



COOPERATIVE CONNECTIONS

Invasive Species

**Zebra Mussels
on the Missouri**
Pages 8-9

Drone Spraying
Pages 12-13

2022 Annual Report Executive Summary

TOGETHER
TOWARDS
TOMORROW



Duane Wolbrink
Board President



Ken Schlimgen
General Manager

We invite you to attend your cooperative's annual meeting on Tuesday, September 19, 2023, at the Mitchell Corn Palace. Doors open for registration and the meal at 5:30 p.m. with the business meeting at 7 p.m. This year's annual meeting theme is "Together Towards Tomorrow."

The meal will consist of our traditional three-meat buffet. There will be door prizes for registered members and a scholarship drawing for high school students in attendance. Watch for more details on the official notice in the coming days.

At the meeting, members will be asked to vote on proposed bylaw amendments, which can be found in the middle insert of this newsletter. The board of directors and leadership team support the proposed amendments and encourage you to vote in favor of the updates.

Looking back, 2022 was a successful year. Below is a brief recap.

2022 Highlights & Accomplishments

ELECTRIC RATES

- While the cooperative experienced extreme price hikes on materials, general service rates remained steady with no increase in 2022.

FINANCIALS & CAPITAL CREDITS

- \$1.25 million in capital credits returned to member-owners.
- Inflation affected the bottom line, but it was a positive year overall.
- Energy sales were slightly lower than 2021.
- Margins increased from 2021.
- Refer to page 6 for a detailed financial report.

OPERATIONS DEPARTMENT

- Progress made on accelerated line replacement.
- 84 miles of new underground line constructed.
- 68 new electric services installed and 38 services retired, net growth of 30 electric services.
- Supply chain continues to affect material availability.

SERVICE DEPARTMENT

- More than \$2 million in annual revenue.
- Nearly 2,000 service requests performed for heating and cooling installations, electrical improvements, security lights and appliance sales and service.

CUSTOMER SERVICE & SECURITY

- Customer service, metering and warehouse teams worked diligently to meet members' needs.
- New safeguards implemented for cyber security.

MARKETING & MEMBER SERVICES

- Research is being conducted on electric vehicles and the impact of home charging systems.
- The co-op ordered an electric pickup and UTV.

OPERATION ROUND-UP

- \$20,148 in grants awarded to community projects.
- Members in all eight counties have contributed to and benefited from the program.

At Central Electric, succeeding takes our members, directors, and employees all striving to meet the challenges of constant change. We do this through our cooperative values of innovation, safety, integrity, commitment to community and accountability. Our directors and employees work hard to earn your trust so that together we can move forward to a bright future.

We would like to take this opportunity to thank retiring board member Roger Campbell for serving on the board from 2014-2023. Roger did not seek re-election at the Brule County District Meeting this past June. We welcome new board member Bradee Pazour, who will officially take her seat on the board at the October board meeting.

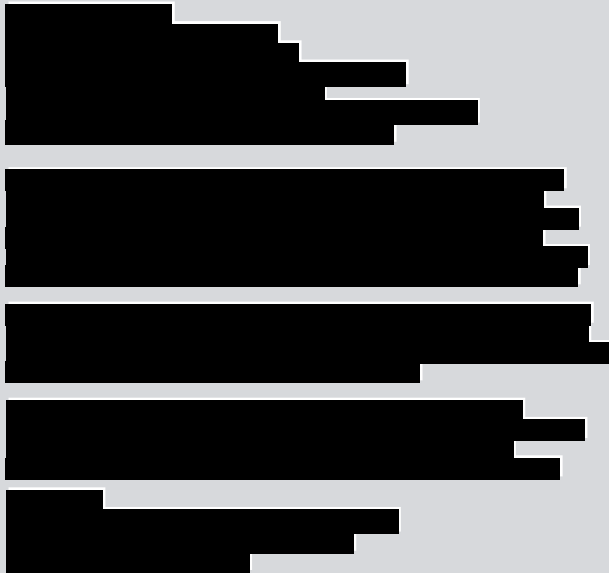
Please try to attend "Your Cooperative's" Annual Meeting on Tuesday, September 19. Our employees, board of directors and management always look forward to visiting with the members we serve.

CENTRAL ELECTRIC COOPERATIVE CONNECTIONS

(USPS 018-963)

Board of Directors

Duane Wolbrink - President (Aurora County)
Todd VanWalleghen - Vice President (Sanborn County)
Mark Hofer - Secretary & NRECA Director (Hanson County)
Mark Reindl - Treasurer (Jerauld County)
Donita Loudner - SDREA Director (Buffalo County)
Roger Campbell - Director (Brule County)
Jeff Gustafson - Director (Davison County)
Robert Banks - Director (Miner County)
Merl Bechen - Director At Large (All Counties)



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, gender identity (including gender expression), sexual orientation, 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, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. 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 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, 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 is an equal opportunity provider, employer and lender.

Board Meeting Summary

The board of directors met on June 19, 2023, 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 Schlingen updated the board of directors on management activities, the East River managers' meeting, Basin Electric Power Cooperative happenings, Rural Electric Economic Development, Rural Utilities Service updates and plans to provide temporary power for the construction of an industrial facility.

Directors Gustafson, Bechen and Banks reported on recent NRECA board training. Discussion followed.

Director Wolbrink reported on East River Electric Power Cooperative happenings.

The board reviewed monthly director expenses.

BOARD ACTION

The board considered or acted upon the following:

- A motion was made and seconded to approve a site-specific labor contract for Highline Construction, Inc. Motion carried.
- A motion was made and seconded to adopt revisions to Policy 820 Renewable Energy Certificates. Motion carried.
- A motion was made and seconded to approve a member loan application for heat pump installation. Motion carried.

There being no further business, President Wolbrink adjourned the meeting. The next regular board meeting was scheduled for July 17.

FINANCIAL REPORT	YEAR TO DATE JUNE 2022	YEAR TO DATE JUNE 2023
Kilowatt Hour (kWh) Sales	174,387,302 KWh	172,002,840 KWh
Electric Revenues	\$ 17,239,535	\$ 17,561,745
Total Cost of Service	\$ 16,423,566	\$ 17,320,568
Operating Margins	\$ 815,969	\$ 241,177

No One Can Take Your Place

National Farm Safety and Health Week Sept. 17-23, 2023

The 2019 data for the U.S. Bureau of Labor Statistics indicates that the agricultural sector is still the most dangerous in America with 573 fatalities, or an equivalent of 23.1 deaths per 100,000 workers.

