerate overnight. Sprinkle casserole with paprika; cover with aluminum foil. Bake at 375°F. until eggs are nearly set, about 30 minutes; remove foil. Continue baking until eggs are completely set, about 15 more minutes. Whisk hollandaise sauce mix with 1 cup milk in a saucepan. Add butter and bring to a boil, stirring frequently. Reduce heat to medium-low, simmer and stir until thickened, about 1 minute. Drizzle sauce over casserole.

Cortney Reedy, Tea, SD

Please send your favorite seafood, appetizer, beverage or 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 2019. All entries must include your name, mailing address, phone number and co-op name.

### ENERGY CENTS

# Low-Cost Efficiency Tips



Pat Keegan

Collaborative Efficiency

In the right situation, set correctly, programmable thermostats can save \$150 a year.

This column was co-written by Pat Keegan and Brad Thiessen of Collaborative Efficiency. For more information, please visit: www.collaborativeefficiency .com/energytips. **Dear Pat:** It's great to read about all the ways energy efficiency improvements to the home can save money, but what about folks like me who are renting or don't have a lot of money to spend? Are there things I can do to reduce my energy bills? – Chelsea

**Dear Chelsea:** That's an excellent question. Not everyone can replace their furnace with an air-source heat pump, whether they're renting, or their budget won't allow it. Here are seven low-cost efficiency tips that can help you reduce your energy bills.

**1. Mind the thermostat.** You might be able to trim your energy bill by carefully managing the temperature in your home. The Department of Energy suggests setting your thermostat to 68 degrees F on winter days. If that's too cool, try other ways to stay warm like layering with an extra sweater. You can save more energy by turning down the thermostat even lower at night or when no one is home. The same principle works in reverse during summer months. Just set the thermostat higher to reduce your energy use for air conditioning.

**2. Go programmable.** If you don't always remember to adjust your thermostat manually, you could benefit from a programmable model. In the right situation, set correctly, programmable thermostats can save \$150 a year. Some programmable thermostats can be managed from your smart phone or other devices. Before you purchase one, make sure your landlord approves.

**3.** Try zone heating. If you don't mind less-used rooms being colder, you might be able to save energy (and money!) by zone heating. Electric baseboards make it easy because they typically have thermostat settings on the units or in each room. Portable electric space heaters can also be a good tool for zone heating if they are used safely and wisely in the area you spend the most time. Keep in mind, if you're using space heaters, you'll need to reduce the heating you're supplying to the rest of the home. Space heaters that are used incorrectly can be dangerous and increase energy costs. If your heating system needs to be replaced, you can talk to your landlord about installing a minisplit system, which is perfect for zone heating and cooling, and easier to install than a new duct and furnace system.

**4. Stop air leaks.** Small gaps around windows, doors, wiring and plumbing penetrations can be major sources of energy loss. This problem can be alleviated with a little weather stripping and caulk, but you should check with your landlord before you get started. Better yet, convince the landlord to do the work! A \$10 door draft stopper (also known as a "door snake") is a simple way to block gaps underneath exterior doors. Sealing air leaks around your home could shave up to one-fifth of your heating and cooling bills.

**5.** Manage your windows and window coverings. Your windows may be letting heat out during the winter and letting heat in during the summer. Window coverings like medium or heavy-weight curtains and thermal blinds can help. On cold winter days, window coverings can keep warmth inside and improve comfort. Opening up window coverings when you're receiving direct sunlight is a 'passive solar' technique that can help cut your heating costs. You can also cover windows with clear plastic to reduce heat loss and air leaks. During the summer, keep window coverings closed to block the sun and to keep windows from heating the cooler indoor air.

**6.** Look for energy wasters. There are also small steps you can take every day to reduce your energy use. Water heaters should be kept at the warm setting (120°F). Wash dishes and clothes on the most economical settings that will do the job and always wash full loads. Use the microwave instead of the oven when possible.

**7.** Landlords (and others) can help. Hopefully these tips will help you reduce your energy bills and increase your comfort, but consider talking to your landlord about additional ways to save, like installing better insulation, energy efficient windows or heating systems. Many landlords make these types of investments to add appeal to their rental properties, which ultimately improve the value of the property. A home energy audit is the best way to identify areas for energy efficiency improvements. Contact your electric cooperative to see if they offer energy audits or if they can recommend someone local. An audit would be a great way to start a conversation with your landlord about potential improvements.

