



A Touchstone Energy® Cooperative



DAKOTA ENERGY
JANUARY 2026 VOL. 26 NO. 9

COOPERATIVE CONNECTIONS



(left to right) Rosebud Electric Directors Dennis Purvis and Boyt Young and Butte Electric CEO Matt Sleep serve a homemade meal to legislators, state employees and Capitol visitors in South Dakota State Capitol.

Photo by Jacob Boyko

Co-ops at the Capitol

Every Voice Counts
Pages 8-9

**Easements Bring Safety
and Reliability**
Pages 12-13

UPCOMING RATE CHANGE EFFECTIVE JANUARY 2026



Chad Felderman
CEO/General
Manager

At the November 2025 Board meeting, the Dakota Energy Directors approved a rate adjustment. This adjustment will take effect with the January 2026 billing cycle. We know any rate increase affects our members, as this decision was not made lightly. That is why we focus on transparency, accountability, and service. It reflects the rising costs of providing safe, reliable electric service in today's economic environment.

WHY IS THIS HAPPENING?

This rate adjustment is based on a comprehensive cost-of-service study conducted in October 2025 by an independent consulting firm. The study shows updated rates are necessary for financial stability and to meet our lenders' requirements. The primary driver is the significant increase in the cost of purchased power from East River Electric, Basin Electric, and Western Area Power Administration in 2026. Delaying action would risk financial instability and non-compliance with lender covenants.

Despite these challenges, Dakota Energy manages controllable costs through careful planning and operational efficiency. Our employees remain dedicated to delivering high-quality service while serving as responsible stewards of your cooperative's resources.

We are committed to maintaining a reliable electricity supply and providing excellent value for your money.

WHAT IS THE IMPACT?

Beginning January 1, 2026, rates will increase with specific impacts varying by rate class and usage. For a typical residential household using 1,500 kilowatt-hours (kWh), this means an estimated increase of about \$70 per month. This adjustment includes a demand charge (kW) and an increase in the the service charge.

THREE RATE COMPONENTS

The new rate structure has three main parts: a Service Charge, an Energy Charge, and a Demand Charge.

- **Service Charge:** Pays for the fixed costs that keep our system safe and reliable, like maintaining poles and transformers, responding to outages, clearing rights-of-way, and covering essential services such as billing, insurance, and building upkeep. These costs have always been part of your rate structure.
- **Energy Charge:** This charge is based on the total electricity consumed over a given period and is measured in kWh.
- **Demand Charge:** This is based on the rate at which energy is used and is measured in kW. It is the amount of power required in an instant to satisfy the needs of all your connected appliances, lighting, heating, and anything else that requires electricity at the exact same time. It has been displayed on your monthly bill since January 2025 at no charge for single phase services. For metered electric heat, the electric heat demand will be subtracted from the main meter demand at the time of peak.

OTHER RATE CHANGES

On January 1, 2026, the following rate changes will also be impacted:

- **Rental Security and Yard Lights:** The cost for rental security and yard lights will increase by \$3.00 per light each month based on the cost of service study.
- **Controlled Air Conditioning Rate:** We want to let you know about an upcoming change to our Load Management (LM) program under the air conditioning rate. Today, 193 members are on this rate, and the LM devices we've used to control air conditioners are nearing the end of their life cycle and have become costly to maintain. At the same time, modern cooling equipment is far more energy efficient, reducing the need for cooperative control.

Beginning in 2026, we will no longer control air conditioning at your location during the months of May through September. Instead, you will have full control over your own usage and can decide

Continued on Page 6

COOPERATIVE CONNECTIONS

DAKOTA ENERGY

(USPS No. 018-949)

Board President: Darrell Raschke, Huron

Board of Directors

Nick Nemec, Holabird - Vice President
Daniel Langbehn, Huron - Secretary
Brian Bonebright, Wessington - Treasurer
Brian Baum, Alpena
JoAnn Morford, Miller
Doug Schaefer, Orient
Schaun Schnathorst, Huron
James Wangness, Miller

CEO/General Manager: Chad Felderman

Manager of Operations: Matt Zomer

Manager of Finance & Administration:
Eric Hasart

**Manager of Human Resources &
Communications:** Jodene Decker

Manager of Member Services: Jeff Gilbert

Dakota Energy Cooperative Connections is the monthly publication for the members of Dakota Energy Cooperative, PO Box 830, 40294 US Hwy 14, Huron, SD 57350. Members subscribe to Cooperative Connections as part of their electric cooperative membership. The purpose of Dakota Energy Cooperative Connections is to provide reliable, helpful information to electric cooperative members on electric cooperative matters and better rural living.

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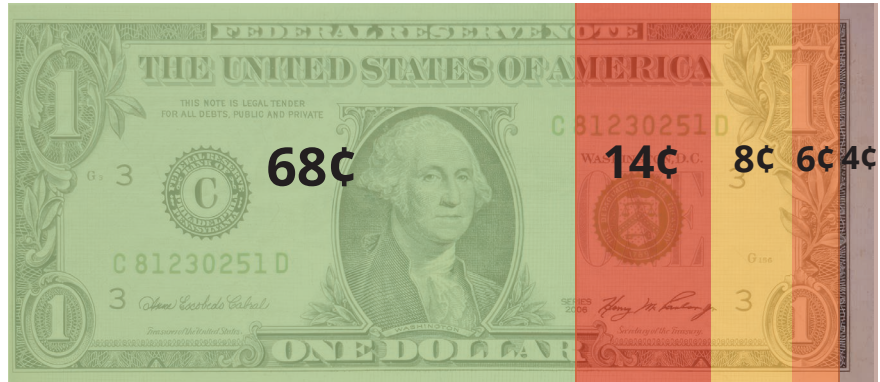
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**DAKOTA ENERGY
COOPERATIVE, INC.**
HURON, SD 57350

WHERE DOES YOUR ENERGY DOLLARS GO



Every dollar of your monthly payment to Dakota Energy goes towards a specific purpose.

