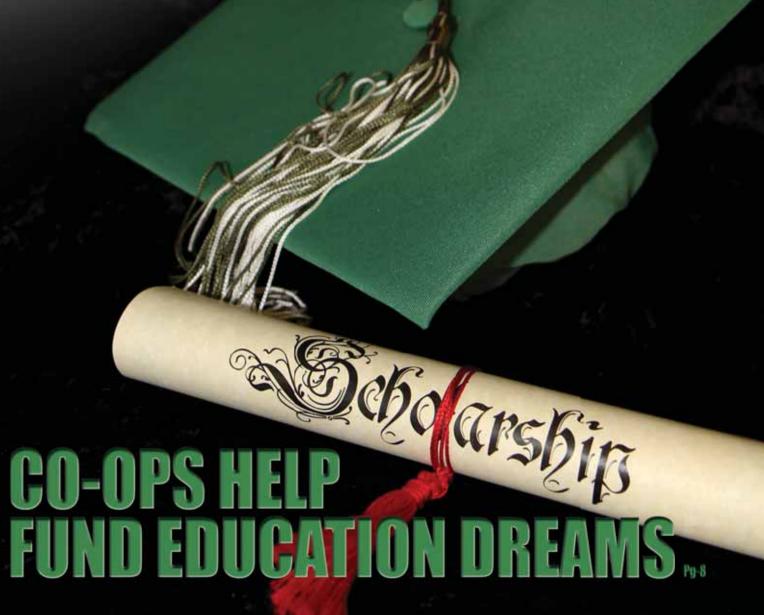
South Dakota Electric

Your Touchstone Energy® Partner

Gooperative Connections

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Black Hills Electric, Custer, S.D. Bon Homme Yankton Electric, Tabor, S.D. Butte Electric, Newell, S.D. Cam Wal Electric, Selby, S.D. Central Electric, Mitchell, S.D. Charles Mix Electric, Lake Andes, S.D. Cherry-Todd Electric, Mission, S.D. Clay-Union Electric, Vermillion, S.D. Codington-Clark Electric, Watertown, S.D. Dakota Energy, Huron, S.D. Douglas Electric, Armour, S.D. East River Electric, Madison, S.D. FEM Electric, Ipswich, S.D. Grand Electric, Bison, S.D. H-D Electric, Clear Lake, S.D. Kingsbury Electric, De Smet, S.D. Lacreek Electric, Martin, S.D. Lake Region Electric, Webster, S.D. Lyon-Lincoln Electric, Tyler, Minn. Moreau-Grand Electric, Timber Lake, S.D. Northern Electric, Bath, S.D. Oahe Electric, Blunt, S.D. Renville-Sibley Co-op Power, Danube, Minn. Rosebud Electric, Gregory, S.D. Rushmore Electric, Rapid City, S.D. Sioux Valley Energy, Colman, S.D. Southeastern Electric, Marion, S.D. Traverse Electric, Wheaton, Minn. Union County Electric, Elk Point, S.D. West Central Electric, Murdo, S.D. West River Electric, Wall, S.D. Whetstone Valley Electric, Milbank, S.D. City of Elk Point, S.D.

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> Brenda Kleinjan, Editor **Dawn Trapp, Communications Specialist** Design assistance by TDG Communications, Deadwood

We Need Your Help!



Ed Anderson General Manager, South Dakota Rural Flectric Association

I've written before about how the Environmental Protection Agency (EPA) has proposed to limit carbon dioxide at new power plants. This is concerning because these regulations, along with the ones EPA has in store for existing plants, have the potential to drive up your electric bills.

Now is the time for electric cooperative members to join their voices together to send a clear message: please remember consumers as you are writing these regulations.

You can help first by visiting www.Action.coop today and sending a comment to the EPA. You can also help by sharing the link to your friends and family.

What's at stake? Beyond providing safe, affordable electricity, the region's electric cooperatives are worried about jobs in the region.

While these regulations are technical, the potential increase in electric rates is something we take personally because we know it's difficult to make ends meet month-to-month. We know the tough choices you face – we all face – in trying to live on a budget. That's what sets cooperatives apart from other utilities and that's why we must stick together.

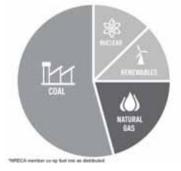
Thousands have answered the call already and sent comments through www. Action.coop. But we need more. Cooperatives in South Dakota and western Minnesota – they're listed to the left – look out for cooperative members. And we don't take this request lightly. It only takes 30 seconds to help raise our voices together.

We've encouraged all of our employees to sign up ... and ask their friends and families. And now we're asking the same from you.

We need you to take a stand and urge our families and friends to join us.

Visit http://www.Action.coop/. And talk to your neighbors about what we're doing and why. Or, if you prefer, you can return the postcard in the center of this issue of the magazine. (Better yet, visit the website and give the cards to a friend, neighbor or family member to send in!)

We're powering the future, driving economic growth and fostering innovation for you. And we don't want these new regulations to get in our way of progress. Please join the call and help us keep moving forward.





Poison Prevention Tips:

National Poison Prevention Week, March 16-22

Each year, approximately 2.4 million people – more than half under age 6 – swallow or have contact with a poisonous substance. The American Academy of Pediatrics (AAP) has some important tips to prevent and to treat exposures to poison.

To poison proof your home: Most poisonings occur when parents or caregivers are home but not paying attention. The most dangerous potential poisons are medicines, cleaning products, antifreeze, windshield wiper fluid, pesticides, furniture polish, gasoline, kerosene and lamp oil. Be especially vigilant when there is a change in routine. Holidays, visits to and from grandparents' homes and other special events may bring greater risk of poisoning if the usual safeguards are defeated or not in place.

- Store medicine, cleaning and laundry products, paints/varnishes and pesticides in their original packaging in locked cabinets or containers, out of sight and reach of children.
- Install a safety latch that locks when you close the door on childaccessible cabinets containing harmful products.
- Purchase and keep all medicines in containers with safety caps and keep out of reach of children. Discard unused medication.
 - Never refer to medicine as "candy" or another appealing name.
- Check the label each time you give a child medicine to ensure proper dosage. For liquid medicines, use the dosing device that came with the medicine.
 - Never place poisonous products in food or drink containers.
 - Keep coal, wood or kerosene stoves in safe working order.
 - Maintain working smoke and carbon monoxide detectors.
- Secure remote controls, key fobs, greeting cards and musical children's books. These and other devices may contain small button-cell batteries that can cause injury if ingested.