# **Electricity 101:** The Flip of a Switch

#### **Paul Wesslund**

NRECA

Have you ever wondered why they call it electricity?

It's named after those little pieces of atoms called electrons and that's the place to start in understanding how power plants make something that reliably lights your home with the flip of a switch.

Getting all those electrons to march together inside a wire has been described as one of civilization's greatest and most complex engineering feats.

Just about all of your electricity starts with the scientific phenomenon that spinning a magnet inside a coil of wires will generate electricity. So, deep inside most power plants are large turbines that are turned in different ways: falling water at a hydroelectric dam; burning coal or natural gas at a fossil fuel station; atomic energy at a nuclear power plant; or the rotating blades of a wind turbine. One exception is solar energy, which uses materials that produce electricity when they're activated by sunlight.

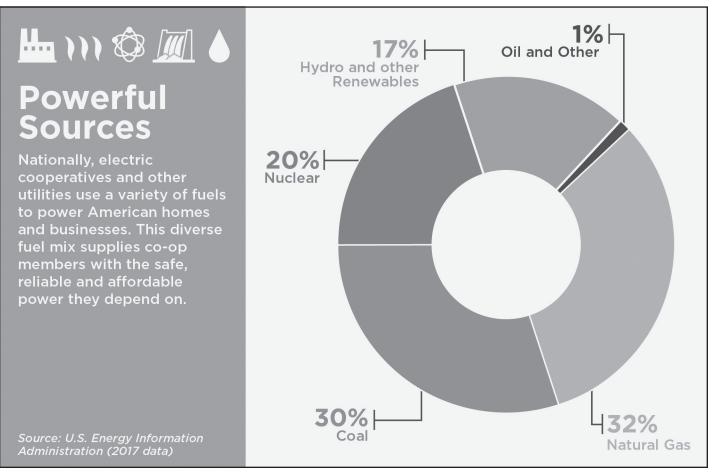
Every one of those power plants is unimaginably complicated – think about what you would do if you were handed a lump of coal and were told to make it run your refrigerator.

Most large electric generating plants need large banks of transformers to boost the voltage for the cross-country trip through wires held up by tall transmission lines and towers. As it nears your neighborhood, the voltage is reduced at one of those fenced-in complexes of wires and transformers called a substation. Lower voltage makes the electricity safer for home energy use. As the electricity gets closer to your home or business, the voltage is reduced again with smaller transformers, which you can typically see mounted on a nearby utility pole or in a groundlevel green box in your yard.

Beyond those basics, all that flowing electricity needs to be coordinated so it gets to the right house just as it's needed. Safety is always top priority. And line crews need to be kept organized for both routine power line maintenance as well as restoring after storm damage.

When you think about it, that's a lot of power in the simple flip of a switch!

Paul Wesslund writes on consumer and cooperative affairs for the National Rural Electric Cooperative Association, the national trade association representing more than 900 local electric cooperatives. Electric co-ops serve as engines of economic development for 42 million Americans across 56 percent of the nation's landscape.





# COMMAND, CONTROL AND ENERGY SAVINGS

Co-op Members Can Benefit from Technology

#### **Derrill Holly**

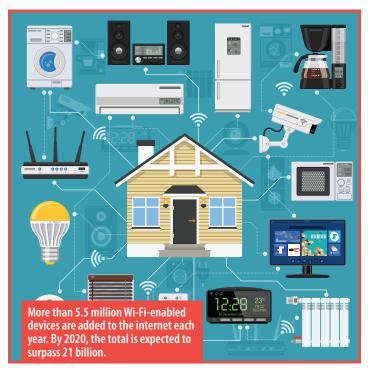
NRECA

Artificial intelligence is changing the way we live and that has the potential to bring major changes to the way we use energy.

Smart home automation, with a utility connection, allows folks from all income levels to become more energy efficient to varying degrees. Using a platform to further tie together appliances and loads, consumers can pick and choose their preferred efficiency routes depending on their lifestyle and budgets.

