

# Central Electric

Your Touchstone Energy® Partner 

## Cooperative Connections

APRIL 2016 VOL. 16 NO. 12



**Tech Ed**  
**Building Skills**  
**for Workforce**  
**of Tomorrow** P8-9

# President and General Manager Report



**Duane Wolbrink, Stickney, SD was elected to the board in 1995 and has served as President since 2002.**



**Ken Schlingen has been with Central Electric since 1985 and has served as General Manager since 2015.**

Your cooperative's annual meeting is Tuesday, April 5th at the Mitchell Corn Palace. The renovations that were taking place during last year's annual meeting have been completed so everyone can enter through the main lobby.

This issue of the Cooperative Connections magazine serves as your cooperative's annual report. You will see by the financial information presented on pages 10-11 that the year 2015 was a good year for your cooperative. We experienced electric energy sales that were very close to our budget. The HVAC, Wiring, and Appliance departments also showed strong sales which helps to keep electric rates just a little bit lower. For this, we want to thank each of you, the members and the employees, for this great success.

Your electric cooperative was started by farmers and ranchers that wanted to improve their quality of life. Having access to electricity was called "The Next Greatest Thing" as having electricity meant having access to a multitude of appliances that made life easier and more comfortable. In the past 75 years, everyone has gained access to electricity but that doesn't mean that our goal of improving the quality of life is completed. Your cooperative is still working for you to deliver reliable electric service as well as a number of programs to improve the quality of life for our community.

In 2015, Operation Round-Up was launched to help raise money to be help fund community projects across our service area. Your cooperative continued to support each of our local food pantries, each of our local 4-H clubs, area school activities, scholarships, youth safety programs, youth leadership and a host of other worthy causes.

The past year was very busy for the cooperative employees

and board members. The cooperative converted to a new software provider. The software is used to keep all of the cooperative's records, to create the monthly billing for electric sales and service work, to pay the cooperative's bills, payroll, and to create and monitor service tickets. The conversion took several months to complete and was a big adjustment for the employees to adapt and learn how to use.

The new software along with iPads issued to the employees are helping to increase the efficiency of our workforce. Now when a member makes a request for service, the information is available to the employees in the field almost immediately. Sometimes, this results in the work request being completed in the same day.

The cooperative employees are also working on creating digital maps that can be accessed from their iPads. This will allow the employee to click on a map location and get all the information about that particular service. They will know what size transformer is there, what type of metering, etc. This information allows employees to be better prepared for restoring power or maintaining equipment.

The installation of a solar voltaic demonstration project was also completed in the late summer of 2015. The 8 Kw solar system became operational on July 27th. The installation was relatively simple to construct, and it is performing as expected. More information will be coming once the system has been operational for a year.

The cooperative also launched a solar well pumping program in the late fall of 2015. The service department installed 4 solar powered well pumps for pasture wells. These systems averaged about \$6,000 to the producer to install. To

**Continued on page 7**

# Central Electric Cooperative Connections

(USPS 018-963)

General Manager - Ken Schlingen

Managing Editor - Courtney J Deinert

Assistant Editor - Patrick Soukup

President - Duane Wolbrink

Vice President - Todd VanWallaghen

Secretary - Bernetta Burghardt

Treasurer - James Headley

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**Mission Statement**  
Providing Reliable Energy and  
Services at a Good Value

## Annual Report

# Board of Directors Central Electric Cooperative



**Duane Wolbrink**  
President  
Stickney  
Elected 1995



**Todd VanWallaghen**  
Vice President  
Letcher  
Elected 2010



**Bernetta Burghardt**  
Secretary  
Fedora  
Elected 2004



**James "Jim" Headley**  
Treasurer  
White Lake  
Elected 1996



**David Gaulke**  
Gann Valley  
Elected 2008



**Mark Hofer**  
Spencer  
Elected 1990



**Darwin "Butch" Morrison**  
Mitchell  
Elected 2003



**Mark Reindl**  
Wessington Springs  
Elected 2010



**Roger Campbell**  
Pukwana  
Elected 2014

# Power Tools and Equipment Safety

**Many do-it-yourself** projects involve the use of power tools. Working with power tools requires skilled instruction and training. They can be deadly if not properly used or maintained. The most common scenario for power tool-related electrocutions is when the equipment comes in contact with live electrical wires while it is being used.

