

COOPERATIVE CONNECTIONS



Fostering Futures

**Mike Rowe Scholarship
Sponsors Co-op Lineman**

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**Understanding the
Southwest Power Pool**

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Dirty Jobs star Mike Rowe with Work Ethic Scholarship
recipient Tayden Wells at Mitchell Technical College
Submitted Photo

Understanding Your Electric Rates in 2026

Photo Credit: iStock.com/AnastasiiaYanishevska



Ken Schlimgen
General Manager

Happy New Year! It's hard to believe how quickly 2025 came and went, but we welcome 2026 with new goals and a continued commitment to serving you, our member-owners. You should receive this newsletter in late January, and in February you'll see your first electric bill under a new rate structure.

Last fall, Central Electric completed a cost-of-service study to guide the development of the 2026 rate changes, which are necessary due to increases in our wholesale power costs. The

purpose of the study is to ensure that rates are fair, transparent and sufficient to maintain the long-term financial health of your cooperative. Simply put, it helps us fairly recover costs from members based on how electricity is used.

As a member-owner, it's important to understand what makes up the rate you pay, especially with the changes taking effect in 2026 and additional adjustments anticipated in 2027. The cost-of-service study looks at three primary components: fixed operational costs, energy costs and demand (or capacity) costs. Below is a brief overview of how these apply to our largest group of services: residential and farm accounts.

Facility Charge

The facility charge is a \$70 fee for single-phase residential members that goes towards the fixed costs of having electricity available to your meter 24 hours a day, 365 days a year. These costs exist regardless of how much electricity you use and include things like poles, wires, meters and system maintenance. This charge does not recover all fixed costs; some fixed costs are recovered through the energy and demand charges.

Energy Charge

The energy charge is based on the total kilowatt-hours (kWh) you use during the month. In addition to covering a share of fixed costs, this charge recovers our wholesale power costs and

provides the margins needed to keep your cooperative financially strong. Wholesale power now represents about 70% of our total expenses and increased significantly for 2026. These costs are largely driven by how and when electricity is used across the entire membership, and the cooperative has very limited ability to control them.

Historically, energy rates were structured in tiers, with the price per kWh decreasing as usage increased. Over time, that approach has become unsustainable. Beginning in 2026, all standard energy usage will be billed at a flat rate of 13 cents per kWh. Electric heating energy usage will be billed at a reduced rate of 6.75 cents per kWh.

Demand Charge

You may have noticed a new item labeled "Demand" on your bill starting in late 2024. Demand is measured in kilowatts (kW) and reflects the highest amount of electrical capacity you used during any 15-minute period in the month. Think of it like the speedometer in your car—it shows the fastest speed reached during the month, not how far you traveled.

Until now, demand has been shown on residential bills for informational purposes only. Beginning in 2026, there will be a \$1 per kW charge based on your monthly maximum demand for single-phase residential members and a \$2 per kW charge for three-phase residential members. The demand charge more fairly assigns costs to members based on how they use the system. Members who use more capacity will contribute slightly more towards the cost of providing that capacity, and smaller users will pay less. You can learn more about demand on page 6.

Looking Ahead

While the cooperative has little control over when and how electricity is used, you have options to manage your bill. Using energy-efficient lighting and appliances can help reduce overall energy consumption and demand. Being mindful of how many appliances, motors and pieces of electrical equipment run at the same time can help lower your demand and the associated charge. You can also choose to participate in our water heater control program, which helps reduce wholesale power costs for the cooperative as a whole.

It is important to note that Central Electric is a not-for-profit cooperative and electric rates are designed to recover the cost of providing electric service to our members. All excess revenue received by the cooperative is paid back to the members in the form of capital credits. There is no benefit to the cooperative to collect more revenue than what is needed to pay expenses and satisfy our lenders.

Central Electric remains committed to providing safe and reliable electricity at a great value. Thank you for taking the time to understand these changes and for being an engaged and informed member-owner as we move forward together.

Until next month, stay safe!

CENTRAL ELECTRIC COOPERATIVE CONNECTIONS

(USPS 018-963)

Board of Directors

Aurora County - Duane Wolbrink
Brule County - Bradee Pazour
Buffalo County - Donita Loudner
Davison County - Jeff Gustafson
Hanson County - Mark Hofer
Jerauld County - Mark Reindl
Miner County - Robert Banks
Sanborn County - Jeremy White
Director-At-Large - Merl Bechen

CENTRAL ELECTRIC COOPERATIVE CONNECTIONS is the monthly publication for the members of Central Electric Cooperative, PO Box 850, Mitchell, SD 57301. Families subscribe to Cooperative Connections as part of their electric cooperative membership. Central Electric Cooperative Connections' purpose is to provide reliable, helpful information to cooperative members on matters pertaining to their cooperative and living better with electricity. Also available at www.centralelec.coop.

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Contact Us

Office Hours: Monday - Friday 8 a.m. - 4:30 p.m.
Phone: 800-477-2892 or 605-996-7516
Website: www.centralelec.coop

Our Mission

Provide reliable energy and services with a commitment to safety and member satisfaction.

Non-Discrimination Statement:

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident. Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the State or local Agency that administers the program or contact USDA through the Telecommunications Relay Service at 711 (voice and TTY). Additionally, program information may be made available in languages other than English. To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at www.usda.gov/oascr/how-to-file-a-program-discrimination-complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Mail Stop 9410, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender. Central Electric Cooperative, Inc. is an equal opportunity provider, employer, and lender.