#### **Turning Words to Actions**

According to the Consumer Technology Association, about 5.5 million Wi-Fi-enabled devices are added to the internet each year and by 2020, the total is expected to surpass 21 billion. That has designers and manufacturers of consumer products looking for new ways to add value to their products with Wi-Fi enabled features.



#### YOUR HOME

As artificial intelligence devices create opportunities for home automation, consumers will play larger roles in deciding how and when systems in their home are controlled.

Smart thermostats have been around for a while and models that interconnect with home automation systems, like Amazon's Echo, the Wyse Hub and Google Home, get a lot of attention. Apps developed for those products are also available for both Android and iPhone. Many electric cooperatives are offering discounted smart thermostats to not only encourage member savings, but also help manage peak energy demand.

#### Changing Sources, Changing Needs

As the energy sources we use to generate power evolve and management of the electric grid becomes more agile and sophisticated, the true potential of energy load control provides opportunities for more savings through wholesale power supply. That's challenging electric co-ops to find additional ways to strengthen partnerships with consumer-members who are more interested than ever in actively managing their energy use. Two-way, real-time communications and artificial intelligence offer opportunities to learn consumer preferences and how best to reduce energy during peak demand periods.

#### **New All-Electric Homes**

Home automation controllers and smart phone apps are producing an endless string of new commands daily and while many may not work seamlessly, they are likely to continue to improve.

"We could soon see serial commands allowing your appliances to interact with other devices," said Keith Dennis, senior director of strategic initiatives for the

An all-electric home with energy efficient products and automation features could enhance a consumers' experience.

National Rural Electric Cooperative Association (NRECA), who cited household systems including heat pumps and heat pump water heaters as examples.

"Your HVAC system could learn your schedule and regulate heating and cooling for your comfort based upon when you are home," said Dennis. "Instead of maintaining a steady supply of hot water when no one is home to use it, water could be heated during periods when demand is lowest and electricity costs less and then boosted to ideal temperatures to meet specific needs like bathing, laundry or washing dishes."

Many electric co-ops have supported water heater load control programs for decades. Consumers are not overly concerned about when their water is heated as long as it is available on demand.

"Manufacturers and vendors are actually building shared access and control into these systems with utilities," said Dennis. "The most successful models in the end will work seamlessly with the co-op to provide value to the member and not necessarily something that is directly managed by the member."

According to Dennis, new induction stovetops, energy efficient convection ovens and some countertop appliances offer more opportunities for efficiency in the kitchen – and the common trait of these efficient products is that they are all electric. An all-electric home with energy efficient products and automation features could enhance a consumers' experience.

While consumers are not expected to quickly embrace many of these new options until they reach the "plug-andplay" level of convenience, smart appliances and home automation systems could within a few years lead to rebates and other incentives designed to encourage electric co-op members to retire older appliances to enhance their home's energy efficiency.

Derrill Holly writes on consumer and cooperative affairs for the National Rural Electric Cooperative Association, the national trade association representing more than 900 local electric cooperatives. From growing suburbs to remote farming communities, electric co-ops serve as engines of economic development for 42 million Americans across 56 percent of the nation's landscape.



9

### **BOARD NEWS**

# Nov. 13, 2018, Board Meeting

The regular meeting of the Board of Directors of Lacreek Electric Association, Inc. was held in the office of the Cooperative, located in the Town of Martin, South Dakota, Nov. 13, 2018, beginning at 1 p.m.

The meeting was called to order by President Schlack and the following directors were present: Clarence Allen, Troy Kuxhaus, Wade Risse, Jerry Sharp, Donovan Young Man, Dean O'Neill, Brent Ireland, Melvin Cummings and Connie Whirlwind Horse. Marion Schultz, Ellis Rae Hicks and Neal Livermont were absent. Also present were General Manager Derek Sorley, Operations Manager Mike Pisha, Member Services and Procurement Manager Josh Fanning, Finance and Benefits Manager Anna Haynes, Member Services Representative Manager Stacey Robinson and Work Order and Billing Manager Sherry Bakley.

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

The following additions were added to the agenda:

■ Pass Creek Wind Farm

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

A motion was made, seconded and carried to accept the check audit committee's

review of the list of October checks and disbursements.

