

# South Dakota Electric

Your Touchstone Energy® Partner 

## Cooperative Connections

OCTOBER 2014 VOL. 66 NO. 10



**ACTION  
TRACKCHAIR  
ENABLES HUNTERS**

Pg 8

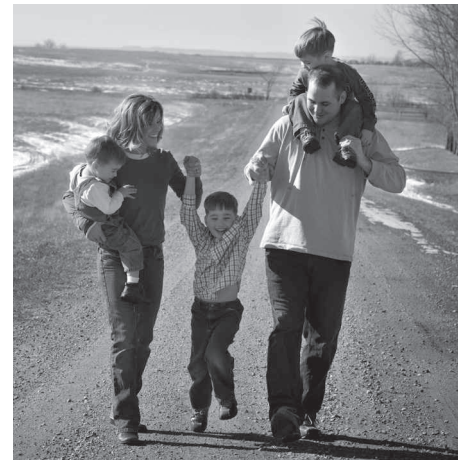
Trackchair





# Celebrating the Cooperative Difference

Our vision started with a small group of farmers and ranchers who united to bring electricity to their rural areas. Today, our membership spans nine states from the Canadian to the Mexican borders, generating and transmitting electricity that reaches 2.8 million member-owners and growing. From the generator to your home, we're right there with you.



**BASIN ELECTRIC  
POWER COOPERATIVE**

A Touchstone Energy® Cooperative 

**basinelectric.com  
touchstoneenergy.coop**

Basin Electric is a wholesale electricity supplier to 137 rural electric systems in nine states, including these electric cooperatives: Black Hills, Bon Homme Yankton, Butte, Cam Wal, Central, Charles Mix, Cherry-Todd, City of Elk Point, Clay Union, Codington-Clark, Dakota Energy, Douglas, East River, FEM, Grand, H-D Electric, Kingsbury, Lacreek, Lake Region, Lyon-Lincoln, Moreau-Grand, Northern, Oahe, Renville-Sibley, Rosebud, Rushmore, Sioux Valley, Southeastern, Union County, West Central, West River, and Whetstone Valley.

Produced by the following electric cooperatives in South Dakota and western Minnesota:

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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# Stop the EPA From Shutting Down Our Power Plants



**Ed Anderson**  
General Manager, South Dakota  
Rural Electric Association

**To ensure safety** and reduce energy use, most American homes are constructed to meet building codes. Imagine if the government applied a new, more stringent code retroactively to your home, which forced you to move out because your home was not sufficiently energy efficient. You would still be forced to pay the mortgage for the home you could no longer use and also pay for a new, more expensive home.

The latest proposal from the Environmental Protect Agency (EPA) will fundamentally change the rules and force the early shut down of many of the power plants on which electric co-ops still owe money.

Not only will this plan make it difficult to provide you with affordable and reliable power, it will also leave our cooperative member-owners, holding the keys to power plants that can't run.

**You wouldn't allow the federal government to force you out of your home. Don't let them do that to the power plants built to serve you.**

Seem unreasonable and unfair? We agree. For more than seven decades, South Dakota's electric cooperatives have

made strategic, long-term investments to bring affordable and reliable electricity to your home and family. Looking ahead for the long-term helps us stretch your hard-earned money.

Many of our power plants are only about 30 years old. Some are expected to remain operational until the year 2040 or beyond. Since those initial investments for construction, electric co-ops have spent billions on emissions control upgrades. In some cases, the cost of these upgrades has exceeded the original cost of the power plant. As a result, our cooperatives still owe money on many of these facilities, and the plants must run in order to pay off the loans.

Rather than taking our nation away from an all-of-the-above energy policy, we want to work with the EPA on practical and reasonable solutions that balance affordability, reliability and environmental stewardship.

You wouldn't allow the federal government to force you out of your home. Don't let them do that to the power plants built to serve you. We ask that you join us, along with the more than 800,000 supporters of America's Electric Cooperatives, in taking a stand. Speak out against this proposal today at [www.Action.coop](http://www.Action.coop).

Together, we can remind the government that the rules they write have real world consequences. It only takes 30 seconds to send your message to the EPA at [www.Action.coop](http://www.Action.coop).

Our electric co-ops are proud to play by the rules and, with your help, we look forward to providing your family with affordable power for generations to come.



# Fire Safety Tips



**During National Fire Prevention Week**, Oct. 5-11, 2014, attention is focused on promoting fire safety and prevention, however we should practice fire safety all year long. Many potential fire hazards go undetected because people simply do not take steps to fireproof their home.

Many bedroom fires are caused by misuse or poor maintenance of electrical devices, careless use of candles, smoking in bed and children playing with matches and lighters. Most potential hazards can be addressed with a little common sense. For example, be sure to keep flammable items like bedding, clothes and curtains at least three feet away from portable heaters or lit candles and never smoke in bed. Also, items like appliances or electric blankets should not be operated if they have frayed power cords and electrical outlets should never be overloaded.

### Fire Safety Checklist:

- Install and maintain a working smoke alarm outside of every sleep area and remember to change the battery at least once a year.
- Designate two escape routes from each bedroom and practice them regularly.
- Teach everyone the “Stop, Drop and Roll” technique in case clothing catches on fire.
- Avoid storing old mattresses in the home or garage.
- Teach kids that matches, lighters and candles are tools, not toys. If you suspect that a child is playing with fire, check under beds and in closets for telltale signs like burned matches. Matches and lighters should be stored in a secure drawer or cabinet.

Source: <http://dc.about.com/od/publicsafety/a/FirePrevention.htm>

## Kids' Corner Safety Poster

**“Never go outside with a tornado.”**



**Saybl McDermaid, 8 years old**

*Saybl is the daughter of Jeremy and Anna McDermaid, Iroquois, S.D. They are members of Dakota Energy Cooperative, Huron, 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.



**MAKE YOUR VOICE HEARD**

(You need to hurry!  
The comment period closes October 15.)

Can you afford to **pay more** for your electricity bill?