Board Meeting Summary

The board of directors met on Nov. 17, 2025, at Central Electric Cooperative's headquarters for the regular board meeting. They reviewed reports by management including details on operations, member services, communications, service department and financials.

Board Report

General Manager Schlimgen reported on South Dakota Rural Electric Association activities, Basin Electric activities, East River Electric Managers' Advisory Committee, construction of the new Howard Service Center, service territory statutes and other management activities.

Ben Bratrud, Rate and Financial Consultant with Power Systems Engineering presented the cost-of-service study and rate study results. Discussion followed.

The board reviewed the 2026 budget recommendations with the required revenue and proposed rate increases presented at the special work plan and budget board meeting in November. Discussion followed.

Director White reported on his new director orientation.

Director Hofer reported on the National Rural Electric Cooperative Association board meeting.

Director Wolbrink updated the board on the East River Electric board meeting.

The board reviewed monthly director expenses.

Director Wolbrink conducted the board self-evaluation.

Board Action

The board considered or acted upon the following:

- A motion was made and seconded to approve proposed rate adjustments effective January 1, 2026. The motion carried.
- A motion was made and seconded to approve the 2026 budget as presented. The motion carried.
- A motion was made and seconded to adopt a resolution entering into a loan agreement with USDA Rural Utilities Service. The motion carried.

There being no further business, President Wolbrink adjourned the meeting. The next board meeting was scheduled for Dec. 15, 2025.

FINANCIAL REPORT	YEAR TO DATE NOV. 2025	YEAR TO DATE NOV. 2024
Kilowatt Hour (kWh) Sales	308,834,392 kWh	313,287,530 kWh
Electric Revenues	\$ 36,080,014	\$ 33,766,783
Total Cost of Service	\$ 35,058,316	\$ 33,158,929
Operating Margins	\$ 1,021,698	\$ 607,853

FIVE WAYS TO SAFEGUARD YOUR HOME THIS WINTER

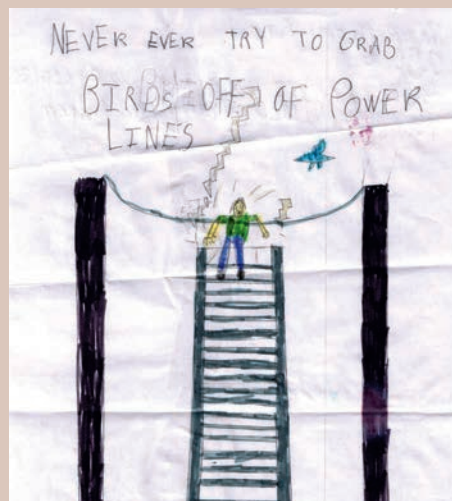
As the temperatures drop and the days grow shorter, there's a natural inclination to create a warm and cozy haven at home. Unfortunately, as we see increased use of heating equipment, candles and electrical items, the number of home fires tends to increase during winter months.

Here are five ways you can safeguard your home for the winter season.

1. Ensure carbon monoxide and smoke detectors are working properly. If your detectors are battery-operated, replace the batteries annually. Test the detectors once a month and give them a good dusting to ensure the sensors are clear of dirt and debris.
2. Inspect electrical cords. We depend on more cords during winter, whether for holiday lighting, extension cords or portable heaters. Before using any corded items, double check to make sure cords aren't frayed or cracked. If you use portable space heaters, remember to keep them at least three feet away from flammable items. Use models that include an auto shut-off feature and overheat protection. Space heaters can take a toll on your energy bills. Use them efficiently (to heat smaller spaces) and safely. Never plug a space heater into a power strip. Speaking of power strips...
3. Avoid overloading electrical outlets and power strips. When overloaded with electrical items, outlets and power strips can overheat and catch fire. If you use power strips for multiple devices, make sure the strip can handle the electrical load. For a safer bet, look for power strips that include surge protection.
4. Clean the fireplace to improve safety and efficiency. There's nothing better than a warm fire on a chilly night, but it's important to maintain your fireplace for safety. As wood burns, a sticky substance known as creosote builds up in the chimney. When creosote buildup becomes too thick, a chimney fire can ignite. The chimney should be cleaned at least once a year to reduce fire risks. Regular cleaning

also improves air flow and limits the amount of carbon monoxide that seeps indoors.

5. Practice safety in the kitchen. As we spend more time in the kitchen during the holiday season, be mindful of potential fire hazards. Never leave food that's cooking on the stovetop unattended. Clean and remove spilled foods from cooking surfaces and be mindful of where you place flammable items like dish towels.



Naomi Krcil, Age 8

Naomi warns readers to never, ever grab birds off power lines. Great job, Naomi! Naomi's parents are Andrew and Andrea Krcil from Dante, 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.

Family Night FAVORITES

SAUERKRAUT BEEF BAKE

Ingredients:

1 lb ground beef
1 can sauerkraut, rinsed and drained
1/2 cup instant rice
1 can cream of mushroom soup
1 soup can water
2 tbsps. onion soup mix
1 small can sliced mushrooms (optional)

Method

Brown ground beef, drain excess fat. In large bowl, mix all remaining ingredients. Transfer to a greased 2-quart casserole or baking dish.

Cover and bake at 350°F for one hour or until heated through.

Sally Florey
Charles Mix Electric

MINI BBQ BACON CHEDDAR MEATLOAF

Ingredients:

2 lbs. ground beef
6 oz. chili sauce
4 slices bacon, cooked and crumbled
1 1/2 cups sharp cheddar cheese, shredded
1/2 cup panko breadcrumbs
2 large eggs
1 tsp. onion powder
1 tsp. seasoned salt
1 tsp. garlic powder
2 tbsps. Worcestershire sauce
1 tsp. yellow mustard
1/2 cup BBQ sauce

Method

Preheat oven to 425°F.