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

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

Mike reported on work in progress; gave an overview of the current work plan for 2018-2021 and Keller Construction was awarded the bid for the Wanblee East conversion.

Mike also said that Tyson Brooks with SDREA will be here to conduct the monthly safety meeting to recertify the line crew and office for CPR and First Aid training. 1120300801

Josh reported on the upcoming Christmas party December 7th on the SDREA Member Service meeting he attended; that he attended via web conference the Member Service meeting; about Inventory which was November 1st & 2nd and gave kudos to Cody Larson who handles the warehouse saying he has been doing an excellent job and was able to reduce the total on hand inventory.

Tom reported on the Rushmore Electric meeting and Basin Electric annual meeting he attended.

Derek reported on the in house reorgani-

zation changes; on legal issues; about the WAPA Rate Schedules; about the BC LEPC meetings he attended; that he attended the NRECA Finance and Accounting for the Non-Accounting Training, which he said was very helpful and on the Basin Annual Meeting he attended.

Director Wade Risse brought up discussion on the possibility of the Pass Creek Wind Farm being built North of Allen. He said he has a map of the proposed towers being built which he will bring to the next meeting. This was previously brought up, but there has been no discussion or further information that has been provided. Will need to keep abreast of this matter and have further discussions in the future.

Discussion was held on the Nebraska Chamber of Commerce membership, with no motion being made to invest.

Discussion was held on the Rushmore EPC Group Solar Survey results.

Discussion was held on the 2019 Capital Budget. A motion was made, seconded and carried to approve the 2019 Capital Budget.

Discussion was held on a rate increase for 2019. A motion was made, seconded and carried to approve the 2019 rate increase.

Discussion was held on the upcoming Legislative Banquet with no one planning to attend at this time.

Next board meeting – Dec. 18, 2018, at 1 p.m.

## **Nondiscrimination Statement**

Lacreek Electric Association is an equal opportunity provider, employer, and lender.

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/ parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs).

Remedies and complaint filing deadlines vary by program or incident.

Person with disabilities who require alternative means of communication for program information (e.g., Braille, large

print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202)720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800)877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint\_filing\_ cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410;
- (2) fax: (202) 690-7442; or
- (3) email: program.intake@usda.gov



Lacreek Electric Association, Inc.

### 2019 Notice of Rate Increase

Lacreek Electric Association, Inc. (LEA) will be having a rate increase beginning on Jan. 1, 2019. This increase is a \$5 monthly service fee that will now be at \$40 and a guarter of a cent increase on each member's kWh at 0.1125 cents. The increases are, in part, due to the increasing operation and maintenance costs, which will increase at an estimated 7.75 percent and Customer Accounts, Service, Sales Expense, Administrative and General Expenses will increase by an estimated 2.74 percent and include the ever-changing technology that helps provide the use of better equipment and protection for LEA's electrical system.

Interest rates continue to increase on loans LEA needs for plant/system improvements. From 2011 until 2015, LEA's average interest rate was 2.669 percent. In 2016, LEA's interest rate was at 1.855 percent and in April of 2018, the interest rate increased to 3.051 percent. Although these interest rates look low, they add up on the amount of money LEA has to borrow. All our plant upgrades/system improvements are constructed with borrowed money of which the debt with interest must be paid back to LEA's borrowers.

LEA has upgraded our aging plant by more than \$11.5 million in the past five years and currently has a four-year work plan with an additional \$12 million for upgrades and system improvements. These upgrades and system improvements will provide our membership a more reliable electric delivery system.

Your LEA management and employee team continue to develop and create cost-saving methods on all projects and everyday activities. Your board of directors, management and employee team regret to inform you, the memberowners, of this rate increase, but it is a necessity in order to continue with LEA's progress of being more reliable to our membership.

