

Cooperative Connections

Commanding, Controlling Energy Savings Page 8

A Matter of Territorial Integrity

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MANAGER'S COLUMN

SVE Board of Directors Approve 2019 Work Plan and Budget



Tim McCarthy, GM/CEO

tim.mccarthy@siouxvalleyenergy.com

In December the Board of Directors met to review, consider and vote on approval of the 2019 work plan and budget for the Cooperative. After careful consideration and close adherence to our mission— "Serving Our Members. Always" — the Board approved the plan which encompasses capital expenditures, the financial forecast including budgeted power supply costs and revenue requirements as well as implementation plans for existing and new initiatives.

The 2019 work plan continues aggressive line replacement of 125 miles per year. Electric infrastructure additions and replacements are expected to cost nearly \$19-million. Our engineering department is anticipating more than 460 new services this year at a cost of \$2.23-million. The budget includes the purchase of 888,514 MWH at a cost of nearly \$57-million. A slight increase in power supply costs, capital improvements and other expenses will mean that existing rate levels are not enough to meet financial requirements and budgeted expense levels. We plan to utilize \$2.6-million in deferred revenue to hold off a rate increase for this year. As we budget for 2020, we will re-evaluate revenue requirements and consider the need for any potential rate increase.

For every dollar you pay to Sioux Valley Energy, \$0.65 goes towards power supply costs; \$0.15 goes towards indirect expenses (interest, depreciation and taxes); \$0.11 pays for total payroll; \$0.06 of that dollar is direct expenses (cable locating, right of way clearing, billing and postage, member meetings and incentive programs); and \$0.03 goes towards the operating margin.

At SVE, we want to encourage efficiency and off-peak use of electricity which is good for both the member's pocketbook and for the Cooperative budget. We plan to continue selling water heaters this year—allowing us to fully maximize our load management system. We also plan to ramp up our Electric Vehicle Program along with rate options and rebates. The residential LED rebates will be discontinued because the cost of LEDs has decreased throughout the years making it more affordable for consumers. Watch for information on our new Energy Make-Over Contest and Energy Efficiency Mini-Seminars this year on social media and in the newsletter/website. We have several other programs listed in our 'Energy Solutions' catalog which is inserted into this edition of the newsletter. Take a look and give us a call if you are interested in any programs.

As part of our mission, "Serving Our Members. Always.", we strive to provide valuable training, education, member engagement and safety awareness for our members. Our EmPOWER Youth program will continue molding future leaders for the Cooperative and for our communities. SVE is also committed to renewable energy education and environmental care and plans to again sponsor "Solar in the Classroom" activities, a renewable energy seminar, and an Earth Day celebration.

Safety is a priority for this organization and as such we plan to host a "Safety Day" for families this summer and will continue our safety campaign that targets farmers.

As always, the work plan includes legislative and grassroots involvement, so we can remain an advocate for Cooperative members on the local, state, and national levels.

We hope you will consider attending the upcoming District Meetings throughout the winter months as we will have more information regarding the 2019 budget and program offerings. Stay safe this winter! We look forward to a great year.

SCHOLAR OF THE WEEK

Sioux Valley Energy ^{Cooperative} Connections

(USPS No. 497-440) General Manager/CEO: Tim McCarthy

Editor: Carrie Vugteveen

Board of Directors President:

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How to contact us: Phone: 1-800-234-1960 e-mail: sve@siouxvalleyenergy.com Website: www.siouxvalleyenergy.com

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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 on-line at http://www.ascr.usda.gov/complaint_filing_cust. html, 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 complaint form or letter to USDA by:

(1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, S.W.
Washington, D.C. 20250-9410
(2) fax: (202) 690-7442; or
(3) email: program.intake@usda.gov
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Schneider Selected as Scholar of the Week

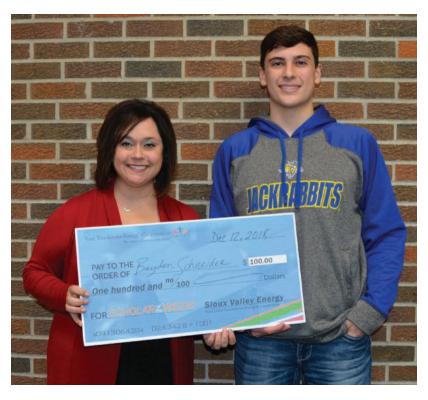
Bayden Schneider, a student at Chester Area High School, has been chosen as a Touchstone Energy Cooperative 'Scholar of the Week'. Bayden was recognized with a cash award by Sioux Valley Energy and was featured on the KSFY news for his accomplishments. He is the son of Jason and Velda Schneider of Brant Lake, SD.