Source: aap.org

Kids' Corner Safety Poster "Don't touch fraved wires"



Noah Turner. 10 years old

Noah is the son of Alisa Turner, Sioux Falls, S.D. They are members of Southeastern Electric Cooperative, Marion, S.D.

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



Satisfying Seafood



Caiun Beer-Basted Red Drum on the Grill

3 lbs. fish filets, skin on but not scaled (walleye works great)

1 T. aarlic. minced 1/2 tsp. black pepper

4 T. butter

2 T. Cajun seasoning

3 T. Worcestershire sauce, divided

3 garlic cloves 2 T. minced onion

2 T. minced green pepper

2 T. minced parsley

12 oz. beer

Heat grill to medium. Rinse filets and pat dry. Sprinkle cut sides with minced garlic and pepper, pressing gently into filets. In small saucepan, melt butter over medium heat; add 1 T. Worcestershire sauce, cajun seasoning, garlic, onion, green pepper and parsley. Stir and sauté until onion is transparent and sauce darkened and slightly thickened. Do not burn garlic - it will become bitter and spoil the taste. Add beer and remaining Worcestershire sauce; simmer for 15 minutes on medium-high heat. Lay filets onto oiled grates or place on oiled aluminum foil over grill grates (the preferred method so the filets do not flare up). Cook 20 minutes over low-medium heat, unfolding the aluminum foil only to baste generously with sauce. Fish is done when the thickest area flakes off easily.

Joy Hagen, Webster

Tuna Biscuit Casserole

1 can Cheddar cheese soup 1/2 soup can milk

1 can tuna, undrained if

usina oil pack

1 T. grated onion

1 T. parsley flakes

1 can (10) refrigerator biscuits

In a saucepan, stir soup and milk together until smooth. Add tuna, which has been broken up, onion and parsley flakes. Heat to just boiling. Place biscuits in a 11x17-inch ungreased pan. Pour heated mixture over top of biscuits. Bake uncovered at 375°F. for about 25 minutes or until biscuits pop up through the sauce and are well browned on top.

Audrey E. Heppler, Brookings

Sour Cream Salmon Loaf

1 (15.5 oz.) can salmon, drain 1/2 liquid

1 beaten egg

2-1/2 cups corn flakes, measure

1 (8 oz.) container sour cream

then crush

1/2 c. melted butter

Combine all ingredients and place in greased loaf pan. Bake at 350°F. for 40 to 50 minutes. If firmer texture is desired, use less butter and 1 additional egg.

Glenda Morton, Sioux Falls

Hot Gulf Shrimp Dip

1 lb. Gulf of Mexico shrimp, cooked, peeled, deveined, chopped

1/2 cup chopped yellow onion

1/2 chopped green onion

1 clove minced garlic

3 T. mayonnaise 1 tsp. vegetable oil 1 tsp. Creole seasoning

1/2 tsp. fresh ground black pepper

1/4 tsp. salt

1 cup shredded cheese (Cheddar, mozzarella or Monterey Jack)

Toasted pitas, sliced fresh bread or

tortilla chips

Combine all ingredients in an 8x8-inch baking dish, reserving 1/4 of cheese. Mix well. Sprinkle remaining cheese on top of mixture. Bake at 350°F. for 25 to 30 minutes. Dip with toasted pitas, sliced fresh bread or tortilla chips. Makes 8 servings.

Nutritional information per serving: Calories 158; Total Fat 9g; Total Carbohydrate 4g; Protein 15g

Pictured, Cooperative Connections

Hot Tuna Sandwiches

1 (7 oz.) can tuna 1/2 cup diced olives 1 cup chopped celery 1/4 cup mayonnaise 1 small onion, chopped Salt and pepper to taste 1/2 cup cubed cheese 6 hamburger buns

Combine all ingredients except buns. Split and butter buns; spread with tuna mixture. Wrap in aluminum foil. Bake at 350°F. for 15 to 20 minutes.

Shirley Dreher, Clark

Linguini with Clam Sauce

1 lb. linguini 1/2 tsp. oregano 1 T. olive oil, divided 1/2 tsp. basil

1 medium onion, chopped 1/4 tsp. red pepper flakes

3 cloves garlic, chopped 1/4 tsp. salt 3 (6.5 oz.) cans chopped clams 1/8 tsp. pepper 1/4 cup bread crumbs 1 T. parsley

Cook linguini 10 to 11 minutes; drain and return to pot. Heat 1/2 T. oil in 10-inch skillet over medium heat. Add onion and garlic; sauté 5 minutes. Strain clam liquid and add liquid to skillet. Add parsley, oregano, pepper flakes, salt and pepper. Simmer 5 minutes then stir in clams; cook 2 minutes. Stir into pasta in pot; mix. Cover to keep warm. Heat 1/2 tsp. oil in a small skillet over medium heat; add bread crumbs, stirring for 2 minutes until lightly browned. Sprinkle over pasta and gently toss. Serve immediately.

Mary Metz Carda, Hurley

Please send your favo<u>rite</u> casserole and ethnic 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 2014. All entries must include your name, mailing address, number and cooperative name.

Improving the Efficiency of Older Doors



Jim Dulley www.dulley.com

Dear Jim: My front door is wood with a window and the back door is metal. They are the original ones and neither is very efficient nor airtight. I cannot afford new ones. How can I improve their efficiency myself? – Al R.

Dear Al: Energy losses from inefficient entry doors can account for a significant portion of your monthly utility bills. When leaky doors create drafts, people tend to set

the furnace thermostat higher. This wastes even more energy.

There are ways to improve the efficiency of old doors, but don't immediately eliminate the possibility of installing new ones. The costs of some well-insulated steel and fiberglass doors, especially those for the back door without glass, are very reasonable. A pre-hung door in its own frame is not difficult to install yourself.