Example of Rate Increase:			
Avgerage Residential Usage	Old Rate	2019 New Rate	
1284 kWh Service Minimum	\$126.72 \$35	\$129.93 \$40	
175W Security Light	\$10.95	\$11.00	
Total	\$172.67	\$180.93	

#### **Old Rates**

Residential, Farm, Public Authorities & Seasonal

Service Minimum - \$35 per month First 800 kWh per month at \$0.11 (800 kWh equals \$88 )

Remaining kWh per month at \$0.08

All separately metered electric heat – Heat credit \$0.02 (October-April)

Small Commercial

Service Minimum - \$40

First 800 kWh per month at \$0.11 (800 kWh equals \$88 ) Remaining kWh per month at \$0.08

All separately metered electric heat – Heat credit \$0.02 (October-April)

#### **Irrigation Non-Controlled**

Horsepower charge: \$25 per horsepower per season KW x \$13.50 per month

All kWh at \$0.065

#### **Irrigation Controlled**

Horsepower charge: \$25 per horsepower per season KW x \$3.50 per month All kWh at \$0.054

#### Irrigation Pivot Only

Service Min. - \$420 per season (\$35/month) All kWh at \$0.09

> Small Power 3-phase – 50 KW and under

Service Minimum - \$55 per month (KW - 25) x \$13.50 First 100 kWh x KW x \$0.11 Remaining kWh per month at \$0.08 Separately metered electric heat -\$0.02/kWh (October-April)

> Large Power 3-Phase – 50.01 KW and over

Service Minimum - \$55 (KW - 10) x \$13.50 300 kWh x KW x \$0.065 All remaining kWh x KW x \$0.055 Separately metered electric heat -\$0.02/kWh (October-April)

Street Lighting & Outdoor Lighting (RC70), (RC71 with meter services) 175 watt mercury vapor - \$10.95 per month 400 watt mercury vapor - \$16.45 per month Lucalox - \$17.45 per month 150/175 Metal Halide - \$10.95 per month 400W Metal Halide - \$17.45 per month LED 70 W - \$10.95 per month LED 100 W - \$16.45 per month

#### **Metered Security Lights**

100-175 watt mercury vapor/metal halide high pressure sodium - \$4.50 per month 400-watt mercury vapor/metal halide -\$5.25 per month

#### New Rates

Residential, Farm, Public Authorities & Seasonal

Service Minimum - \$40 per month First 800 kWh per month at \$0.1125 (800 kWh equals \$90)

Remaining kWh per month at \$0.0825

All separately metered electric heat -Heat credit \$0.02 (October-April)

#### Small Commercial

Service Minimum - \$45 per month First 800 kWh per month at \$0.1125 (800 kWh equals \$90 )

Remaining kWh per month at \$0.0825

All separately metered electric heat -Heat credit \$0.02 (October-April)

#### Irrigation Non-Controlled

Horsepower charge: \$25 per horsepower per season KW x \$13.50 per month

Remaining kWh at .0675

#### Irrigation Controlled

Horsepower charge: \$25 per horsepower per season KW x \$3.50 per month All kWh at \$0.0565

#### **Irrigation Pivot Only**

Service Min. - \$480 per season (\$40/month) All kWh at \$0.0925

#### Small Power 3-phase – 50 KW and under

Service Minimum - \$60 per month (KW - 25) x \$13.50 First 100 kWh x KW x \$0.1125 Remaining kWh per month at \$0.0825 Separately metered electric heat -\$0.02/kWh (October-April)

#### Large Power 3-Phase -50.01 KW and over

Service Minimum - \$80

(KW – 10) x \$13.50

300 kWh x KW x \$0.0675

All remaining kWh x KW x 0.0575

Separately metered electric heat -\$0.02 per kWh (October-April)

### Street Lighting & Outdoor Lighting (RC70), (RC71 with meter services)

175 watt mercury vapor - \$11 per month 400 watt mercury vapor - \$17 per month Lucalox - \$18 per month 150/175 Metal Halide - \$11 per month 400W Metal Halide - \$18 per month LED 70 W - \$11 per month

Led 100 W - \$17 per month

#### Metered Security Lights

100-175 watt mercury vapor/metal halide high pressure sodium - \$5 per month 400-watt mercury vapor/metal halide -\$6 per month



# CO-OPS SEEK TERRITORY INTEGRITY

### Fairness Sought When Government Takes Over

#### Brenda Kleinjan and Jocelyn Romey

editor@sdrea.coop

As the 2019 South Dakota legislative session hits full stride this month, South Dakota electric cooperatives are seeking a fix to a decades-old issue: territory integrity.