**THE EPA THINKS YOU CAN.**

**»»» ACTION.COOP «««**

# Pasta Perfection



## Creamy Chicken Alfredo Lasagna

- 2 cups shredded chicken breast
- 1 (14 oz.) can artichoke hearts, drained and chopped
- 1 (8 oz.) pkg. shredded Mozzarella cheese, divided
- 1/2 cup grated Parmesan cheese
- 1/2 cup chopped sun-dried tomatoes
- 2 (8 oz.) pkgs. cream cheese, softened
- 1 cup milk
- 1/2 tsp. garlic powder
- 1/4 cup chopped fresh basil, divided
- 12 lasagna noodles, cooked

Combine chicken, artichokes, 1 cup Mozzarella cheese, Parmesan cheese and tomatoes. Beat cream cheese, milk and garlic powder. Stir in 2 T. basil. Mix half with chicken mixture. Spread half of the remaining cream cheese mixture onto bottom of a 9x13-inch pan. Cover with 3 lasagna noodles and 1/3 of chicken mixture. Repeat layers twice. Top with cream cheese mixture and mozzarella cheese. Bake at 350°F. for 25 minutes. Sprinkle with remaining basil. Let stand 5 minutes before cutting.

**Mary Truman, Kimball**

## Slow Cooker Fettuccini Bolognese

- 2 T. butter or extra-virgin olive oil
- 1 small onion, finely chopped
- 1 large carrot, finely chopped
- 1 celery stalk, finely chopped
- 4 cloves garlic, finely chopped
- 1 T. chopped fresh thyme (optional)
- Kosher salt and ground black pepper
- 3 oz. thinly sliced pancetta, chopped
- 1-1/2 lbs. ground meat (blend of beef chuck, veal and/or pork)
- 2 T. tomato paste
- 1 cup dry white wine
- 1 (28 oz.) can diced tomatoes, undrained
- 2/3 cup (5 fluid-ounce can) NESTLÉ® CARNATION® Evaporated Milk
- 1/2 cup water
- 1 tsp. MAGGI Beef or Chicken Flavor Instant Bouillon or 1/3 MAGGI Beef or Chicken Flavor Bouillon Tablet
- 3 to 4 packages BUITONI Refrigerated Fettuccine (9 oz.)
- Fresh thyme sprigs for garnish
- 3/4 cup shredded Parmesan cheese

Melt butter in large saucepan over medium heat. Add onion, carrot, celery, garlic, chopped thyme, pinch of salt and pepper; cook, stirring frequently, for 5 to 10 minutes or until tender but not browned. Increase heat to medium-high; add the pancetta. Cook, stirring frequently, for 5 minutes or until pancetta is golden. Add the meat a third at a time, stirring and breaking lumps with a spoon between each addition. Cook for about 15 minutes total (this is where this recipe develops so much flavor, so let it cook the full 15 minutes). Stir in tomato paste; cook for about 2 minutes. Add wine; bring to a boil. With a wooden spoon, scrape all the brown bits stuck to the bottom of the pan and cook for 3 to 4 minutes or until wine has almost evaporated. Transfer mixture to slow cooker along with tomatoes with juice, evaporated milk, water and bouillon; stir to combine. Cover; cook on HIGH for 4 hours or LOW for 6 hours. Prepare pasta according to package directions. Serve sauce over pasta. Top with cheese; garnish with thyme sprigs. Servings: 14

*Nutritional information per serving: 100 calories; less than 1 g protein; 9 g carbohydrate; 4 g fat; 260 mg sodium; 0 mg cholesterol; 1 g dietary fiber; 0.62 mg iron; 1539.78 IU vitamin A; 11.10 mg vitamin C.*

**Pictured, Cooperative Connections**

## So Good Noodle Casserole

- 1 lb. lean ground beef
- 2 cloves garlic, finely chopped
- 1 tsp. sugar
- 1 tsp. salt
- 1/4 tsp. black pepper
- 2 (8 oz.) cans tomato sauce
- 4 cups dry egg noodles
- 1/2 cup chopped onion
- 1/2 cup chopped green pepper
- Olive oil
- 1 (4 oz) pkg. cream cheese, softened
- 1 (8 oz.) container sour cream
- 1 cup cottage cheese
- 1 cup shredded Cheddar cheese

In a large skillet, cook beef over med-high heat until browned; drain. Add garlic, sugar, salt, pepper and tomato sauce. Cover; simmer 15 minutes. Meanwhile, in a large pot of salted water, cook noodles just until al dente, firm, yet tender; drain. Sauté onions and green pepper in a little olive oil until tender. In a small bowl, combine cream cheese, sour cream and cottage cheese. Add onions and green peppers, stirring until well-blended. Lightly spray a 9x13-inch baking dish with cooking spray. Arrange noodles over bottom of dish. Spoon meat sauce evenly over noodles. Carefully spread sour cream mixture over top. Sprinkle with Cheddar cheese. Can be made 24 hours ahead and refrigerated covered. Bake at 350°F. for 30 minutes or until heated through and bubbly. Let stand 10 minutes before serving.

**Julie Bame, Tyndall**

## Easy to Stuff Manicotti

- 14 manicotti shells
- 1 lb. ground beef
- 1/2 cup chopped onions
- 26 oz. spaghetti sauce
- 14 pieces string cheese
- 8 oz. shredded mozzarella cheese

Cook manicotti according to package directions (use the shortest cooking time). Meanwhile, in a large skillet, brown ground beef and onion over medium heat until meat is no longer pink; drain. Stir in spaghetti sauce. Spread half of meat sauce into a prepared 9x13-inch baking pan. Drain manicotti; rinse with cold water to make handling easier. Stuff each shell with a piece of string cheese; place over meat sauce. Top with remaining sauce. Cover and bake at 350°F. for 25 to 30 minutes or heated through. Sprinkle cheese over all. Bake uncovered for an additional 5 to 10 minutes or until cheese is melted.

**Margene Paige, Presho**

Please send your favorite wild game, holiday favorites and soup recipes to your local electric cooperative (address found on page 3). Each recipe printed will be entered into a drawing for a prize in December 2014. All entries must include your name, mailing address, telephone number and cooperative name.