Fall harvest time can be one of the busiest and most dangerous seasons of the year for the agriculture industry. For this reason, the third week of September has been recognized as National Farm Safety and Health Week.

This annual promotion initiated by the National Safety Council has been proclaimed as such by each sitting U.S. President since Franklin D. Roosevelt in 1944. National Farm Safety and Health Week is led by the National Education Center for Agricultural Safety (NECAS), the agricultural partner of the National Safety Council.

Did you know?

- Rural roads pose special dangers especially during harvest season. Watch out for slow-moving farm vehicles and be informed, aware, and patient while sharing rural roadways.
- Farm stress is real, and many things like weather events, tragedies, market uncertainty, or diseases can tip us out of our comfort zone.
- Every day, about 33 children are seriously injured in agricultural-related incidents.
- Hazardous gasses on farms can be found in silos, manure storages, grain bins, and other confined spaces. Be in the know about hazardous gasses and where they can be found on farms.

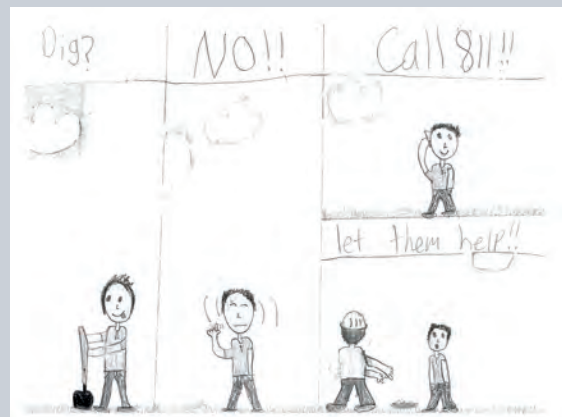
Farm and ranch life can be demanding and stressful. Over the past several years, it has reached a critical stage for the folks who grow America's food with COVID-19 pandemic impacts on top of natural disasters, extreme weather events, financial pressures due to fluctuating commodity prices, labor shortages, trade disruptions and a

long list of other factors. Given these ongoing challenges, it's no surprise that more farmers and farm families are experiencing stress and mental health concerns.

Today, safety professionals still use this promotional week to remind those working in our nation's most dangerous industry to be careful. Agriculture's death rate is why farmers and ranchers must use safe farming practices during harvest and throughout the year.

South Dakota's electric cooperatives urge our agricultural producers to make better safety and health decisions this harvest season and during the next year. Join us in promoting safety during the 80th annual **National Farm Safety and Health Week Sept. 17-23, 2023.**

During this time, please encourage others to adopt safe practices and behaviors as we prepare to prevent injuries during this harvest season.



Call 811!

Evey Hinrichs, Age 9 3/4

Evey Hinrichs advises people it's not safe to dig before calling 811. Evey is the daughter of Kelby and Carrie Fey from Aberdeen, S.D., members of Northern Electric Cooperative.

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.



DIPS AND SPREADS

SPINACH DIP**Ingredients:**

16 oz. sour cream
 1 cup mayonnaise (must be mayo)
 1 pkg. frozen chopped spinach, thawed and drained
 1 can water chestnuts, chopped
 1 tbsp. minced onion
 1 tsp. season salt
 1/2 tsp. Accent
 Dash of Worcestershire sauce
 2 dashes of hot sauce

METHOD

Serve with Club or Ritz crackers.

Linda Hubbard
 Rapid City, S.D.

CREAMY CINNAMON DIP**Ingredients:**

1 pkg. (8 oz.) cream cheese, softened
 1 container (8 oz.) sour cream
 1/4 cup packed brown sugar
 2 tbsps. milk
 2 tps. ground cinnamon
 1 tsp. all natural pure vanilla extract

METHOD

Beat all ingredients in medium bowl with electric mixer on medium speed until well blended. Spoon into serving bowl. Cover.
 Refrigerate until ready to serve.
 Serve with fresh fruit slices, cookies or pound cake or angel food cubes.
mccormick.com

CARAWAY CHEESE SPREAD**Ingredients:**

1 container (12 oz.)
 Cheddar cheese spread, at room temperature
 2 tps. minced onions
 1 1/2 tps. whole caraway seed
 1/2 tsp. Lawry's® Seasoned Salt

METHOD

Mix cheese spread and seasonings in medium bowl. Cover.
 Refrigerate at least 2 hours to blend flavors.

Serving Suggestion: Serve with assorted vegetables such as celery sticks, cherry tomatoes, jicama sticks, carrot sticks, endive leaves, and/or assorted crackers.

mccormick.com

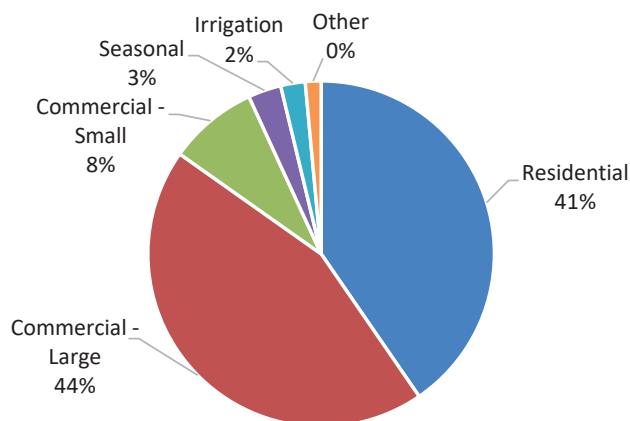
Please send your favorite recipes to your local electric cooperative (address found on Page 3). Each recipe printed will be entered into a drawing for a prize in December 2023. All entries must include your name, mailing address, phone number and cooperative name.