Before making a decision, carefully inspect your old doors. If they are in very bad condition, it will be difficult to improve their efficiency by a meaningful amount. First, make sure the wood door is not rotting. Then place a long straight edge across the door to see if it is badly warped.

The most common problem with metal doors is rust, not warping. The first place to check is along the bottom by the weatherstripping on either side. Rainwater tends to collect there and it is not always painted well.

If you find small holes rusted through, they can be repaired with car body filler and then painted. First, try to determine the reason water is collecting there and correct the problem. Clean out as much rust as possible and fill with automobile body filler.

If the doors are reasonably sound, check for the location of the air leaks. At night, have someone shine a flashlight from outdoors around the seals and check for light indoors. This will highlight significant leaks. On a windy day, move a stick of lighted incense around the seals and watch the trail of the smoke to find the minor leaky areas. Check the astragal on double doors. This is usually the raised half-round overlap where pairs of doors meet and acts as a seal between them.

Often with wood doors, especially ones with compression

weatherstripping, the main problem is simply the latch plate is not holding the door tightly closed against the weatherstripping.

One solution is to reposition the latch plate. This will require filling in the old screw holes and drilling new ones. Chisel away some of the wood in the recess for the latch plate. Another option is to install an adjustable latch plate. You may want to reposition it for summer and winter as the door and frame expand and contract from seasonal temperature and humidity.

Steel doors should feature magnetic weatherstripping, so this is not a major issue because the weatherstripping is drawn against the door edge. Just make sure the surface of the door and the weatherstripping are clean and smooth. Paint on the door edge can sometimes come loose in small pieces and create a gap which leaks air.

Check the condition of the hinges and replace them if needed. If the hinges and pins are worn, the door will not hang square in the opening and therefore, will not seal properly. There are many different sizes of hinges, so take an old one along to the store and get an exact match. Don't just buy the cheapest ones, because there are many to choose from and quality varies.

It is almost certain the seal on the bottom of the doors against the floor threshold is worn. If it is not worn, adjust the floor threshold higher. There are several height adjustment screws across the threshold, but after years of use, they may be filled in with dirt. Poke around to find them. If the seal itself is bad, there are many generic replacement seals you can install.

When leaky doors create drafts, people tend to set the furnace thermostat higher. This wastes even more energy.

Another option is an add-on retractable threshold seal which is effective if carpeting is on the floor by the door. The threshold seal is mounted on the inside surface of the lower door edge. When the door starts to open, a pin against the door frame is released and the seal automatically lifts to clear the carpeting. It is easy to install and adjust.

The following companies offer door improvement products: Duck Brand, 800-321-0253, www.duckbrand.com; M-D Building Products, 800-654-8454, www.mdteam.com; Pemko Manufacturing, 800-283-9988, www.pemko.com; and Thermwell, 800-526-5265, www.frostking.com.



Ag Leadership Group Seeks Participants

Farmers, ranchers and agri-business people ages 25 to 55 are encouraged to apply for the next South Dakota Agricultural & Rural Leadership (SDARL) class. Applications and all information available online at http://sdarl.org for SDARL Class VIII. The deadline to apply is March 31. Applicants will interview in April, the class will be announced in June and officially begin Nov. 22, 2014, in Chamberlain, S.D.

Lori Cope, executive director says approximately 30 South Dakotans will make up SDARL Class VIII. The group of men and women will engage in 12 seminar sessions, including a national and international study tour over the course of the 18-month class.

"Men and women interested in developing their leadership skills, expanding their ag knowledge or taking on leadership roles in agriculture and their rural communities are encouraged to apply," said Cope. "SDARL is about leadership for rural communities, as well as for agriculture. The goal is to get people involved in the decision-making processes and impact their community in a pro-active way."

Past program participants include agricultural producers, bankers, non-profit professionals, economic developers and others who work in ag-allied industries.

Program alumni have gone on to serve in state and local government, as well as national and international leadership positions.

SDARL is a nonprofit organization dedicated to identifying and developing leadership for agriculture and rural communities in order to enhance the quality of life for all South Dakotans. Now in its 15th year, SDARL has more than 200 alumni working in agriculture across South Dakota.

E-mail SDARL Program Director Olga Reuvekamp at Olga.Reuvekamp@sdstate. edu for more information.

Teachers Sought for Seminar

Educators in the region can earn two free college credits and bring home lesson plans by participating in the Lignite Energy Council's Teacher Seminar June 16-19.

The seminar is designed to provide teachers with a broader understanding of the lignite coal industry, giving teachers the information and educational materials they need to teach their students about how lignite is mined and used to produce electricity for homes, farms and businesses in the Upper Midwest. The seminar covers lignite's economic impact on the region, as well as environmental issues affecting the lignite industry. It also includes a tour of a lignite mine, a lignite-based power plant and the Great Plains Synfuels Plant.

For further information on this free learning event, teachers should contact Jeremy Woeste at 1-800-242-2372 or e-mail him at JWoeste@bepc.com.

Daugaard Leads Wind Group

The Governors' Wind Energy Coalition has welcomed South Dakota Gov. Dennis Daugaard and Washington Gov. Jay Inslee as the new chairman and vice chairman of the coalition, respectively.

"I look forward to working with Gov. Inslee and our coalition colleagues to help the wind energy industry diversify our nation's energy portfolio," said Daugaard. "We will continue working with Congress to extend the federal wind production tax credit so the industry can continue to produce rewarding careers throughout the nation.

"We will also support efforts to modernize our nation's electric transmission system that is so vital to economic development in Washington, South Dakota and throughout the nation," he continues. "Transmission development is as critical to economic growth in our states as the interstate highway system or our freight rail system. Spurring development of our nation's offshore wind energy potential and supporting other state specific initiatives to support wind energy development remains a priority."

Dakota Gas Approves Urea Plant

The Dakota Gasification Company board of directors has approved the addition of a urea production facility at Dakota Gas' Great Plains Synfuels Plant near Beulah, N.D., at a special meeting Jan. 27. Dakota Gas is a subsidiary of Basin Electric.

Urea, a granular fertilizer commonly used in agricultural applications, will mark the 10th co-product for the Synfuels Plant. Dakota Gas currently produces two other fertilizers: ammonia and ammonium sulfate (Dak Sul 45®).