The issue has been an ongoing one. It comes to a head periodically when municipal governments take over the territories of cooperatives or investor-owned utilities. For cooperatives, these are areas where the co-ops have served for decades and have incorporated into long-range planning.

#### What are the issues?

There are two sets of rules that govern changes in South Dakota electric service territory. By law, electric cooperatives and investor-owned utilities (IOU) must collaborate and agree upon changes in service territory between the two. Municipal governments, on the other hand, have the authority to expand their electric service boundaries and take territory from incumbent electric providers. These differences in the rules favor government-taking of private enterprise.

Electric cooperatives have built the infrastructure needed to serve all areas of their territories. When municipal utilities take away the electric service areas of those co-ops, the infrastructure, including generation, transmission, substations and distribution assets, that has been put into place to serve the load becomes useless. The municipal-taking of incumbent utility territory also greatly limits the incumbent's ability to plan for the future in areas neighboring a municipal utility because the territory is so easily seized by the local government.

Ultimately, South Dakota's consumers are the ones being hurt when the service areas of electric cooperatives are reduced. The left-behind cooperative members bear a greater share of the fixed operating costs, increasing their electric bill. There are fewer members to cover infrastructure and generation costs when a territory is reduced in size. This is especially detrimental to affordability for the members of not-for-profit electric cooperatives.

#### Why now?

This is an ongoing issue that has never been resolved. Yes, there have been a few amendments made to the law over the years. These amendments have attempted to provide compensation for seized electric service territory. However, the compensation formula doesn't work. Additionally, the efforts of electric cooperatives to work collaboratively with municipals in resolving this issue have been consistently rebuffed, co-op leaders say.

"Applying the same rules to all electric utilities operating in the state will NOT impede municipal annexations. It will force municipal governments to engage in the same conversations about fairness and equity that an investor-owned utility and a cooperative must consider when making individual customer exchanges or making permanent changes to the boundaries," said Ed Anderson, general manager of the South Dakota Rural Electric Association.

# Territorial Integrity is Essential

### **Current System is Flawed:**

#### Munis can. We can't.

- Municipal utilities can take utility service territory.
- Rural electrics and IOUs can't.

#### Government Takeover of Private Property.

- Munis can annex and extend service with no negotiations or PUC oversight.
- Selective "taking" of prime territory.
- Cooperatives are ready to serve and can offer highly competitive rates.

## Negative Impacts on Utilities, Consumers and Economic Development.

- Upsets long-term planning and duplicates services.
- Reduces growth opportunities and ability to spread costs to a greater number of consumers – it impacts the entire membership.
- Hinders economic development.

### Solution:

PROTECT assigned service territories

RETAIN privately negotiated agreements with Public Utilities Commission approval

**NO RESTRICTIONS on annexation** 

## South Dakota Laws on Electric Service Territory Boundaries

The original law passed in 1975 established the purchase price for electric facilities in areas annexed by municipalities. The law gave the city 90 days following annexation to offer to purchase the facilities and services rights. The portion of the formula that covers the purchase of wires and poles has not changed over the years. What has changed is the compensation for service rights portion of the formula. As initially placed in statute, the purchasing municipal electric system had to pay 25 percent of gross receipts from power sales to consumers within the annexed area for a period of five years at the municipal utility rate.

- The 1975 law, which was very similar to laws passed in many states at roughly the same time, was designed to protect consumers from the costs and confusion associated with rapid growth and duplication of services associated with that growth. Since then, few states have opened this essential service to full competition and industrial customers, not the average residential or small business customer, have benefited from those changes. South Dakota chose to address the specific needs of large industrial customers by making those loads competitive.
- The 1992 amendment changed that part of the formula to: 25 percent of gross receipts from power sales to consumers within the annexed area for a period of seven years at the incumbent utility rate and extended the time given to the municipality to decide whether they want to purchase from 90 days to one year.
- The 2009 amendment changed that part of the formula to: as compensation for service rights, an annual amount equal to the sum of 25 percent of the gross revenues received from power sales to consumers of electric power within the annexed area. The obligation of the annexing municipality to compensate the utility for service rights shall continue for 11 years from the date of the offer to purchase by the annexing municipality. During the 11-year period, compensation for service rights to any one customer location within the annexed area shall be paid by the annexing municipality for a period of seven years or until the expiration of the 11-year period, whichever is less. Gross revenues received shall be determined by applying the rate in effect by the municipality at the time of purchase.