## Facts and Statistics:

- According to the U.S. Consumer Product Safety Commission (CPSC), there are nearly 400 electrocutions in the United States each year.
- Approximately 15 percent of electrocutions are related to consumer products.
- 8 percent of consumer product-related electrocutions each year are attributed to electrical accidents with power drills, saws, sanders, hedge trimmers and other electric power tools.
- 9 percent of consumer product-related electrocutions each year are caused by accidents involving the use of lawn and garden equipment and ladders, which come into contact with overhead power lines.

## Power Tool Safety Tips:

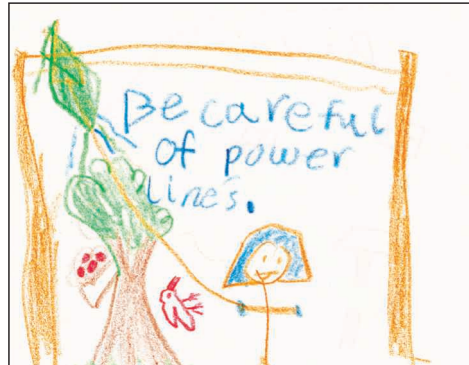
- Use ground fault circuit interrupters (GFCIs) with every power tool to protect against electric shocks.
- Do not use power tools with an extension cord that exceeds 100 feet in length.
- Never use power tools near live electrical wires or water pipes.
- Use extreme caution when cutting or drilling into walls where electrical wires or water pipes could be accidentally touched or penetrated.
- If a power tool trips a safety device while in use, take the tool to a manufacturer-authorized repair center for service.
- When working with electricity, use tools with insulated grips.
- Do not use power tools without the proper guards.
- When using a wet-dry vacuum cleaner or a pressure washer, be sure to follow the manufacturer's instructions to avoid electric shock.

## Personal Protective Equipment (PPE):

- Safeguards on outdoor electric tools are there for a reason. Make sure that they are always in place before operating.
- Invest in the safety goggles, hearing protection, dust masks, gloves and other safety gear as recommended for each tool. A few dollars now are well worth the lifetime of good sight and hearing that they are protecting.
- Wear the appropriate clothes for the job. Wearing sandals while mowing the lawn is just asking for trouble.

Source: *esfi.org*

## Kids' Corner Safety Poster "Be careful of power lines."



**Dani Carlson, 7 years old**  
*Dani is the daughter of John Carlson and Kristina Matucha, Burke, S.D. They are members of Rosebud Electric, Gregory, S.D.*

Kids, send your drawing with an electrical safety tip to your local electric cooperative (address found on Page 3). If your poster is published, you'll receive a prize. All entries must include your name, age, mailing address and the names of your parents. Colored drawings are encouraged.

**JOIN THE CAMPAIGN**

**CO-OPS VOTE**

A PROGRAM OF AMERICA'S ELECTRIC COOPERATIVES  
JOIN HERE: [WWW.VOTE.COOP](http://WWW.VOTE.COOP)

# Appetizers and Beverages



## Hot Olive Puff

- 1 cup grated natural sharp cheese
- 3 T. soft butter
- 1/2 cup flour
- 1/4 tsp. salt
- 1/2 tsp. paprika
- 24 stuffed green olives

Blend cheese with butter. Stir in flour, salt and paprika; mix well. Wrap 1 tsp. dough around each olive, completely covering olive. Bake at 400°F. for 10 to 15 minutes or until golden brown. May be prepared ahead and frozen until time to bake.