Cook and crumble bacon.

In a mixing bowl, mix together all meatloaf ingredients except the BBQ sauce.

Divide the mixture into 8 round loaves. Press a small depression into the middle of the meatloaves.

Brush BBQ sauce on top of the meatloaves.

Bake for 25 minutes. Turn on broiler and brown the BBQ sauce for 2 to 5 minutes.

Kayla Beaner
Southeastern Electric

SMOKED MEATLOAF

Ingredients:

1 cup panko breadcrumbs
1 cup whipping cream
1.5 lbs. 93% lean ground beef
1 lb. ground pork
1/2 pkg. bacon
2 eggs, beaten
2 tps. Worcestershire sauce
1-2 tps. minced garlic
1/8 cup ketchup
2 tps. Heifer Dust (spice)
1/2 tsp. ground pepper
1/2 sweet onion, chopped
1/2 green pepper, chopped
1-2 carrots, chopped
1-2 celery stalks, chopped
1/2 carton mushrooms, chopped

Basting Sauce

Cookies BBQ Ketchup
Brown sugar Dry mustard
Apple cider vinegar

Method

Turn Traeger to Smoke then set to 225°F and preheat for 15 minutes.

Combine the vegetables, drizzle with olive oil and microwave for about 2 minutes to soften. Cool for 10 minutes. Mix everything in a large bowl with hands. Form into a large loaf on parchment paper. Place bacon strips on grate pan. Gently flip loaf onto the bacon lined grate pan.

Place on grill and smoke for 45 minutes. Increase temperature to 325°F. Preheat for 10 minutes. Return to grill and insert probe. Cook until internal temperature reaches 160°F – about 1-2 more hours depending on size of loaf.

During the last 15-20 minutes, baste heavily with barbeque sauce mixed with brown sugar, ketchup, mustard and a little apple cider vinegar or apple juice.

Deb Prins
Cam Wal 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 2026. All entries must include your name, mailing address, phone number and cooperative name.

WHAT IS THE DEMAND CHARGE ON MY BILL?



Current Service Detail		
Facility Charge		70.00
Energy (kWh) Charges	710 kWh @ 0.13	92.30
Sub Meter Charge		5.00
Sub Meter (kWh) Charge	1,680 kWh @ 0.0675	113.40
Demand Charge	17.433 kW @ 1.00	17.43
Total Electric Charges		298.13
Sales Tax		12.52
Operation Round Up		0.35
Total Current Charges		311.00

Visit www.centralelec.coop/demand or scan the QR code below for more information about demand:



www.centralelec.coop/demand

Have Questions?
Call 800-477-2892.



Demand is the rate at which electricity is used. It is the amount of electricity required to power all of your lighting, heating and cooling equipment and plugged-in appliances at the same time.

Staggering the use of electric appliances lowers your demand, as shown below. To monitor your energy usage and demand, members can download the SmartHub app on a cell phone or tablet.

DEMAND = 12 KILOWATTS

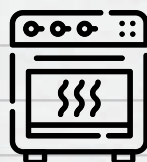
DRYER = 3 KW



WATER HEATER = 4 KW



STOVE = 5 KW



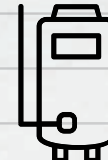
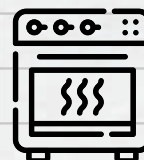
7 P.M.

Running the dryer, water heater and stove at the same time generates approximately 12 kilowatts of demand on top of lighting, heating/cooling equipment and plugged-in electronics.



Staggering the use of electric appliances lowers your demand.

DEMAND = 5 KILOWATTS



6 P.M.

7 P.M.

8 P.M.



Central Electric Hosts Annual Legislative Luncheon

Central Electric hosted its annual legislative luncheon on Dec. 15 to engage in discussions with elected officials before the 2026 legislative session begins. Your co-op board of directors uses opportunities such as the legislative luncheon to discuss issues that could affect cooperatives and the membership.

Those in attendance included District 19 Reps. Drew Peterson and Jessica Bahmuller, District 20 Sen. Paul Miskimins, District 26B Rep. Rebecca Reimer and Central Electric board members and staff.

Board President Duane Wolbrink and General Manager Ken Schlimgen started the meeting with introductions and background on Central Electric. Chris Studer of East River Electric and Steve Barnett of SDREA discussed industry happenings and proposed legislation. Lawmakers shared their perspectives on upcoming legislative issues.

The South Dakota Legislative Session runs from January 13 through March 13, with Veto Day on March 30. To find contact information for your legislators, use the interactive map at www.sdlegislature.gov/Legislators/Find. The cooperative continues dialogue with our local legislators throughout the session. Please contact General Manager Ken Schlimgen to discuss legislative issues affecting electric cooperatives.



District 20 Sen. Paul Miskimins shares his thoughts on issues lawmakers will face during the 2026 legislative session.



District 26B Rep. Rebecca Reimer and Chris Studer of East River Electric talk during the legislative luncheon.

Honoring Those Who Make A Difference

Nominations for the Who Powers You contest will open in February and remain open through early April. Hosted annually by the region's Touchstone Energy® Cooperatives, the contest shines a spotlight on the people and organizations whose dedication and service help strengthen communities across the area.