2022 YEAR END FINANCIAL REPORT

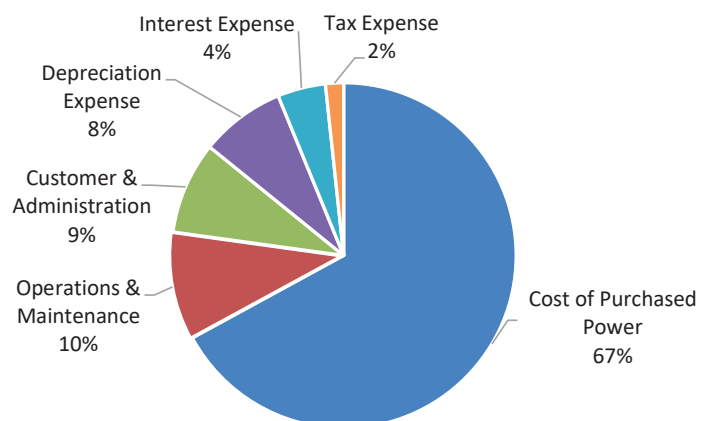
BALANCE SHEET	2021	2022
<i>ASSETS - What we have</i>		
Lines, Office Bldg and Operational Equipment	\$ 95,391,390	\$ 101,860,357
Less Depreciation	27,158,141	28,736,909
Total Electric Plant Less Depreciation	\$ 68,233,249	\$ 73,123,448
Cash and Investments:		
General Fund	2,071,934	2,661,570
Investment (Associated Organizations)	22,366,651	25,259,366
Total Cash Investments	\$ 24,438,585	\$ 27,920,936
Accounts Receivable	3,279,117	3,096,395
Materials and Supplies	2,617,896	4,420,733
Prepaid Insurance	167,688	165,619
Other Current and Accrued Assets	6,600	6,600
Deferred Debits	353,081	1,146,012
TOTAL ASSETS	\$ 99,096,216	\$ 109,879,743
<i>LIABILITIES - What we owe</i>		
Loans Payable to RUS & CFC	\$ 49,067,145	\$ 56,522,344
Accounts Payable	2,538,678	2,412,531
Other Current and Accrued Liabilities	1,328,855	1,355,506
Deferred Credits & Regulatory Liabilities	393,985	1,645,294
Consumer Deposits	126,796	136,692
TOTAL AMOUNT OWED	\$ 53,455,459	\$ 62,072,367
<i>MEMBER EQUITY - What's left after liabilities</i>		
Patronage Capital and Other Equities	\$ 45,640,757	\$ 47,807,376
TOTAL EQUITIES	\$ 45,640,757	\$ 47,807,376
TOTAL LIABILITIES & EQUITY	\$ 99,096,216	\$ 109,879,743

OPERATING STATEMENT	2021	2022
REVENUES - What the cooperative takes in		
Revenue from the Sales of Electricity, Wheeling/Fees	\$ 35,442,954	\$ 33,383,874
TOTAL REVENUE	\$ 35,442,954	\$ 33,383,874
EXPENSES - What the cooperative spends		
Cost of Purchased Power	\$ 24,454,946	\$ 21,955,343
Distribution-Operations Expense	1,207,007	1,189,219
Distribution-Maintenance Expense	1,858,002	2,118,436
Consumer Accounting and Collecting Expense	247,006	355,700
Consumer Service and Information Expense	438,921	464,393
Sales Expense	112,587	127,245
Administrative and General Expense	1,621,563	1,856,464
Depreciation Expense	2,398,811	2,609,645
Tax Expense	579,317	559,056
Interest Expense	1,344,302	1,471,739
Other Deductions	25,084	25,674
TOTAL EXPENSE	\$ 34,287,546	\$ 32,732,914
MARGINS - What's left after expenses		
Patronage Capital and Operating Margins	\$ 1,155,408	\$ 650,960
Non-Operating Margins	955,388	132,480
Generation and Transmission and Other Capital Credits	1,280,704	2,694,614
PATRONAGE CAPITAL OR MARGINS	\$ 3,391,500	\$ 3,478,054

2022 REVENUE



2022 EXPENSES





INVASIVE SPECIES

State run boat checks and washing stations aim to reduce the spread of aquatic invasive species, such as zebra mussels, in South Dakota.

Zebra Mussels and Their Impact on the Missouri River

Frank Turner

The Missouri River in South Dakota, renowned for its outstanding recreational areas, fishing holes and scenic campgrounds, draws a wide swath of tourists from around the world. However, these welcoming public waters have become the home of one unwelcome intruder—the infamous zebra mussel.

Endemic to southeastern Europe, the zebra mussel made its journey to the United States Great Lakes in the '80s as an unlikely stowaway, clinging to the hulls of large ships and barges. Since their arrival, the mussels have proliferated across the Midwest, spreading from one river system to the next.

So how can a mollusk, merely the size of a fingernail, inflict millions of

dollars in economic damage to local recreation, agriculture and hydroelectric power generation? Martin Goding, Gavins Point Dam maintenance and operations manager with the U.S. Army Corps of Engineers, explains that one zebra mussel can spawn more than a million eggs in a season, overrunning the local ecosystem. Once established, the mussels latch onto every viable surface in the water—they envelop pipes, ruin beaches and disrupt hydroelectric dams.

In 2015, local governments detected South Dakota's first infestation of zebra mussels in Lewis and Clark Lake. Goding says this discovery ignited a fierce battle against the invasive species.

“We are in the war to eradicate the zebra mussel, but I don't think we're ever going to completely eliminate them,” said Goding. “They are multiplying faster than we can get rid of them.”



Zebra Mussels completely envelop Gavins Point Dam's water gates, adding up to an additional 30 tons of weight.



With few effective treatments at their disposal, the U.S. Army Corps of Engineers has been forced to adjust to operating within a river infested with mussels. The change has significantly

increased the maintenance costs associated with running Gavins Point Dam. Pipes, essential for cooling the dam as it produces electricity, now require routine disassembly and cleaning. Over the course of six months of warm weather, the dam's lakeside gates collect an additional 30 tons of weight from the relentless accumulation of zebra mussel shells and the debris they carry.

"We have spent a million and a half dollars over the last five years just in maintenance to deal with this invasive species—and that's not even counting the cost of materials," said Goding. "Zebra mussels have really impacted the operation and turned maintenance into a nightmare."

Beyond maintenance, zebra mussels have also disrupted power generation. Outbreaks of zebra mussels within

the dam's infrastructure have resulted in unscheduled and forced outages, interrupting an energy source that has been historically reliable.

"One could safely say that Gavin Point Dam has lost a million dollars in power generation over the last five years," said Goding.

Since the initial invasion in 2015, some strategies have emerged to mitigate damage from the invasive species. The introduction of UV lights and the addition of strainers have curbed the presence of zebra mussels within the dam. Even still, the mussels have continued their spread northward through the Missouri River to Lake Sharpe near Pierre, S.D.

According to Goding, the experiences at Gavins Point Dam serve as a stark warning for dams and water systems yet to face infestation.

"Lewis and Clark Lake is beyond prevention," said Goding. "We have crossed that bridge and they are not going away."