"We are happy to build on the fertilizer products we already manufacture and believe the addition of urea will bring more benefit to the agricultural community," said Paul Sukut, Dakota Gas interim chief executive officer and general manager.

Urea production requires anhydrous ammonia and carbon dioxide, both of which are produced at the Synfuels Plant. According to Sukut, urea has the highest nitrogen content of all solid fertilizers, but costs less to handle, store and transport than other nitrogen-based fertilizers.

The project includes construction of a storage facility that can hold about 53,000 tons of granular urea, as well as a new load-out facility for trucks and railcars with the capacity to load up to 110 railcars in a single shipment. The urea plant is scheduled for completion in early 2017 and will produce 1,100 tons of urea daily.

The new urea facility is projected to cost approximately \$402 million.

Co-ops Powering Education Dreams

ELECTRIC COOPERATIVES HAVE BEEN POWERING THE lives of their members for more than 75 years.

And for nearly a quarter century, the region's electric cooperatives have placed an increasing importance in providing scholarships to those members' children who are heading off to college or technical school.

This spring, electric cooperatives in South Dakota and western Minnesota are poised to award more than \$100,000 to students to continue their education whether it be in four-year colleges and universities or technical schools.

Brenda Kleinjan

About \$5,000 is dedicated for future linemen. Each year, the South Dakota Rural Electric Line Superintendents Association awards \$2,000 in scholarships to future line workers attending power line programs. Many of the scholarships are awarded to students at Mitchell Technical Institute in Mitchell, S.D.

Other scholarship money is earmarked for future engineers.

But the majority of the money is simply available for the students – most of whom are children of co-op members – to reach for their educational dreams.

The back bone of many cooperatives' scholarship program is more than 23 years old and is funded by the cooperatives' regional power supplier, Basin Electric Power Cooperative. Of the \$100,000 in scholarships being awarded in South Dakota and



western Minnesota, about one-third comes from Basin Electric's program. The rest comes from the local cooperatives, sometimes in partnership with their members' Operation Round Up® programs.

The scholarship program recognizes and encourages academic and community achievements and is considered an investment in the economic future of rural areas.

According to a survey conducted by the South Dakota Board of Regents of public colleges and universities in an eight-state region including South Dakota and Minnesota, the average cost of tuition, fees, room and board for an in-state student in the 2012-2013 school year was nearly \$13,800.

"The scholarship was great! It helped break down my costs for school," said Hadley Cropsey, who received a scholarship from her local electric

Being selected as a scholarship recipient keeps me motivated and helps me remember that others believe in my potential. cooperative, West Central Electric Cooperative in Murdo, S.D.

Cropsey grew up at Presho, S.D., and is a freshman pharmacy major at South Dakota State University in Brookings, S.D. With six years of school ahead of her, Cropsey noted, "Every \$500 counts."

Others like Cropsey are also grateful for the investment made by their electric cooperatives.

"Scholarships have made the most incredible difference in funding my education goals," said Gann Valley, S.D.,-native Laura Knippling, who, as a high school senior at Miller High School in Miller, S.D., received a scholarship from

her local electric co-op, Central Electric Cooperative in Mitchell, S.D.

"Being qualified and selected as a scholarship recipient keeps me motivated and helps me remember that others believe in my potential too. It also makes college so much easier. It eases the stress of trying to pay for college, and allows me to focus more on what I am learning. I'm able to focus on what I am learning and not "How am I going to pay for this," said Knippling, a sophomore youth studies major at the University of Minnesota-Twin Cities.

"I've been able to keep a high GPA because I am a scholarship recipient and I can focus on gaining experience in my field. I still volunteer and have a job, even with having scholarships to help pay for my college. I take my education seriously and I can enjoy the blessing of scholarships to help me reach my goals," said Knippling.

Northern State University freshman Taylor Beutler of Eureka, S.D., received a scholarship from his local cooperative, FEM Electric Association in Ipswich, S.D., to pursue his degree in accounting and banking.

"It is wonderful that the co-op feels it's important to be a sponsor of the future and support post-secondary education," Beutler said.

Scholarships offered, and the corresponding application deadlines, vary by cooperative, but most application deadlines fall from late January to late March. Contact your local electric cooperative for more information.

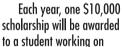
This spring, electric cooperatives in South Dakota and western Minnesota will be powering the educational dreams of scores of graduates as the cooperatives award more than \$100,000 in scholarships.

\$10,000 National Scholarship Available to Past Rural Electric Youth Tour Participants

As if experiencing a once-in-a-lifetime opportunity wasn't a big enough incentive for high school students to apply for the all-expenses-paid Rural Electric Youth Tour to Washington, D.C., sponsored by electric cooperatives, now a \$10.000 scholarship adds even more incentive.

The scholarship is provided by the Glenn English National Cooperative Leadership Foundation, which is

dedicated to supporting the education of future leaders who recognize and embrace the cooperative principles. English, a former Oklahoma Congressman, was the CEO of the National Rural Electric Cooperative Association until his retirement in 2013.





Glenn English

their first bachelor's degree program. To be eligible, an applicant must be a U.S. citizen, have participated in the Electric Cooperative Youth Tour and have completed his or her freshman year of college or received academic credits equal to at least one year of college.

As part of the application process, a video statement of no more than five minutes is required.

Applicants will are judged on their cumulative GPA, internships completed, civic, volunteer and political activities, leadership skills and involvement in cooperative-based programs and activities and other criteria outlined at https://www.nreca.coop/what-we-do/youth-programs/glenn-english-national-cooperative-leadership-foundation-2/application/

The application deadline is March 31, 2014. Each year, more than 1,500 students nationwide participate in the rural electric youth tour. Only those individuals who have participated in a past youth tour are eligible for this scholarship.

Electric cooperatives in South Dakota and western Minnesota first began sending students on the rural electric youth tour more than 50 years ago. To date, more than 1,300 students have represented those co-ops on the tour.

Remarkable Power of a Common Purpose

SDREA 72nd Annual Meeting Held Jan. 16-17

OUTH DAKOTA'S ELECTRIC COOPERATIVES REFLECTED ON THE "Remarkable Power of a Common Purpose" during the South Dakota Rural Electric Association's annual meeting Jan. 16-17 in Pierre, S.D.