# Using Fireplaces Efficiently



**Jim Dulley**  
www.dulley.com

**Dear Jim:** We like to use our brick open wood-burning fireplace, but it makes the rest of the house cold. Our heating bills are high enough, so what simple things can we do to make the fireplace more efficient? – Jan W.

**Dear Jan:** During the winter, a warm fire can be quite comfortable. Radiant heat from the flames and coals keeps you warm when you are sitting directly in front of an open fireplace. But unfortu-

nately, most fireplaces lose more heat than they produce.

That warm, relaxing open fire is actually costing you a lot of money – in several ways. First, for some, firewood must be purchased, which is not cheap. Second, the radiant heat feels nice in front of the fire, but already-heated air is being sucked up the chimney from the rest of your house. This makes your heat pump or furnace run longer. Third, if there is no damper on the fireplace or the fireplace is not fitted with its own outdoor air source, indoor air is escaping up the chimney when the fireplace is not in use. Adding a source of combustion air that ducts into the fireplace can help a great deal – and this works well in combustion with glass doors. The fire draws the air it needs for proper combustion and draft from outside, rather than conditioned air from inside.

The best tip is to avoid using the fireplace in extremely cold weather. All of the indoor air lost up the chimney is being drawn outdoors through leaks in the house exterior. During milder weather, the air leaking indoors is not as cold so less energy is needed to warm up this cold air.

It also helps to crack open a window a little in the room by the fireplace and close doors leading to the room. Much of the excess air being drawn up the chimney will be cold outdoor air from the open window. When sitting right in front of the hot fire, you probably will not notice the chilly breeze.

Do not place wood into the fire several hours before bedtime so the fire is totally out by the time you go to sleep. It is not safe to leave a smoldering fire. Also, if the fire is completely out, you can close the chimney damper to block room air loss without filling the room with smoke.

If you make just one investment to improve the efficiency of your fireplace, it should be to install high-quality glass doors. These doors control the amount of indoor air that escapes up the chimney when a fire is burning and also when one is not.

High-quality fireplace doors are not cheap, but they are worth the expense. The best doors are relatively airtight when

Have a question for Jim? Send inquiries to: James Dulley, *Cooperative Connections*, 6906 Royalgreen Dr., Cincinnati, OH 45244 or visit [www.dulley.com](http://www.dulley.com).

closed. By adjusting combustion air vents in the bottom of the glass door frame, you can still have a raging fire without major indoor air loss.

Keep in mind, the fire does need an adequate supply of combustion air for an efficient, clean burn. If the air flow is reduced too much, creosote buildup occurs, leaving the potential for a chimney fire. I recommend having the chimney inspected and regularly using several squirts of a creosote control spray during each fire.

Burn only well-seasoned wood or no more than one unseasoned log to three seasoned ones. If you try to burn more unseasoned wood, it requires more combustion air to keep it burning well, which draws even more air out of your home.

There are several designs of heat-circulating grates that increase the heat output from a fireplace. Many efficient grates are designed to fit snugly under the bottom edge of the fireplace doors and contain an electric blower that circulates indoor air through the grate, keeping the air warm.

If you decide to purchase a heat-circulating grate, select a model with a blower that has several speeds and a thermostat with an on/off switch. This switch shuts off the blower when the fire burns down. If you prefer to use the fireplace with the doors open, tubular heat-circulating grates are available to blow the heat directly out the front. Other models have no blower and rely on natural convection.

Stoll Fireplaces makes a unique heat exchanger, which mounts at the top of the fireplace opening, creating a tremendous amount of heat output. These models work with gas or wood-burning fireplaces.

A circulating heat exchanger with built-in glass doors is also available for a more airtight combination. Also, an optional upper oven section is available for cooking and baking, which can help reduce energy use.

When your fireplace is not in use, insert an inflatable chimney pillow or balloon in the fireplace flue. This seals much better than the chimney damper. Once the pillow is inflated, it should stay in place. Some models include a pole to keep it steady. Chimney top dampers, which operate from indoors with a chain, also help reduce air leakage and keep critters and debris out of the chimney. It's a good idea to hang a sign or ribbon in the fireplace to indicate that the damper is shut or a pillow is installed. This will hopefully stop someone from building a fire when the chimney is closed.

For additional tips and information about fireplace efficiency, check out [TogetherWeSave.com](http://TogetherWeSave.com)'s Home Efficiency Analysis Tool (<http://homeefficiency.togetherwesave.com>).

The following companies offer fireplace efficiency products: Battic Door, 508-320-9082, [www.batticdoor.com](http://www.batticdoor.com); Diamond W Products, 248-652-8833, [www.diamond-w.com](http://www.diamond-w.com); Northline Express, 866-667-8454, [www.northlineexpress.com](http://www.northlineexpress.com); SaverSystems, 800-860-6327, [www.homesafetyproducts.biz](http://www.homesafetyproducts.biz); and Stoll Fireplace Inc., 800-421-0771, [www.stollfireplaceinc.com](http://www.stollfireplaceinc.com).



Learn About Co-ops

## Electric Cooperatives Build a Better World

Member-owned electric co-ops transformed the landscape of rural America, delivering safe, reliable, and affordable electricity for 75 years. [www.nreca.org](http://www.nreca.org)



America's Electric  
Cooperatives

### DID YOU KNOW?

- Electric co-op lines cover 75 percent of the U.S. landmass.
- Serve 42 million people in 47 states.
- Electric co-ops have retired \$9.5 billion to members (capital credits) since 1990.

### CONCERN FOR COMMUNITY:

Every June, more than 1,500 high school juniors take part in an educational trip to Washington, D.C. during the Rural Electric Youth Tour.

## Cooperative Enterprises Build a Better World

*A message from America's Electric Cooperatives*

# East River's Salmonson Wins Economic Development Award

**Linda Salmonson, manager** of economic development at East River Electric Power Cooperative, received the 2014 National Rural Economic Developers Association Leadership Award.