**Carolyn K. Wickert, Baltic**

## Powerhouse Green Smoothie

- 3/4 cup seedless green grapes
- 1/2 cup ripe banana slices
- 1/4 cup chopped kale
- 2/3 cup non-fat plain Greek yogurt
- 1-1/2 tsp. canola oil
- 1/2 cup ice cubes

In blender, combine all ingredients. Blend for about 30 seconds to 1 minute or until desired smoothness is achieved. Yields 1 serving. Serving size: 1-2/3 cups

*Nutritional analysis per serving: 290 calories; 7 g total fat (0.5 g saturated fat); 0 mg cholesterol; 42 g carbohydrates; 3 g fiber; 31 g sugars; 17 g protein; 75 mg sodium; 502 mg potassium*

**Pictured, Cooperative Connections**

## Cucumber Sandwiches

- 1 (8 oz.) pkg. cream cheese, softened
- 3 to 4 T. sour cream or real mayonnaise
- 1 (1 oz.) pkg. Hidden Valley Ranch salad dressing mix, dry
- 1 (1 lb.) pkg. small cocktail bread, rye or pumpernickel
- 2 large cucumbers, sliced 1/4-inch thick
- Dill weed

Combine first 3 ingredients in bowl; mix well. Spread on slices of bread. Top with a cucumber slice and sprinkle with dill weed. Refrigerate until ready to serve.

**Jan Nelson, Belle Fourche**

## Sunrise Smoothie

- 1-1/2 cups frozen sliced strawberries
- 3/4 cup milk
- 3/4 cup or 1 (6 oz.) can pineapple juice
- 1/2 cup vanilla yogurt
- 1/4 cup frozen pineapple pieces
- 2 T. sugar
- 2 T. orange juice
- 6 large ice cubes

Place all ingredients into blender. Blend until smooth. Garnish with fresh fruit. Serve immediately.

**Charlotte Hoverstadt, Webster**

## Glazed Meatballs

- 1 lb. ground beef
- 1/2 cup dry bread crumbs
- 1/3 cup minced onions
- 1/4 cup milk
- 1 egg, beaten
- 1 T. parsley
- 1/2 tsp. Worcestershire sauce
- 1/2 cup bottled chili sauce
- 12 oz. grape jelly

Combine first 7 ingredients; mix well. Shape into 1-inch balls. Place in cake pan. Bake at 375°F. for 20 to 30 minutes, until browned. Mix together chili sauce and grape jelly. Warm in microwave 2 minutes. Place meatballs in slow cooker. Add sauce and warm for 2 to 3 hours.

**Margene Paige, Presho**

## Pepperoni Dip

- 1 (8 oz.) pkg. cream cheese, softened
- 1/2 cup sour cream
- 3 oz. chopped pepperoni
- 1 can chopped green chiles, undrained
- 1 to 2 T. minced onion

Combine all ingredients and put in a small baking dish. Bake at 325°F. for 30 minutes. Serve with crackers.

**Nancy Noess, Mitchell**

## Fruit Dip

- 1 can sweetened condensed milk
- 1 (6 oz.) can lemonade
- 1 (8 oz.) container Cool Whip

Mix together all ingredients. Serve with any kind of fruit.

**Catherine Jungwirth, Ashton**

*Please send your favorite casserole, dairy and dessert 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 2016. All entries must include your name, mailing address, telephone number and cooperative name.*

# Minutes of the Annual Meeting, April 7, 2015

The Annual Meeting of the members of Central Electric Cooperative Association was held on Tuesday, April 7, 2015, at the Corn Palace, Mitchell, South Dakota. Duane Wolbrink, President, called the meeting to order at 7:30 p.m. President Wolbrink announced that there was a quorum of registered members present (351) at the time the meeting began. Attorney Don Petersen was appointed acting secretary.

President Wolbrink called upon associate Pastor Kathy Hartgraves of First United Methodist Church to give the invocation.

Everyone was asked to stand for a short video and the National Anthem, followed by the saying of the Pledge of Allegiance.