Community members, organizations and individuals who live or work within the service territory of the region's Touchstone Energy Cooperatives are eligible for nomination. From volunteers and educators to nonprofit groups and local leaders, the contest recognizes those who go above and beyond to make a positive impact.

"The Who Powers You contest reflects our commitment to the communities we serve," said Tara Miller, Manager of Communications at Central Electric. "It's about recognizing the people and organizations whose work makes a real, lasting impact."

Weekly finalists will be featured on KELOLAND Living, with the top honorees receiving cash awards. The grand prize winner will receive \$3,000, second place will receive \$1,500 and third place will receive \$500.

To learn more about the Who Powers You contest and submit a nomination, visit WhoPowersYouContest.com.



FOSTERING FUTURES

'Mike Rowe Scholarship' Winner Kicks Off Career at Electric Co-op

Jacob Boyko

jacob.boyko@sdrea.coop

For many high schoolers, figuring out the next steps after graduating is a time for making big decisions and answering tough questions. What do I want to do for a career? Should I go to a university or technical college? Will I be able to pay off all of this college debt?

Tayden Wells' mind was already made up following a great high school internship and a little bit of faith and support from others. Wells was awarded numerous scholarships, but none as prestigious – nor time-consuming – as the Work Ethic Scholarship from 'Dirty Jobs' star Mike Rowe.

Discovering the Passion

Growing up around linemen, Tayden had an early appreciation for their work, unpredictable schedules and the expansive grid of wires and poles that keeps everyone's lights on.

"As a child I'd be sitting in the house and all of a sudden, Dad would up and vanish," Tayden explained. "And I always wondered, what's he doing? Where's he going? Why is he going to work on a Saturday or in the middle of the night? And then finally it occurred to me that we rely on the power grid, and when the power goes out, linemen go to work."

Tayden's dad, Travis, is a lineman at Clay-Union Electric in Vermillion, S.D. Tayden recalls the long car rides on hunting trips with his dad and uncle – also a lineman – where the conversations would drift to the power lines outside the truck windows.

"I'd hear them talking, using linemen slang like 'distro' (distribution lines) and 'T-lines' (transmission lines)," Tayden said. "They really sparked my interest."

When Tayden's high school business teacher told students to think about internships, he knew exactly where he wanted to go.

It All Started With an Internship

Tayden's teacher made the call to Union County Electric Cooperative in Elk Point, S.D. After getting the green light from the board of directors, Tayden was cleared to shadow the crew for about 10 hours a week as he learned the ins and outs of the job.

"He was always looking for something to do, and he also asked a lot of questions and had an eagerness to learn," General Manager Matt Klein said about Tayden's work ethic. "When I saw that, I knew he would fit in well with the rest of our team."

Klein offered the high school senior a full-time summer



internship where he continued to expand his skills before heading to Mitchell, S.D., in the fall.

Mike Rowe's Work Ethic Scholarship and the S.W.E.A.T. Pledge

With his mind made up after the internship, Tayden's next step was to enroll in the power line program at Mitchell Technical College for a formal education – and find scholarships to help pay for it.

A straight-A student involved in athletics and extracurricular activities, Tayden applied for numerous scholarships, including the highly competitive Work Ethic Scholarship.

The scholarship, founded and administered by Mike Rowe and his foundation, offers millions of dollars to kids around the nation interested in pursuing trade careers.

Electricians, linemen, HVAC, nursing, culinary, automotive, even cosmetology – just no four-year bachelor's degrees.

"We promote skilled trades and want to get people into good-paying jobs without them drowning in debt," explained mikeroweWORKS President Mary Sullivan, who oversees the scholarship. "It's just heartbreaking seeing the amount of kids taking on college debt and graduating and aren't able to find jobs in their chosen field. Even more heartbreaking – but less reported – is the number of kids that drop out partway through the program with the debt and no piece of paper."

The scholarship's application process is different too – it's intensive, spanning several months and requires applicants to submit a video, answer questionnaires, gather references and think critically about the scholarship's curriculum.

The scholarship attracts thousands of applicants, but by the end, only the most committed, hardest working remain.

"We want to give scholarships to the kids who are passionate – they show up early, stay late and help others," Sullivan explained. "One of the recipients said he applied for 20 scholarships, and if you put all the other 19 into a bucket, ours still took more

time – but he said there was a level of pride in receiving it. High school kids today need to see 18-20 year olds who are successful, and the scholarship program allows us to meet students we believe are good representatives for the industry.”

Part of the curriculum includes the S.W.E.A.T. Pledge (Skill & Work Ethic Aren't Taboo) video series that walks students through 12 pledges Rowe designed to promote strong work ethic and foster successful careers, which include:

“I do not follow my passion. I bring it with me. I believe that any job can be done with passion and enthusiasm.”

“I deplore debt and do all I can to avoid it. I would rather live in a tent and eat beans than borrow money for a lifestyle I can't afford.”

After completing all of the curriculum and proposing a 13th S.W.E.A.T. pledge for a final project, Tayden was awarded \$16,000 to cover his education.

And when Rowe traveled to MTC in 2024, Tayden got the chance to thank Rowe face-to-face.

“Mike told me, from his mouth, that my scholarship was one of the highest amounts they gave out that year,” Tayden said. “That was very cool to hear.”

Rowe said Tayden stood out among thousands of applicants and embodies the qualities the scholarship promotes.

“Tayden checked all the boxes, and then some,” Rowe said. “His references were great, his attitude was great, his essay was great, and his comments about The SWEAT Pledge were spot on. His willingness to pursue a skill that's in demand, along with his attitude and work ethic, make him a perfect example of the qualities we're trying to encourage with our scholarship program. The country needs thousands more like him.”