On Thursday, cooperatives were updated on the association's safety training activities and trends in safety at electric cooperatives. Attendees also engaged in a town hall meeting with Jo Ann Emerson, CEO of the National Rural Electric Cooperative Association in Arlington, Va.

During the legislative briefing, cooperative lobbyists gave an update on what their expectations were for the South Dakota legislative ession which runs through the end of March. Participants were also able to see the South Dakota Legislative Roster app, a newly launched app for iOS devices which provides information not only on the state's elected officials but also on the state's electric cooperatives. (A version for non-iOS devices is now available at Google Play.)

ACRE® Rallies Involvement

Cooperatives were recognized for their involvement with their political action arm, the Action Committee for Rural Electrification on Friday morning. During the ACRE business meeting, the group's four officers were re-elected to the board: Chairman: Jerry Hammerquist, West River Electric Association, Wall, S.D.; Vice Chairman: Ken Gillaspie, Oahe Electric Cooperative, Blunt, S.D.; Secretary: Greg Hollister, East River Electric Power Cooperative, Madison, S.D.; and Treasurer: Steve Ahles, Whetstone Valley Electric Cooperative, Milbank, S.D.

Action Urged

On Friday morning, representatives of Sen. Tim Johnson, Sen. John Thune and Rep. Kristi Noem spoke to the group and gave an update on issues from a national perspective.

In reports by SDREA Board President Don Heeren and SDREA General Manager Ed Anderson, cooperative leaders





Above: SDREA President Don Heeren, right, poses for a photo after presenting Roy Ireland, left, and Jeff Nelson, center, with the 2014 SDREA Legacy of Leadership Awards. Opposite Page: NRECA CEO Jo Ann Emerson speaks during a town hall meeting with South Dakota electric cooperative leaders at the SDREA annual meeting.

were encouraged to get involved with action.coop. Also on Friday, two South Dakota cooperative leaders were recognized for their dedication to electric cooperatives. Lacreek Electric Director Roy Ireland and East River Electric Power Cooperative General Manager Jeff Nelson were each presented with the 2014 SDREA Legacy of Leadership Award.

SDREA Board Reorganizes

Following the meeting, the board of directors held its reorganizational meeting. Southeastern Electric director Don Heeren of Parker was reelected as the association's president while Lacreek Electric director Butch Livermont of Martin was re-elected as the association's vice president. West River Electric director Bill Bielmaier of Wall was re-elected secretary of the association and West Central Electric director D.J. Mertens of Kennebec was re-elected as the association's treasurer.

South Dakota Co-ops Honored

During the 72nd South Dakota Rural Electric Association annual meeting Jan. 16 and 17. numerous South Dakotans were recognized for 25 or more years of service to the state's electric cooperatives. Those recognized, along with their years of service and the cooperative they are affiliated with, include:

25 Years of Service: Mike Chase, Brian Hartmann and Dean Whitney, Black Hills Electric Cooperative, Custer; Scott Artz, Cam Wal Electric Cooperative, Selby; John Vetch, Central Electric Cooperative, erative, Mitchell: Jim Ryken, Clay Union Electric Corporation, Vermillion; Neil Duxbury, Dakota Energy Cooperative, Huron; Bob Landphere and Mike Lemburg, Grand Electric Cooperative, Bison Steve Hansen and Pat Kirby, H-D Electric Cooperative, Clear Lake; Roy Ireland and Tom Schlack, Lacreek Electric Cooperative, Martin; Russ Hohn, Oahe Electric Cooperative, Blunt; Lyle Haney and Dean Holmberg, Rosebud Electric Cooperative, Gregory; Dena Tveidt Scott, South Dakota Rural Electric Association, Pierre; and Lynell Hofer and Karen Knudson, Southeastern Electric Cooperative, Marion.

30 Years of Service: Monty Harer. Cam Wal: Russell Gall and Michael Whalen. Charles Mix Electric Association, Lake Andes; Gene Popkes, Cherry-Todd Electric Cooperative, Mission; Clyde Pfeifle, Moreau-Grand Electric Cooperative, Timber Lake; David Appel and Jerry Weber, Northern Electric Cooperative, Bath, Tom Hall and Bob Shaffer, Rosebud; Curt Holthe and Brad Schardin, Southeastern; and Ron Lauer, West River Electric Association, Wall.

35 Years of Service: Jim Karolevitz, Bon Homme Yankton Electric Association, Tabor, Dorothy Hettich, Cam Wal; Tim Johnson and Dan Patton, Central; Gary Meisenheimer, Codington-Clark Electric Cooperative, Watertown; Craig Biever, Dakota Energy; Jeff Anderson and Merl Bechen, East River Electric Power Cooperative, Madison; Kenny Kocer, Grand; Rodney Haga, Oahe; Ken Cerny, Goldie Warnkist and Del Wendell, Rosebud; Mike Bowers, Rushmore Electric Power Cooperative, Rapid City, Ron Laible and Mike Peters, Southeastern, and Joe Connot. West Central Electric Cooperative, Murdo;

40 Years of Service: Rick Kirschenmann, Black Hills; Helen Aaker, Grand; Thomas Cummins, Kingsbury Electric Cooperative, De Smet; Ronda Rosane, Lacreek; Mike Cullison, Rosebud; and Tom Neville, Sioux Valley Energy, Colman.

45 Years of Service: John Beaner, Dakota Energy; Phyllis Hrdlicka, Douglas Electric Cooperative, Armour, and Margie Schryvers, Central.

