

# COOPERATIVE CONNECTIONS



## Building Communities

REED Fund Helps  
Support Local Growth

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DERs and the  
Electrical Grid

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Dave Eide, right, presents a check to Jason Foster, left, fire chief of Garden City Fire Department. Through the REED fund, the department secured a loan to renovate the fire hall.

## MANAGER'S MESSAGE



This fall, the Kimball crew worked to bring power to a future housing development in Fort Thompson.

# Celebrating 25 Years, Looking Ahead to 2025 Projects



**Ken Schlimgen**  
General Manager

It's hard to believe, but 2025 marks the 25th anniversary of Central Electric Cooperative! In 2000, Tri-County Electric of Plankinton and Intercounty Electric of Mitchell joined forces to form Central Electric Cooperative, building on a legacy of service that began in the late 1940s. We look forward to celebrating this milestone with you at our Annual Meeting in September.

As we close out 2024, we're finalizing our December financial reports, so year-end figures are not available yet. We intentionally budgeted very small margins, and if you look at the information on the bottom of page 3, you can see our plan is working flawlessly. Our budget includes allocating excess revenue from previous years to improve December financials, ensuring we meet the requirements of our lenders and maintain financial health.

Starting in January 2025, electric rates increased to address rising wholesale power costs and operational expenses. While nobody likes rate adjustments, these changes are necessary to continue providing reliable service and meet the evolving needs of our cooperative.

As we look to the coming year, your cooperative will continue the traditional list of offerings for our members. This includes scholarships, the NRECA Youth Tour, rebates, electrical wiring, heating and cooling services and a member tour of Basin Electric.

The operations department has a very busy year ahead of them. We know of several state highway improvement projects which require the relocation of our power lines. East River Electric is making improvements to three substations and installing a new switchyard. These projects require

your cooperative to move lines and install new switchgear. Crews will install high-voltage infrastructure for High Plains Processing, the new soybean plant near Mitchell. They will also replace 50-55 miles of older overhead lines. All of this work is in addition to the usual requests for new services and system maintenance projects.

Puetz Design+Build will begin constructing the new Howard Service Center this spring. That project is expected to be completed in late 2025. Located on the west edge of Howard, the facility will feature an 80x100-foot building and a two-acre fenced yard, providing a base for two permanent employees, equipment and materials.

Last year, we launched the web-based Nova Power Portal to guide members who are looking to interconnect energy resources such as solar panels, wind turbines, batteries, EV chargers and standby generators. This tool, available at [www.centralec.coop](http://www.centralec.coop), provides step-by-step guidance for members and installers, ensuring projects are safe, consistent, and efficient while maintaining reliable electric service.

To manage power costs when the demand for energy is high, our load management program helps reduce wholesale power purchases. This is accomplished by members who voluntarily allow the cooperative to install devices to control their equipment during peak times. The current system, installed in the 1980s, is being replaced as part of a four-year plan. In 2025, we'll contact members in Miner, Sanborn, and Hanson Counties to upgrade their devices with modern technology.

As you can see, 2025 will be a busy and exciting year for Central Electric Cooperative. We remain committed to delivering reliable electricity and enhancing the services we provide to our members. Thank you for your continued support — we're proud to serve you!

Until next month, stay safe.

**CENTRAL ELECTRIC  
COOPERATIVE  
CONNECTIONS**

(USPS 018-963)

**Board of Directors**

Aurora County - Duane Wolbrink, President  
 Brule County - Bradee Pazour  
 Buffalo County - Donita Loudner  
 Davison County - Jeff Gustafson, SDREA Director  
 Hanson County - Mark Hofer - Secretary & NRECA Director  
 Jerauld County - Mark Reindl, Treasurer  
 Miner County - Robert Banks  
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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.centralecc.coop](http://www.centralecc.coop).

Subscription information: Central Electric Cooperative members devote 50 cents of each monthly electric payments for a subscription. Non-member subscriptions are available for \$12 annually. Periodicals Postage Paid at Central Electric Cooperative, PO Box 850, Mitchell, SD 57301, and additional mailing offices.

Postmaster: Please send address changes to Central Electric Cooperative, PO Box 850, Mitchell, SD 57301. Address all other correspondence to: Cooperative Connections, PO Box 850, Mitchell, SD 57301 Telephone: (605)996-7516; Fax: (605) 996-0869; e-mail: [cec@centralecc.coop](mailto:cec@centralecc.coop); website: [www.centralecc.coop](http://www.centralecc.coop).

**Contact Us**

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 Phone: 1-800-477-2892 or 1-605-996-7516  
 Website: [www.centralecc.coop](http://www.centralecc.coop)

**Our Mission**

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

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**Board Meeting Summary**

The board of directors met on Nov. 18, 2024, 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 updated the board of directors on the East River Electric Managers Advisory Committee, Basin Electric updates, rate policies, the Rural Electric Economic Development (REED) fund and other activities.