Reflecting On the Journey

Tayden graduated from the power line program in 2025. He credits his success in part to his internship, saying the out-of-classroom experience set him up for a good year of training at MTC and a rewarding career with electric cooperatives.

“I kind of had the upper hand going into the program with my internship,” Tayden said. “I was able to see stuff before I went to school, so I kind of had a good understanding of the basics. But for kids coming in, some of them obviously struggle. I'm a very hands-on, visual learner, so because I was able to see it beforehand, the bookwork and the schooling really clicked a lot better with me.”

Today, Tayden is a full-time apprentice lineman at Union County Electric, where he continues to accumulate hours and complete coursework to earn his journeyman lineman certification. He encourages other young people not to overlook a career in the trades – or the Work Ethic Scholarship.

“With all of the talk about AI now, the trade jobs are always going to be there,” Tayden said. “Without oil fields we wouldn't have gas, and without electricity we wouldn't have lights. Mike realizes that the world revolves around the trades, and he wants to see kids strive and succeed because in the trades there are endless opportunities, just like any other job.”

Why is it so important that more young Americans enter the trades, and what does a shortage of skilled workers mean for the country?

For decades, the skills gap has been a tragedy of missed opportunity, both for students who weren't encouraged to consider a lucrative and viable path and the industries that rely on skilled labor. It still is. Today though, it's also a matter of national security. Not a week goes by that MRW doesn't get a call from an industry leader, desperate to hire skilled workers. The US Maritime Industrial Base told me they need 250,000 tradespeople to build nuclear subs. The automotive industry has over 100,000 openings for mechanics and collision repair techs. The energy industry needs half a million electricians, and the construction industry has so many openings they've stopped counting. The skills gap is real, and I can tell you that every CEO and every elected official I know are paying attention like never before.

What's one piece of advice you have for young people who are deciding their career path?

With regard to choosing a career, there's nothing more dangerous than dispensing advice to people you've never met. Same thing with choosing an education. We told an entire generation of kids that a four-year degree was the best path for the most people and then pressured them to borrow whatever it took to buy a degree, regardless of the cost. That kind of cookie-cutter advice was a colossal mistake and a big reason why we have millions of open jobs today that don't require a college diploma and lots of college graduates with a trillion dollars in student debt and no work in their chosen field. The only advice I generically offer to young people is to be very careful about “following your passion.” Just because you're passionate about something doesn't mean you can't suck at it. Obviously, it's important to be passionate about whatever you do, but passion – like work ethic – is a choice, and life is a lot easier when you figure out a way to be passionate about whatever it is you're good at. (People hate hearing that, by the way, but it's the truth.)

What do you see as the single biggest misunderstanding young people have about working in the trades today?

The trades are surrounded by dozens of stigmas, stereotypes, myths and misperceptions that dissuade people from giving them an honest look. I guess if I had to pick one, I'd point to the stubborn belief held by many parents that their kids can't make six figures working with their hands. It's laughably and demonstrably false. And fun to disprove. Also – the simple fact that the road to so many successful small businesses often starts with the mastery of a skill that's in demand. The number of successful entrepreneurs in the skilled trades is enormous, and more people need to understand that.

What can teachers, community leaders and co-ops do to better identify and support young people interested in a trade career?

Start a “Career Reality Day” where local linemen, meter technicians and substation operators come in and talk real numbers. Not feel-good fluff, but actual wages, benefits, and career paths. When kids hear that a journeyman lineman can make \$80,000 a year without student loan debt, that gets their attention.



Central Electric Crews Installed New Services in December

As cold temperatures settled in across South Dakota, line crews continued the important work of installing new electric services for our members.

Winter brings added challenges for installing new electric services with shorter days and frozen ground. However, these conditions do not affect our commitment to keeping homes, farms and businesses connected to reliable power.

Working in freezing soil is not ideal, requiring extra time, specialized equipment and careful planning to safely set poles, trench lines and complete installations. Crews often contend with wind, snow and icy conditions, all while maintaining strict safety standards to protect themselves and the public. Winter installations are a testament to the dedication and skill of our line crews.

Please contact us now if you plan to add a new structure with electric service at your home or farm in 2026 so we can plan ahead and get you on the schedule when weather is more suitable for this type of work.



East River Electric System Improvements

Over the past several years, East River Electric has invested in system improvements by upgrading and replacing transmission lines originally constructed in the 1950s. Pictured above is a transmission line near Interstate 90 northwest of Alexandria being decommissioned in December 2025. This is one of the final sections of original 1950s-era line to be replaced within Central Electric's service territory.

The oldest transmission line in Central Electric's area is now the Storla tap, built in the 1960s, followed by the Letcher tap, constructed in 1977. These ongoing infrastructure upgrades strengthen the electric system, providing increased capacity, improved reliability and long-term benefits for the members we serve.

EMPLOYEE YEARS OF SERVICE



Tony
Mitchell Area
Foreman
21 years on Jan. 3



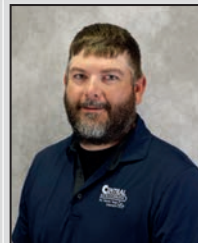
Joey
Journeyman
Lineworker
Mitchell Crew
4 years on Jan. 3



Kevin
Journeyman
Electrician
20 years on Jan. 16



Ken
General Manager
41 years on Jan. 28



Brandon
Appliance Repair
Tech & Electrician
7 years on Feb. 4



Cody
Journeyman
Lineworker
Mitchell Crew
11 years on Feb. 9

UNDERSTANDING SERVICE FEES



Lincoln Feistner

Sales & Project
Manager

Central Electric has a qualified team of licensed electricians, heating and cooling technicians and an appliance repair technician. There are sometimes questions about our service fees. I want to go over the information to help you better understand how we bill.