Touchstone Energy Cooperatives, like Sioux Valley Energy, and KSFY Television have joined together to recognize the achievements of high school seniors throughout the region. Recipients are highly motivated high school seniors who excel in the classroom and community. This program was founded on the four pillars of Touchstone Energy: Integrity, Accountability, Innovation and a Commitment to Community.

"Bayden's academic record is impressive, but we are equally impressed with his involvement outside the classroom. He has spent time mentoring children and is an active community volunteer. We admire his accomplishments and are confident he will continue to be a leader when he graduates," said Tim McCarthy, Sioux Valley Energy General Manager/ CEO.

Lisa Hansen, counselor at Chester Area School, agrees with McCarthy's assessment.

"Bayden has volunteered his time to help his elderly neighbors with multiple jobs from taking docks out, mowing and snow removal to working on their roofs and landscaping. He also volunteers at his church helping with soup suppers, cleaning, serving breakfast and has also worked at The Banquet in Sioux Falls."



SAFETY TIPS

Downed and Dangerous

Downed power lines can be deadly. ALWAYS assume a downed power line is live and avoid going near it or anything in contact with it.

Use Precaution

- Downed power lines can energize the ground up to 35 feet away.
- If you see a downed power line, immediately notify local authorities.
- Never drive over downed power lines or through water that is in contact with them.
- Never try to move a downed power line. Even using items that typically are not conductive will not prevent injury or death.

Know What to Do

- The safe way to move away from a downed power line is to shuffle away with small steps, keeping your feet together and on the ground at all times.
- If your car comes in contact with a downed power line while you are inside, stay in the car. Do not touch any part of the car's frame or any other metal. Use a cell phone or honk your horn to summon help. Allow only rescue personnel to approach the car.
- If your car is in contact with a downed power line and you must exit due to fire or another imminent threat:
 - Do not touch your vehicle and the ground at the same time with any part of your body or clothing.
 - Open the door to your vehicle without touching the metal door frame.
 - Jump out of the vehicle with both feet together and so both feet land at the same time
 - Shuffle away so that the toe of one foot shuffles forward along the length of the other foot, ensuring that both feet are in constant contact and always touching the ground.
- If someone comes in contact with a downed power line or something else that has become electrified, call 911 immediately.
- Never touch someone who has come in contact with a power line. They are energized and pose a danger to anyone who comes in contact with them.
- Remember power lines don't have to fall in order to be dangerous. Always call 811 before you dig and keep yourself and your equipment at least 10 feet from overhead power lines. Source: esfi.org

Getting Involved

The state legislatures of both Minnesota and South Dakota convened in early January. Need to contact your legislator while in Pierre or Saint Paul? Here's how:

Contacting Members of South Dakota's Legislature:



Go to http://sdlegislature.gov/ From there, you can search your senator or representatives, see

the committees which they are assigned and send them an email. Need to reach them by phone? You can call and leave a message with the Senate at 605-773-3821 or with the House of Representatives at 605-773-3851. You can also send a fax to 605-773-6806.

Contacting Minnesota Legislators:

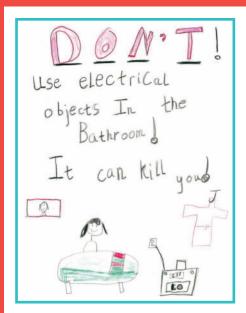
For contact information on Minnesota house members, visit:

https://www.house.leg.state.mn.us/members/hmem.asp

For contact information on Minnesota senators, visit:

http://www.senate.leg.state.mn.us/members/index.php?ls=%20-%20 header

KIDS CORNER SAFETY POSTER



"Don't use electrical objects in the bathroom. It can kill you!"

Gracie Biggins, 7 years old

Gracie is the daughter of Jessy and Katie Biggins, Gregory, S.D. They are members of Rosebud Electric Cooperative, Gregory.

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.