So, the latest amendment extended the overall window from seven to 11 but retained the seven-year cap per customer and went back to the muni rate at the time of purchase.



# **BIG IDEAS COMPETE** 35 Schools Showcase Entrepreneurial Spirit

#### Kelly Weaver

kelly@growsd.org

An idea for a grocery delivery service for the elderly was the winning idea among 244 entries in the 2018 BIG Idea Competition.

Sully Buttes High School students Kendra Kleven and Avery Weinheimer took first-place in the competition with their Helping Hearts Delivery Service, which aims to deliver groceries weekly and bring hot meals five-days-a-week to the elderly of Onida, S.D. Their prizes included a \$1,000 cash prize, a \$1,000 scholarship to Northern State University, a \$1,000 scholarship to Presentation College and a \$1,000 scholarship to the South Dakota School of Mines & Technology. Their idea also took the top place in the Wellness Category sponsored by Sanford Health, garnering the team an additional \$500 in prize money. Forty-three teams competed in the Wellness Category.

The BIG Idea Competition aims to promote entrepreneurship, spur creative thinking and encourage students to start a business. The competition is coordinated by the Small Business Development Center in Aberdeen, S.D.

Second place went to Butterstick, by Jade Parkin of Rapid City Stevens High School, which is a product where butter will conveniently be stored and ready for use in all situations and for all ages. Second place prizes include \$500 cash, a \$500 Presentation College scholarship and a \$500 NSU scholarship. The \$250 third-place prize went to The 'Wich Doctor by Hattie Muellenbach of Milbank High School, which is a food truck specializing in gourmet sandwiches. The other finalists included Watertown Community Tutor Center by DeLaney Anderson of Henry High School; Stoltenberg Fencing by Christine Stoltenberg of Northwestern High School; Best-a-Essay by Aiden Boerger of Milbank High School; New Outlook by Brianna Jorgenson of Florence High School; and Maria's Boarding and Grooming by Maria Jenkins of Leola High School.



The Marketing Design competition is an option for students to create an ad for their business idea. The \$500 cash award was sponsored by McQuillen Creative Group and 52 entries were judged in this category. The winner was Houghtaling Ultrasound by Danielle Houghtaling of Doland High School, which addresses the need for ultrasound services in the state of South Dakota for the sheep and goat industries. Houghtaling Ultrasound was also the winner of the newly sponsored \$500 cash prize of the Food Animal Agriculture award. The category prize is sponsored by Midwest Ag Supply and 33 entries were in this category. The final event required finalists to make a six minute presentation on their idea for the three final judges - Chad Evans of Centennial Homes, Paul McDonald of Dacotah Bank and Rod Tobin of Siegel Barnett and Schutz. Students also heard from business owners Blain Mikkonen of Grain Designs, Carl Pochop of Colorful Creations and AJ Hoffman of SoDak Sports. They spoke about all aspects of being an entrepreneur. Each panelist shared their achievements and struggles in starting and owning their own business and offered advice for those who might one day want to turn their BIG Idea into reality.

This year's BIG Idea competition also included an honorable mention award

### The BIG Idea Competition aims to promote entrepreneurship, spur creative thinking and encourage students to start a business.

for those applicants who scored within 10 percent of the finalists. There were 59 honorable mention idea entries and three honorable mention marketing designs. In addition to the schools listed above, students from the following high schools also participated: Bowdle, Brandon Valley, Brookings, Colman-Egan, Custer, Eagle Butte, Edmunds Central, Eureka, Groton, Harrisburg, Hoven, Lead-Deadwood, Lemmon, Lennox, Madison, Miller, Montrose, Parker, Pierre T.F. Riggs, Redfield, Vermillion, Warner, Watertown, Waverly/South Shore, Wessington Springs, West Central and Yankton.