68 cents pays for power from our wholesale power providers, Basin Electric Cooperative, Western Area Power Administration, and East River Electric Cooperative.

14 cents pays for indirect expenses:

- Interest
- Depreciation
- Taxes

8 cents pays for:

- Labor
- Benefits

6 cents pays for direct expenses:

- Cable locating
- Right-of-way clearing
- Pole and ground testing
- Consumer billing and postage
- Member meetings
- Software
- Outside services
- Director expenses
- Dues
- Building maintenance
- Safety education
- Member educational materials
- Youth and community investments

4 cents pays for operating margins

Tree Trimming Safety

Trees are majestic, beautiful and good for the soul. But we also know that our members depend on us to deliver reliable power to their homes and businesses. South Dakota's electric cooperatives strive to balance maintaining the beautiful surroundings we all cherish with ensuring reliable electricity. You might not realize it, but there are several benefits to regular tree trimming.

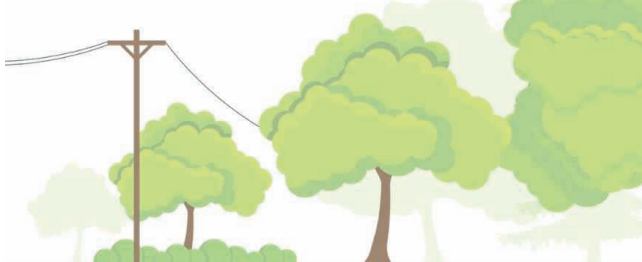
Keeping power lines clear of overgrown vegetation improves service reliability. After all, we've seen the whims of Mother Nature during severe weather events with fallen tree limbs taking down power lines and utility poles. While many factors can impact power disruptions, about half of all outages nationally can be attributed to overgrown vegetation.

Overgrown vegetation and trees also pose a risk to power lines. For example, if trees are touching power lines in our members' yards, they can pose grave danger to families. If children can access those trees, they can potentially climb into a danger zone. Electricity can arc, or jump, from a power line to a nearby conductor like a tree. A proactive approach also diminishes the chances of fallen branches or trees during severe weather events that make it more complicated and dangerous for line workers to restore power.

If trees and other vegetation are left unchecked, they can be-

BENEFITS OF TREE TRIMMING

- ✓ Improves service reliability
- ✓ Speeds up restoration time
- ✓ Keeps crews & communities safe



come overgrown and expensive to correct. A strategic vegetation management program helps keep costs down for everyone.

When it comes to vegetation management, there are ways you can help too. When planting new trees, make sure they're planted a safe distance from overhead power lines. Medium-height trees (40 ft. or smaller) should be planted at least 25 ft. from power lines. Taller trees (over 40 ft.) should be planted at least 50 ft. from power lines. You can also practice safe planting near pad-mounted transformers. Plant shrubs at least 10 ft. from the transformer door and 4 ft. from the sides. If your neighborhood has underground lines, remember to contact 811 before you begin any project that requires digging.

Additionally, if you spot an overgrown tree or branch that's dangerously close to overhead lines, please contact your local electric cooperative.

We have deep roots in our community, and we love our beautiful surroundings. It takes a balanced approach, and our vegetation management program is a crucial tool in ensuring service reliability.



"Watch for overhead power lines."

Jacob Ymker, Age 10

Jacob reminds readers to watch out for overhead power lines. Great job, Jacob! Jacob's parents are Mark and Marion Ymker from Armour, 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.

Heart-Warming DESSERTS

APPLE BREAD

Ingredients:

1/2 cup brown sugar
1 1/2 tsps. cinnamon
Mix in small dish & set aside.

2 eggs (room temperature)
1/2 cup sugar
1 tsp. vanilla
1/2 cup melted butter or
margarine

Mix together in a bowl and add:
1 1/2 cups flour
1 tsp. baking powder
1/2 tsp. baking soda
2 cups chopped apples

Method

Pour 1/2 of the batter into a greased and floured bread pan. Sprinkle 1/2 of the cinnamon and sugar mixture over it. Add remaining batter and top with remaining cinnamon sugar mixture.

Bake at 350° for 45-60 minutes.

Grace Klein
Sioux Valley Energy

PUMPKIN CHEESECAKE DESSERT

Ingredients:

1 cup heavy whipped cream
8 oz. cream cheese, whipped
1/3 cup sugar
1/2 cup brown sugar
1 can pumpkin puree
1 tbsp. pumpkin pie spice
1 tsp. vanilla
1 pkg. cheesecake pudding mix

Method

Beat 1 cup heavy whipped cream and set aside.

In a separate bowl, mix and beat the cream cheese, sugar, brown sugar, pumpkin puree, pumpkin pie spice, vanilla, and cheesecake pudding mix.

Fold the whip cream into this mixture and spread in a graham cracker crust

Refrigerate two hours before serving plus add a spray of whip cream and sprinkle cinnamon on top.

(Optional) add chopped pecans or walnuts.