A Touchstone Energy® Cooperative 

25487 403rd Ave., Mitchell, SD 57301

Phone: 1-800-477-2892 | Website: www.centralec.coop

Notice of Proposed Bylaw Amendments

Explanation of Proposed Amendments

This document outlines proposed amendments to the Bylaws that members will vote on at Central Electric Cooperative's Annual Meeting on September 19, 2023.

Members last voted to update the Bylaws in 2020. The following recommendations for 2023 were discussed at length by the Board of Directors, leadership team, and legal counsel after completing a comprehensive Bylaw review.

The Board of Directors and leadership team support the proposed amendments and encourage you to vote in favor of the changes outlined in this document. If you have questions about the amendments or would like further clarification, please contact General Manager Ken Schlingens or your local board member.

Thank you for taking the time to review the proposed amendments.

Summary of Revised Sections

Article II - Membership

- Section 2.06 Purchase of Electric Energy

Article III - Member Meetings and Member Voting

- Section 3.05 Notice of Member Meetings
- Section 3.07 Member Quorum

Article IV - Board of Directors

- Section 4.01 Power and Duties
- Section 4.06 Director Elections
- Section 4.09 Director Removal
- Section 4.10 Director Vacancy

Article V - Non-Profit and Cooperative Operations

- Section 5.06 ~~Transfer of Cooperative Assets~~ Contracts
- Section 5.07 ~~Distribution of Cooperative Assets Upon Dissolution~~ Transfer of Cooperative Assets
- Section 5.08 Distribution of Cooperative Assets Upon Dissolution

Article VI - Miscellaneous

- Section 6.02 Rules of Order

2023 Proposed Bylaw Updates

(Gray highlighted text is to be added. Stricken text is to be removed.)

Section 2.06 Purchase of Electric Energy.

A. Reliability. The Cooperative shall make all reasonable efforts to furnish the membership with adequate and dependable electric service but does not or cannot guarantee a continuous and uninterrupted supply.

Section 3.05 Notice of Meetings. The Cooperative shall deliver written notice of the Member Meeting:

~~Personally or by mail;~~

Personally, by mail, or by electronic communication, which is defined as communication which uses electronic media to transmit information or message using computers, email, telephone, video calling, FAX machines, and other electronic types of communications;

To all Members entitled to vote at a Member Meeting;

Indicating the date, time, and location of the Member Meeting;

At least ten (10), but no more than twenty-five (25), days prior to the Member Meeting; and

For any Annual Member Meeting or Director District Meeting, describing any matter to be considered, or voted or acted upon, at the Annual Member Meeting or Director District Meeting; and

For any Special Member Meeting, stating the purpose of, and describing any matter to be considered, or voted or acted upon, at the

Special Member Meeting; and

If mailed, notice of a Member Meeting is delivered when deposited in the United States Mail with prepaid postage affixed and addressed to a Member at the Member's address shown on the Membership List.

With the consent of a member, notice, dissemination of documents and actions may be completed by electronic communication means as determined by the Board and as allowed by Law. An electronic communication document electronically sent or transmitted to a Member or former Member at the Member or former Member's last known electronic address is considered sent, received, transmitted, and effective on the date sent by the Cooperative. An electronic document electronically received or transmitted from a Member or former Member is considered sent, received, transmitted, and effective on the date received by the Cooperative.

If electronically delivered, such notice shall be deemed to be delivered when sent to the last known electronic address of the member for which no nondelivered notice is returned.

If addressed to an address shown in the Membership List, then a written or electronic notice, communication, or report delivered or transmitted as part of a newsletter, magazine, or other publication regularly sent to Members constitutes a notice, communication, or report to all Members: (1) residing at the address; or (2) having the same address shown in the Cooperative records.

If a Member has reasonable access to appropriate hardware and software, then

under such terms and conditions as the Board, acting under policies of general application determines, and as allowed by law, the Member consents and agrees to (A) use, accept, send, receive, and transmit an electronic signature, contract, record, notice, vote, communication, comment, and other document regarding an action, transaction, business, meeting, or activity with, for, or involving the Cooperative; (B) electronically conduct an action, transaction, business, meeting, or activity with, for, or involving the Cooperative; and (C) electronically give or confirm this consent and agreement.

Section 3.07. Member Quorum. A quorum of Members for an annual meeting or any special meeting of the entire membership shall, subject to a special meeting held pursuant to Section 4.09(b), consist of 50 Members present. A quorum of Members for a special meeting of Members held pursuant to Section 4.09(b) shall consist of forty (40) Members present. A quorum for a District Director Meeting shall consist of ten (10) Members residing in the district.

Section 4.01. Power and Duties. ~~A board of nine (9) directors shall manage the business and affairs of the Cooperative, and shall exercise all of the powers of the Cooperative not otherwise provided.~~

The business and affairs of the Cooperative shall be managed by a Board of Directors consisting of nine (9) Directors, which Board shall exercise all of the powers of the Cooperative, except such as are by law, the Articles of Incorporation, Conversion or Merger or these Bylaws conferred upon or reserved to the members. It shall be the duty of

each Director to participate in such activities as are deemed necessary to enhance the prestige of the Cooperative, broaden its operation and fulfill its public obligations as a member of the community and the Rural Electrification Program, and in furtherance thereof to devote reasonable time and attendance at meetings of affiliated organizations and at training sessions designed to assist Directors and Officers in carrying out their duties.

Section 4.05. Director Nominations. A. Nominating Petitions. An individual desiring to be a nominee for a Director position for which an incumbent Director's Director term is expiring must take out a nominating petition ("Nominating Petition") no more than ~~forty-five (45)~~ sixty (60) days prior to any Member meeting at which Members are scheduled to elect Directors. Said member shall return the completed Nominating Petition to the Cooperative at least ~~twenty-five (25)~~ forty (40) days prior to the Member meeting at which Members are scheduled to elect Directors. The completed Nominating Petition shall contain the following:

Section 4.06. Director Elections. Members located or residing in each Director District shall elect Directors, as follows:
By a plurality of the votes cast by a quorum of Members present in person who are entitled to vote for the Director position. In case of a tie Director vote with only two (2) candidates running for the Director position, the Director elected shall be determined by a drawing by lot which, for purposes of these Bylaws, shall mean that a piece of paper will be marked with an "X" by a Cooperative representative/employee and placed in a receptacle along

with other pieces of paper the same size, one (1) piece for each person involved with the tie. Each person involved in the tie will draw a piece of paper, and the person drawing the piece of paper with the "X" will be the winner of the election. The persons involved in the tie will draw lots in the same order as their names appear on the ballot. In case of a tie and there are more than two (2) candidates running for the Director position, the number of Directors tying for first position will have a run-off election, and the Director receiving a plurality of the votes cast shall be elected. In the event of another tie of two (2) or more candidates, the Director elected shall be determined by a drawing by lot, the process of which is set forth above. A quorum at any Member meetings, to include a Director District meeting and/or an Annual Meeting, shall consist of the minimum number of Members required by South Dakota law at the time of such meeting. If a quorum is not present within one (1) hour after the appointed time, no meeting shall be held. If an election of Directors is not held, a special Member meeting at which Members are scheduled to elect Directors shall be held within a reasonable time.