Bountiful Brunch

Slow Cooker Monkey Bread

1 cup (2 sticks) butter

1 cup firmly packed light brown sugar

1/2 cup granulated sugar

1 T. ground cinnamon

2 (16.3 oz. each) cans flaky layers refrigerated biscuits, each biscuit cut into 6 pieces

Spray 6-quart slow cooker and outside of wide mouth glass jar with no stick cooking spray. Place glass jar in middle of slow cooker. Melt butter in small saucepan on medium heat. Add brown sugar and stir to combine; set aside. Place cinnamon and granulated sugar in large resealable plastic bag. Add biscuit pieces in batches and shake to coat. Place 1/2 of the biscuit pieces in slow cooker around glass jar. Pour 1/2 of the butter mixture over biscuit pieces. Place remaining coated biscuit pieces in slow cooker. Sprinkle with any remaining cinnamon-sugar mixture in bag. Pour remaining butter mixture evenly over top. Cover slow cooker with clean kitchen towel then with slow cooker lid to secure towel. Cook 1 hour on HIGH. Carefully remove slow cooker insert and rotate. (This allows monkey bread to cook evenly.) Cook 1 hour longer or until toothpick inserted in center comes out clean. With towel and lid still secure, remove slow cooker insert from heat. Let stand 10 minutes. Carefully remove glass jar. Invert monkey bread onto serving platter. Makes 18 servings.

Nutritional Information Per Serving: Calories 302, Total Fat 14g, Saturated Fat 8g, Protein 3g, Cholesterol 27mg, Sodium 491mg, Carbohydrates 41g, Fiber 1g

Pictured, Cooperative Connections

Oatmeal Pancakes

2 eggs, separated	1/3 cup flour
2 cups warm milk	2-1/2 tsp. baking powder
2 cups quick cooking oats	1 tsp. salt

1/3 cup oil or shortening

Beat egg whites until stiff. In separate bowl, add warm milk to oatmeal; let set a few minutes. Add egg yolks. Mix in oil, flour sifted with baking powder and salt; mix well. Fold in whipped egg whites. Heat a nonstick griddle over medium heat. Coat pan with cooking spray. Spoon about 2-1/2 T. batter per pancake onto griddle. Turn pancakes over when tops are covered with bubbles; cook until bottoms are lightly browned.

Elfrieda Postma, Sioux Falls, SD

Wake-up Casserole

8 frozen hash brown patties	7 eggs
4 cups shredded Cheddar cheese 2 cups cubed ham	1 cup milk
	1/2 tsp. salt
	1/2 tsp. dry mustard powder

RECIPES

Place hash brown patties in a single layer in a greased 9x9-inch glass dish. Sprinkle with cheese and ham. In bowl, beat eggs, milk, salt and mustard together. Pour over ham and cheese. Cover and bake at 350°F. for 1 hour. Uncover and bake an additional 15 minutes until edges are golden brown and knife inserted in center comes out clean. Makes 8 servings.

Mary Jessen, Holabird, SD

Eggs Benedict Casserole 8 large eggs into 1/2-inch pieces

3 cups milk, divided	6 English muffins, cut into 1/2-inch pieces
3 green onions, chopped	
1 tsp. onion powder	1/2 tsp. paprika
1 tsp. salt	1 (.9 ounce) pkg. hollandaise sauce mix
3/4 lb. Canadian bacon, cut	1/4 cup butter

Spray 9x13-inch baking dish with cooking spray. Whisk eggs, 2 cups milk, green onions, onion powder and salt together in a large bowl until well mixed. Layer half the Canadian bacon in prepared baking dish. Spread English muffins over meat and top with remaining Canadian bacon. Pour egg mixture over casserole. Cover baking dish with plastic wrap and refrigerate overnight. Sprinkle casserole with paprika; cover with aluminum foil. Bake at 375°F. until eggs are nearly set, about 30 minutes; remove foil. Continue baking until eggs are completely set, about 15 more minutes. Whisk hollandaise sauce mix with 1 cup milk in a saucepan. Add butter and bring to a boil, stirring frequently. Reduce heat to medium-low, simmer and stir until thickened, about 1 minute. Drizzle sauce over casserole.

Cortney Reedy, Tea, SD

Please send your favorite seafood, appetizer, beverage or casserole recipes to your local electric cooperative (address found on Page 3). Each recipe printed will be entered into a drawing for a prize in June 2019. All entries must include your name, mailing address, phone number and co-op name.

DISTRICT MEETINGS



Sioux Valley Energy 2019 District Meetings *All Members Welcome*

Complimentary Meal: 5:30 - 7:00 p.m. Meeting: 7:00 p.m.