Susan Forma
Union County Electric

CHERRY COCONUT BARS

Ingredients:

Crust

1 cup flour, sifted
1/2 cup butter
3 tbsps. powdered sugar

Mixture

2 eggs, slightly beaten
1 cup sugar
1/2 tsp. baking powder
1/4 cup flour
1/4 tsp. salt
1 tsp. vanilla
3/4 cup chopped nuts
1/2 cup coconut
1/2 cup red maraschino cherries,
quartered

Method

Mix together flour, butter and powdered sugar. Spread in 8" square pan. Bake at 350° for 20-25 minutes or until it is a delicate brown.

In a bowl, mix in the remaining ingredients in the order given: eggs, sugar, baking powder, flour, salt, vanilla, chopped nuts, coconut, maraschino cherries.

Spread this mixture over the crust and bake again for 25-30 minutes. cool and cut into squares.

Barbara Anderson
Lake Region Electric

Please send your favorite 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 2025. All entries must include your name, mailing address, phone number and cooperative name.

RATE COMPARISON

how best to manage your demand. Members will continue to be eligible for cooperative rebates with qualifying installations of energy-efficient equipment. We appreciate your participation in past programs and your ongoing commitment to energy efficiency, and we believe these changes will help us focus resources where they provide the greatest benefit to all members.

Dakota Energy is aware the demand charge is a new rate component. If you would like to learn more about demand and how you can lower your monthly demand, scan the QR code. It will take you to our website. As always, feel free to contact our office at 605-352-8591. We are here to help. Thank you for your continued trust and support.



2025-2026 RATE COMPARISON

2026 Rates	2025	2026	Difference
Single Phase-Farm/Residential & Commercial			
Service Charge	\$60.00	\$90.00	\$30.00
Energy Charge	\$0.140/kWh	\$0.140/kWh	\$0.00/kWh
Non-Coincidental Demand Charge	\$0.00/kW	\$5.00/kW	\$5.00/kW
Three Phase-Farm/Residential & Commercial < 50 kVA			
Service Charge	\$120.00	\$148.00	\$28.00
Energy Charge	\$0.140/kWh	\$0.140/kWh	\$0.00/kWh
Non-Coincidental Demand Charge	\$0.00/kW	\$5.00/kW	\$5.00/kW
Three Phase-Farm/Residential & Commercial > 50 kVA - Uncontrolled			
Service Charge	\$120.00	\$148.00	\$28.00
Energy Charge	\$0.054/kWh	\$0.054/kWh	\$0.00/kWh
Non-Coincidental Demand Charge	\$14.50/kW	\$15.52/kW	\$1.02/kW
Three Phase-Farm/Residential & Commercial > 50 kVA - Controlled			
Service Charge	\$120.00	\$148.00	\$28.00
Energy Charge	\$0.054/kWh	\$0.054/kWh	\$0.00/kWh
Coincidental Demand Charge	\$18.40/kW	\$20.52/kW	\$2.12/kW
Non-Coincidental Demand Charge	\$3.00/kW	\$5.00/kW	\$2.00/kW
Irrigation System			
Service Charge	\$120.00	\$148.00	\$28.00
Energy Charge	\$0.110/kWh	\$0.110/kWh	\$0.00/kWh
Coincidental Demand Charge	\$18.40/kW	\$20.52/kWh	\$2.12/kW
Non-Coincidental Demand Charge	\$0.00/kW	\$0.00/kW	\$0.00/kW
Irrigation Pivot System Only			
Service Charge	\$120.00	\$148.00	\$28.00
Energy Charge	\$0.140/kWh	\$0.140/kWh	\$0.00/kWh
Metered Electric Heat-Applicable Services	\$0.070/kWh	\$0.065/kWh	-\$0.005/kWh
Rented Security/Yard Lights – 150/175 Watt & LED			
Metered Security/Yard Lights	\$6.40	\$9.40	\$3.00
Unmetered Security/Yard Lights	\$9.60	\$12.60	\$3.00
Rented Security/Yard Lights – 250 Watt			
Metered Security/Yard Lights	\$6.40	\$9.40	\$3.00
Unmetered Security/Yard Lights	\$12.40	\$15.40	\$3.00

OCTOBER 2025

The Board of Directors met on Tuesday, October 28, 2025, with Directors Baum, Bonebright, Langbehn, Morford, Nemec, Raschke, Schaefer, Schnathorst, and Wangsness present. Manager Felderman and Employees Decker, Gilbert, Hasart, LaFreniere, Picek, Rakness, and Zomer were present.

MANAGER’S REPORT

Manager Felderman reported on the following items:

- Monthly energy sales and revenue
- Crow Creek service
- Cooperative Response Center
- Greater Huron Development Corporation
- Arch Flash Study
- United States Department of Agriculture Empowering Rural America Program
- East River Rates
- Basin Electric Load Forecast

OFFICE SERVICES REPORT

Manager of Finance and Administration Hasart reported on the following items:

- Financial reports
- 2026 General Budget
- Unclaimed capital credits
- South Dakota Rural Electric Association (SDREA) Office managers & accountants meeting
- Large load rate letters
- Capital credit early retirement results

OPERATIONS REPORT

Manager of Operations Zomer reported on the following items:

- Construction, maintenance and retirement activities
- Pole changes

- Ames substation outage
- Service rebuilds
- Tree trimming
- Larson’s installing underground
- Ethanol plant annual shutdown

MEMBER SERVICES REPORT

Manager of Member Services Gilbert reported on the following items:

- Wiring department workload
- Potential hazards
- Load control savings
- SDREA Member services meeting

HUMAN RESOURCES/ COMMUNICATIONS REPORT

Manager of HR/Communications Decker reported on the following items:

- Survey and Ballots results
- New employees
- Touchstone Energy Scholar of the Week Kendall Uttecht
- First responders training in Miller
- Homecoming parades
- Sunshine Bible Academy vs. Hitchcock/Tulare volleyball game

INFORMATION TECHNOLOGY REPORT

Information Technology Administrator Rakness reported on the following items:

- Security news

- Supervisor workshop
- Website/Cybersecurity

BOARD ACTION

The following items were acted upon:

- Accepted the reports presented
- Approved the 2026 Capital and Construction Budget
- Approved \$250 for Palace City Basketball sponsorship
- Approved \$150 donation for South Dakota Farmer’s Union Foundation
- Approved \$200 donation to James Valley Christian School auction
- Approved a \$200 donation to Beadle, Hand, and Hyde County 4-H
- Approved the changes to the 401(k) pension plan
- Approved the 2026 preliminary Basin Electric Forecast
- Approve the capital credit distribution of \$540,332.31 for 75% of DEC from 2006, East River from 2004 and 2005 and the 2017 early retirements at 35%
- Approved capital credit estate retirements totaling \$3,189.21

BOARD REPORTS

Director Nemec reported on SDREA’s September 2025 regular board meeting

Director Raschke reported on East River’s October 2025 regular board meeting

Year-to-Date Financial Report		
	Oct-25	Year-to-Date
Total Revenue	\$2,057,269	\$21,038,679
Cost of Power	\$1,367,020	\$14,500,481
Operating Expenses	\$642,591	\$6,370,629
Total Margins	\$159,511	\$1,447,783
KwH's Purchased.....	18,125,100	177,423,864
Services in Place		3,643
Miles of Line		2,532
Members per Mile		1.44
Wholesale power costs, taxes, interest, and depreciation account for 79.82% of DEC's total cost of service.		

NOTICE:
MONTHLY BOARD MEETING DATES
10:00 AM - HURON
TUESDAY, JANUARY 27
TUESDAY, FEBRUARY 24



The South Dakota State Capitol
in Pierre, S.D.
Photo by Frank Turner

CO-OPS AT THE CAPITOL EVERY VOICE COUNTS

Frank Turner

frank.turner@sdrea.coop

Electric cooperatives carry a wide range of responsibilities to the members they serve. Beyond keeping the lights on, co-ops represent their communities, focus on member needs and help strengthen the places they call home. But behind the scenes, cooperatives also stay actively involved in legislative discussions to stay engaged in the decisions that shape how they serve their members.

According to Steve Barnett, general manager of the South Dakota Rural Electric Association, legislative efforts help protect reliable electricity, keep costs manageable and support rural communities across South Dakota.

“While it’s important that we stay involved in the topics that are relevant to our industry, it’s really about sharing our values and telling our story,” Barnett said. “Being involved means being engaged and aware of the challenges and issues coming up in the 2026 Legislative Session,”

In addition to SDREA’s internal

leadership, legislative efforts are supported by the association’s lobbying team in Pierre, led by Darla Pollman Rogers of Riter Rogers LLP. Rogers and her colleague, Ellie Bailey, have been involved with SDREA’s legislative work for more than two decades.

“A key component of this work involves relationship building with legislators to establish trust and credibility,” Rogers said.

Rogers noted that member engagement strengthens the cooperative voice during session and throughout the year. “The grassroots approach is huge for co-ops,” she said. “Hearing from members across the state and from different cooperatives helps strengthen our overall impact.” Rogers added that one of the best ways members can get involved is by getting to know their local legislators or attending Co-op Day at the Capitol to observe the process firsthand.

With the next session approaching, several topics are already drawing the attention of not only electric cooperatives but utilities across the

state. One of the proposals SDREA is following closely is Rep. Kent Roe’s data center bill, identified as Draft HB 31.

“We’re seeing an increase in interest from large data center developers looking to site facilities in cooperative service territory,” said Chris Studer, chief member and public relations officer at East River Electric Power Cooperative, a wholesale power supply cooperative which serves distribution co-ops in eastern South Dakota and western Minnesota. “We have been providing input on the data center bill to make sure the law would fit within our process and require data centers to invest in generation and transmission infrastructure to serve them, so we can protect our current cooperative consumers from the risk of building generation to serve these large consumers. At the end of the day, we’re not going to put our member-owners at risk, and engaging with lawmakers working on that issue is very important to our cooperative network.”

The association has also been working

with investor-owned utilities on wildfire mitigation legislation, which stands out as another priority for South Dakota cooperatives.

“Wildfire risk is a growing concern, and this proposal gives utilities a clear, consistent way to plan ahead. At its core, this legislation is about preparedness – making sure utilities have a plan and have reviewed it with their governing authority. By strengthening infrastructure, improving vegetation management, and coordinating closely with communities, the framework helps protect public safety while supporting the reliable service South Dakotans depend on,” Black Hills Electric General Manager Walker Witt said.

Cooperative members also have an important role in legislative advocacy. Their engagement helps ensure that rural needs and perspectives reach decision makers. Barnett encouraged members to stay active by reaching out to local lawmakers in their districts and attending local legislative forums and cracker barrels. These are formal town hall style gatherings where legislators answer questions and update the community.

“Members can contact legislators in their respective districts via email or by telephone,” Barnett said. “Attending cracker barrels is also a good way to stay engaged. These opportunities give members a chance to hear updates, ask questions, and share how policy decisions affect their communities.”

Barnett also noted the importance of staying alert during the legislative process, particularly when a bill is significantly amended. He explained that when a bill gets “hog housed,” it means it has been changed so much that the original version is no longer recognizable. “A hog housed bill is changed or amended significantly, to the point where a person may change their position on the bill,” he said. “Tracking these changes is essential to understanding the real impact a proposal may have if it becomes law.”