Safety Recognized

Eight cooperatives were recognized for their 2013 safety accomplishments during the SDREA annual meeting: Black Hills Electric Cooperative, Custer: Charles Mix Electric Association, Lake Andes; Codington-Clark Electric Cooperative, Watertown; FEM Electric Association, Ipswich; Kingsbury Electric Cooperative, De Smet; Southeastern Electric Cooperative, Marion West River Electric Association, Wall; and Whetstone Valley Electric Cooperative, Milbank,

2013 ACRE® Honor Roll Systems – South Dakota

100 percent Board and Management

Black Hills Electric Cooperative, Custer, 100 percent CENTURY CLUB

Bon Homme Yankton Electric Association, Tabor, 100 percent Board CENTURY CLUB, 100 percent Employee Participation

Butte Electric Cooperative, Newell Cam Wal Electric Cooperative, Selby

Central Electric Cooperative, Mitchell, 100 percent CENTURY CLUB

Charles Mix Electric Association, Lake Andes, 100 percent Employee Participation, all at CENTURY CLUB

Clay Union Electric Corporation, Vermillion, 100 percent Board CENTURY CLUB

Codington-Clark Electric Cooperative, Watertown East River Electric Power Cooperative, Madison, 100 percent CENTURY CLUB

FEM Electric Association, Ipswich, 100 percent Board

PRESIDENTIAL LEVEL. 100 percent Employee **Participation**

Grand Electric Cooperative, Bison

H-D Electric Cooperative, Clear Lake, 100 percent CENTURY CLUB

Kingsbury Electric Cooperative, De Smet, 100 percent Employee Participation

Lake Region Electric Association, Webster

Moreau-Grand Electric Cooperative, Timber Lake, 100 percent Employee Participation

Oahe Electric Cooperative, Blunt

Rushmore Electric Power Cooperative, Rapid City Sioux Valley Energy, Colman, 100 percent Management CENTURY CLUB

Southeastern Electric Cooperative, Marion South Dakota Rural Electric Association, Pierre, 100

percent Management CENTURY CLUB, 100 percent Employee Participation

Union County Electric Cooperative, Elk Point West Central Electric Cooperative, Murdo, 100 percent Management CENTURY CLUB, 100 percent Employee Participation

West River Electric Association, Wall, 100 percent Management CENTURY CLUB

Whetstone Valley Electric Cooperative, Milbank, 100 percent CENTURY CLUB, 100 percent Employee **Participation**

100 percent Board

Cherry-Todd Electric Cooperative, Mission Dakota Energy Cooperative, Huron Douglas Electric Cooperative, Armour

100 percent Management

Lacreek Electric Association, Martin Northern Electric Cooperative, Bath

UMATS: Regulations in Litigation

HE INCEPTION OF THE MERCURY AND AIR TOXIN Standards (MATS) rule, which you may also hear referenced as the "Hazardous Air Pollutants Rule," is rooted in the Clean Air Mercury Rule (CAMR) that was issued by EPA in 2005. It was designed to cap and reduce mercury emissions from coalbased electric generation plants by 70 percent. This initial rule was vacated by the D.C. Circuit Court in 2008.

The proposed Utility Mercury Air and Toxins Standard (UMATS) for hazardous air pollution (HAPs) was published on May 3, 2011, and finalized on Feb. 16, 2012.

On April 24, 2013, EPA issued an amended version reflecting changes in several new source standards to overcome some technical limitations in the earlier final version. UMATS mandates controls under the Clean Air Act (CAA) Section 112 provisions, for mercury emissions, acid aerosols, fine particulate matter and several other hazardous air pollutants. Section 112 requires the use of maximum achievable control technology (MACT) for emissions reduction on every unit. The rule provides electric utility coal fired generation sources three years to comply with the new requirements, with a possible extension of an additional year to be

made on a case by case basis. While NRECA continues to have significant concerns with the UMATS rule, EPA did adopt several modifications to the final rule for existing units which provide substantial compliance flexibility leading to reduced costs for cooperatives.

The rule is in the litigation phase and a decision not expected until late fall of 2014 at the earliest. The rule is being challenged on multiple fronts, including whether EPA should have regulated utility emissions as hazardous in the first place.

The litigation over new source standards has been

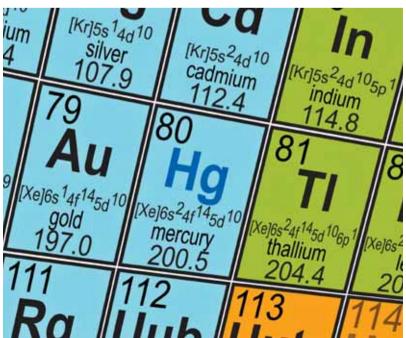
severed from the main litigation resulting in an uncertain timeline for a resolution on these new source issues.

Cooperatives Have Significant Concerns

While electric cooperatives were generally supportive of the Clean Air Mercury Rule that the D.C. Circuit Court vacated and have been working to help develop mercury-control technologies, there is significant concern. The EPA strategy to require very significant emission reductions of multiple pollutants within a very compressed timeline may not be achievable. There is also concern this could damage the rural economy without providing commensurate and meaningful environmental benefits.

NRECA Notes Overly Stringent Standards

Furthermore, cooperatives, through the National Rural Electric Cooperative Association (NRECA), filed comments on this matter based on the input from local memberships. Specifically, they noted that the Industrial Boiler MACT proposed rule-making for controlling hazardous air pollutants would result in overly stringent standards and it would be very difficult, if not impossible, for affected electric generating facilities to comply.



By Tim McCarthy

Three Years To Make Changes But Debate Continues

Now that the ruling is in place, electric generators have three years to make the necessary changes required to comply with the standard. Coal-fired generating units will need to install equipment that offers a combination of flue gas desulfurization, activated carbon injection and fabric filters in order to meet the requirements. Obviously, the purchase and installation of this equipment are costs that will be factored into our power supply bill at that time. As many of you may have heard me say before, I fully support an energy plan and regulations that drive us, as a society, to be environmentally conscious. However, any plan or rule that is made must also be fiscally responsible. The debate over this balancing act will rage on for years to come.

A frequent question co-op members have about the impact of these rules ask most often is, "How much will this impact our bills?" The truth is, we simply don't know, but we know it will be costly. A lot of numbers get thrown around in the prediction game.

We do know that Basin Electric Power Cooperative, Bismarck, N.D., – the cooperative you own which supplies power

Explaining

The Big

regulatory

issues

Part Three of a

Five-Part Series

to local cooperatives in South Dakota and western Minnesota – has invested more than \$1 billion to operate its power plants in an environmentally sound manner. More than \$94.4 million is required annually to operate environmental protection equipment.