Menu: Turkey, dressing, mash potatoes and gravy, green beans and cookie



Thursday, February 21

District 8- Location: Grand Prairie Event Center, Luverne, MN
<u>**Monday, February 25</u>

District 6- Location: Brandon Valley High School, Brandon, SD Thursday, February 28

District 9- Location: Pipestone High School, Pipestone, MN Monday, March 4

District 5- Location: Tri-Valley School, Colton, SD **Tuesday, March 19

District 1- Location: Elkton Community Center, Elkton, SD
<u>**Thursday, March 21</u>

District 10- Location: Edgerton Public School, Edgerton, MN
<u>**Monday, March 25</u>

District 2- Location: Sioux Valley School, Volga, SD
<u>**Tuesday, March 26</u>

District 3- Location: William J. Janklow Community Center, Flandreau, SD <u>Thursday, March 28</u>

District 7- Location: West Central School, Hartford, SD

<u>**Monday, April 1</u>

District 4- Location: Madison High School Commons, Madison, SD

****Denotes Election Meetings**

ANNUAL NOTICES

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 administrating USDA programs are prohibited from discriminating on the basis of race, color, national origin, age or disability. Remedies and complaint filing deadlines vary by program or incident.

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 (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, S.W. Washington, D.C. 20250-9410
 (2) fax: (202) 690-7442; or
 (3) email: program.intake@usda.gov

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ANNUAL CO-GENERATION NOTIFICATION TO THE MEMBERSHIP



In compliance with Sioux Valley Energy adopted rules relating to Co-Generation and Small Power Production, Sioux Valley Energy is obligated to interconnect with and purchase electricity from co-generators and small power producers whom satisfy the conditions of a qualifying facility. Sioux Valley Energy is obligated to provide information free of charge to all interested members upon request regarding rates and interconnection requirements. All interconnections require an application and approval to become a qualifying facility. Any dispute over interconnections, sales and purchases are subject to resolution by the Cooperative. Interested members should contact Sioux Valley Energy, PO Box 216, Colman, SD 57017 or call 800-234-1960.



COMMAND, CONTROL AND ENERGY SAVINGS

Co-op Members Can Benefit from Technology

Derrill Holly

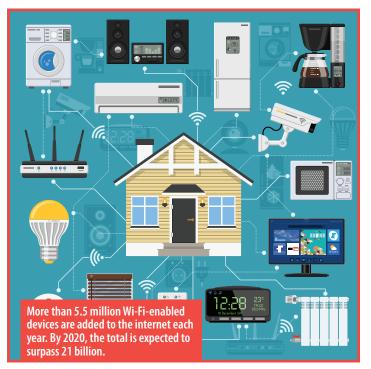
NRECA

Artificial intelligence is changing the way we live and that has the potential to bring major changes to the way we use energy.

Smart home automation, with a utility connection, allows folks from all income levels to become more energy efficient to varying degrees. Using a platform to further tie together appliances and loads, consumers can pick and choose their preferred efficiency routes depending on their lifestyle and budgets.

Turning Words to Actions

According to the Consumer Technology Association, about 5.5 million Wi-Fi-enabled devices are added to the internet each year and by 2020, the total is expected to surpass 21 billion. That has designers and manufacturers of consumer products looking for new ways to add value to their products with Wi-Fi enabled features.



YOUR HOME

As artificial intelligence devices create opportunities for home automation, consumers will play larger roles in deciding how and when systems in their home are controlled.

Smart thermostats have been around for a while and models that interconnect with home automation systems, like Amazon's Echo, the Wyse Hub and Google Home, get a lot of attention. Apps developed for those products are also available for both Android and iPhone. Many electric cooperatives are offering discounted smart thermostats to not only encourage member savings, but also help manage peak energy demand.

Changing Sources, Changing Needs

As the energy sources we use to generate power evolve and management of the electric grid becomes more agile and sophisticated, the true potential of energy load control provides opportunities for more savings through wholesale power supply. That's challenging electric co-ops to find additional ways to strengthen partnerships with consumer-members who are more interested than ever in actively managing their energy use. Two-way, real-time communications and artificial intelligence offer opportunities to learn consumer preferences and how best to reduce energy during peak demand periods.

New All-Electric Homes

Home automation controllers and smart phone apps are producing an endless string of new commands daily and while many may not work seamlessly, they are likely to continue to improve.

"We could soon see serial commands allowing your appliances to interact with other devices," said Keith Dennis, senior director of strategic initiatives for the

An all-electric home with energy efficient products and automation features could enhance a consumers' experience.

National Rural Electric Cooperative Association (NRECA), who cited household systems including heat pumps and heat pump water heaters as examples.