A national selection committee of electric and telephone co-ops selected Salmonson, who was honored in late July during NREDA's annual conference in Cleveland.

At the Madison-based G&T, Salmonson also is assistant administrator of the Rural Electric Economic Development Fund, which makes loans to businesses, nonprofits and local governments in partnership with lenders. The revolving loan fund has issued nearly 250 loans of more than \$56 million in eastern South Dakota and western Minnesota.

"To be nominated is just fabulous. But to get something from your peers is very precious," said Salmonson, who's managed REED since it began in 1996, with \$2 million in capital.

"Salmonson is the epitome of a rural economic developer. Her vision, leadership and guidance to the profession have made her a source of knowledge and guidance," said Dennis Mingyar, NREDA awards chair, during its July conference.

The NREDA honor is Salmonson's second this year. Earlier, the South Dakota Center for Enterprise Opportunity awarded her the Enterprising Friend of Small Business.

Also winning an honor from NREDA was Rural Utilities Service Administrator John Padalino. He won NREDA's President's Award for his support of the association and rural America.

NREDA is a professional organization of economic developers from electric and telephone co-ops and rural development organizations.



**Linda Salmonson**

# Scholarship Prizes Available for Resource Conservation Speech Contest Winners

**Contestants in the 2015** State Finals of the Resource Conservation Speech contest will be eligible to win a total of \$2,300 in college scholarships.

All South Dakota students in grades 9-12 are eligible to compete for \$2,300 in higher education scholarships which are provided by the East River and Rushmore Electric Power Cooperatives and South Dakota Rural Electric Association.

Scholarships are awarded to the top three finalists: first place is \$1,100; second place is \$750; and third place is \$450.

The theme for the 2015 contest is "Technology: Bridging the Conservation Generation Gap."

Contests are coordinated by local conservation districts. Local winners advance to area contests held in seven locations. The top area speakers compete

at the state finals in Pierre on Saturday, April 25, 2015.

The contest is sponsored by the South Dakota Department of Agriculture (SDDA), in cooperation with Touchstone Energy® Cooperatives of South Dakota, the U.S. Fish & Wildlife Service and the South Dakota Association of Conservation Districts.



# A Chair for the Outdoors: Minnesota Company Makes Tracks

By  
Brenda Kleinjan

**I**N A REGION WHERE LIFE ACTIVITIES CAN REVOLVE around the outdoors – whether it be summers at the lake, fall spent traversing the countryside in search of game or fowl or winters exploring sparkling snow-covered trails – getting around in the great outdoors can be challenging for those with limited mobility.

The Swenson family of Marshall, Minn., was confronted with those limitations in 1998 when their son was paralyzed at 16 years old.

“In October 1998, life took a turn when we got the phone call that parents don’t like to get: your child has been in a car accident,” said Tim Swenson in a video explaining the creation of his company, Action Manufacturing, which produces the Action Trackchair. “Our child was hurt. Paralyzed. What was normal became a different normal.”

“A new normal had come. Looking at Jeff and the challenges of being in a wheelchair and me being in

the motor sports business, I started putting two and two together: How can we put tracks on a wheelchair? How can we make something go where Jeff would like to go? I thought about it for a number of years,” said Swenson.

The idea sat at the back of Swenson’s mind.

Nine years later, another accident hit the extended family when their daughter-in-law’s brother was involved in a diving accident in Washington State and ended up being a quadriplegic.

“Those two incidents combined made me think I needed to do something. That’s when I started getting serious about doing something for these folks,” said Swenson.

In the decade since their son’s accident, the Swenson family had learned first-hand about the limitations of wheelchairs. For the most part, they had to be on hard surfaces or else they would become mired







in the terrain.

“We came up with Action Trackchair: It’s simple: it’s a chair with tracks on it and we like action,” said Swenson.

Swenson drove the first Action Trackchair in January 2009 and production started shortly thereafter.

They sold four chairs in the inaugural year and production has increased each year since. Currently, 600-700 chairs produced annually, with more than 1,500 chairs in use.

“It’s a totally new concept. We are helping people get where they want to be,” said Swenson.

The chairs are designed for a wide range of terrain – from rough prairie fields, to muddy stream beds and beaches to snow covered trails, the mobile tracked chair is ready for action.

“It has a huge variety of uses,” said Swenson.

“From little kids to older people who can’t get around; from hunting to sports, to going on the beach. There is no particular target group – we’re finding all levels of use for it.”

The base model of the chair comes in at just over \$10,000 and comes in five different sizes, two styles and numerous colors, with camouflage being the most popular.

“We’re trying to keep the cost down; I wanted it to be affordable to everyone. Typical chair in the

medical industry is \$20,000 to \$25,000,” Swenson said.

“It’s a personal mission because of our experience with our son,” said Swenson. “So far it’s working.”

While most of the chairs are sold and used in the continental 48 states, some chairs have gone internationally, including one shipped to Africa in early September.

“It’s been a fun project, with a few headaches in the middle,” said Swenson.

Each chair is comprised of up to 100 individual pieces of metal cut, prepared and milled by a workforce of 20 people. Each chair contains over 500 inches of welding. And some pieces not created on site are purchased through area vendors. The company is in the midst of building a new 24,000-square-foot new factory in the western Minnesota town.

For more information on the Action Trackchair, go to [www.actiontrackchair.com/](http://www.actiontrackchair.com/).

**The Action Trackstander, pictured above right, is a variation of the Action Trackchair at left. Both provide accessibility to a wide variety of terrains to people with limited mobility.**



Photos Courtesy Action TrackChair



**I started putting two and two together: How can we put tracks on a wheelchair?**

# Powered by People

East River Electric Power Cooperative Holds Annual Meeting

By  
Chris Studer

**E**LECTRIC COOPERATIVES WERE FOUNDED BY COMMITTED individuals who banded together for a common purpose: to electrify rural America. Nearly 80 years after the Rural Electrification Act was signed by President Franklin Roosevelt, electric cooperatives continue to be powered by people who are committed to keeping the lights on in rural areas.