General Manager Schlimgen and Manager of Finance and Administration Uher presented the 2025 proposed rate adjustments with a recommendation of increasing rates by 7.5% to cover increasing power costs and operating expenses.

Director Gustafson was elected to a three-year term on the SDREA board of directors starting in January 2025.

Director Hofer reported on the NRECA board meeting and activities.

Director Wolbrink updated the Board on East River Electric Power Cooperative activities. Discussion followed.

The Board reviewed monthly director expenses.

**BOARD ACTION**

The board considered or acted upon the following:

- A motion was made and seconded to approve the 2025 budget as presented. Motion carried.
- A motion was made and seconded to implement a 7.5% rate increase, plus increases to single-phase, three-phase and congested area facility charges effective Jan. 1, 2025. Motion carried.
- A motion was made and seconded to support the REED application on behalf of Rusty's Food Store in Howard. Motion carried.

The next board meeting was scheduled for Dec. 16. There being no further business, the meeting was adjourned.

FINANCIAL REPORT	YEAR TO DATE NOV. 2024	YEAR TO DATE NOV. 2023
Kilowatt Hour (kWh) Sales	313,269,199 kWh	312,525,402 kWh
Electric Revenues	\$ 33,766,783	\$ 32,145,328
Total Cost of Service	\$ 33,158,929	\$ 31,819,087
Operating Margins	\$ 607,853	\$ 326,242

# Fire Safety

Cooking and heating are the leading causes of home fires and fire injuries, and winter months are the peak time for fire-related deaths.

### Minimize Your Risks

The good news: Deaths from home fires in the U.S. have trended downward since the 1970s, according to Injury Facts, but even one death from a preventable fire is too many. While fire doesn't discriminate by age, it is the third leading cause of death for children 1 to 14.

**When cooking, make fire safety a priority by keeping these tips in mind:**

- Be alert; if you are sleepy or have consumed alcohol, don't use the oven or stovetop
- Stay in the kitchen while you are frying, grilling, boiling or broiling food
- When simmering, baking or roasting, check the food regularly, remain in the kitchen while cooking and use a timer
- Keep anything that can catch fire away from your stovetop

**Heating is the second leading cause of home fires.**

**Follow these tips:**

- Keep all flammables, like paper, clothing, bedding, drapes or rugs, at least three feet from a space heater, stove or fireplace
- Never leave portable heaters and fireplaces unattended; turn off heaters and make sure fireplace embers are extinguished before leaving the room
- If you must use a space heater, place it on a level, nonflammable surface, like ceramic tile, not on a rug or carpet
- Keep children and pets away from space heaters
- When buying a space heater, look for models that shut off automatically if the heater falls over

**Other top causes of fire include smoking, electrical problems and candles. To minimize risks:**

- Institute a "no smoking" policy in the house
- Check all cords and replace any that are frayed or have bare wires
- Switch to flameless candles
- Keep matches and lighters high and out of children's reach in a locked cabinet

### Working Smoke Alarms Are a Must

Replacing the Battery on a Smoke Alarm About three out of five fire deaths happen in homes without working smoke alarms. Smoke alarms are a key part of a home fire escape plan providing early warning to reduce your risk of dying in a fire. The National Fire Protection Association recommends you:

- Install smoke alarms on every level of your home, inside bedrooms and outside sleeping areas on the ceiling or high on the wall
- Keep smoke alarms away from the kitchen, at least 10 feet from the stove, to reduce false alarms
- Use special alarms with strobe lights and bed shakers for people who are hard of hearing or deaf
- Test smoke alarms monthly
- Replace batteries in your smoke alarm and carbon monoxide detector annually
- Replace smoke alarms that are 10 or more years old

*Source: National Safety Council*



**"Be aware of overhead wires."**

### Vance Claeys, Age 11

Vance Claeys cautions readers to be careful when working around power lines. Thank you for your picture, Vance! Vance's parents are Jake and Bridget Claeys, members of Lyon-Lincoln Electric.

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.

# SOUP

## Sensation

### BROCCOLI CHEESE SOUP

#### Ingredients:

1 large pkg. frozen broccoli  
 1/4 cup water  
 3 tbsps. margarine  
 10 oz. package corn  
 1/4 cup chopped carrots  
 1/4 cup chopped onion  
 1/4 tsp. pepper

**Cook the above and add**  
 3 cans cream of potato soup  
 3 cups milk  
 2 cups shredded Cheddar cheese  
 1/2 cup shredded Monterey Jack cheese  
 Stir until melted

LaVonne Schmidt  
 Sioux Falls, S.D.

### NORWEGIAN FRUIT SOUP

#### Ingredients:

Bring 1/2 gallon water to a slow boil.  
 Add 1 pkg. of sweetened dried cherries, banana chips, apricots, prunes, 2 apples (all cut into pieces)  
*(Optional to use any dried fruit you wish)*  
 1/2 cup golden raisins  
 1/2 cup regular raisins  
 2 whole cloves  
 2 cinnamon sticks  
 1 cup sugar (you can use Splenda)

#### Method

Boil slowly for one hour add 3 tbsps. tapioca and a large pkg. of cherry jello.