"Your HVAC system could learn your schedule and regulate heating and cooling for your comfort based upon when you are home," said Dennis. "Instead of maintaining a steady supply of hot water when no one is home to use it, water could be heated during periods when demand is lowest and electricity costs less and then boosted to ideal temperatures to meet specific needs like bathing, laundry or washing dishes."

Many electric co-ops have supported water heater load control programs for decades. Consumers are not overly concerned about when their water is heated as long as it is available on demand.

"Manufacturers and vendors are actually building shared access and control into these systems with utilities," said Dennis. "The most successful models in the end will work seamlessly with the co-op to provide value to the member and not necessarily something that is directly managed by the member."

According to Dennis, new induction stovetops, energy efficient convection ovens and some countertop appliances offer more opportunities for efficiency in the kitchen – and the common trait of these efficient products is that they are all electric. An all-electric home with energy efficient products and automation features could enhance a consumers' experience.

While consumers are not expected to quickly embrace many of these new options until they reach the "plug-andplay" level of convenience, smart appliances and home automation systems could within a few years lead to rebates and other incentives designed to encourage electric co-op members to retire older appliances to enhance their home's energy efficiency.

Derrill Holly writes on consumer and cooperative affairs for the National Rural Electric Cooperative Association, the national trade association representing more than 900 local electric cooperatives. From growing suburbs to remote farming communities, electric co-ops serve as engines of economic development for 42 million Americans across 56 percent of the nation's landscape.



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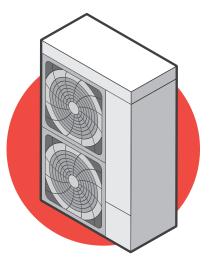
ENERGY EFFICIENCY

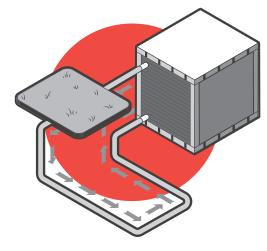
Types of Heat Pumps

There are three main types of heat pump systems. Use the information below to determine the system that's best suited for your climate and home.

Air-Source Heat Pumps

- Most commonly used heat pumps
- Moves heat rather than converting it from a fuel like combustion heating systems do
- Can reduce heating costs by about 50 percent when compared to baseboard heaters or electric furnaces
- Newer, more efficient systems now offer legitimate space heating alternative in colder regions like the Northeast and Midwest.
 Note: If temperatures in your area drop below
 10 to 25 F, you will need an auxiliary heating system (depending on the size of the system).



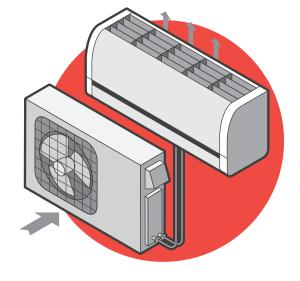


Geothermal Heat Pumps

- More expensive to install but provide more energy savings for heating and cooling
- Move heat through pipes buried underground
- When compared to a conventional heating system, can reduce energy use by 25 to 50 percent
- Effective in extreme climates
- Not ideal for smaller lots and certain soil conditions

Ductless Mini-Split Heat Pumps

- Easier to install, quiet, small in size
- Flexible for heating and cooling individual rooms and smaller spaces
- No energy loss through ductwork, which accounts for more than 30 percent of a home's energy use for space heating/cooling.
- Installation can be pricey, but federal incentives may be available



Heat pump systems should be installed by a licensed professional. Contact Sioux Valley Energy for more information about options and potential incentives.

OPERATION ROUND UP

Operation Round Up Grant Girl Scouts Receive \$1,000

The Girl Scouts have a long history of developing leaders by providing training opportunities. They want to make sure that all girls have access to programming, regardless of their financial situation. Girl Scouts—Dakota Horizons recently received a \$1,000 Operation Round Up grant to do just that. The grant will provide girls from low-income families equal opportunity to improve social and academic skills in activities that focus on life skills, STEM (Science, Technology, Engineering and Math), the outdoors and entrepreneurship.

"The Operation Round Up grant will provide critical support to ensure that all interested girls from kindergarten through 12th grade will have the opportunity to participate in the Girl Scout Leadership Experience program," said Bette Poppen, Grant Development Specialist for Girl Scouts—Dakota Horizons. She added, "In the Sioux Valley Energy service area, Girl Scouts – Dakota Horizons serves over 1,000 girls who in turn give back to the community through service projects. We appreciate Sioux Valley Energy's support of our mission to build girls of courage, confidence, and character who make the world a better place."