East River Electric Power Cooperative's annual meeting theme, Cooperatives: Powered by People, gave credit to those individuals who have powered electric cooperatives in eastern South Dakota and western Minnesota. The meeting was held Wednesday, Sept. 3, at the Best Western Ramkota Plus Hotel in Sioux Falls, S.D. East River Electric is the wholesale power provider serving 24 rural electric cooperatives and one municipal electric system in eastern South Dakota and parts of western South Dakota.

East River Electric highlighted its successes over the past year, like doubling the size of the Sioux Falls substation to meet member growth in the metro area and a power line rebuild in the Mitchell area that will make the East River system more reliable.

East River also discussed significant challenges

posed by the U.S. Environmental Protection Agency (EPA) in the form of regulations that could increase the price of electricity for every consumer.

"We face a lot of challenges in the year ahead, but we're committed to providing safe and reliable electricity to our members," said East River board president James Ryken of Gayville, S.D.

East River's power suppliers, Basin Electric and the Western Area Power Administration, have agreed to enter a Regional Transmission Organization (RTO) called the Southwest Power Pool (SPP) in the fall of 2015. Entry into the RTO will change the way electricity is marketed in the future but is expected to have a positive financial impact for consumers.

East River Electric presented its highest honor, the Eminent Service Award, to three individuals and an organization that have made a positive impact on East River and electric cooperatives. Honorees included Alden Flakoll of Forbes, N.D., who served on the East River board for 17 years representing FEM Electric Association based in Ipswich; Wallace Johnson of Geddes who served on the East River board for 25 years representing Charles Mix Electric





Cooperative; and Mark Glaess who led the Minnesota Rural Electric Association as its executive director for 22 years.

Mitchell Technical Institute was given the Cooperative Eminent Service Award for its influence on the electric cooperative industry. East River has a large percentage of Mitchell Tech graduates

in its workforce. Forty-eight of the 127 employees at East River graduated from Mitchell Technical Institute, 38 percent of its workforce. Mitchell Tech President Greg Von Wald accepted the award on the school's behalf.

A candidate forum was held as part of the annual meeting. All of the candidates running for South Dakota governor, South Dakota's seat in the U.S. House and the open seat in the U.S. Senate were invited to attend the forum. Each candidate was given 10 minutes to discuss

their background and qualifications for their respective offices. Gubernatorial candidates Susan Wismer and Michael Myers; Senate candidates Gordon Howie, Larry Pressler and Rick Weiland; and House candidates Kristi Noem and Corinna Robinson attended the forum. Gov. Dennis Daugaard, who's running for re-election, and Senate candidate Mike Rounds were not able to attend.

The East River Electric business meeting was also held which included the adoption of the cooperative's policy

positions.

During the board reorganization on Thursday, incumbent board officers were re-elected. They are: President Jim Ryken who represents Clay-Union Electric Corporation in Vermillion; Vice President Vic Gross who represents Northern Electric Cooperative in Bath; Secretary Ervin Fink who represents Douglas Electric Cooperative in Armour; and Treasurer Bert Rogness who represents H-D Electric Cooperative in Clear Lake.



**OCTOBER IS NATIONAL CO-OP MONTH**

Icons: Power line, Medical, Education, Agriculture, Person, Money, Home, T-shirt.

**Upper Left:** On behalf of Mitchell Technical Institute, MTI President Greg Von Wald, center, accepted the Cooperative Eminent Service Award from East River Board President James Ryken, left, and General Manager Tom Boyko. **From top:** Alden Flakoll, Mark Glaess and Wallace Johnson were each presented Eminent Service Awards for their contributions to cooperatives. **Opposite Page:** East River General Manager Tom Boyko, left, and East River Board President James Ryken give a report of the year's activities to the cooperative's membership.

# A Look at EPA's Four Building Blocks

## *EPA Plan Could Have Lasting Impact on Electric Bills*

From  
NRECA Summary  
of the EPA  
Fact Sheet

**T**HE ENVIRONMENTAL PROTECTION AGENCY IS IN the midst of a public comment period on its proposed “Clean Power Plan” rule under section 111(d) of the Clean Air Act that will require CO<sub>2</sub> emissions reductions from existing power plants in 49 states (Vermont and the District of Columbia are not covered because they have no fossil-fuel based generation). The rule was announced June 2 and published in the *Federal Register* on June 18, which kicked off a 120-day public comment period which concludes on Oct. 16, 2014.

The EPA intends to issue a final rule in June of 2015, and states will then have one year to develop implementation plans, or if they collaborate on multi-state or regional plans, they are allowed two years to develop their plan. Case by case, states can seek a one-year extension from the EPA. Therefore, in some states it may take until June of 2018 to fully understand what compliance with this proposal will mean.

### Proposal Overview

The EPA's proposal is incredibly complex and spans more than 1,600 pages including the rule and supporting technical and legal documents. Fundamentally, the proposal has two basic components. The EPA's 111(d) rule:

1. Sets a CO<sub>2</sub> intensity target (pounds of CO<sub>2</sub>

emitted per MWh of generation) for each state for the year 2030, as well as an “interim goal” applied as an average of the 2020-2029 period, and

2. Requires every state to create its own plan to achieve the CO<sub>2</sub> reduction target set for the state.

The emission target EPA set for each state is based on EPA's assessment of the “Best System of Emission Reductions” (BSER). Rather than identifying what could be done to reduce CO<sub>2</sub> emissions at each power plant (called an “inside the fence” approach – which is how EPA addresses other emissions covered by the Clean Air Act), the EPA took an “outside the fence” approach and defined the BSER in a much broader manner – all the way from the generating plant to the end-use consumer. This approach results in setting emission guidelines that are not achievable at the affected source of the emissions (the power plant). These options allow the agency to set a much more stringent standard than would be set using an “inside the fence” approach because there is not (by EPA's admission) currently available technology to capture CO<sub>2</sub> emissions from existing power plants.