Barnett said SDREA will continue to represent the interests of both cooperatives and rural communities across the state. At the end of the day, it’s all about providing dependable electricity and keeping the lights on.



Gov. Larry Rhoden takes a picture with members of the electric cooperative network at Co-op Day at the Capitol last February.

Photo by Jocelyn Johnson

STAYING INVOLVED

Co-op Day at the Capitol

Electric cooperatives’ efforts to engage local legislators extend far beyond traditional lobbying. Every February, cooperatives from across the state gather for a light-hearted dinner at the South Dakota State Capitol to break bread with lawmakers, provide attendees industry updates and sit in on legislative committee meetings.

Last year, South Dakota cooperatives continued their time-honored tradition of serving pulled pork sandwiches and cowboy beans prepared by Ken Gillaspie, who formerly served as a director for East River Electric and as board president for Oahe Electric, and Roger Crom, a former loss control manager at SDREA.

The next Co-op Day at the Capitol is scheduled for Feb. 17, 2026.

Legislative Banquets

In addition to Co-op Day at the Capitol, select electric cooperatives across the state host legislative banquets as a means of communicating the latest legislative environment with both their members and local lawmakers. Many times, these events provide a free meal to attendees and include updates on both the successes and challenges for the co-op.

Reach out to your local cooperative to learn more about local Legislative Banquets, Co-op Day at the Capitol or the latest legislative news affecting cooperatives. The co-op network is more than happy to engage.



Scholarships Available

**Application
deadline is
January 30, 2026**

DAKOTA ENERGY HAS SCHOLARSHIPS FOR COLLEGE OR TECHNICAL SCHOOL FOR HIGH SCHOOL SENIORS

Dakota Energy believes strongly in the future of area students and takes pride in helping develop rural leaders. To recognize the achievements of students and future leaders, Dakota Energy is offering \$6,500 of scholarships to qualifying high school seniors.

COOPERATIVE SCHOLARSHIPS:

- \$1,000 for a future line worker attending Mitchell Technical Institute's (MTI) Power Line & Maintenance program
- \$1,000 for a future electrician attending MTI's Electrical Construction and Maintenance program
- Two \$1,250 Basin Electric and Dakota Energy scholarships
- Four \$500 Dakota Energy scholarships for students attending a South Dakota university or technical school

WHO IS ELIGIBLE?

To qualify, an applicant's parent(s) must be a member of Dakota Energy Cooperative.

Applicants must be planning to be enrolled in a full-time undergraduate course of study at an accredited, two-year or four-year college, university or vocational or technical school.

Scholarship recipients are selected based on academic record, leadership, school and community involvement, an appraisal from a counselor, advisor or instructor who knows the student well, and an essay.

HOW DO I APPLY?

Scholarship applications are available at the local high school guidance office or on the cooperative website by scanning the QR code.



Submit applications to:

Dakota Energy Cooperative
PO Box 830
Huron, SD 57350
Email: info@dakotaenergy.coop



Simple precautions can help you avoid **fire hazards** and **electrical dangers**

There is nothing like curling up by the fire on a cold winter day. But heating equipment is one of the leading causes of home fire deaths. With a few simple steps, you can prevent most heating fires from happening.



STAY COZY AND SAFE THIS WINTER:

- Keep anything that can burn at least 3 feet away from heating equipment like furnaces, radiators, fireplaces, electric or wood stoves and space heaters.
- Maintain a 3-foot kid and pet-free zone around heating equipment.
- Plug heaters and electric fireplaces directly into wall outlets. Never use extension cords or power strips.
- Plug only one heat producing appliance into an electrical outlet at a time.
- Turn off portable heaters when leaving the room or going to bed.
- Unplug heaters when not in use.
- Never use your oven to heat your home.
- Test smoke alarms every month.
- Hire a qualified professional to install or service stationary heating equipment and water heaters according to manufacturer's instructions.
- Have your heating system, vents and chimneys cleaned and inspected every year by a qualified professional.



SMART TIPS:

- Install and test smoke and carbon monoxide alarms to alert you before it's too late.
- Have a home fire escape plan and

**Safe
Electricity.org®**



South Dakota law allows electric cooperatives to place poles along public rights-of-way without needing an easement. Shown here, East River Electric's transmission lines north of Pierre are built within the right-of-way. In cases where the rights-of-way are crowded, have obstacles, or are otherwise not suitable for poles or line work, a co-op may seek an easement outside of the right-of-way.

Photo by Jacob Boyko

EASEMENTS BRING SAFETY, RELIABILITY

Why More Room Makes Sense for Co-ops, Line Crews & Members

Jacob Boyko

jacob.boyko@sdrea.coop

Serving rural members means maintaining thousands of miles of power line – and finding the space to safely build and access it. At your local electric cooperative, building, maintaining and repairing thousands of miles of infrastructure is a logistical challenge, but each and every piece of the system has its role in a functioning and reliable electric grid.

That's why easements, or agreements to use and access private land, are essential for co-ops and their members. At East River Electric Power

Cooperative, the generation and transmission co-op serving 25 member distribution systems in South Dakota and Minnesota, Engineering and Planning Services Manager Jon Aus works directly with co-op members to get easements for power lines.

In 2025, most cooperatives prioritize building lines along the public right of way – the area between the road and fence lines along roadways – instead of along quarter lines like they have historically, back when rights-of-way were cluttered with telephone and other overhead lines.