Operation Round Up has provided communities and organizations more than \$1.65-million since the year 2000. Nearly 75 percent of SVE members and employees participate in the program. The average member will contribute approximately \$6.00 per year. To learn more about Operation Round Up and how to apply for a grant, log on to https://www.siouxvalleyenergy.com/ my-community/operation-roundup.



Girl Scouts Mission:

Girl Scouting builds girls of courage, confidence, and character, who make the world a better place.

For more information on how to join the Girl Scouts, log on to www.gsdakotahorizons.org





CO-OPS SEEK TERRITORY INTEGRITY

Fairness Sought When Government Takes Over

Brenda Kleinjan and Jocelyn Romey

editor@sdrea.coop

As the 2019 South Dakota legislative session hits full stride this month, South Dakota electric cooperatives are seeking a fix to a decades-old issue: territory integrity.

The issue has been an ongoing one. It comes to a head periodically when municipal governments take over the territories of cooperatives or investor-owned utilities. For cooperatives, these are areas where the co-ops have served for decades and have incorporated into long-range planning.

What are the issues?

There are two sets of rules that govern changes in South Dakota electric service territory. By law, electric cooperatives and investor-owned utilities (IOU) must collaborate and agree upon changes in service territory between the two. Municipal governments, on the other hand, have the authority to expand their electric service boundaries and take territory from incumbent electric providers. These differences in the rules favor government-taking of private enterprise.

Electric cooperatives have built the infrastructure needed to serve all areas of their territories. When municipal utilities take away the electric service areas of those co-ops, the infrastructure, including generation, transmission, substations and distribution assets, that has been put into place to serve the load becomes useless. The municipal-taking of incumbent utility territory also greatly limits the incumbent's ability to plan for the future in areas neighboring a municipal utility because the territory is so easily seized by the local government.

Ultimately, South Dakota's consumers are the ones being hurt when the service areas of electric cooperatives are reduced. The left-behind cooperative members bear a greater share of the fixed operating costs, increasing their electric bill. There are fewer members to cover infrastructure and generation costs when a territory is reduced in size. This is especially detrimental to affordability for the members of not-for-profit electric cooperatives.

Why now?

This is an ongoing issue that has never been resolved. Yes, there have been a few amendments made to the law over the years. These amendments have attempted to provide compensation for seized electric service territory. However, the compensation formula doesn't work. Additionally, the efforts of electric cooperatives to work collaboratively with municipals in resolving this issue have been consistently rebuffed, co-op leaders say.

"Applying the same rules to all electric utilities operating in the state will NOT impede municipal annexations. It will force municipal governments to engage in the same conversations about fairness and equity that an investor-owned utility and a cooperative must consider when making individual customer exchanges or making permanent changes to the boundaries," said Ed Anderson, general manager of the South Dakota Rural Electric Association.

Territorial Integrity is Essential

Current System is Flawed:

Munis can. We can't.

- Municipal utilities can take utility service territory.
- Rural electrics and IOUs can't.

Government Takeover of Private Property.

- Munis can annex and extend service with no negotiations or PUC oversight.
- Selective "taking" of prime territory.
- Cooperatives are ready to serve and can offer highly competitive rates.

Negative Impacts on Utilities, Consumers and Economic Development.

- Upsets long-term planning and duplicates services.
- Reduces growth opportunities and ability to spread costs to a greater number of consumers – it impacts the entire membership.
- Hinders economic development.

Solution:

PROTECT assigned service territories

RETAIN privately negotiated agreements with Public Utilities Commission approval

NO RESTRICTIONS on annexation

South Dakota Laws on Electric Service Territory Boundaries

The original law passed in 1975 established the purchase price for electric facilities in areas annexed by municipalities. The law gave the city 90 days following annexation to offer to purchase the facilities and services rights. The portion of the formula that covers the purchase of wires and poles has not changed over the years. What has changed is the compensation for service rights portion of the formula. As initially placed in statute, the purchasing municipal electric system had to pay 25 percent of gross receipts from power sales to consumers within the annexed area for a period of five years at the municipal utility rate.