Tellers shall be appointed to collect and count the ballots.

If only one (1) nominating petition has been turned in for a Director position for which the incumbent Director's Director term is expiring, no election shall be held in that District and the Nominating Petition nominee shall be deemed elected as the Director from said District.

Names of Nominating Petition nominees shall be printed on ballots in an order determined by

drawing prior to the printing of the ballots. If no petition is filed, then the board will appoint an individual to fill the open position on the board as per Section 4.1 of these Bylaws.

4.09. Director Removal. A. Director Removal Petition. As provided in this Bylaw, Members may request the removal of one (1) or more Directors for committing any grossly negligent, fraudulent, or criminal act or omission significantly and adversely affecting the Cooperative. ~~For each director for whom removal is requested, Members shall deliver to the President or Secretary a dated written petition ("Director removal Petition")~~

Notwithstanding the foregoing, no Director may be removed for lawfully opposing or resisting any Transfer of Cooperative Assets or any Cooperative dissolution.

Any Member who resides within a District may bring charges against a Director from within that District by requesting a Director Removal Petition form from the Cooperative, which will be sent to the requesting Member by U.S. Mail; or if requested by the requesting Member, by email; or the requesting Member may pick up a Director Removal Petition from the Cooperative headquarters.

The Cooperative will date the Removal Petition the date said Petition is placed in the U.S. Mail, emailed or picked up by the requesting Member.

The Removal Petition must contain the following information to be completed by the requesting Member:

- ~~Identifying the Director;~~ The name of the Director for whom removal is requested;
- The basis for requesting the Director removal, including a description of the grossly negligent, fraudulent, or criminal act or omission underlying the removal request; and
- As Members existed on the Director Removal Petition date, containing the printed names, printed addresses, printed telephone numbers and original and dated signatures obtained within sixty (60) days of the Director Removal Petition date. ~~of at least ten percent (10%) of the Members entitled to elect the Director.~~

The Removal Petition must be signed by at least eighty (80) Members residing within the District requesting the removal of such Director and the reasons therefor. If the Director-at-large is the Director against whom charges have been made, the Removal Petition bringing such charges must be signed by a minimum of eighty (80) of the Members residing within the Cooperative boundaries, with a minimum of at least ten (10) Members from each Director District of the eight (8) Director Districts.

~~Within thirty (30) days following the President and Secretary receiving a Director Removal Petition:~~

1. ~~The cooperative shall forward a copy of the Director Removal Petition to the implicated Director; and~~
2. ~~The Board shall meet to review the Director Removal Petition.~~

In the event a Removal Petition is filed in the above manner, the Board of Directors shall schedule a special meeting of the Members

of said District, to be held in said District within the time frame and pursuant to the rules set forth in 4.09(B). In the event a Removal Petition is filed for removal of the Director-at-large, the Board of Directors shall schedule a special meeting of the Cooperative Members to be held at the Cooperative headquarters within the time frame and pursuant to the rules set forth in 4.09(B).

B. Special Member Meeting Pertaining to a Director Removal Petition. If the Board determines that the Director Removal Petition complies with this Bylaw, Section 4.09(A), ~~then~~ the Cooperative shall notice and hold a Member Meeting within sixty (60) days following ~~such~~ the Board determination.

Notice of the Member Meeting must state that: ~~The A.~~ purpose of the Member Meeting is to consider removing a Director; ~~and~~ That evidence may be presented, and a Member vote taken, regarding removing the Director ~~and Members may elect a successor Director.~~

If a Member Quorum as defined in Article 4.09(A) ~~of Members~~ of at least 50 of the Members residing within said District ~~entitled to vote for the Director~~ is present at the Member Meeting, ~~then~~ the following order of events shall take place ~~for the Director named in each Director Removal Petition:~~

Prior to any Member vote, evidence must be presented supporting the basis for removing the Director;

The Director may be represented by legal counsel, and must have the opportunity to

refute, and present evidence opposing, the basis for removing the Director; and

Following the Director's presentation, and following Member discussion, the Members present at the meeting and entitled to vote in the district must vote whether to remove the Director.

If a majority of Members present and entitled to vote in regard to the Petition for removal of the Director, for the Director vote to remove the Director, then the Director is removed effective the time and date of the Member vote, and a new Director will be appointed to the Board pursuant to Section 4.10. ~~At the member Meeting, the Members entitled to vote for the director may elect a new Director to succeed the removed Director without complying with the Director Nomination or notice provisions of these Bylaws. Any successor Director elected by the member must comply with the Director Qualifications. Neither a Director Removal Petition or Director removal affects any Board action.~~ No Director may be removed for lawfully opposing or resisting any Transfer of Cooperative Assets, or any Cooperative dissolution.

C. Director Removal by Board. A director may be removed by a majority vote of the entire board of directors at a duly constituted and conducted Meeting of the Board. Such removal must be for "cause," which shall be defined as any grossly negligent, fraudulent criminal act or omission significantly and adversely affecting the Cooperative or for any reason specified within the Bylaws or Cooperative Policies allowing for such action. The Board

Member(s) subject to such removal shall be informed in writing of the charges at least twenty-five (25) days prior to the meeting of the Board in which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence with respect to the charges. The Directors bringing the charges against the Board Member(s) shall have the same opportunity. Any Director may resign his or her position at any time. Such resignation shall be made in writing, shall be submitted to the Board and shall take affect at such time as specified therein.

D. Absences. Any Director who is absent from three (3) out of twelve (12) consecutive regular meetings of the Board without Board approval or who is certified by a medical Doctor to be unable to physically or mentally perform his or her duties as a member of the Board of Directors shall be deemed to have so tendered his or her resignation from the Board, but such resignation shall not be considered effective unless and until a majority of the entire Board accepts such resignation and declares that Board seat vacant.