President Wolbrink asked if there were any members who wished to discuss the proof of notice or the order of business that had been mailed to them. There being no objection the reading was dispensed with and the order of business was approved as sent.

The minutes of the 2014 Annual Meeting were mailed to each member as part of the Central Electric Cooperative Connections Annual Report. President Wolbrink asked if there were any objections of dispensing with the reading of the minutes. There being no objections, the minutes were approved as mailed.

President Wolbrink announced that registration had closed.

President Wolbrink introduced Attorney Petersen to discuss the election of the director-at-large. Mr. James Headley was deemed re-elected as no other nominating petition was turned in by the membership.

President Wolbrink gave the president's report which included the financial report, rate forecast, EPA's new emission regulations and the membership's response, the cost of service study and rate realignment, and the status of the service department. President Wolbrink announced General Manager Loren Noess would be retiring on July 1, 2015 and thanked him for his service.

President Wolbrink welcomed South Dakota Public Utilities

Commissioner Chris Nelson. Commissioner Nelson spoke in support of the proposed rate realignment for Central Electric.

President Wolbrink introduced Director of Member Services and Marketing Ken Schlimgen. Schlimgen discussed the cooperative's involvement in solar energy, including the installation of a small solar project at the Mitchell office location and solar well pumping.

President Wolbrink called on Manager Noess for his report to the membership. Manager Noess welcomed members to the Annual Meeting and noted the great attendance. He recognized this year's recipient of the Basin Electric Power Cooperative Scholarship, Kristina Luczak, Mitchell; and the two recipients of the Jay Headley Memorial Scholarships, Jonathon Linke, Woonsocket, and Tye Harris, Plankinton.

Manager Noess then announced this year's Youth Tour winners: Shelby Riggs, Mitchell; Aften Pennings, Stickney; Nathan Powell, Chamberlain; Miranda Henglefeldt, Alexandria; Logan Hattervig, Carthage; Casey Zoss, Forestburg; Tia Pawlowski, Gann Valley; and Hailey Bruckner, Wessington Springs.

Manager Noess introduced Kristina Luczak who represented Central Electric on the 2014 Youth Tour and represents South Dakota on the National Youth Leadership Council. Luczak presented on her experience.

Manager Noess asked Central Electric employees to come up on stage and he introduced them. Employee Scott Kroger was then recognized for 25 years of service to Central Electric.

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

President Wolbrink introduced Operations Manager Brian Bultje and Director of Member Services and Marketing Ken Schlimgen who drew names for prizes.

President Wolbrink asked for and received a motion and a second to adjourn the 2015 Central Electric Annual Meeting. There being no further discussion from members the meeting was adjourned.



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ELECTRIC COOPERATIVE  
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# President and General Manager Report

## Continued from page 2

bring utility power to these remote locations would have cost an average of \$21,000. These solar systems are not the answer for all pumping systems, but we believe they are a good option to consider for pasture wells.

In 2015, we saw the retirement of two long term employees: General Manager, Loren Noess and accountant, Dennis Rolfes. The two long term employees had 80 years of experience between them. Although we will miss their experience, we are

benefiting from the talents of new members to our employee team. They bring with them new ideas and new energy to help us deliver “The Next Greatest Thing.”

As you can see, there is a lot going on at your cooperative. The directors take their job very seriously. Our mission statement states that we exist to provide products and services at good value, but it is more than that. Your cooperative is here to provide rural opportunities and to make our lives better.

## *Central Electric Cooperative Announces 16th Annual Meeting*

**Tuesday, April 5th - Corn Palace, Mitchell, SD**

**6:30 P.M. Registration opens and meal is served**

*Meal will consist of a three meat buffet including broasted chicken, roast beef, ham, buttered green beans, mashed potatoes with gravy, dinner roll, coleslaw, macaroni salad, coffee, lemonade and ice cream.*

**7:30 P.M. Business Meeting**



APRIL 11, 2016 is  
NATIONAL LINEMAN APPRECIATION DAY.