- The 1975 law, which was very similar to laws passed in many states at roughly the same time, was designed to protect consumers from the costs and confusion associated with rapid growth and duplication of services associated with that growth. Since then, few states have opened this essential service to full competition and industrial customers, not the average residential or small business customer, have benefited from those changes. South Dakota chose to address the specific needs of large industrial customers by making those loads competitive.
- The 1992 amendment changed that part of the formula to: 25 percent of gross receipts from power sales to consumers within the annexed area for a period of seven years at the incumbent utility rate and extended the time given to the municipality to decide whether they want to purchase from 90 days to one year.
- The 2009 amendment changed that part of the formula to: as compensation for service rights, an annual amount equal to the sum of 25 percent of the gross revenues received from power sales to consumers of electric power within the annexed area. The obligation of the annexing municipality to compensate the utility for service rights shall continue for 11 years from the date of the offer to purchase by the annexing municipality. During the 11-year period, compensation for service rights to any one customer location within the annexed area shall be paid by the annexing municipality for a period of seven years or until the expiration of the 11-year period, whichever is less. Gross revenues received shall be determined by applying the rate in effect by the municipality at the time of purchase.

So, the latest amendment extended the overall window from seven to 11 but retained the seven-year cap per customer and went back to the muni rate at the time of purchase.



BIG IDEAS COMPETE 35 Schools Showcase Entrepreneurial Spirit

Kelly Weaver

kelly@growsd.org

An idea for a grocery delivery service for the elderly was the winning idea among 244 entries in the 2018 BIG Idea Competition.

Sully Buttes High School students Kendra Kleven and Avery Weinheimer took first-place in the competition with their Helping Hearts Delivery Service, which aims to deliver groceries weekly and bring hot meals five-days-a-week to the elderly of Onida, S.D. Their prizes included a \$1,000 cash prize, a \$1,000 scholarship to Northern State University, a \$1,000 scholarship to Presentation College and a \$1,000 scholarship to the South Dakota School of Mines & Technology. Their idea also took the top place in the Wellness Category sponsored by Sanford Health, garnering the team an additional \$500 in prize money. Forty-three teams competed in the Wellness Category.

The BIG Idea Competition aims to promote entrepreneurship, spur creative thinking and encourage students to start a business. The competition is coordinated by the Small Business Development Center in Aberdeen, S.D.

Second place went to Butterstick, by Jade Parkin of Rapid City Stevens High School, which is a product where butter will conveniently be stored and ready for use in all situations and for all ages. Second place prizes include \$500 cash, a \$500 Presentation College scholarship and a \$500 NSU scholarship. The \$250 third-place prize went to The 'Wich Doctor by Hattie Muellenbach of Milbank High School, which is a food truck specializing in gourmet sandwiches. The other finalists included Watertown Community Tutor Center by DeLaney Anderson of Henry High School; Stoltenberg Fencing by Christine Stoltenberg of Northwestern High School; Best-a-Essay by Aiden Boerger of Milbank High School; New Outlook by Brianna Jorgenson of Florence High School; and Maria's Boarding and Grooming by Maria Jenkins of Leola High School.



The Marketing Design competition is an option for students to create an ad for their business idea. The \$500 cash award was sponsored by McQuillen Creative Group and 52 entries were judged in this category. The winner was Houghtaling Ultrasound by Danielle Houghtaling of Doland High School, which addresses the need for ultrasound services in the state of South Dakota for the sheep and goat industries. Houghtaling Ultrasound was also the winner of the newly sponsored \$500 cash prize of the Food Animal Agriculture award. The category prize is sponsored by Midwest Ag Supply and 33 entries were in this category. The final event required finalists to make a six minute presentation on their idea for the three final judges - Chad Evans of Centennial Homes, Paul McDonald of Dacotah Bank and Rod Tobin of Siegel Barnett and Schutz. Students also heard from business owners Blain Mikkonen of Grain Designs, Carl Pochop of Colorful Creations and AJ Hoffman of SoDak Sports. They spoke about all aspects of being an entrepreneur. Each panelist shared their achievements and struggles in starting and owning their own business and offered advice for those who might one day want to turn their BIG Idea into reality.

This year's BIG Idea competition also included an honorable mention award

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for those applicants who scored within 10 percent of the finalists. There were 59 honorable mention idea entries and three honorable mention marketing designs. In addition to the schools listed above, students from the following high schools also participated: Bowdle, Brandon Valley, Brookings, Colman-Egan, Custer, Eagle Butte, Edmunds Central, Eureka, Groton, Harrisburg, Hoven, Lead-Deadwood, Lemmon, Lennox, Madison, Miller, Montrose, Parker, Pierre T.F. Riggs, Redfield, Vermillion, Warner, Watertown, Waverly/South Shore, Wessington Springs, West Central and Yankton.