Refrigerate and serve with whip cream.

Kari Reder  
 Warner, S.D.

### CABBAGE SOUP

#### Ingredients:

1-2 tbsps. vegetable oil  
 1 pkg. (14 oz.) smoked sausage, sliced 1/4 in. thick  
 1 large yellow onion, chopped  
 1 tbsps. tomato paste  
 1 small green cabbage, cored and shredded (about 8 cups)  
 1 medium carrot, finely chopped  
 1 can (14 1/2 oz.) petite diced tomatoes  
 1 1/2 tsps. salt  
 1/2 tsp. garlic powder  
 1/2 tsp. ground black pepper  
 1/4 tsp. onion powder  
 1/8 tsp. crushed red pepper  
 4 cups chicken stock or broth  
 1 can (15 1/2 oz.) white beans, drained and rinsed  
 1 tbsps. white wine vinegar

#### Method

Heat oil and cook sausage, until browned. Remove from skillet. Add onion and tomato paste; cook and stir until onions are slightly softened and tomato paste has darkened. Add cabbage and carrots to stockpot. Cook, stirring frequently, about 30 minutes or until cabbage has softened and begins to caramelize. Stir in tomatoes, salt and spices. Cook 10 minutes longer or until cabbage is very soft. Return sausage to pot. Stir in stock and beans. Bring to boil. Reduce heat and simmer 10 minutes. Stir in vinegar. Serve hot, sprinkled with freshly grated Parmesan cheese, if desired.

McCormick.com

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.



## Students To Visit Washington, D.C.

Central Electric Cooperative invests in the leadership development of local youth through the annual Youth Tour trip hosted by the National Rural Electric Cooperative Association (NRECA). Four high school juniors will attend the NRECA Youth Tour in Washington, D.C., this June.

The 2025 Youth Tour delegates are Mitchell High School junior Harbor Blindauer, daughter of Joe and Cathy Blindauer of Mitchell; Plankinton High School junior Rosie Choc, daughter of Pablo and Rosa Choc of Plankinton; Chamberlain High School junior Raniyah Dakam, daughter of Dakam and Rabia Dakam of Pukwana; and Wessington Springs High School junior Mercedes Jones, daughter of Jon and Katie Jones of Alpena.

The educational journey takes place June 15-22, 2025. Students from across the country will tour Washington, D.C., as they learn about history, the federal government, cooperative philosophy and rural electrification.

Central Electric and its founding cooperatives, Intercounty Electric and Tri-County Electric, have participated in NRECA's Youth Tour since the 1960s. To learn more about Central Electric's youth programs, visit [www.centralec.coop](http://www.centralec.coop) or call 1-800-477-2892.



Harbor Blindauer  
Mitchell High School

*Photo courtesy of RodeoReady*



Rosie Choc  
Plankinton High School

*Photo courtesy of Mark's Photographic Images*



Raniyah Dakam  
Chamberlain High School

*Photo courtesy of Photography by Scott*



Mercedes Jones  
Wessington Springs High School

*Photo courtesy of Mark's Photographic Images*

## Youth Tour Alum Named Scholar of the Week

Central Electric Cooperative and Hanson High School are pleased to recognize Carson Ferry, son of Glen and Val Ferry of Fulton, as the Touchstone Energy® Scholar of the Week for Jan. 12-18, 2025.

The Scholar of the Week program is a partnership between Dakota News Now and local Touchstone Energy® Cooperatives that captures the commitment electric cooperatives have to the communities they serve.

Hanson High School Principal Karen Jarding said Ferry is involved with National Honor Society, track and cross country. He has also participated in youth group mission trips.

Tara Miller, Manager of Communications at Central Electric, said, "Carson has accomplished a great deal during his high school career. He attended the National Rural Electric Youth Tour last summer to help build on his leadership skills, and his future looks bright."

Ferry received a \$250 scholarship from Central Electric Cooperative, and he is eligible for additional scholarships this spring at the Touchstone Energy Scholar of the Year banquet. He was featured on Dakota News Now on Jan. 13. You can find the story online at [www.DakotaNewsNow.com](http://www.DakotaNewsNow.com) by searching Scholar of the Week.



Carson Ferry (right) accepts the Touchstone Energy Scholar of the Week award from Tara Miller of Central Electric.

# When the Lights Turned On

## Lyle Gehm Remembers the Days Before Power

**Jacob Boyko**

[jacob.boyko@sdrea.coop](mailto:jacob.boyko@sdrea.coop)

For many rural farmers in the 1940s, time seemed to stand still.

The technological advancements born from electrification weren't easily accessible for anyone living off of the electric grid. Kingsbury County-native Lyle Gehm's family was no exception.

The Gehm family's farm seemed to share more similarities with Laura Ingalls' nearby 1880s homestead than it did with the houses just up the road in De Smet.