Let's start with member services fees, which apply to consumer wiring, heating and cooling or appliance services. Currently, we charge a \$110 minimum fee for any service call we perform that

takes less than one hour, and \$110 per hour for any additional time.

You might be wondering, why \$110 for any service call under one hour? To be fair to all members from Chamberlain to Winfred, we charge \$110 for the first hour to cover prep time, drive time and mileage. Most other contractors charge mileage both ways, and their clock starts when they leave the shop and runs until they return.

Billing Factors to Keep in Mind

Each employee on a job is billed out at \$110 per hour. For example, if two employees are required, the rate is \$220 per hour, and so on.

Time spent gathering parts, loading materials and completing related paperwork is billable time.

If there's an emergency that requires our employees to leave their current job site, billing will start from the time they pull off the job, complete the emergency work, and return to the original site.

Heavy Equipment and Truck Fees

- Bucket trucks, backhoes, jet vacs, skid loaders, and digger trucks: \$120 per hour with a one-hour minimum. Operator not included.
- Trenching: \$3.50 per foot. Operator not included.
- Underground locating: \$90 per service request for locator equipment. Operator not included.

After-Hours Fees

We offer after-hours service and are always willing to help if you need us outside of regular business hours. Please note that our after-hours fees start at \$145 per hour, with a minimum of two hours of billable time.

Charges include mileage and apply to the time spent at the job site and the time spent driving to and from the location. Time spent on paperwork and preparing materials is also billable. Billable time may be charged in half-hour increments.

Security Lights

Our electricians can install security lights to help you light up the driveway or the cattle yard. Security lights are billed at cost plus 5%. The electrician's time is billed at the applicable rate.

I hope this summary helps you better understand Central Electric's service fees. Our goal is to cover the cooperative's expenses while continuing to provide quality and dependable service at a reasonable price.

Please reach out with any questions. If you'd like a free estimate on your next heating and cooling or electrical project, give us a call at 1-800-477-2892.



UNDERSTANDING THE SOUTHWEST POWER POOL

Basin Electric's trading floor connects the cooperative to the broader wholesale electricity market.

Submitted Photo

Frank Turner

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When looking at the entire electric grid, electric cooperatives are just one component in a much larger system. Understanding how that system works, and how power is planned and shared across the region, provides important context for decisions that affect reliability, long-term infrastructure investments and, ultimately, the cost of electricity.

Southwest Power Pool

Every electric cooperative in South Dakota operates within the Southwest Power Pool (SPP), a regional transmission organization that oversees the grid. Really, electric cooperatives are all essential pieces of a larger,

regional puzzle that keeps the lights on.

SPP manages a wholesale electricity market and operates transmission lines across all or parts of 14 Midwest states, including South Dakota.

In 2015, East River Electric Power Cooperative joined the Southwest Power Pool along with Basin Electric Power Cooperative and the Western Area Power Administration Upper Great Plains Region. This move allowed electricity generators in the state to participate in a larger regional market, making it easier and more efficient to buy and sell energy across the grid.

Electric cooperatives aren't the only utilities operating within this regional system. Investor-owned utilities and

municipal utilities also participate in the SPP, all feeding into the same wholesale electricity market. By sharing transmission lines and following the same market rules, these utilities help create a broader, more flexible grid, allowing power to move long distances to where it's needed most.

"SPP is like a traffic director of electricity, because it doesn't own any assets," said Kristi Fiegen, South Dakota Public Utilities Commissioner and chair of the Southwest Power Pool's Regional State Committee. "They direct traffic and work to make sure the transmission lines and generation are bringing electricity to about 18 million customers on a second-by-second basis. That supply has to equal the demand every single second."

Winter Storm Uri

Another important benefit of participating in SPP is its ability to support the grid during extreme weather or unexpected outages, when regional coordination becomes especially important. Because SPP manages electricity across such a large footprint, the system can draw on resources from far beyond state borders. For example, when a power plant in North Dakota goes offline for routine maintenance, electricity from another state can cover the gap. Likewise, during severe winter weather in the South, generation from the Dakotas can help support the southern part of the grid.

That system maintained regional reliability until Feb. 2021, when it was pushed to its limits by Winter Storm Uri, which caused widespread power outages across Texas. According to the Federal Energy Regulatory Commission, 4.5 million people in Texas lost power during the storm.

“Winter Storm Uri woke up the entire nation, because we didn’t know how vulnerable we were,” said Fiegen.

The storm prompted SPP to reexamine how the grid maintains regional reliability during the winter. Part of that change involved increasing the reserve margin — the extra electric generation capacity kept on hand beyond what is normally needed — to help the system withstand extreme cold and unexpected outages. The goal, according to Fiegen, is to ensure enough power is available across the region, especially on the coldest days of the year.

“Since Winter Storm Uri, we have spent much of our time focused on resource adequacy policies,” Fiegen said, referring to SPP leadership and regulatory committees.

Reserve Margin

One significant change set to take effect in the 2026/2027 winter season is SPP’s adoption of a winter planning reserve margin, which increases the amount of generation required to be available during the winter season. The change will apply across the SPP footprint, including impacts to Basin Electric, which supplies power to cooperatives across South Dakota, North Dakota, Montana, Minnesota and much of the Midwest.