Section 4.10. Director Vacancy. Unless otherwise provided in these Bylaws: The Board shall fill any vacant Director position unless such vacancy occurs within six (6) months of the termination date of the Director term, in which case the Board may elect not to fill the position, and such vacant Director position shall be filled by an election at the next Director District Meeting for such vacant Director position or at the next Annual Meeting if it is the Director-at-large position which is vacant.

Any Director appointed by the Board to fill any vacant Director position shall serve until either the next Director District meeting for a Director from one (1) of the eight (8) Director Districts or until the next Annual meeting for the Director-at-large, at which time the Members shall elect a new Director to fill the previously vacant Director position for the remaining balance of such Director's term.

An individual appointed or elected to fill a vacant Director position must comply with the Director Qualifications. As used in this Bylaw, "vacant Director position" and "Director vacancy" do not include Director positions vacated due to an expired Director Term.

Section 4.19. Director Quorum and Voting.

A quorum of Directors is a majority of the Directors in office immediately before a Board Meeting begins ("Director Quorum"). If a Director Quorum is present either in person or electronically at the time a matter is voted or acted upon, and unless a vote of a greater number of Directors is required, then the affirmative vote of a majority of Directors present is the act of the Board. However, notwithstanding anything to the contrary, regardless of the size of the quorum, an affirmative vote of the majority of the entire board is required to pass any action presented to the Board for consideration.

Section 5.06. Contracts. (**Note: New section. Existing sections would be renumbered as follows: Section 5.07 Transfer of Cooperative Assets, Section 5.08 Distribution of Cooperative Assets Upon Dissolution.*)
Except as otherwise provided in these Bylaws,

the Board of Directors may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name and on behalf of the Cooperative, and such authority may be general or confined to specific instances. However, the Board of Directors may not enter into a wholesale power supply contract with a non-cooperative wholesale power supplier unless such contract is authorized at a meeting of the members thereof by the affirmative vote of not less than two-thirds of all the members of the Cooperative, and unless the notice of such proposed sale, mortgage, lease or other disposition or encumbrance shall have been contained in the notice of the meeting.

Section 6.02. Rules of Order. Unless the Board determines otherwise, and to the extent consistent with the Law, the Articles, and these Bylaws, all:

~~Member Meetings;~~

~~Board Meetings;~~

~~Member Committee meetings; and~~

~~Board Committee Meetings are governed by the latest edition of Robert's Rules of Order.~~

member meetings, Board meetings and committee meetings are governed by the fundamental fairness rule with the Robert's Rules of Order manual (book) being utilized by the Cooperative at that particular time as a guide only, not the ultimate authority, of such rule.

(End of proposed Bylaw amendments.)

East River Electric 2022 Report



Bob Sahr
General Manager
East River Electric

For 72 years, East River has embraced the goal of enhancing the value of our members. We're focused on the future while embracing a history filled with examples of working together to face challenges and seize opportunities. With a commitment to each other and our members at the end of the line, we will continue working to do so into the future in a way that is member-focused and innovative. We're much stronger when we work together than any of us could be on our own. This cooperative network

was originally put together by those who came before us, and it's now our responsibility to move it forward, adapt to the current issues of the day, and strengthen it for those who will come after us.

Our cooperative family faced many challenges this year including economic impacts and supply chain disruptions that continue from COVID-19. Every year the weather in our region can be challenging, but this past year was one to remember. The spring and summer of 2022 were some of the most active for severe weather on record. Back-to-back storms in May brought winds over 100 miles per hour in some areas, knocking down trees, throwing grain bins around the countryside and knocking down power poles across a wide area. From the far southern part of our service area stretching all the way to the far northeast

corner of our system, the destruction was widespread.

East River crews responded to restore power as quickly as possible. Many employees suffered damage to their own homes, vehicles and property, but crews worked to bring power back on for members.

From severe weather to severe heat, we saw a record amount of summer demand for electricity across the East River footprint which led to a number of energy alerts and warnings. Fortunately, our regional transmission partners were able to meet peak demands and no outages were needed. We are grateful for these partnerships which help us to keep electricity more affordable and reliable for consumers across our region.

These weather events have begun to change the national narrative surrounding fossil fuel generation – emphasizing the need for firm resources. Because non-firm renewable resources like wind and solar cannot be relied upon in extreme conditions, regulators, lawmakers and the public are beginning to understand how important an all-of-the-above generation strategy is to keeping the lights on in extreme conditions.

East River is currently in the fourth year of our Transmission System Upgrade Plan. Despite supply chain difficulties and severe weather, East River's employees made significant progress over this past year. We completed several key projects that are designed to strengthen our system's backbone with a primary focus on ensuring the safety of our workforce.

The upgrade plan is designed to accelerate additions and replacements to our infrastructure and was originally approved

Central Electric Cooperative's 2022 Annual Meeting Minutes

The Annual Meeting of Central Electric Cooperative Inc. members was held on Tuesday, September 26, 2022, at the Corn Palace, Mitchell, South Dakota. Duane Wolbrink, the President, called the meeting to order at 7:00 p.m. Attorney Don Petersen was appointed acting secretary. President Wolbrink announced that there was a quorum of 280 registered members present at the time the meeting began.

President Wolbrink called upon Pastor Richard Poppen of the Fedora Endeavor Presbyterian Church to give the invocation.

President Wolbrink recognized past and present American service members in the audience. Attendees were asked to stand for a video of our National Anthem, followed by attendees reciting the Pledge of Allegiance.

President Wolbrink introduced Manager of Communications Tara Miller who then conducted the drawing for youth door prizes and scholarships.

President Wolbrink asked if any members wished to discuss the proof of notice or the order of business that had been mailed to them. The reading was dispensed with no objection, and the

order of business was approved as mailed.

The minutes of the 2021 Annual Meeting were made available at the registration table. President Wolbrink asked if there were any objections to dispensing with the reading of the minutes. There being no objections, the minutes were approved.

President Wolbrink announced that registration for the annual meeting had closed.

President Wolbrink introduced the board of directors to annual meeting attendees: Vice President, Todd VanWalleghen representing Sanborn County; Secretary, Bernetta Burghardt representing Miner County; Treasurer, Mark Reindl representing Jerauld County; Mark Hofer representing Hanson County; Roger Campbell representing Brule County; Donita Loudner representing Buffalo County; Jeff Gustafson representing Davison County; and Merl Bechen Director-At-Large representing all eight counties served by Central Electric.