### EPA's Building Block Approach

EPA established each state's reduction target by analyzing four “Building Blocks” – areas that

## EPA's “Building Blocks”

### COAL PLANT EFFICIENCY

Make physical and operational changes at existing coal-based power plants to improve heat-rate efficiency by 6 percent, which reduces the amount of coal needed per MWh of generation, thereby reducing CO<sub>2</sub> emissions.



### NATURAL GAS

Existing natural gas combined cycle plants are used more or less frequently, depending upon a variety of factors. EPA's CO<sub>2</sub> reduction goals are based on dispatching those natural gas plants more frequently (up to 70 percent capacity factor) while closing or curtailing existing coal-based generation sources.



### RENEWABLE AND NUCLEAR POWER

Nuclear power and renewable resources like hydro, wind, and solar power do not have direct CO<sub>2</sub> emissions. EPA's goals are based on keeping some existing nuclear power plants (that are at risk of closing) operating, ensuring that new nuclear plants under construction get finalized, and that more sources of renewable energy are developed.



the agency believes will result in CO<sub>2</sub> reductions. The four building blocks are: (1) making coal plants more efficient; (2) displacing existing coal with existing natural gas plants; (3) increasing the use of nuclear and renewable energy; and (4) decreasing electricity consumption by increasing end-user energy efficiency. (See the blocks at the bottom of the page.)

### Impacts of the Proposal

This proposal could easily be considered the nation's electricity policy for the next two decades. It will dictate how cooperatives and other utilities generate power and how co-op member-owners and other consumers use electricity for decades to come. And the impacts from the regulation will vary significantly from state to state. EPA's plan will result in higher electricity costs, power plant closures and the resulting job losses, challenges to the reliability of the electric grid, and stranded assets for co-ops in many cases that will have to be paid for by co-op consumer-owners (ranging from family farms to small businesses to energy-intensive industries).

The cost of electricity directly impacts the quality of life in the communities served by electric cooperatives. While the EPA claims that their proposal will raise electricity rates modestly, but result in lower electricity bills for consumers, this assumption fails to pass the common-sense test. By removing coal from the equation and pursuing an all-but-one approach to electricity production, the EPA acknowledges that natural gas will bear an increased burden to produce a significantly increasing share of the American power supply. As the demand for natural gas surges, so too will the price. American families and businesses will bear the brunt of this price increase. Further, the EPA plan would cost consumers hundreds of billions of dollars as they are forced to adopt energy efficiency improvements, but those costs do not show up on the electric bill and are hidden costs in the EPA plan.

While the EPA plan suggests states have significant flexibility in determining how to meet the emission limits, it actually provides little flexibility to meet these aggressive goals and thus is an engraved invitation for additional government regulation of consumer-owned utilities in areas where they are currently regulated by their consumer-owners. States will be left with little choice but to enact additional mandates for renewable resources or energy efficiency programs to comply with the

EPA-set emissions targets, even in areas where co-ops do not own any fossil-fuel based generation sources. At a minimum, states will be increasing dispatch of generation based on environmental factors rather than the most economic dispatch. Nationwide, coal-fired plants have installed billions of dollars in upgraded pollution controls in the past decade to meet other EPA requirements. The remaining useful life of many of these upgraded plants will extend beyond 2030, yet EPA's program essentially requires them to curtail operation, or to outright shutdown.

The EPA's proposal will also jeopardize reliability by reducing the overall amount of power generation available at times of peak use. During the coldest parts of the winter of 2013-14, some parts of the country were dangerously close to running out of power – and that is before the EPA plan causes many existing plants to close down. Additionally, some natural gas plants were unable to run for weeks or even months because there was no natural gas available to those plants to allow them to run. The removal of this safety net will lead to uncertainty for families and businesses who expect the lights to come every time they flip a switch. By taking coal out of the generation mix and putting nearly all our eggs into the natural gas and renewable basket, it's questionable whether the remaining plants will be able to meet the demands of consumers during extreme heat or bitter cold.

### NRECA Position

The National Rural Electric Cooperative Association, which represents America's electric cooperatives, believes that the EPA proposal is fundamentally flawed because it goes beyond the legal authorities under the Clean Air Act and must be significantly changed. EPA should not have gone "outside the fence" when determining individual state emission targets. Such an approach requires actions by entities not directly subject to regulation under section 111 of the Clean Air Act.

NRECA is concerned about how the rule will be implemented by the states, and while "flexibility" is a welcome approach, it appears the proposal will result in mandates coming from state capitals in lieu of the mandate coming from the national capital.

NRECA is very concerned that the proposal will result in prematurely closing power plants owned by electric cooperatives – placing even greater financial burdens on the cooperatives and the consumers that own them.

America's electric cooperatives are asking its members to contact the EPA through [www.action.coop](http://www.action.coop) and make their voices heard on this issue.

## CONSUMER ENERGY EFFICIENCY

Improving energy efficiency by consumers reduces the need for power generation. EPA's CO<sub>2</sub> reduction goals envision all states increasing energy efficiency programs to result in the avoidance of 1.5 percent of energy demand per year.

## STATE CARBON INTENSITY GOAL

State	2012 Emissions Rate (lbs/MWh)	Final Goal (2030 & After)	Final Reduction	Final Percent Reduction
Iowa	1,552	1,301	-251	-16.2%
Minnesota	1,470	873	-597	-40.6%
Montana	2,246	1,771	-475	-21.1%
Nebraska	2,009	1,479	-530	-26.4%
North Dakota	1,994	1,783	-211	-10.6%
South Dakota	1,135	741	-394	-34.7%
Wyoming	2,115	1,714	-401	-19.0%

# Impactful Economics

## South Dakota's Electric Cooperatives Contribute to State's Economic Footing

**F**OR DECADES, ELECTRIC COOPERATIVES HAVE BEEN part of the fabric of local communities.

Woven into those fibers is the economic contributions that locally-owned cooperatives make in each and every county in the state.

From payroll for more than 950 employees to awarding thousands of dollars in scholarships to students and from volunteering hundreds of hours for local events and programs to purchasing fuel and other goods and services in communities across the state, electric cooperatives have an impact.