**#thankalineman**

# Skilled Education

## Technical Schools See to Tomorrow's Workforce

**T**WO SOUTH DAKOTA TECHNICAL INSTITUTES ARE once again being recognized on the national stage for their efforts to educate tomorrow's workforce.

Highlighting the critical importance of improving student success in America's community colleges, the Aspen Institute College Excellence Program named Lake Area Technical Institute (LATI) and Mitchell Technical Institute (MTI) among the nation's top 150 community colleges eligible to compete for the 2017 Aspen Prize for Community College Excellence and \$1 million in prize funds, as well as Siemens Technical Scholars Program student scholarships.

The Prize, awarded every two years, is the nation's signature recognition of high achievement and performance among America's community colleges and recognizes institutions for exceptional student outcomes in four areas: student learning, certificate and degree completion, employment and earnings, and access and success for minority and low-income students. Both schools have made the list since the inception of the award and Lake Area Tech has been a Finalist with Distinction each time.

Six Minnesota schools also made the list: Alexandria Technical and Community College in Alexandria; Anoka-Ramsey Community College in Coon Rapids; Minnesota State Community and Technical

College in Fergus Falls; Minnesota West Community and Technical College in Granite Falls, Northland Community and Technical College in Thief River Falls; and Ridgewater College in Willmar.

"Everyone in our organizations is focused on one mission: building South Dakota's technically skilled workforce. Our students can be confident their education prepares them for in-demand technical careers; and business and industry can be assured our graduates are ready to tackle the challenges of today's dynamic and technology-driven environment. As a system of four technical schools, we are committed to continually improving. National recognition like the Aspen College Excellence program affirms our efforts are making a difference," LATI President Mike Cartney and MTI President Mark Wilson said in a joint statement.

Nearly half of America's college students attend community college, with more than 7 million students – youth and adult learners – working towards certificates and degrees in these institutions across the country. More than 6,300 students are currently enrolled in South Dakota's technical institute system.

"Community colleges have tremendous power to change lives and their success will increasingly define our nation's economic strength and the potential for

By  
Brenda  
Kleinjan

**Right:** Classroom instruction is part of technical institute education. Here, a Mitchell Technical Institute instructor works with a student in the classroom.  
**On the Cover:** MTI instructor Jason Juhnke supervises a student in MTI's Heating and Cooling Technology program.

Photos courtesy Mitchell Technical Institute





social mobility in our country,” said Josh Wyner, executive director of the Aspen Institute College Excellence Program. “This competition is designed to spotlight the excellent work being done in the most effective community colleges, those that best help students obtain meaningful, high-quality education and training for competitive-wage jobs after college. We hope it will raise the bar and provide a roadmap to better student outcomes for community colleges nationwide.”

Tiffany Sanderson, director of South Dakota’s Division of Career and Technical Education, points out, “The four technical institutes in Watertown, Mitchell, Sioux Falls and Rapid City do an outstanding job of preparing students as skilled scholars, ready to contribute to business’ goals and the communities where they live. For half of our schools to be named to the nation’s top 15 percent of two-year colleges, speaks heavily to their quality.”

South Dakota’s technical institutes came into being in 1965 as an extension of the K-12 education system. Since then, their status has changed to fully-accredited postsecondary institutions that award Associate of Applied Science (A.A.S.) degrees in technical areas requiring unique training and education from other postsecondary institutions.

Supporters for tech ed point out that the schools status under the South Dakota state constitution has not been recognized as the last change to the constitution dealing with post-secondary education was made in 1944. As a consequence, the state’s technical institutes lack a clearly defined and recognized status, they say.