For the first time, the BIG Idea Competition was able offer an award for teachers. The new prize, the Partners in Business Award, is sponsored by Angelhaus to reward the networking and mentorship experiences teachers have incorporated into their classroom. This year's recipients of the Partners in Business award are Vicki Lentz of Sully Buttes High School, Jerry Janisch of Milbank High School and Katrina Boyum of Florence High School.

For the second year in a row, CREATE sponsored a Makerspace consultation prize. The drawing includes four consultations, a year of makerspace management software and a final report with a blueprint for starting a makerspace. The winning school was Florence High School.

Sponsors for the 2018 competition included Sanford Health, East River Electric Power Cooperative, REED Fund, Dacotah Bank, Midwest Ag Supply, First Bank and Trust, NSU, Presentation College, Aberdeen Development Corporation, McQuillen Creative Group, Northwestern Energy, Angelhaus, CREATE, Midcontinent Communications and the Tom and Danielle Aman Foundation. The Competition is a result of the input and collaboration of many organizations including: Aberdeen Area Chamber of Commerce, Aberdeen Downtown Association, Aberdeen Catholic School System and Aberdeen School District.

For more information about the competition, see www.BIGIdeaSD.com.





#### January 17

Community Club Annual Banquet, Dinner catered by The Knotty Pine Supper Club, Entertainment by Comedian Scott Novotny, Elkton, SD Tickets 605-542-2681

**January 18-19** Media One Funski, Sioux Falls, SD, 605-339-0000

**January 18-19** Winter Show, Sisseton, SD, 605-698-7261

**January 18-20** Winterfest, Lead, SD, 605-584-1100

January 25-26 Snowmobile Rally, Deadwood, SD, 605-578-1876

#### January 25-26

Living History Fair, Lake Area Technical College, School children only on Friday, Open to public on Saturday, Watertown, SD, 605-881-1758

January 25-February 3 Annual Black Hills Stock Show & Rodeo, Rapid City, SD, 605-355-3861

**January 26** Sioux Empire on Tap, Sioux Falls, SD, 605-367-7288

#### January 26-27

Dakota Territory Gun Show, National Field Archery Building, Yankton, SD, 605-665-4537

#### February 1-3

11th Annual Winterfest of Wheels, Convention Center, Sioux Falls, SD, 605-231-3100

#### February 2

Lake Hendricks Fishing Derby, Hendricks, MN, 507-828-2113

season, Lead, SD, 605-584-3896

#### **February 2-3** Dakota Territory Gun Show, Dakota Event Center,

December 15-March 31:

South Dakota snowmobile trails

Dakota Event Center, Aberdeen, SD, 701-336-7533

#### **February 5-9** Winter Farm Show, Watertown, SD

Watertown, SD, 605-886-5814

#### February 8-10

Black Hills Sports Show & Outdoor Expo, Rapid City, SD, 605-939-1812

#### February 9-10

Dakota Territory Gun Show, Trophy Show - The Big One, Convention Center, Sioux Falls, SD, 605-630-2199

#### February 15-17

Annual Artists of the Plains Art Show and Sale, Sioux Falls, SD, 605-274-4007

#### February 15-17

Annual Frost Fest, Brookings, SD, 605-692-6125

#### February 16-17

Dakota Territory Gun Show, Ramkota River Centre, Pierre, SD, 605-280-2438

#### February 21-23

Sno Jam Comedy Festival, Sioux Falls, SD, siouxfallssno jamcomedyfest@gmail.com

#### February 22-23

State Wrestling Tournaments, Rushmore Plaza Civic Center, Rapid City, SD, 605-394-4111

#### February 23

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

#### March 1-2

Mardi Gras Weekend, Main Street, Deadwood, SD, 605-578-1876

#### March 9-10

2019 Gun Show, American Legion Hall, Saturday 9 a.m. to 5 p.m., Sunday 9 a.m. to 3 p.m. MST, Philip, SD, 605-441-8466 or 605-441-1216

#### March 9-12

Summit League Basketball Championship, Sioux Falls, SD, 605-367-7288 March 15-16

28 Below Fatbike Race, Lead, SD, 605-584-3435

#### March 23

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

March 29-30, April 5-6 Annual Schmeckfest, Freeman, SD, 605-925-4237

#### April 5-6

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

#### 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.