"You didn't want to get too far away from the stove in the wintertime," Gehm said of freezing nights inside the home. "The stove sat in the middle of the house and bedrooms were scattered around. At night, you'd change the covers around on the bed every so often because we'd lay there and our breath would frost on the covers."

Like other farm families before electrification, the Gehms found creative solutions for everyday challenges. Iron bed warmers helped make getting into a cold bed a little more bearable, but the coldest nights were spent huddling by the stove. Butter and cream were stored in the cistern to stay cool in the summer. Windmills assisted some of the more laborious tasks. The house had several small lights, but they were powered by a battery in the basement.

"I remember mom would run her Maytag washing machine with a gas motor, and we had to stick a pipe out the back of the house for the exhaust," Gehm recalled. "And I remember seeing dad standing with the tire pump, filling a tire."

Gehm says at the time, he never really considered how electricity could change how he lived and worked. So far, his only experience with power was when the family would make the trip into town to shop.

Even Gehm's country school was without electricity; Students squinted down at their workbooks on dreary, cloudy days, while in the wintertime, they took turns standing next to the stove.

The family's way of life drastically changed in 1948 when, after several long years of hard work, crews from Kingsbury



Electric Cooperative finally reached the farm south of De Smet as they worked to put the prairie on the grid.

"The folks told us, 'they're working this way and we're gonna have juice,'" he recalled. "We were happy. It was a great experience getting electricity and seeing all it could do for you."

For 13-year-old Gehm, that meant chores were a little simpler, the lights were a bit brighter and the house was much, much warmer.

"For me as a kid, being warm during the wintertime was a big, big change," Gehm said. "After we got power, dad put in a furnace [with a fan] so we got heat in every room. That made a world of difference, and it changed our lives a lot."

Kingsbury Electric crews didn't look much like they do today, Gehm pointed out. On a small budget with limited manpower, the work crew that arrived on Gehm's farm in 1948 was a rag-tag group of guys working with rudimentary equipment. But they didn't let that stop them from seeing to it that Kingsbury County was electrified.

"The equipment that they'd use to put poles in – it wasn't painted white like it is today," Gehm recalled. "It looked like a bunch of stuff the blacksmith shop made. It probably took those guys an hour to put one pole in. Getting electricity was hard work for those guys."

It was Gehm's deep appreciation to the workers' commitment that led him to run for a seat on the co-op's board of directors in 1977, where he served 12 years.

"It's probably one of the best things that ever happened to peoples' lives, getting electricity," he said. "We were able to do things faster, better, cheaper. Once we had electricity, we didn't want to get rid of it."



Pulse of Life Kids Center in Vermillion, S.D.

# BUILDING COMMUNITIES

## REED Fund Helps Support Local Growth

**Jacob Boyko**

[jacob.boyko@sdrea.coop](mailto:jacob.boyko@sdrea.coop)

Small towns and rural communities are the backbone of electric cooperatives, with many co-op members relying on their small towns for shopping, childcare, entertainment and other basic needs and services.

That’s why co-ops are working to help keep – and expand – services and job opportunities in small towns using the co-ops’ Rural Electric Economic Development Fund, or REED.

REED is a non-profit organization launched by the electric cooperatives in 1996 to finance community-focused projects across small towns in South Dakota and Western Minnesota where affordable financing can be harder to secure.

REED has multiple sources of funding, but one of the main sources of funding over the years has been the United States Department of Agriculture. REED has utilized both the Rural Economic Development Loan and Grant Program (REDLG) and the Intermediary Relending Program (IRP), which together have amounted to more than \$30 million.

Through the REDLG program, REED

can fund eligible projects at a 0% interest rate. Through the IRP program, REED applies for low-interest loans and then re-lends the money at a rate slightly higher than the USDA rate – but still less than traditional lending sources. This adds money to the fund and perpetuates it for future projects.

Since the fund’s inception, it’s been used to support more than 400 community-focused projects.

East River Electric Business Development Director Mike Jaspers says it’s in co-ops’ best interests to make rural living just as feasible as living in a larger city.

“It comes back to our principle of commitment to community,” Jaspers explained. “REED ensures our membership has their vital needs met, and they can enjoy the amenities of life in a rural setting when they’d otherwise have to go to a larger city to access some of those services.”

Eric Fosheim, East River Electric’s economic development director in charge of the REED fund, said the \$130 million lent by REED has impacted more than 10,000 jobs and amounted to over \$1 billion of economic impact throughout

South Dakota and Western Minnesota.

“Our \$1 million investments help spur \$10 million projects, which means for every \$1 REED invests into a project, it roughly has a \$9 or \$10 impact,” he explained.

As a supplemental lender, REED won’t finance a project alone; organizations still must secure funding from other sources. However, REED’s low interest rates and community focus can be just what a project needs to catalyze it over the finish line.

As members of the REED fund, co-ops can impact economic development projects while letting REED take on the financial risk.

“The co-ops aren’t on the hook and aren’t guaranteeing the loans here,” Fosheim explained. “REED is doing that.”