Through an increased winter reserve margin, the SPP aims to better prepare the entire SPP footprint for extreme weather and periods of unusually high electricity demand, helping ensure reliable power for homes, businesses and industries across the SPP footprint.

So, what does this mean for cooperative members in South Dakota? Valerie Weigel, senior vice president of Energy Markets and Dakota Coal Operations at Basin Electric, said higher reserve margins means Basin Electric needs to supply more generation capacity to the SPP market to meet expected peak winter demands, which affects Basin Electric’s wholesale rates for the cooperatives it serves.

“The increase in reserve margins means we need to build additional generation to ensure we have enough accredited resources to meet new planning requirements,” Weigel said. “As we look toward the rate increase in 2026, part of that increase reflects the cost of adding these resources to meet updated market requirements.”

Learning The Lingo

Transmission

High-voltage power lines and related infrastructure that move electricity long distances from power plants to local utilities. Transmission allows electricity to be shared across regions, especially during emergencies or peak demand.

Generation Capacity

The maximum amount of electricity that a utility’s power plant or portfolio of power plants can produce at one time. Capacity matters most during peak demand, when the grid is under the most strain. This may happen during extreme heat or cold, when people are using more electricity to heat or cool their homes.

Southwest Power Pool (SPP)

A regional transmission organization that coordinates electricity transmission and wholesale power markets across 14 Midwestern states, including South Dakota and Minnesota. SPP does not own power plants or transmission lines; instead, it manages how electricity flows across the regional grid.

Regional Transmission Organization (RTO)

A federally approved organization, like SPP, that operates the electric grid across multiple states. RTOs balance supply and demand, manage wholesale electricity markets and plan for long-term grid reliability.

Reserve Margin

The extra amount of generation capacity kept available above expected peak demand. This extra capacity helps the grid handle extreme weather, unexpected outages or sudden increases in electricity use.

CO-OPS GIVE LENDING HANDS

How Electric Cooperatives Fund Economic Development In Their Communities

Jacob Boyko

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Small towns and rural communities are the backbone of electric cooperatives. That's why co-ops across South Dakota are committed to investing in their communities and promoting economic development.

Through co-ops' Rural Electric Economic Development (REED) Fund and other lending sources, co-ops can further support their communities by lending money to projects they determine will provide jobs in the community, improve services or otherwise benefit the co-op's membership.

How It Works

As member-owned utilities, electric co-ops are eligible for a USDA program called the Rural Economic Development Loan and Grant Program (REDLG). Through this program, co-ops can apply for grants and zero-interest loans and re-lend the money to qualifying projects in their communities.

There's also the Intermediary Relending Program (IRP), a USDA program that offers low-interest loans to organizations including nonprofits, public agencies or other eligible intermediaries that relend the money to help kickstart local economic development projects.

A co-op can apply for the USDA funding and lend it to a qualifying project in their community. Since the funds come from USDA, the co-op is not risking its own capital, but it does carry responsibility for managing the loan and ensuring repayment.

The Rural Electric Economic Development (REED) Fund

In the 1990s, co-ops wanted to support economic development beyond what they were receiving from existing programs.

East River Electric Power Cooperative, the generation and transmission cooperative serving distribution co-ops in Eastern South Dakota and Western Minnesota, kickstarted the REED Fund in 1996. REED lends money from the USDA's REDLG program at 0% interest and IRP program at a rate slightly higher than what the USDA lends to cover loan losses and other administration expenses. This creates a revolving fund, building up the REED Fund so it can support even more economic development projects in the future.



(From Left) Oahe Electric Cooperative CEO Jordan Lamb with Tori and Garrett Peterson after finalizing their REED loan to purchase their daycare in August, 2025. About 50% of their total funding was through their REED loan.

Photo by Jacob Boyko

REED doesn't fund projects alone – it acts as a co-lender. When a traditional lender like a bank or credit union won't lend for the total amount needed, REED can lend up to 50% of a project cost to get it over the finish line. Plus, REED's often-lower interest rates can reduce overall costs to the business, which is pivotal for projects with high start-up expenses.

Through REED, cooperatives have helped fund more than 400 projects since the fund's inception, said Eric Fosheim, East River Electric's economic development director in charge of the REED Fund. Fosheim says the roughly \$130 million lent by REED has supported more than 10,000 jobs and generated more than \$1 billion in economic impact in South Dakota and Minnesota.

Lil' Gov's Bright Beginnings

One of those projects is Lil' Gov's Bright Beginnings, which opened last August in Pierre.

Garrett and Tori Peterson never thought they'd own a daycare, but when the couple learned they'd soon have their third child, they knew they'd have to make a difficult decision about childcare.

"Financially, it would almost be my whole paycheck going to daycare," said Tori, who at the time worked as a seventh grade science teacher. "Do I continue to work and send my kids to daycare, or do I stay home with them?"

Garrett saw an online listing for a daycare business and sent the listing to Tori. After some thought, Tori decided it would work well – she'd get to be with her children, help support her family, and provide a needed service in her community.

Tori's father, Scott Moore, is the general manager at FEM Electric Association, the cooperative serving Faulk, Edmunds and McPherson counties in northeast South Dakota. He suggested Tori and Garrett reach out to Oahe Electric Cooperative, the electric cooperative serving the Pierre area, to apply for REED funding.

Jordan Lamb, CEO of Oahe Electric, worked with Tori and Garrett through the application process. He called the Petersons' daycare a "great asset to the Pierre area."