“That’s where we like it from an access and maintenance perspective,”

Aus said of rights-of-way. “Nowadays, when we develop a route for a line, we pick the roads we want to zigzag down to get from Point A to Point B.”

Placing infrastructure along roads improves accessibility for crews and speeds up outage response time, especially when mud or snow are a factor, Aus added. But the trade offs are a workspace limited to the shoulder and ditch and overall limited access to the infrastructure.

That’s where easements make all the difference. When a co-op member allows an easement, the co-op will set poles back just several more feet away from the road right-of-way onto private land, and crews can cross behind the fence when they need to access the poles. The impact on private land is minimal, but it’s a massive benefit for the line crews.

“Having an easement allows crews to work on the backside of the structures,” Aus said. “If you don’t get an easement and you don’t have any access rights, they’re stuck working everything from the ditch and the roadside.”

Engineers are meticulous when mapping routes for new lines, Aus added, noting the lengthy process for engineers as they consider pole placement, obstacles, hazards and community impact.

“At the onset of any project, we’re evaluating the impact of our routing,” Aus continued. “Public impact is right up there on our priorities along with reliability and maintenance. We don’t go down routes we foresee to have challenges with public impact.”

Distribution cooperatives see similar challenges on the ground. In southwest South Dakota, Black Hills Electric Cooperative System Coordinator Jesse Sorensen aims to manage a system that’s not only reliable and affordable, but also built on cooperation with members.

“Very rarely do we have someone reject giving an easement,” he said. “We’ve had very good luck sitting down with members and explaining everything to them that there are hundreds – if not thousands – of landowners that allowed easements so we could get electricity to this property.”

He continued, “The biggest concerns from landowners are about losing their trees or the aesthetic value of their property, and we’ll work with landowners by rerouting lines to prevent cutting prize trees or installing lines in prime views.”

At East River Electric, Aus’ team fields similar questions from landowners, usually concerning specific pole placement and whether poles will interfere with field access, an approach or operation of large machinery. He says it’s usually something the engineers can accommodate because ultimately, co-ops want to leave members’ land as good or better than they found it.

“We’ll even work with landowners to pay to replace any trees we have to remove if we obtain an easement from them,” Aus said.

As the co-op steadily grows and expands its transmission system, East River Electric General Counsel Danny Brown stresses that the co-op relies on voluntary easements, and in its 75-year history has never used eminent domain to obtain an easement.

“Eminent domain is not something we ever want to use,” Brown explained. “We try to educate and work with the property owners the best we can. At the end of the day, an easement is voluntary, and if we can’t make it work from the right of way, we have to start thinking about changing our route.”

But opting for alternate, less-efficient routes is a concession that can severely impact system reliability and leads to a higher price tag for co-op members to pay. Fortunately, Aus and Sorensen said most landowners understand the value of working with their cooperative for themselves and their community.

“There have been several times when landowners have said, ‘Absolutely, bring that line through here,’” Aus recalled. “They want to improve their reliability, or they know that they just need more electricity in that area for whatever they might be doing on their property. Most of the time we’re welcomed with open arms.”

That willingness helps keep cooperative power moving across the countryside.



When a co-op obtains an easement to build a line along a road right-of-way, the line is placed several feet away from the right-of-way border. In this photo, the right of way border is about at the fence line, with the poles placed several feet behind the fence.

On this route, East River Electric has an easement for 30 feet behind the fence line for when line crews need to maintain or repair the line, giving crews more room to work and better access to the structures.

Photo submitted by East River Electric.

WORKING TOGETHER IS POWERFUL



Understanding the Three-Tier Co-op Structure

Jacob Boyko

jacob.boyko@sdrea.coop

What Is an Electric Cooperative? (Tier 1: Distribution Co-ops)

An electric cooperative is a non-profit, member-owned utility governed by a member-elected board of directors. Co-ops are different from a typical utility because they don't report to shareholders; a co-op's responsibility is solely to the people it serves.

Member-ownership keeps the co-op focused on serving the interests of the community and maintaining low costs to members. Co-ops employ democratic principles; each member has one vote, which keeps control local and shields the co-op and members from outside interests.

Your local electric cooperative owns and maintains distribution power lines to serve members throughout its territory. While electric cooperatives' territories cover almost all of South Dakota, most of the state's population lives in cities and small towns and purchase electricity from a city-owned municipal power system or a for-profit investor-owned utility.

Most of the electric distribution cooperatives in South Dakota were organized by members beginning in the 1930s and 1940s to serve the rural areas that investor-owned utilities determined would not be profitable enough to be worth serving.

Rural residents formed co-ops, going

door-to-door collecting \$5 sign-on fees – a lot of money at the time – from their neighbors to kickstart the fledgling co-ops. They applied for loans from the Rural Electrification Administration to begin construction, and by the early 1950s, most rural South Dakotans were enjoying amenities made possible by electricity.

Who Supplies My Co-op's Power? (Tier 2: Regional G&Ts)

East River Electric Power Cooperative in Madison and Rushmore Electric Power Cooperative in Rapid City are generation and transmission (G&T) cooperatives that sell electricity to a total of 27 distribution systems in South Dakota.

East River sells electricity to 19 member systems located in eastern South Dakota and six member systems in western Minnesota, while Rushmore sells electricity to eight member systems: seven located in western South Dakota and Cam Wal Electric Cooperative serving Campbell and Walworth counties in eastern South Dakota.

Both East River and Rushmore are governed by a board of directors comprised of directors from the distribution co-ops. Therefore, each distribution co-op receives one vote on its respective G&T's board.