### Pulse of Life Kids Center – Vermillion, S.D.

Pastors Glenn and Angela Pulse had a vision and a calling. Pulse of Life Foursquare Church, which they hoped to start on Vermillion’s Main Street inside an old medical clinic, had the ability to serve a greater need in the community, where the wait lists for childcare sometimes exceeded three months. They had the faith — they just needed some resources.

The church council worked with First Bank & Trust to secure a loan to create the Pulse of Life Kids Center, but the bank couldn’t lend them the entire amount they needed.

“New daycare centers have a high rate



of failure, so we couldn't qualify for all of the money that we needed through bank loans," Angela explained. "Instead of saying no, the bank manager suggested we go about it in a different way. That's how the conversation about the REED fund came up."

Clay-Union Electric Manager Chris Larson said supporting the Pulses, who are members of the co-op, made sense for Vermillion, where challenges from workforce shortages and the lack of childcare options are prevalent.

"It fills a need in our community," Larson said.

Fosheim agrees.

"Workforce challenges have really been an issue in recent years and one way we try to help with that is by investing in daycares," he said. "Daycares don't always look that good on paper from a financial standpoint, so a lot of these organizations have a hard time getting adequate financing."

With the REED fund's \$245,000 loan, the Pulses' vision finally took shape and the Kids Center opened in 2023. Today, the center offers faith-based daycare with a capacity for 43 of the community's children.

"It's encouraging because it puts more options on the table to make these new things possible," Angela said. "There's no way we could have done this without the REED fund."

### Fire Station – Garden City, S.D.

In Garden City, a small community northwest of Watertown, a dilapidated fire hall sat rotting into its own footprint.

"It was just in a state of disrepair," said Scott Campbell, treasurer at the Garden City Fire Department. "The walls were pushing out and we had to put plastic over the doors. It was cramped and old. The truck was parked over a basement area, and being heavy and full of water it caused some concern."

Options were narrowing; Garden City would have to act fast or lose their fire station and rely on surrounding communities during an emergency.

Codington-Clark Electric Director



Nursing home expansion in Philip, S.D.

Russel Foster, who also volunteers for the fire hall, approached his co-op's manager, Dave Eide, in 2022 about using REED to breathe new life into Garden City's fire hall.

Eide agreed and helped with the application process, championing the fire hall as a vital need for Garden City, the co-op and co-op members.

"Everybody needs fire protection," Eide explained.

Through REED, the fire hall secured a \$230,000 loan. The new hall features a community room, which Scott said filled a desperate need.

"We had no place to vote, no place for birthday parties," Campbell said. "Township meetings were in houses at kitchen tables."

For Eide, the REED fund is just another example of what co-ops are supposed to do – serve communities.

"It's an extension of what co-ops are in the first place," he said. "We sell power to members and that's one way we help and serve our communities. The REED fund is just another extension of that."

### Elder Care – Philip, S.D.

In rural Philip, limited options for elder care had some long-time locals facing tough decisions.

"Our nursing home for a lot of years was not big enough," said Cindy Pfeifle, business manager at Philip Health Services. "Members of our community were having to leave the area when they needed nursing home care."

After applying for a REED loan in 2022 through West Central Electric and securing funding from other community sources, Philip Health Systems renovated and expanded the nursing home, increasing occupancy from 30 beds to 42 beds.

West Central Electric CEO Jeff Birkeland said access to the REED fund is essential for rural areas without much population growth.

"We need to keep our people from moving away and keep our businesses local," Birkeland said. "The best way to do that is by giving them access to very low-interest financing. Saving hundreds of thousands of dollars in interest costs makes projects much more feasible."

Pfeifle says the community support was essential to initiate the project and applauds REED for helping bring opportunities back to small towns.

"It sends a message of support and cooperation and that they understand how important it is to keep services in rural areas for people who live here," Pfeifle said.

The nursing home project was the first in West Central Electric's territory to use the REED fund, but Birkeland hopes many more projects are to come.

"We are a cooperative, so job number one is to take care of our members and do everything we can to help our communities," Birkeland continued. "If somebody comes to you or you see a need in our communities, we're all in."

# Advocating for Cooperative Members

**Tara Miller**

Manager of Communications

Central Electric hosted its annual legislative luncheon on Dec. 16, 2024, to engage in discussions with elected officials before the 2025 legislative session begins. Your co-op board of directors uses opportunities such as the legislative luncheon to stand up for issues affecting the membership.

Those in attendance included District 20 Representative-Elect Kaley Nolz, District 20 Senator-Elect Paul Miskimins, SDREA General Manager Steve Barnett, representatives from East River Electric Cooperative and Central Electric board members and staff.

Central Electric Board President Duane Wolbrink started the meeting with introductions. General Manager Ken Schlimgen and Chris Studer of East River Electric gave a presentation about industry happenings. Lawmakers each took a moment to share their perspectives on upcoming legislative issues.

The cooperative will continue the dialogue throughout the legislative session to ensure we are aware of any bills that could affect our membership. Please contact us if you have legislative issues to discuss.