Economist Randall Stuefen of Stuefen Research in Vermillion conducted an economic impact survey of the contributions of South Dakota's 28 distribution and generation and transmission cooperatives. This is the fourth such survey that the state's electric cooperatives have done.

Stuefen wrote in his study that South Dakota electric cooperatives and their employees make

a significant contribution to the economy of the state. Collectively, they contributed in the following areas:

### Economic Development

The cooperatives reported generating 3,651 new jobs and retained 3,399 existing jobs in 2012 through sponsorship of revolving loan funds. This was up from 2009 when 3,156 new jobs and 3,006 existing jobs were retained.

Electric cooperatives invested more than \$269,992 in business and economic development activities during 2010-2012.

The cooperatives have provided approximately \$58.8 million in economic and community development loans to 209 different borrowers.

### Community Support

Donated \$267,136 to civic and community development activities during 2012.

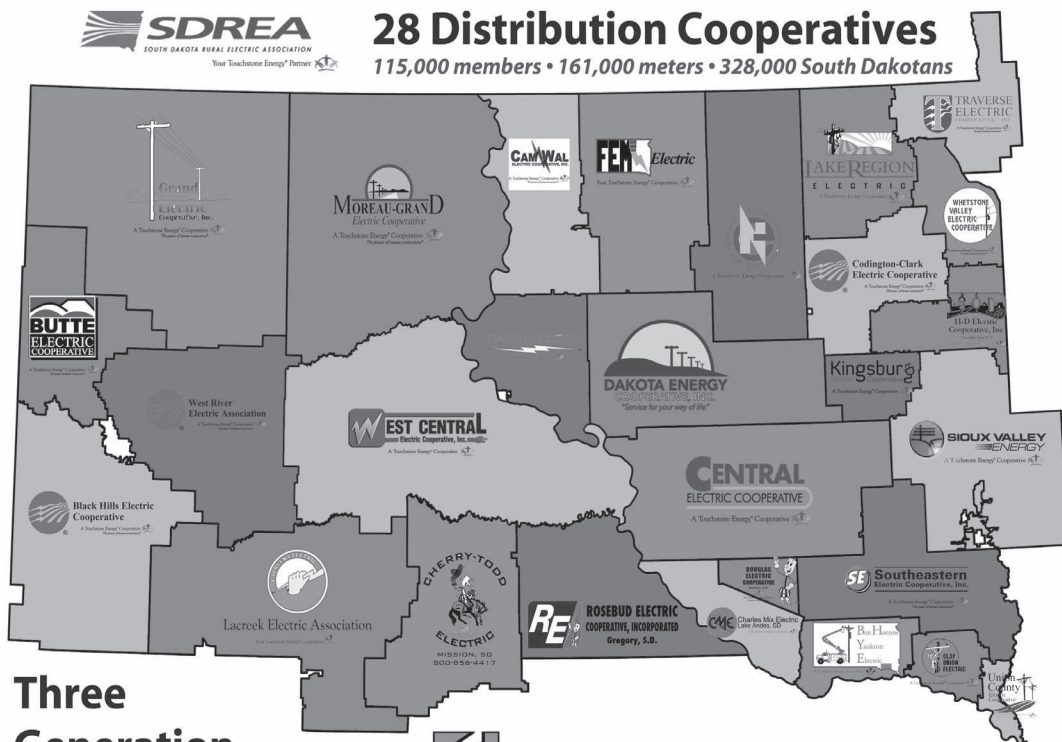
By Brenda Kleinjan

Every county in South Dakota is served by at least one of South Dakota's 28 distribution electric cooperatives. Two generation and transmission cooperatives are also headquartered in the state: East River Electric Power Cooperative in Madison, S.D., and Rushmore Electric Power Cooperative in Rapid City, S.D. North Dakota-headquartered Basin Electric Power Cooperative in Bismarck also serves the state's electric cooperatives.



## 28 Distribution Cooperatives

115,000 members • 161,000 meters • 328,000 South Dakotans



## Three Generation and Transmission Cooperatives





In 2012, electric cooperative employees contributed more than 61,641 hours on volunteer projects that equates to approximately \$1.9 million.

## Employment

Employed 901 people full-time and an additional 59 part-time in 2012.

## Consumer Benefits

Electric cooperatives returned \$5.9 million to cooperative member-consumers as monetary incentives for energy efficiency programs during 2010-2012.

And, electric cooperatives refunded approximately \$23.8 million in capital credits to member-consumers during 2010-2012. The refund in 2012 was \$6.6 million.

In summarizing the report, Stuefen wrote that it is an assessment of the additional economic activity generated by the cooperatives' initial stimulus to the state's economy in 2012. The two G&Ts together with the 28 retail electric cooperatives employ 901 workers full-time and 59 part-time workers. The initial stimulus from the cooperatives and business linkages throughout the economy create an additional 953 jobs state-wide. The employment multiplier for the electric cooperatives using 2009 data is 1.97. For every job created by the electric cooperatives in their businesses, there is approximately one additional job (0.97) created elsewhere in the state's economy.

New wealth in the economy is created by the electric cooperatives through business linkages and by the payment of wages and salaries to employees in addition to the rebates and capital credits distributed to owner members. These payments to employees and members totaled \$71.0 million in 2012. The spending of the \$64.0 million in wages and salaries by households generated an additional \$32.7 million of new wealth as that money made its way through the state's economy. The \$8.1 million in rebates and capital credits paid to owners generated an estimated \$4.4 million of additional wealth throughout the economy.

Businesses throughout the state benefited from the operations of the 30 cooperatives and their spending on goods and services. These businesses in their operations were able to make payments to labor, increase their proprietor's income or distribute corporate profits as a result of their activity linkages with the cooperatives. These payments along with the expenditures of the benefited households increased the state's household income or wealth by an additional \$27.3 million. In total, \$136.4 million of new wealth was created or supported by the state's electric cooperatives for an income multiplier of 1.89.