Among these investments is the addition of activated carbon injection at the Antelope Valley Station, Laramie River Station and Leland Olds Station to control mercury emissions. Additionally, the cooperative is exploring refined coal processes at the same three facilities.

Each of Basin Electric's coal-based generating plants has an environmental coordinator who is responsible for environmental compliance and maintaining the plant's continuous emissions monitoring (CEM) system.

The CEM measures emissions of sulfur dioxide, carbon dioxide, opacity (clarity), nitrogen oxide and flow. These readings are sent to the Environmental Protection Agency (EPA) quarterly for compliance review.

Basin Electric and all subsidiary facilities are 100 percent environmentally compliant

Your electric cooperative and your local board of directors, continue to promote an approach that includes consideration of co-op members' pocket books and the burden placed on each one of them!

Editor's Note: This month addresses the third part of a five-part series that will examine various federal regulatory proposals that affect you and your cooperative. This series focuses on regulatory policies – known as "The Big Five" – that will eventually have an impact on the price of electricity your co-op purchases from its power suppliers and delivers to you, our members.

EDITOR's NOTE: In earlier parts of this series, we wrote about rule making taking place at the Environmental Protection Agency and encouraged all electric cooperative members to send a message to the EPA at action.coop. The following is an update on that issue:

Co-ops Testify in EPA Hearing

John Novak, executive director of environmental issues at the National Rural Electric Cooperative Association (NRECA) testified before the Environmental Protection Agency (EPA) Feb. 6 on the Standards of Performance for Greenhouse Gas Emissions for New Stationary Sources: Electric Utility Generating Units.

Speaking on behalf of the more than 900 not-for-profit, memberowned electric cooperatives, Novak warned the Agency about the impact of effectively removing coal as a hedge against the volatility of gas and wholesale market prices. Electric cooperatives serve 93 percent of the "persistent poverty counties," and co-ops remain concerned about the effect of this new rule on their members' electric bills, especially low or fixed income. Additionally, as referenced below and demonstrated in this map showing natural gas pipelines overlayed on co-op service territory, pipelines do not serve all regions of the country.

The following is an excerpt from Novak's testimony:

"As demonstrated by cold snaps just this winter, natural gas prices are volatile and spike even during shorter-term weather events. This has an immediate adverse effect on consumer electric bills. Coal and its stable price is a long-term proven hedge against natural gas volatility and is critical if we are to continue to provide affordable electricity for our members.

While new, unconventional natural gas supply from shale has played a huge role in lowering natural gas prices, even this increased gas supply has not changed the built-in volatility of natural gas. This is because price volatility is correlated with business cycles, weather extremes and pipeline infrastructure issues. Again, we are experiencing this with the 2014 winter weather across much of the nation...

There are many areas of the country that either 1) have insufficient access to natural gas 2) do not have suitable sites for CO2 storage or enhanced oil recovery sites, or 3) cannot be supplied wholesale power reliably through the existing transmission grid. How will the EPA reconcile elimination of new coal-fired capacity in these situations?

Clean Air Act precedent is that the best system of emission reduction is based on data from existing plants in the US and worldwide as appropriate. In view of existing performance and what can be reasonably anticipated, we think the best system is defined by improvements in thermal efficiency, an option that EPA has considered and rejected in this proposal...

We think this proposal will be a setback for CO2 capture research, development and demonstration. If, as even the EPA suggests, no coal plants are being built, there will be even less support from the private sector for continued investment in the expensive and unproven CO2 capture development. And, consequently, CO2 capture won't be available to use fossil fuels as energy in a carbon constrained future neither in the US nor around the world."

The National Rural Electric Cooperative Association is the national service organization that represents the nation's more than 900 private, not-for-profit, consumer-owned electric cooperatives, which provide service to 42 million people in 47 states.

Investing in Community

USDA Helps to Expand Major Paleontological Site's Educational Impact on Community and Visitors

HE WORLD'S LARGEST MAMMOTH RESEARCH FACILity, located in southwestern South Dakota, has been getting a boost from monies available through United States Department of Agriculture programs, including those involving electric cooperatives.

The Mammoth Site of Hot Springs, SD Inc. is a private nonprofit organization located on the southern edge of the Black Hills of South Dakota.

The new learning center/theater is estimated to cost \$1,369,772. A HUD grant of \$137,969 and

local/regional contributions of \$369,703 have been secured.

A USDA Rural Development loan of \$862,100 is the final cog in making this project a go for The Mammoth Site.

A new 5,800 square foot addition will feature a new entryway, gathering area, storage and two 53-seat theaters. The theaters will allow visitors to experience an introductory video. It also will allow to have lectures by scientists and visiting scientists



available to local clientele and visitors and school groups.

This project has been a dream of many of the board of directors and has been in the Mammoth Site's Strategic Plan for about eight years.

The present day Mammoth Site was discovered during removal of a hill for fill dirt for Phil Anderson's housing development in June of 1974.

Dr. Larry Agenbroad, then with Chadron State College located 60 miles south, was called in to determine what had been uncovered and the importance of the find.

Anderson put his housing project on hold and after two years, Dr. Agenbroad recommended that the fossils be left in-situ (as found) and a building be constructed over the site to preserve the fossils and to enable research to continue.

The local Hot Springs Gem and Mineral Society was headed up by Les Ferguson who was an amateur rock hound. Ferguson said, "If we don't do something no one will" and the nonprofit organization was founded in 1975.

Anderson sold the land at his cost to the newly formed group whose main mission has been to preserve the fossils and to educate the general public.

From 1975 to 1985, several small plywood structures covered a portion of the sinkhole allowing visitors to have a peak at some of the fossils uncovered.

In 1985 funds were finally raised and a 20,000 square foot building was built over the sinkhole and opened in 1986.

The Mammoth Site has made a couple of additions since. The lobby was enclosed and a gift shop were added (3,000 square feet) in 1990; A 12,000-square-foot addition in 2001 included bone storage, molding and casting, classroom, research library, offices, storage, restrooms and exhibit hall (USDA Rural Development also helped with a \$400,000 loan for this project).

Black Hills Electric Cooperative in Custer, S.D., helped secure one of the site's early USDA loans.

The updates will enhance the experience of approximately 100,000 visitors who come to the Mammoth Site each year.