The S.D. Legislative Session runs from January 14 through March 13, with Veto Day on March 31. To find contact information for your legislators, use the interactive map at [www.sdlegislature.gov](http://www.sdlegislature.gov).



General Manager Ken Schlimgen speaks during the legislative luncheon. Legislative advocacy is a key priority for electric cooperatives as the industry faces various regulatory opportunities and challenges.

## Banks Gains Board Credentials

Miner County Director Bob Banks recently earned the Credentialed Cooperative Director certificate from the National Rural Electric Cooperative Association (NRECA).

An evolving business environment has imposed new demands on electric cooperative directors, requiring increased knowledge of the electric utility business, governance objectives and a solid understanding of the cooperative business model.

NRECA's Credentialed Cooperative Director program requires directors to demonstrate understanding of competencies in five core courses: Director Duties and Liabilities, Understanding the Electric Business, Board Operations and Process, Strategic Planning and Financial Decision Making.

Central Electric commends Banks for his achievements. All board members complete ongoing industry training to help ensure strong governance principles are being practiced at your cooperative.



**Bob Banks**  
Miner County Director

# Plugged In With Patrick



**Patrick Soukup**

Manager of Member Services and Marketing

## BATTERY ISSUE SIDELINES THE FORD LIGHTNING

New year, new challenges, and new opportunities for all to have. Moving on from December, I recently had issues arise with the Ford Lightning electric pickup. I was on my way to Kimball to visit with members. Driving down the road, I did not pay much attention to the energy use until I arrived at the member's house. Upon arrival, I realized I had consumed over half of the battery to travel 41 miles.

It was a chilly day, and I had less than 50% of the battery left. I stayed focused on the meeting, and once we finished, the member invited me back to the

farm site to inspect some equipment. Unfortunately, I had to decline due to the state of energy left in the battery.

So, for the next 41 miles, the cab was a little cooler than I would have liked. My speed back to Mitchell was also a little slower than normal at 65 miles per hour. Long story short, I made it back to Mitchell with 5% of the battery left.

I took the truck to the dealer to have it checked out. Upon inspection, it was discovered that two cells in the battery were bad. The work and parts were all under warranty. I talked to the service technician, and he said it takes a little longer to order the parts due to Ford warranty practices with electric vehicles. Good safety precautions, innovative technology and new challenges.

## DISTRIBUTED ENERGY UPDATE FOR WIND, SOLAR, BATTERY PROJECTS

While I have your attention, I would also like to share information about distributed energy resources (DERs). These resources include solar, wind or batteries that can be used to help offset a member's energy use.

We are seeing some of these systems come to our area, and it seems some private vendors may lack transparency with our members. It is always important to read the fine print notes on a contract and consider consulting with an attorney and your cooperative before you consider signing it.

As your energy provider, we have our own requirements before hooking up to our system. As your energy experts, we want to protect the cooperative and its members from dishonest practices.

Before signing any DER contract, it is recommended that you take steps to understand what is expected and make sure there are no hidden issues. If you plan to install solar, wind or batteries generation, please contact Central Electric Cooperative in advance.

## Honoring Those Who Make A Difference

Nominations will be accepted Feb. 3 through April 11 for the Who Powers You contest. The annual contest, hosted by the region's Touchstone Energy® Cooperatives, seeks to highlight local figures and community organizations that are making a difference in the lives of others.

Cooperative members, community groups and residents who live or work within the service area of the region's Touchstone Energy Cooperatives are eligible to be nominated.

"The Who Powers You contest highlights our commitment to the communities and member-owners we serve," said Tara Miller, Manager of Communications at Central Electric. "We want to honor and celebrate the people and groups that are making a real difference in the lives of others."

Weekly finalists will be featured on Keloland Living. The grand prize winner will receive \$3,000, the second place winner will receive \$1,500 and the third place winner will receive \$500. Central Electric nominee Laura Klock of Ethan was the second place winner in 2023.

To learn more about the Who Powers You contest and nominate a person or group from your community, visit [WhoPowersYouContest.com](http://WhoPowersYouContest.com).





The Waxdahl's solar array and hog farm, east of Flandreau. *Submitted Photo*

# DISTRIBUTED ENERGY

## Understanding the Impact of DERs to the Electrical Grid

**Frank Turner**

frank.turner@sdrea.coop

Farming has always been a way of life for fourth-generation producers Matt Waxdahl and his brother, Ben. Growing up just outside of Flandreau, the brothers spent their childhood lending a hand on their grandfather's and father's farms.

Over time, Matt and Ben started their own operation. As the market evolved, so did the brothers. In 2009, they expanded into hog farming, building their first barn. Their success led to the addition of two more barns, the most recent constructed in 2022.

According to Matt, raising hogs comes with one major benefit: temperature-controlled barns.

"It's all under one roof, and it doesn't matter if it's 100 degrees outside or -20, it's always T-shirt weather," said Matt.

However, keeping their hogs on a permanent tropical vacation requires a significant amount of energy. During the summers, industrial fans and a stout ventilation system keep the barn cool, while powerful heaters maintain a comfortable environment in the biting South Dakota winters.