President Wolbrink gave the president's report which included a discussion of the financial report, capital credit retirements, and growing energy demand. President Wolbrink emphasized

by East River's board of directors in August 2018. The projects we've identified will improve the reliability of the system and provide for future economic growth.

East River and our power supply partners are continuously looking to ensure we have a mix of power resources to serve our membership with reliable and affordable electricity. As a result, we employ an 'all of the above' generation strategy. Part of that strategy is using renewable energy. We continue to see an increase in the amount of renewables within our generation mix. In 2021 we reached an exciting milestone, with more than 46 percent of our power supply coming from wind and hydropower, including nearly 30 percent of that total from wind energy. Solar will also soon be added to our generation mix through our power supplier Basin Electric's new solar projects being implemented in western South Dakota. The Wild Springs Solar Project which recently broke ground, and the West River Solar Project, are slated to begin power generation in the near future. With the increasing cost of gas and diesel, people are increasingly looking to electric vehicles and we want to ensure we are in a position to meet that demand.

East River's board-driven farm safety campaign continued in 2022. It's a collective effort of our cooperative network that reminds farmers to be aware of electrical equipment when working on the farm. It also educates them on the steps to take if their equipment contacts a power line. East River and its members also hosted our first annual "Who Powers You" contest – adapting the once-national Touchstone Energy program to a regional one. We asked people to nominate their friends and neighbors in our service territories who are making a difference in our communities. Weekly finalists were featured on the

Keloland Living television program each week and three contest winners were announced in May. We continue to see positive results from these campaigns and will continue to implement these as well as new efforts to enhance our member outreach and education.

Since 1996, the Rural Electric Economic Development, or REED, Fund has provided nearly \$115 million dollars in economic investments to 379 businesses and community ventures to aid in our region's development. The REED Fund and its partner lenders have combined to distribute more than \$946 million dollars in economic investment. Governed by 26 cooperatives in South Dakota and Minnesota, including your co-op, REED highlights the strength of our membership's commitment to our communities and helping the region grow.

We also work collaboratively with our member systems in many other ways to live out the cooperative principle of commitment to community. We do this by giving back to those we serve through charitable giving, events, youth outreach programs and education. This dedication extends to 4-H, the FFA Foundation, Feeding South Dakota, the United Way, Special Olympics, Junior Achievement and many more organizations that have positively impacted our region.

East River was formed by the determination and collective effort of our members and we exist to enhance the value of those member systems. Our success comes from remaining focused on that mission and our continued success will rely on our cooperative family staying committed to our unified future. The great working relationships between East River and our member systems will enable us to shape an even stronger future as we continue working together towards tomorrow.

Central Electric's commitment to safety, reliable service, and member satisfaction and concluded the report with a personal thank you to Central Electric employees.

President Wolbrink introduced Bob Sahr, the new General Manager for East River Electric Power Cooperative who provided brief comments.

President Wolbrink introduced Manager Ken Schlimgen. Manager Schlimgen welcomed members to the Annual Meeting and gave the manager's report. He recognized and thanked board members from the Operation Round-Up board of trustees that will be leaving the board due to term limits: Scott Kolousek representing Jerauld County, Connie Hattervig representing Miner County, and Carla Amick representing Sanborn County.

Manager Schlimgen reviewed reliability metrics, accelerated line replacement progress, new services built, services removed, and the number of requests for electrical wiring, HVAC work, and appliance services. He added that the Cooperative also performs annual maintenance activities, including tree trimming, pole replacements, and load management work. Manager Schlimgen also discussed Central's annual financial audit and cyber security efforts the cooperative is taking to ensure ongoing

operations. Manager Schlimgen closed his report by thanking board members and employees for their dedication to the cooperative and Central Electric members for their cooperation and support.

President Wolbrink recognized retiring director Bernetta Burghardt with a gift presentation and invited her to share some comments with attendees.

President Wolbrink introduced incoming director Bob Banks representing Miner County. Director Banks will take his seat on the board of directors at the October 17, 2022, regular board meeting.

President Wolbrink called for any unfinished business. There was none. President Wolbrink then called for any new business. There was none.

President Wolbrink introduced Manager of Operations Brian Bultje and Manager of Member Services and Marketing Patrick Soukup who drew names for prizes.

President Wolbrink asked for and received a motion and a second to adjourn the 2022 Central Electric Annual Meeting. There being no further discussion from members the meeting was adjourned.

DRONE SPRAYING



Drone Spraying

A Modern Tool in Today's Agriculture

Scott Waltman

As modern agriculture continues to evolve, drones are one of the newer tools farmers can use to help their land and crops.

The hovering, unmanned aircraft can be handy for small areas and places it's difficult for traditional spraying options to get to, according to those who offer the service to those in the ag sector.

Drones aren't the weapon of choice to spray chemicals on 1,500 acres of corn or soybeans, but that day is likely coming, said Derek Ver Helst, who operates Dakota Unmanned Aerial in Brandt.

Closer to the coasts, drones are already used for a multitude of purposes that aren't just fun and shooting videos. They are only going to become more prominent in ag-heavy states like the Dakotas, he said.

"The possibilities are pretty much

just limited by your imagination," Ver Helst said.

He said his background as an agronomist piqued his interest in spraying with drones. Dakota Unmanned Aerial is a side hustle he started about two years ago. He works as a senior conservation agronomist for AgSpire.

Nick Williams had a background in agriculture working for CHS Cooperative and selling farm equipment before starting Williams Drones southeast of Parkston in August 2020. Business has been good, he said, estimating that it has doubled each year.

"It's really taken off, it continues to grow," Williams said.

He and Ver Helst agree that farmers have been receptive to the relatively new option, willing to give it a try when the project isn't too big.

Williams said he does mostly ag-related work. In late July, he was staying busy with fungicide applications.

Drones are great near shelter belts and around wet areas. Those are places



that are hard for a land rig or spray plane to get to. Drones work better because they are smaller and more agile, he said.

A route is mapped out and the drone reads that information and flies mostly autonomously, Williams said.

He sets the height, speed, gallons of application per acre and swath width. Once a drone is in the air, it does almost all of the work, though Williams said he can control the height a little, if needed.

Drones have sensors and other features so they don't run into trees, equipment, wind turbines or structures, he said.

Depending on the amount of land to be sprayed, it can take longer to map a field than to spray it, Ver Helst said.