Beyond selling electricity, East River and Rushmore assist their member systems in other areas; East River builds and maintains transmission systems to serve its member systems and offers support for information technology, marketing, public relations and economic development. Rushmore also offers marketing, PR and IT support, along with engineering services.

Two co-op systems in South Dakota are affiliated with neither East River nor Rushmore. Rosebud Electric Cooperative, based in Gregory, and Grand Electric, based in Bison, are part of District 9 – a collection of other distribution cooperative systems in Minnesota and North Dakota that purchase their energy from multiple sources rather than from a single supplier.

Who generates my electricity? (Tier 3: Basin Electric)

Rushmore Electric, East River Electric, and District 9 systems including Rosebud Electric and Grand Electric purchase energy from Basin Electric Power Cooperative, a G&T cooperative based in Bismarck, North Dakota.

Just like the regional G&Ts it serves, Basin is governed by a board of directors representing its member systems. There are 11 directors on Basin's board, and they know the energy industry inside and out – after all, to serve on the Basin board, the directors must also serve on their local co-op's board as well as the regional G&T's board, and are elected by their colleagues to represent the co-op, board, and its members.

Currently, Mike McQuiston of the Fort Pierre area represents his local co-op, West Central Electric Cooperative, on Rushmore's board, and represents Rushmore on Basin's board.

Kermit Pearson of the Lake City area represents his local co-op, Lake Region Electric Association, on East River's board, and represents East River on Basin's board.

The cooperative systems that comprise District 9 also elect a director from

a District 9-affiliated co-op to represent them on Basin's board. Wayne Peltier from Minnesota Valley Electric Cooperative in Montevideo, Minn., represents Rosebud, Grand and the other District 9 co-ops on Basin's board.

Basin Electric was formed in 1961 by electric co-ops in the upper Midwest to generate and transmit electricity exclusively for cooperative systems to purchase. The system has grown to serve North Dakota, South Dakota, Nebraska, Minnesota, Iowa, Montana, Wyoming, Colorado, and New Mexico.

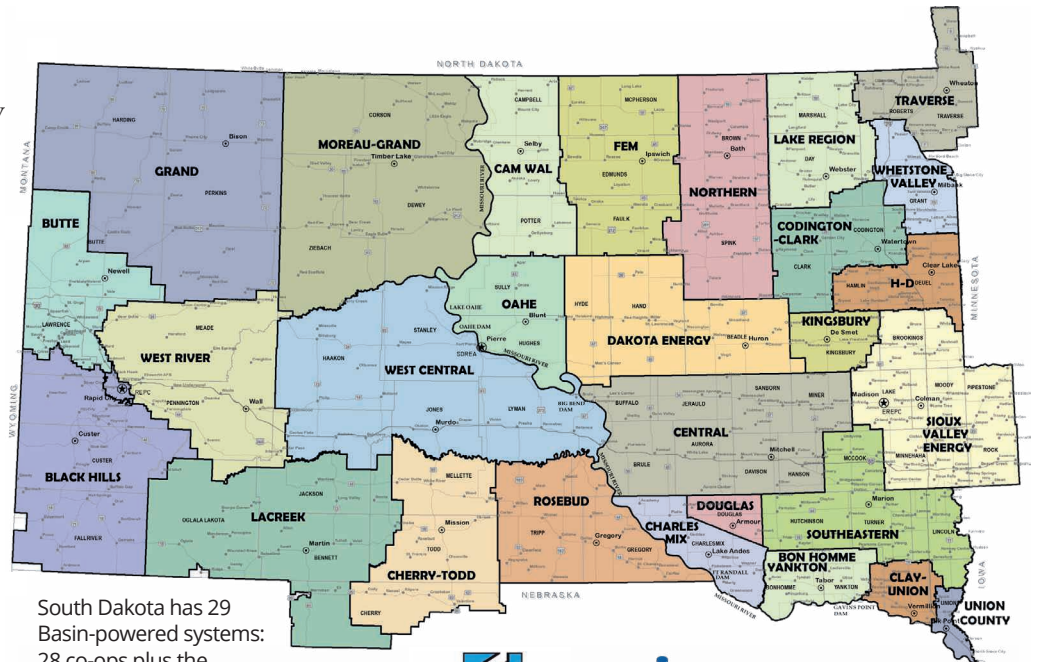
Basin Electric generates electricity using its owned and leased generation assets, which include coal, natural gas, solar, wind, oil and waste heat, with a maximum generating capacity of about 8,500 megawatts.