Two years ago, the brothers tackled this energy-intensive challenge by installing a 30-kW solar array. With guidance from Sioux Valley Energy, their local electric cooperative, they determined the project would financially benefit their operation due to availability of tax credits and grant funding.

"We saw that the majority of our power usage was always during the day," Matt explained. "We did some number crunching, and it penciled out."

### **Distributed Energy Resources**

The Waxdahl brothers' decision to invest in a solar array reflects how farmers and ranchers across the state are utilizing Distributed Energy Resources (DERs) like solar panels and on-site wind turbines. While some producers use solar panels to power remote water pumps, others invest in larger systems like solar arrays to offset the energy demands of their farms.

According to Ben Pierson, energy services manager at East River Electric, DERs are not common across the state. However, Pierson noted there are situations where DERs make sense: in remote areas where connecting to the electrical grid is too costly, for businesses or individuals looking to leverage tax credits and grant funds, and

for individuals who want to produce their own energy as a personal or environmental choice.

“The most successful applications of DERs that I’ve seen have been for agricultural operations like hog and dairy farms, where the producer has been able to secure both grant funding and tax incentives,” said Pierson. “It makes sense economically because they are using most their energy during the day when solar is producing.”

Even in the best-case scenarios, DERs still face challenges. Without existing tax breaks and grant funds, the energy savings from Waxdahls’ solar array would not have justified the expense. “It wouldn’t be economically efficient at all without the tax credits and grant funding,” Matt said.

The array has also not been as efficient as the Waxdahls had hoped. While the panel installers projected a return on investment within seven to 10 years, the reality after two years of operation suggests it may take closer to 12 to 15 years for the panels to pay for themselves.

Despite the challenges, Matt considers his solar array a successful addition to his hog operation. “If I had another barn the same size, I would make the same decision to add a solar array,” he said.

### The Electrical Grid

While DERs offer renewable energy options at the local level, South Dakota’s electrical grid already incorporates significant contributions from renewable energy sources at a wholesale price.

In fact, Basin Electric Power Cooperative, a generation and transmission cooperative serving South Dakota’s electric cooperatives, began purchasing energy from the Wild Springs Solar Project in 2024. Located near New Underwood, the 128-megawatt facility is the largest solar farm in the state. Basin Electric is set to purchase 114 megawatts of the project’s output, marking its first step into utility-scale solar generation.

The benefits of this project are already underway, said Pierson.

“Building a large-scale solar array is much more economically feasible than

a smaller-scale solar array,” said Pierson. “It lets us implement renewable energy into the portfolio in a cost-effective way.”

According to Pierson, power providers are continually working to implement renewable energy where it makes sense while providing reliable energy at an affordable price.

### Connecting to the Grid

When considering the addition of DERs such as solar panels or an on-site wind turbine, Pierson encouraged members to contact their local electric cooperative to ensure the system is properly sized and safely connected.

When implementing a DER, there are often safety requirements in place to protect both the DER owner and the grid operators.

“Especially if you are talking to a third-party vendor, please reach out to your local utility to discuss the pros and cons – and realities – of implementing DERs,” said Pierson. “Utilities can offer unbiased information regarding the expected output and proper sizing of a DER.”

## SAFETY NEAR SOLAR

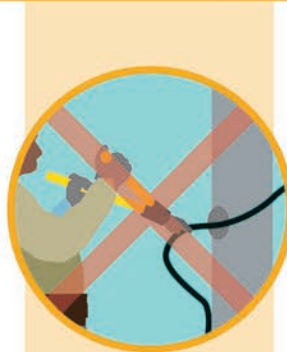
Like any other source of electricity, solar panels can pose potential hazards. Keep these safety tips in mind when you’re near solar panels.



Stay at least 10 feet away from the installation.



Never walk on solar panels.



Never cut any wiring to the solar panels.



Never touch broken or damaged solar panels.

# THE FUTURE OF ENERGY MANAGEMENT IS HERE.



Central Electric is stepping into the next generation of energy management, also known as load management. Your cooperative is in the process of replacing outdated load management devices.

If you have a load management device in your home or another location, Central Electric will contact you by mail, email or phone when it's time to replace your device. Please refer to the frequently asked questions below for more information regarding the load management program.

## FREQUENTLY ASKED QUESTIONS

### 1. Q: What is load management and why do we do it?

**A:** Load management is a system that helps ensure we are efficiently utilizing electricity. It refers to limiting energy use during peak times when energy is more expensive. By managing energy usage on grain bin fans, irrigation pivots, air conditioners and water heaters, your cooperative is able to greatly reduce wholesale power purchases.

Load management helps your cooperative provide reliable power at the lowest possible rate. Since the load management program began in the mid-1980s, East River Electric cooperatives have saved more than **\$200 million** in avoided wholesale power purchases.

### 2. Q: Why is Central Electric installing new load management devices?

**A:** We have been operating on the same technology since the mid-1980s and this equipment is at its end-of-life. New devices are required to continue the program.