For the first time, the BIG Idea Competition was able offer an award for teachers. The new prize, the Partners in Business Award, is sponsored by Angelhaus to reward the networking and mentorship experiences teachers have incorporated into their classroom. This year's recipients of the Partners in Business award are Vicki Lentz of Sully Buttes High School, Jerry Janisch of Milbank High School and Katrina Boyum of Florence High School.

For the second year in a row, CREATE sponsored a Makerspace consultation prize. The drawing includes four consultations, a year of makerspace management software and a final report with a blueprint for starting a makerspace. The winning school was Florence High School.

Sponsors for the 2018 competition included Sanford Health, East River Electric Power Cooperative, REED Fund, Dacotah Bank, Midwest Ag Supply, First Bank and Trust, NSU, Presentation College, Aberdeen Development Corporation, McQuillen Creative Group, Northwestern Energy, Angelhaus, CREATE, Midcontinent Communications and the Tom and Danielle Aman Foundation. The Competition is a result of the input and collaboration of many organizations including: Aberdeen Area Chamber of Commerce, Aberdeen Downtown Association, Aberdeen Catholic School System and Aberdeen School District.

For more information about the competition, see www.BIGIdeaSD.com.





January 17

Community Club Annual Banquet, Dinner catered by The Knotty Pine Supper Club, Entertainment by Comedian Scott Novotny, Elkton, SD Tickets 605-542-2681

January 18-19 Media One Funski, Sioux Falls, SD, 605-339-0000

January 18-19 Winter Show, Sisseton, SD, 605-698-7261

January 18-20 Winterfest, Lead, SD, 605-584-1100

January 20, February 17, March 17

Meat Shoot, Izaak Walton League, Practice rounds and shoot starts at 11 a.m., 5000 North Oakview Place, Sioux Falls, SD, 605-359-9516

January 25-26

Snowmobile Rally, Deadwood, SD, 605-578-1876

January 25-February 3

Annual Black Hills Stock Show & Rodeo, Rapid City, SD, 605-355-3861

January 26

Sioux Empire on Tap, Sioux Falls, SD, 605-367-7288

January 26-27

Dakota Territory Gun Show, National Field Archery Building, Yankton, SD, 605-665-4537

January 27, February 24, March 24

Meat Shoot, Gun Club, Practice rounds at 10 a.m., Shoot starts at 11 a.m., 2378 310th St., Rock Valley, IA, 712-540-9757, 712-470-6794 or 712-451-8366 December 15-March 31: South Dakota snowmobile trails season, Lead, SD, 605-584-3896

February 1-3

11th Annual Winterfest of Wheels, Convention Center, Sioux Falls, SD, 605-231-3100

February 2

Lake Hendricks Fishing Derby, Hendricks, MN, 507-828-2113

February 2-3

Dakota Territory Gun Show, Dakota Event Center, Aberdeen, SD, 701-336-7533

February 3, March 3

Meat Shoot, Crooks Gun Club, Practice rounds at 10 a.m., Shoot starts at 11 a.m., 2808 W. 84th St. N., Sioux Falls, SD, 605-941-1984

February 5-9

Winter Farm Show, Watertown, SD, 605-886-5814

February 8-10

Black Hills Sports Show & Outdoor Expo, Rapid City, SD, 605-939-1812

February 9-10

Dakota Territory Gun Show, Trophy Show – The Big One, Convention Center, Sioux Falls, SD, 605-630-2199

February 10, March 10 Meat Shoot, Sportsmen's Club, Practice rounds at 10 a.m., Shoot starts at 11 a.m., 48605 255th St., Garretson, SD, 605-359-3844

February 15-17

Annual Artists of the Plains Art Show and Sale, Sioux Falls, SD, 605-274-4007

February 15-17

Annual Frost Fest, Brookings, SD, 605-692-6125

February 16-17

Dakota Territory Gun Show, Ramkota River Centre, Pierre, SD, 605-280-2438

February 21-23

Sno Jam Comedy Festival, Sioux Falls, SD, siouxfallssno jamcomedyfest@gmail.com

March 9-10

2019 Gun Show, American Legion Hall, Saturday 9 a.m. to 5 p.m., Sunday 9 a.m. to 3 p.m. MST, Philip, SD, 605-441-8466 or 605-441-1216

March 9-12

Summit League Basketball Championship, Sioux Falls, SD, 605-367-7288

April 4-5

Holiday Arts Spring Craft Show, Masonic Hall, Mitchell, SD, 605-359-2049

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.