Other Generation: Western Area Power Administration

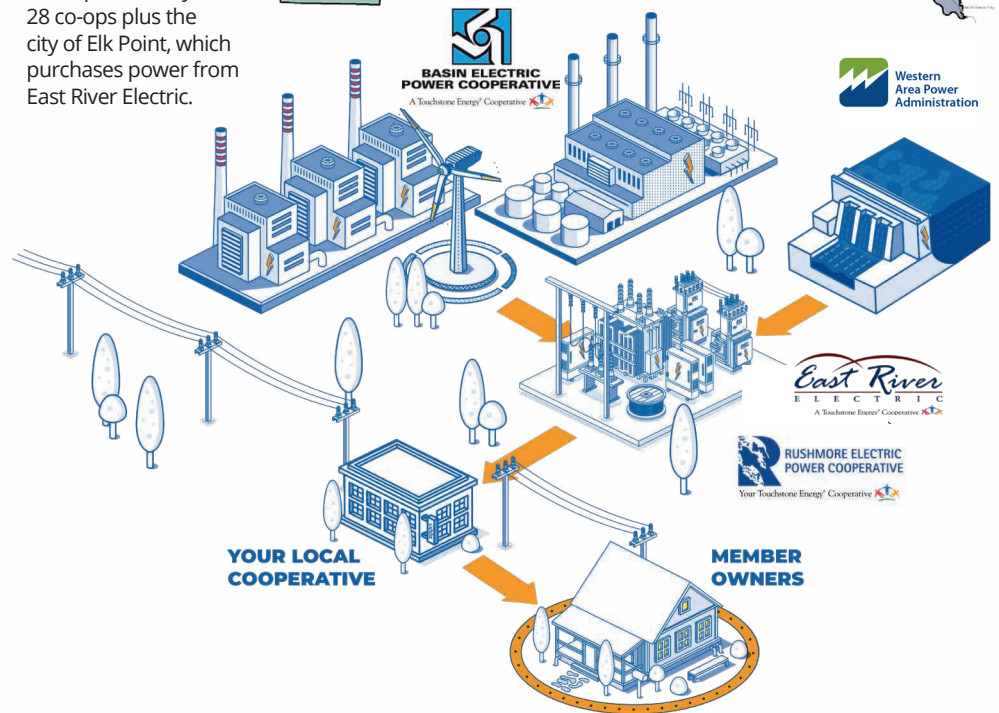
East River, Rushmore and the District 9 systems also purchase an allocated amount of electricity from the Western Area Power Administration. WAPA is the power marketing administration under the U.S. Department of Energy that markets and transmits power from the U.S. Army Corps of Engineers-operated Missouri River dams and other generators in the western U.S.

WAPA purchases make up about 18% of East River Electric and 12% of Rushmore Electric's purchases, respectively. District 9 systems also purchase some of their electricity directly from WAPA.

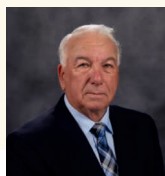
Each year, WAPA transmits about 25,000 gigawatt hours of electricity across its 17,000-circuit mile transmission system. WAPA serves a 15-state region that includes North Dakota, South Dakota, Minnesota, Iowa, Wyoming, Montana, Nebraska, Kansas, Colorado, Utah, Texas, New Mexico, Arizona, Nevada and California.



South Dakota has 29 Basin-powered systems: 28 co-ops plus the city of Elk Point, which purchases power from East River Electric.



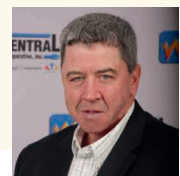
Basin Electric Directors Representing South Dakota



Kermit Pearson
East River, Lake Region
Submitted Photo



Wayne Peltier
District 9, Minnesota Valley
Submitted Photo



Mike McQuiston
Rushmore, West Central
Submitted Photo

REGISTER TO WIN!

Bring this coupon and mailing label to the Touchstone Energy® Cooperatives booth at the Black Hills Stock Show & Rodeo to win a prize!

Your Phone Number: _____

Your E-mail Address: _____



UNTIL JAN. 6

Garden Glow

5-9 p.m. (Closed Dec. 24-25, Jan. 1)

SDSU McCrory Gardens

Brookings, SD

www.sdstate.edu/mccrory-gardens

Photo Courtesy of Travel South Dakota

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.

UNTIL DEC. 26

Christmas at the Capitol

8 a.m.-10 p.m. (Holidays Included)

South Dakota State Capitol

Pierre, SD

605-773-3178

christmasatthecapitol.sd.gov

DEC. 20-21, 23-24, 27-28

1880 Train Holiday Express

Hot Chocolate, Santa

Hill City, SD

www.1880train.com

605-574-2222

DEC. 31

New Year's Eve Bash

Doors Open at 5:30 p.m.

American Legion

Sioux Falls, SD

Tickets: 605-336-3470

JAN. 9

Donkey Basketball!

7 p.m.

Community Center

Wessington, SD

605-354-3598

JAN. 10

Knights of Columbus Coats for Kids Bowling Tournament

1 p.m.

Meadowood Lanes

3809 Sturgis Rd.

Rapid City, SD

JAN. 20

Prohibition & the Pig

Lake Cty. Museum Fundraiser;

Prohibition-Era Bootlegging

6 p.m.-7:30 p.m.

\$60 per ticket

The Office Bar & Grill

Madison, SD

605-256-5308

JAN. 22

Gentleman's Quartet: Instrumental

7 p.m.

Johnson Fine Arts Center

Aberdeen, SD

JAN. 23-24

Pro Snocross Races

Deadwood, SD

605-578-1876

JAN. 30

Box Elder Ball

6 p.m.-8 p.m.

Box Elder Events Center

Box Elder, SD

605-390-9341

JAN. 30-FEB. 7

Annual Black Hills Stock Show

Central States Fairgrounds

Rapid City, SD

www.centralstatesfairinc.com

605-355-3861

FEB. 7-8

The Black Market/Formerly

Benson's Flea Market

Sioux Falls, SD

605-332-6004

FEB. 13-16

12th Annual Frost Fest

Brookings, SD

605-692-7444

FEB. 20-22

Winterfest

Fireworks, Parade of Lights,

Bonfire, Snowshoeing

Lead, SD

www.leadmethere.com/winterfest

605-584-1100

FEB. 21

Bellator Titans

Casino Night Fundraiser

6-11 p.m.

City Lights Bar & Event Center

Aberdeen, SD

FEB. 22

C Street Brass

4 p.m.

Johnson Fine Arts Center

Aberdeen, SD

Note: We publish contact information as provided. If no phone number is given, none will be listed. Please call ahead to verify the event is still being held.