### 3. Q: How is the new device different from my old one?

**A:** The existing load control devices use signals on the power lines and electric service cables to communicate to the devices. The new devices utilize wireless technology.

### 4. Q: What does the device do?

**A:** It performs similar functions as the existing load control devices. These devices receive commands to allow us to turn loads, such as water heaters, on and off to help reduce peak demands and costs. The new devices also have the ability to let us know if they are not working properly.

### 5. Q: What are the benefits of the new devices?

**A:** It allows the cooperative to continue to perform load control to save the members money. The new devices also allow the cooperative to verify everything is operating properly and to be more proactive in identifying and resolving issues.

**6. Q: Do I need the new device?**

**A:** A new device is necessary to continue your participation in the load management programs and to continue to receive any applicable rebates, rates or incentives.

**8. Q: I don't want the technology. Can I refuse it?**

**A:** All the existing devices need to be changed because the equipment has reached the end of its useful life and will stop working. If a member chooses not to have a new device installed, they will no longer be eligible to participate in the load management program or receive any related benefits.

**10. Q: How will this affect my billing rates?**

**A:** There will be no changes to billing or rates related to changing out the devices. However, if a member chooses not to allow the new device to be installed, they will no longer receive any benefits, and this will be reflected in the monthly billing statements.

**12. Q: How long will the installation process take?**

**A:** Typical installations should take less than one hour.

**7. Q: Will there be a cost to me?**

**A:** No. There is no charge for the installation of the new device. The new device is required to continue the load management program, so we are doing it as a part of our regular business.

**9. Q: Will my electricity work while the device is being changed out?**

**A:** Yes, most installations can be changed out without the need for an outage or service interruption. The technician may need to briefly disconnect power to the specific load, such as the water heater, while performing the needed wiring changes.

**11. Q: Who will see the data received and how will it be used?**

**A:** The cooperative will communicate with the device to tell it to either turn on or off. The cooperative will also get a limited amount of information back from the device to confirm it is functioning properly. This does not include any personal or identifiable information.

**13. Q: Will someone contact me?**

**A:** Central Electric will be in contact to schedule an appointment when it's time to replace any load management devices on your account. Please call us directly with any questions at 1-800-477-2892.



## REGISTER TO WIN!

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

Your Phone Number: \_\_\_\_\_

Your E-mail Address: \_\_\_\_\_



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.

**FEB. 1**  
**James River Gobblers Wild Turkey Banquet**  
5 p.m.  
Highland Conference Center  
Mitchell, SD  
605-999-3208

**FEB. 2**  
**Hot Dish Competition Lake County Museum Fundraiser**  
11 a.m.-1 p.m.  
St. Thomas School Gym  
Madison, SD  
605-256-5308

**FEB. 8**  
**Polar Bear Chili Cook-Off**  
11 a.m.-2 p.m.  
Main Street  
Hill City, SD

**FEB. 8**  
**ALL Ability Skate Day**  
Disability Awareness & Accessibility Committee  
1-3 p.m.  
Main Street Square  
Rapid City, SD  
605-390-4434

**FEB. 14-17**  
**11th Annual Frost Fest**  
9 a.m.-3 p.m.  
Brookings, SD  
605-692-7444

**FEB. 15**  
**Sioux Empire On Tap**  
Sioux Falls Convention Center  
Tickets available online  
[www.siouxempireontap.com](http://www.siouxempireontap.com)

**FEB. 21-22**  
**Women in Blue Jeans Conference**  
Highland Conference Center  
Mitchell, SD  
[www.womeninbluejeans.org](http://www.womeninbluejeans.org)

**FEB. 22**  
**Knights of Columbus Ice Fishing Derby**  
Waubay Lake  
Registration 9-10 a.m.  
605-881-5075

**FEB. 28-MARCH 1**  
**Mardi Gras Weekend**  
8 p.m. Fri.-10 p.m. Sat.  
Main Street  
Deadwood, SD  
605-578-1876

**MARCH 8-9**  
**Philip Area Annual Gun Show**  
Sat. 9 a.m.-5 p.m.  
Sun. 9 a.m.-3 p.m.  
American Legion Hall  
Philip, SD  
605-859-2135

**MARCH 14-15**  
**Badlands Quilter Weekend Getaway**  
Fri. 5 p.m.  
Sat. 8 a.m.  
Community Center  
Wall, SD  
605-685-5718

**APRIL 4-5**  
**Annual Schmeckfest**  
German Heritage Celebration  
748 S Main St  
Freeman, SD  
605-925-4237

**APRIL 11-12**  
**Junkin' Market Days Spring Market**  
Fri. 4-7 p.m.  
Sat. 9 a.m.-4 p.m.  
\$5 Admission  
W.H. Lyon Fairgrounds  
Sioux Falls, SD  
[www.junkinmarketdays.com](http://www.junkinmarketdays.com)

**Note: Please make sure to call ahead to verify the event is still being held.**