Voters in the November general election will be asked to consider supporting Amendment R – The Skilled Workforce Amendment, which advocates say will provide the foundation for fixing the shortage of skilled workers in South Dakota. The amendment would elevate the mission of the state’s four technical institutes to a constitutional mandate, allowing for a stronger voice in prioritizing state and federal assets in support of the technical institute mission and increase their output – entry level skilled workers. Amendment R is a result of a House Joint Resolution that was passed unanimously through both the House and the Senate and had proponents from the South Dakota Board of Regents, the governor’s office, business and industry, technical institutes and school districts.

Without the mandate, technical institutes have no advocate to represent their realistic funding and program needs during the state’s appropriations process. Per student funding is significantly lower for technical institutes than it is for universities of K-12 districts. This creates staggering disparities, organizers with Tech Schools for South Dakota note. South Dakota’s technical institutes cost less to operate than two-year colleges in the six surrounding states, but receive less state support. Students are left to make up the difference, paying more than their counterparts at any two-year colleges in neighboring states.

## Building a Better Future

**Build Dakota** is a new scholarship program created through a \$50 million investment funded by a \$25 million donation from T. Denny Sanford and a \$25 million contribution from the South Dakota Future Fund.

Build Dakota Scholarships will be awarded to skilled scholars entering high-need workforce programs at South Dakota technical institutes.

Build Dakota gives students entering South Dakota tech schools an opportunity to plan a foundation for their future. You’ll come out of school with no student debt and a set of skills in high demand, so you’ll be ready to hit the ground running and start your career right away.

The scholarship application priority period is Oct. 1 through Dec. 31. However, some schools may still be accepting applications through March 20 for the 2016-2017 school year.

### Program Details

- Both in-state students and out-of-state students are eligible for the scholarships.
- The scholarships will support tuition, fees, books and other required program expenses in the eligible technical institute programs.
- Recipients of the scholarships will commit to living and working in the state, in their field of study, for three years following graduation.
- In the first five years, a projected 300 scholarships will be awarded annually. Beyond the first five years, the endowment will support approximately 50 full-ride scholarships.



### Eligibility Requirements

- U.S. citizen or U.S. national
- Applicants need not be South Dakota residents

### Financial Need

Demonstrated aptitude through one or more of the following:

- The National Career Readiness Certificate (NCRC) or other industry-recognized certifications in the career area.
- Technical, dual or concurrent credit courses taken in the career interest area.
- Career and Technical Education coursework completed in the career interest area.
- Work-based learning experiences, internships or work experience in the career interest area.
- Enrolling as a first-time student.

### Student Commitment

In accepting scholarship awards, recipients will agree to:

- Enroll full-time in a technical institute program determined as a high-need workforce area in South Dakota.
- Following graduation, work full-time in the field of study in South Dakota for a minimum of three years.

## The Skilled Workforce Amendment:

Recognizes today’s need for a job-focused post-secondary education system

Helps provide businesses with much-needed skilled employees

Educates skilled workers for immediate employment right here in South Dakota

Allows our technical schools direct access to government decision-makers

Clarifies where our technical schools fit in our state’s education landscape

Aligns South Dakota’s public education system with trends in jobs-related education