With assistance from USDA Rural Development in securing the loan, the State of South Dakota will have a world-class working paleontological site and museum.

Now enclosed and protected by a climate controlled building, the sinkhole and the in-situ exhibit of mammoth bones attracts visitors year round. The bones are displayed as they were discovered, in the now dry pond sediments for an "in-situ" exhibit. Walkways allow visitors a close-up view of the fossils. To date, 59 mammoths have been identified, along with the remains of a giant short-faced bear, camel, llama, prairie dog, wolf, fish and numerous invertebrates. For more information about the Mammoth Site, visit http://www.mammothsite.com/

ATTENTION BOY SCOUTS

Boy Scouts can earn a Geology Merit Badge while learning about the geology of the Mammoth Site and the southern Black Hills. The approximately two-hour-long activity includes classroom introduction, hands-on rock analysis and examination of rocks outdoors.

Reservations and advanced payment are required for this class. These classes are held by special reservation only and must have at least 10 students. Participants and chaperones must take the site's bonebed tour before this activity to orient the group to the Mammoth Site.

REDLG and Co-ops

Recent investments from the United States Department of Agriculture's Rural Economic Development Loan and Grant (REDLG) program are giving a boost to community projects.

Agriculture Secretary Tom Vilsack in January announced that USDA is investing in rural businesses to help create jobs and spur economic development.

"These investments will help businesses expand, help rural communities grow their economies and help support the community-based development goals of the Obama administration," Vilsack said. "USDA is providing loans and grants to our local partners who can leverage this money with funds from other sources for projects that will have broad economic impacts.

The funding is being provided through USDA's REDLG program, which provides zero-interest loans to utilities that lend funds to local businesses for projects to create and retain employment in rural areas. These revolving loan funds broaden the program's reach and create a multiplier effect for its impact.

In January 2014, Lyon-Lincoln Electric Cooperative in Tyler, Minn., received a \$300,000 grant to help the Southwest Regional Development Commission finance its Property Assessed Clean Energy (PACE) loan program. PACE helps businesses retrofit their buildings with more energy-efficient HVAC systems, lighting and other energy-consuming devices. The project is expected to create 11 jobs.

Lake Region Electric Association in Webster, S.D., also received a \$300,000 loan to assist Glacial Lake Area Development re-capitalize its economic development loan fund.

The REDLG program provides funding to rural projects through local utility organizations. Under the REDLoan program, USDA provides zero interest loans to local utilities which they, in turn, pass through to local businesses (ultimate recipients) for projects that will create and retain employment in rural areas. The ultimate recipients repay the lending utility directly. The utility is responsible for repayment to the Agency.

Under the REDGrant program, USDA provides grant funds to local utility organizations, which use the funding to establish revolving loan funds. Loans are made from the revolving loan fund to projects that will create or retain rural jobs. When the revolving loan fund is terminated, the grant is repaid to the Agency.

From 2009 to 2012, more than \$7,841,000 in REDLG monies were awarded to 19 projects in South Dakota.

Regional Dateline

February 25-27

Ag Expo, Aberdeen, SD 605-725-5551 www.aberdeenagexpo.com

February 26

17th Annual Liberty Ball Game 7 p.m., Riggs High School Gym Pierre, SD, 605-341-4311

February 27-March 2

Annual Sioux Falls Sportsmen's Boat, Camping and Vacation Show Sioux Falls, SD, 763-755-8111 www.siouxfallsportshow.com

February 28-March 2

Home Builders Show Watertown, SD, 605-878-3033

March 1

Book Blast at the Empire Mall Sioux Falls, SD, 605-361-3301 www.simonkidgitsclub.com

March 7

Craig Morgan in Concert Deadwood, SD, 605-559-1187 deadwoodmountaingrand.com

March 8

Chamber Trade Show Custer, SD, 605-673-2244

March 8

Something New Band Kiwanis Concert Fund-raiser Riggs High School Theatre Pierre, SD, 605-280-0818

March 8-9

Spring Arts & Craft Show Aberdeen, SD, 605-226-2162 www.lakewoodmall-sd.com



Events of Special Note

March 15

James Valley Model Railroad Open House, Aberdeen, SD 605-226-2139

April 11-12

Bull Riding Classic Aberdeen, SD, 701-663-4973 www.npra.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.

March 8-9

2014 Gun Show American Legion Hall Saturday 9 a.m. to 5 p.m. Sunday 9 a.m. to 3 p.m. (MST) Philip, SD, 605-859-2635 605-859-2280, 605-859-2892 or 605-859-2219

March 8-9

Power 106 Big Boy Toy Show Watertown, SD, 605-884-3548

March 15-16

Advantage RVs Spring Camper Show, Watertown, SD 605-753-5022

March 20

Tracy Lawrence in Concert Deadwood, SD, 605-559-118 deadwoodmountaingrand.com

March 15

Satisfaction (Rolling Stones Tribute) in Concert Deadwood, SD, 605-559-1187 deadwoodmountaingrand.com

March 22

South Dakota State Taxidermy Competition Watertown, SD, 605-460-2133

March 22-23

Farm Toy & Collectables Show Aberdeen, SD, 605-225-4841

March 22-23

Curt Carter Memorial Gun Show, Watertown, SD 605-793-2347

March 29

Farm, Home & Sports Show Platte, SD, 888-297-8175 www.plattesd.org

March 29

Boys of Summer (Eagles Tribute) in Concert Deadwood, SD, 605-559-1187

April 5-6

Big Boy Toy Show Aberdeen, SD, 605-229-3632 www.hubcityradio.com

April 8-9

Disney's Beauty and the Beast Sioux Falls, SD, 605-367-6000

April 12

Tri-Valley Barbershop Chorus Annual Show, 7 p.m. School Auditorium Centerville, SD, 605-563-2746

April 12

Spring Fling Home & Garden Show Hot Springs, SD, 605-745-4140 www.hotsprings-sd.com

April 12

Winefest Renaissance 2014 Aberdeen, SD, 605-225-8714

April 12

Hairball in Concert Mitchell, SD, 800-289-7469

April 12

Lunafest Film Festival Custer, SD, 605-673-8108