His drones carry 10 liters, but others have a capacity of 40 liters, he said. When a drone runs out of chemical, it returns back to the operator, who puts on a new tank, changes the battery and sends it back out, Ver Helst said. The drone will pick up spraying right where it left off, he said.

In 2016, land-grant university researchers and educators started work to increase the use of drones in agriculture, according to information from the U.S. Department of Agriculture.

That work continues today. It includes identifying and evaluating the most user-friendly and cost-effective drone platforms and sensors, according to the USDA.

Some drone operators offer swarm spraying, Van Helst and Williams said.

For instance, there could be five drones programmed to follow the same grid over a field, pasture or slough working in unison, Van Helst said. As one runs out of spray, it returns for a new tank of chemical and battery until the job is finished.

Van Helst said he doesn't do a lot of spraying. Most of it is on pastures.

But, he said, he has done some work in orchards and vineyards where grapes are grown.

Williams has branched out a little more. Last year, he said, he was hired to do a dust-control project at the Sanford Underground Research Facility in the Black Hills. That is the former Homestake gold mine near Lead.

And both men say drones can be used to combat one of South Dakota's least-popular commodities – mosquitoes.

Drones can be used to spray for skeeters on fairgrounds, when there's a big city gathering and even in a residential area.

During the COVID-19 pandemic, they were even used to shower stadiums with antibacterial spray, Van Helst said.

One drone operator in Texas was contacted to see if drones could be used to drop fish food into a pond, Williams said.

He said his drones can cover about 20 acres an hour, though some can do 30 hours an acre. And he expects the new drones released next year will be able to spray 40 hours in an acre.

For large fields, a land rig or a spray plane is still a better bet, Williams said. A traditional ground sprayer can probably cover 70 acres an hour, he said.

Van Helt said his T-40 drone can handle about 100 acres a day.

One challenge in getting started is getting all of the licensing needed from the Federal Aviation Administration.

He spent about two years testing and writing exemptions and working through the legalities.

Commercial drone operators need a remote pilot certificate from the FAA. Another license is needed to dispense chemicals from a flying aircraft, Van Helst said.

He said he has procured 14 FAA exemptions and will need two more next year.

That's why some drone operators hire a business to navigate that process. That's the route Williams took.

Being a drone operator can be fun or frustrating, just like any other job, he said. He just checks the forecast and hopes it holds. Trying to spray when the wind is 20 mph or more just isn't going to work, he said.

Even so, Van Helst said, drones are a fantastic tool. Ground rigs and spray planes will always be needed, and drones are just one more option for farmers to tap.

"There's a right time and a right place for everything," he said.



TOGETHER TOWARDS TOMORROW



ANNUAL MEETING TUESDAY, SEPT. 19, 2023

At the World's Only Corn Palace in downtown Mitchell.
Doors open 5:30 p.m. Three-meat buffet 5:30-6:45 p.m. Meeting 7:00 p.m.
"Luck of the Draw" scholarship opportunity for incoming high school students.
Youth prizes and member drawings for energy bill credits.
Must be present at time of drawing to win scholarship & prizes.

Board of Directors 2022-2023

Board members are elected by you, the members, to represent each county in Central Electric Cooperative's service area.

Board members invest a tremendous amount of time in the co-op throughout the year. They meet monthly to review operations of the co-op, and they attend outside meetings to stay informed and capable of making sound decisions. It is their duty to ensure governing decisions are in the best interest of the cooperative and its member-owners.

We thank these directors for the time they invest upholding the mission of Central Electric Cooperative, which is to provide reliable energy and services with a commitment to safety and member satisfaction.



Duane Wolbrink, President
Aurora County (District 1)
Served 1995-Present



Roger Campbell
Brule County (District 2)
Served 2014-Present



Donita Loudner, SDREA Dir.
Buffalo County (District 3)
Served 2002-07
& 2017-Present



Jeff Gustafson
Davison County (District 4)
Served 2021-Present



Mark Hofer, NRECA Dir.
Hanson County (District 5)
Served 1990-Present



Mark Reindl, Treasurer
Jerauld County (District 6)
Served 2010-Present



Robert Banks
Miner County (District 7)
Served 2022-Present



Todd VanWalleghen,
Vice President
Sanborn County (District 8)
Served 2010-Present



Merl Bechen
Director-At-Large
Served 2021-Present



Bradee Pazour
Brule County (District 2)
*Term begins Oct. 2023

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Bring this coupon and mailing label to the Touchstone Energy® Cooperatives booth at Dakotafest or the South Dakota State Fair to win a prize!

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.

AUG 26
Healing Hope Ministries
Walk to Remember for
Children Gone Too Soon
10 a.m.-1 p.m.
Granite Springs Lodge
Alexandria, SD
605-770-8193

SEPT 4
Hidewood Valley Steam
Threshing Show
Steam Whistle Blows
1 p.m.
47236 183rd St
Clear Lake, SD

SEPT 9
Heroes Helping with
Horsepower Military
Appreciation Event
8 a.m.
Rib-Fest Poker Runs Car Show
Ethan, SD

SEPT 9-10
Old Iron - Fall Harvest
Festival
Delmont, SD

SEPT 10
Farmer Antique Tractor &
Car Parade
1 p.m.
Farmer, SD
605-239-4498

SEPT 10
100th Anniversary of Little
Brown Church
11 a.m.
Service, Potluck & Auction
West of Hayes
Hayes, SD

SEPT 16
Midland Appreciation Day
Theme: Automobiles
1:30 p.m.
Midland, SD

SEPT 17
St. Anthony of Padua
Catholic Church
Church Bazaar
12 p.m.
Hoven, SD

SEPT 19
Central Electric Annual
Meeting
Meal 5:30 - 6:45 p.m.
Meeting at 7 p.m.
Corn Palace
Mitchell, SD

SEPT 22-23
Holiday Arts Craft Fair
9 a.m.
Davison Fairgrounds Activity
Center
Mitchell, SD
605-359-2049

SEPT 22-24
Coal Springs Threshing Bee
Meadow, SD
605-788-2229

SEPT 23
Springfield Dakota Senior
Meals Fall Festival
9 a.m.
Springfield Community
Building
Springfield, SD

SEPT 29-30
Junkin' Market Days
Ramkota Exhibit Hall
Sioux Falls, SD

NOV 12
28th Annual Lutefisk, Lefse,
& Meatball Supper
4 p.m.
Trinity Lutheran Church
Chamberlain, SD
605-730-0553

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