"Commitment to community is one of the seven cooperative

principles, and we saw a declining population of daycare providers in our rural area,” Lamb said. “Safe, affordable daycare promotes a pillar to the safety in the homelife of many families in our community, and we were planning to ensure that affordable, reliable and safe daycare facilities are accessible to not only our members but also the surrounding area to improve and promote child development. This will ensure the next generation has proper tools and guidance to one day change the world in a positive way. We are blessed to have the Petersons locate their business here.”

Tori’s goal for Lil’ Gov’s Bright Beginnings is to be more than a daycare. She offers an included service where parents who are low on evening free-time can sign their kids up for daytime YMCA swim lessons, and she will shuttle the kids to and from the lessons. She’s also developing the curriculum for her new preschool program.

“One thing we struggled with as working parents was that it’s really hard to find a preschool,” Tori said. “A lot of preschools are only a couple of hours per week, and you have to leave work to drop your kids off and pick them up. As a teacher, if it didn’t work in my schedule, I couldn’t just leave. And my husband has meetings and can’t always drop everything. My goal is to have a one-stop-drop where you drop your kids off before work, and they can have preschool, get fed, go outside, do arts and crafts, and you pick them up after work.”

Today, Lil’ Gov’s Bright Beginnings has eight employees, and provides childcare for about 30 community children – a number Tori hopes to see grow. She credits the REED fund for giving her business the boost it needed to get off the ground and begin serving the community.

“I just think it says a lot about how co-ops are for the community,” Tori said. “I’m not an Oahe Electric member – I live in city limits, and they were willing to fund a daycare that wouldn’t help them financially either because it’s also in city limits. But their willingness to give us a lower rate and help us finance shows how much they are willing to give back to the community.”

REED Serves Non-Profits and Municipals

REED isn’t just for small business ventures – it also offers reduced-rate financing for community nonprofits and municipalities.

Over the last year, REED helped finance infrastructure expansion for three business parks in the Corsica, Hartford and Parkston communities.

“All three of these projects will bring new jobs and investment into their respective communities,” explained REED’s Eric Fosheim. “In some cases, communities that haven’t seen those new



Garrett and Tori Peterson meet with Jordan Lamb and East River Electric's Senior REED loan officer, Janis Dailing. *Photo by Jacob Boyko*



At the time of publishing, Lil' Gov's Bright Beginnings provides childcare for 30 children, including space for five children under 1 year old. *Submitted Photo*

job opportunities for some time.”

While Hartford is served by Sioux Valley Energy, the Corsica and Parkston communities rely on other, non-co-op power sources. Still, the projects were approved for REED funding because ultimately, co-ops’ goals are to improve rural communities and the lives of their members in and around those communities.

“Even if a project is not served by the cooperative, it will very likely be beneficial to the membership living in that region,” Fosheim added. “One of the top determining factors considered by the board when approving a loan is whether this project will be good for the community. If that answer is yes, it is almost always followed by an approval from the board.”

He continued, “In an era where we are seeing populations in rural areas of the state slowly dwindle, these communities are saying, ‘That’s not going to be us. We need to take steps to keep our young people here, and to give our young people a reason to move back after they go and get further educated.’”



**RURAL ELECTRIC
ECONOMIC DEVELOPMENT, INC
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Want to Learn More? Visit www.REEDFund.coop for information on services.

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FEB. 20-22
Winterfest 2026
Lead, SD
www.leadmethere.org/winterfest

Photo Courtesy of Lead Area Chamber of Commerce

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.

JAN. 30-FEB. 7
Annual Black Hills Stock Show
Central States Fairgrounds
Rapid City, SD
www.centralstatesfairinc.com
605-355-3861

JAN. 30
Shoot for a Cure
Aurora County Cancer Fundraiser
Plankinton, SD

FEB. 1
The Great Lake County Hotdish Competition
11:30 a.m.-1:30 p.m.
St. Thomas School Gym
Madison, SD
605-256-5308

FEB. 5
Soil Health Event
9:30 a.m.-3:30 p.m.
Highland Conference Center
Mitchell, SD
www.SDNoTill.com

FEB. 6-7
31st Annual Dinner Theater
Reliance Legion Hall
Reliance, SD
Tickets: 605-730-0553

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

FEB. 14
Polar Bear Chili Cook-Off
11 a.m.-2 p.m.
Hill City, SD

FEB. 15-MARCH 15
Chamberlain-Oacoma Burger Battle
At Participating Restaurants
Chamberlain, SD
Oacoma, SD
ChamberlainSD.com

FEB. 20-21
Women In Blue Jeans Conference
Highland Conference Center
Mitchell, SD
www.womeninbluejeans.org

FEB. 21
Knights of Columbus Fishing Derby & Raffle
10 a.m.-2 p.m.
Enemy Swim Lake, Waubay, SD
605-881-5075

FEB. 21
All Ability Skate
12-3 p.m.
Main Street Square
Rapid City, SD
disabilityaac@rcgov.org

FEB. 24
Life as an Astronaut
Free Presentation by NASA
Astronaut Charles Gemar
7-8 p.m.
DSU Science Center
Madison, SD
605-256-5308

MARCH 5
SD Jazz Festival
7:30 p.m.
Johnson Fine Arts Center
Aberdeen, SD

MARCH 7
Free Christian Men's Event
The Barn at Aspen Acres
8:30 a.m.-1:30 p.m.
Spearfish, SD
Register: RiseUpMen.com

MARCH 7
Night at the Races & Happy Hour
7 p.m.
Community Center
Chamberlain, SD
605-730-1046

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.