In terms of total economic activity, the \$312.6 million in expenditures by the 30 South Dakota electric cooperatives generated an additional \$102.0 million in economic activity throughout the state, yielding a total activity or output multiplier of 1.33.



# Minnesota's Electric Cooperatives

There are 44 electric distribution cooperatives and six generation and transmission (G&T) co-ops in Minnesota, which in turn serve 741,000 customer meters or about 1.8 million people, covering 85 percent of the geographic area of the state. These cooperatives are locally-owned and operated by boards of directors, who are elected by the consumer-members they serve and operate according to the seven cooperative principles. The cooperatives seek to provide electric energy to rural consumers at the lowest possible cost consistent with sound management. They also promote and fund economic development initiatives to create jobs and maintain a high standard of living for rural and suburban Minnesota residents.

Minnesota's electric co-ops own and maintain more than 122,000 miles of distribution line, averaging 6 consumers per mile of line. About 92 percent of electric co-op consumer/members are farm and non-farm residential.

Minnesota co-ops range in size from 2,000 to 122,000 consumers, with a median size of 6,424. They sell approximately 14 billion kilowatt hours (kWh) of electricity per year, which represents about 18 percent of the state's total kWh sold and about \$1.1 billion in revenue. Electric co-ops employ about 2,400 people in Minnesota.

Power plants serving Minnesota's electric co-ops are among the most efficient in the country. Abiding by conservation statutes, Minnesota co-ops spend more than the required amount of their annual gross operating revenues on energy conservation and load management programs. The load management program controls more than 500 MW of energy use, the equivalent of operating one less large power plant. As the first Minnesota electric utilities to offer customers a wind energy choice in 1998, cooperatives actively build new renewable energy facilities in the state.

Most of MREA's member co-ops conduct local charitable programs for energy assistance, weatherization and other community projects. Working in joint community endeavors, 33 electric co-ops have provided more than \$22 million in rural economic development funding for projects such as telecommunications infrastructure and ethanol plants.

## Minnesota Electric Co-op Facts

- Employ about 2,400 people in Minnesota
- Serve 730,000 customer meters, or about 1.6 million people of Minnesota's 5.1 million residents. The median sized co-op is 6,387 members. Cooperatives range in size between 2,000 to more than 120,000.
- Cover 85 percent of the geographic area in Minnesota
- Sell over 13.3 billion kWh per year (about 18 percent of the state's total kWh sold) or about \$1 billion in revenues
- Operate the largest distribution network in the state by far, with more than 121,000 miles of electric distribution lines. More than Xcel Energy's Minnesota operation (28,718), or the three private power companies in Minnesota combined (40,722).

Average 6 consumers per mile of distribution line, compared with 38 consumers per mile for investor-owned electric utilities and 48 customers per mile for municipal electric utilities.

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## Regional Dateline

### September 19-21

Strider World  
Championship 2014  
Rapid City, SD  
605-342-0266  
www.StriderBikes.com

### September 20-21

Pioneer Power Show  
Menno, SD, 605-387-5161  
www.pioneeracres.com

### September 20-21

Northeast South Dakota Celtic  
Faire & Games, Aberdeen, SD  
605-216-3403  
www.nesdcelticfaire.com

PHOTO COURTESY OF MIKE KOSE, CLAY UNION ELECTRIC



## Events of Special Note

### September 27

Living History Fall Festival  
Groton, SD  
605-626-7117  
www.granaryfinearts.org

### October 4

FestiFALL  
Canton, SD, 605-987-2263  
www.gfp.sd.gov

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.

### September 25-28

South Dakota Film Festival  
Aberdeen, SD, 605-226-3481  
www.southdakotafilmfest.org

### September 26

Custer State Park Buffalo  
Roundup, Custer, SD  
605-255-4515  
www.gfp.sd.gov

### September 26-27

Badger Clark Cowboy Poetry  
& Music Gathering  
Hot Springs, SD  
605-745-4140

### September 27

South Dakota Women's Expo  
Huron, SD, 605-353-7340  
www.sdwomensexpo.com

### September 27

Great Downtown  
Pumpkin Festival  
Rapid City, SD, 605-716-7979

### September 27-28

Buffalo Roundup Arts Festival  
Custer, SD, 605-255-4515  
www.gfp.sd.gov

### September 28-29

Autumn Volksmarch at Crazy  
Horse Memorial  
Crazy Horse, SD  
605-673-4681

### October 3-4

Oktoberfest, Deadwood, SD  
800-344-8826

### October 3-4

Wilbur-Ellis Corn Palace  
Challenge, Mitchell, SD  
605-995-8430

### October 4-5

Festival of Quilts  
Watertown, SD, 605-753-0229

### October 10

Highwaymen Tribute to  
Willy, Waylon & Johnny  
Watertown, SD, 605-882-2051

### October 10-11

Wild West Songwriter's  
Festival, Deadwood, SD  
605-578-1876

### October 10-12

Autumn Festival, An Arts &  
Crafts Affair, Sioux Falls, SD  
402-331-2889  
www.hpifestivals.com

### October 11-12

Fall Arts and Craft Show  
Aberdeen, SD, 605-226-2162  
www.lakewoodmall-sd.com

### October 12

Annual Redlin Toy and  
Doll Show, Watertown, SD  
605-886-3589

### October 13

Native Americans' Day &  
Teacher of the Year at Crazy  
Horse, Crazy Horse, SD  
605-673-4681  
www.crazyhorsememorial.org

### October 18

Young Dubliners in Concert  
Deadwood, SD  
605-559-1187  
deadwoodmountaingrand.com

### October 18

Arts and Crafts Festival  
Faulkton, SD, 605-598-6783  
www.faulktoncity.org

### October 18

26th Annual Craft Fair  
Wessington Springs, SD  
605-539-1515

### October 18-19

Hunting for Deals Craft &  
Vendor Show, Watertown, SD  
605-882-1734

### October 25-26

Dakota Territory Gun  
Collectors Association Gun  
Show, Davison County 4-H  
Grounds, Mitchell, SD  
605-268-0254, www.dtgca.net