# BALANCE SHEET

<b>ASSETS</b>	<b>2014</b>	<b>2015</b>
Lines, Office Building and Operational Equipment -----	\$68,033,291	\$71,727,031
Less Depreciation -----	\$(19,278,377)	\$(20,621,549)
Total Electric Plant Less Depreciation -----	\$48,754,914	\$51,105,482
Cash and Investments:		
General Fund -----	\$620,543	\$801,703
Investment:(Associated Organizations) -----	\$14,752,380	\$14,097,970
Total Cash Investments -----	\$15,372,923	\$14,899,673
Total Receivable -----	\$3,195,058	\$3,116,686
Materials and Supplies -----	\$2,275,320	\$1,717,159
Prepaid Insurance -----	\$223,586	\$147,183
Other Current and Accrued Assets -----	\$7,208	\$6,603
Deferred Debits -----	\$1,317,740	\$1,574,078
 <b>TOTAL ASSETS -----</b>	 <b>\$71,146,749</b>	 <b>\$72,566,864</b>
 <b>LIABILITIES</b>		
Total Amount Owed to RUS & CFC -----	\$35,088,479	\$34,865,272
Consumers Deposits -----	\$97,517	\$152,869
Deferred Credits -----	\$1,700,000	\$1,200,000
Other Current and Accrued Liabilities -----	\$2,250,317	\$2,420,769
Accounts Payable -----	\$2,304,825	\$2,604,248
<b>TOTAL AMOUNT WE OWE -----</b>	<b>\$41,441,138</b>	<b>\$41,243,158</b>
 <b>EQUITY</b>		
Patronage Capital and Other Equities -----	\$29,705,611	\$31,323,706
<b>TOTAL EQUITIES -----</b>	<b>\$29,705,611</b>	<b>\$31,323,706</b>
 <b>TOTAL LIABILITIES &amp; EQUITY -----</b>	 <b>\$71,146,749</b>	 <b>\$72,566,864</b>

# STATEMENT OF OPERATIONS

<b>REVENUES:</b>	<b>2014</b>	<b>2015</b>
Revenue from the Sales of Electricity, Wheeling and Fees -----	\$29,680,761	\$29,927,718
<b>TOTAL REVENUE-----</b>	<b>\$29,680,761</b>	<b>\$29,927,718</b>
<b>EXPENSES:</b>		
Cost of Purchased Power-----	\$20,832,120	\$20,134,689
Distribution-Operations Expense-----	\$1,090,775	\$1,226,579
Distribution-Maintenance Expense -----	\$1,591,437	\$1,613,285
Consumer Accounting and Collecting Expense -----	\$336,461	\$281,219
Consumer Service and Information Expense -----	\$275,576	\$286,958
Sales Expense -----	\$98,161	\$74,848
Administrative and General Expense-----	\$1,241,131	\$1,416,259
Depreciation Expense-----	\$2,000,553	\$2,134,268
Taxes Expense -----	\$539,424	\$526,845
Interest Expense-----	\$1,137,642	\$1,267,371
Other Deductions -----	\$21,070	\$24,215
<b>TOTAL EXPENSE-----</b>	<b>\$29,164,350</b>	<b>\$28,986,531</b>
<b>MARGINS:</b>		
Patronage Capital and Operating Margins -----	\$516,411	\$941,187
Non-Operating Margins -----	\$233,882	\$271,612
Generation and Transmission and Other Capital Credits ---	\$1,121,810	\$947,738
<b>PATRONAGE CAPITAL OR MARGINS -----</b>	<b>\$1,872,103</b>	<b>\$2,160,537</b>

# Beyond Belief

## Don't Let Scams Make You an April Fool

**A** QUICK SEARCH OF THE INTERNET REVEALS MANY great ways to save energy around your home. Simple things, such as adding insulation or using energy efficient light bulbs, are simple and relatively inexpensive ways to save small amounts of energy. The same search will also reveal “amazing” products that claim to cut up to a third of your energy bill – without you changing anything about your energy use habits. Claims like this sound too good to be true, and there is good reason for that. These claims almost always turn out to be exaggerations or downright lies.

By Brian Sloboda

An energy efficiency scam is generally easy for a person who works at an electric co-op to spot and identify. However, it isn't so easy for most people. Scams generally center around misstatements of science or confusion over utility programs.

A popular scam is a little box that promises to save you energy. The box is a device that supposedly saves energy without the consumer making any changes to behavior, turning anything off or adjusting the thermostat. The people who sell these boxes

often claim outrageous energy savings – sometimes as much as 30 percent or more. They often use terms, such as power conditioning, capacitors and power factor, all of which are legitimate industry terms.

The sales pitch usually goes something like this: The device being sold will control alternating current, power factor and reduce the cost of electric bills. It will condition your power and make appliances last longer. The device uses no power and has no moving parts. It will make the motors in your home run better. The sales material often claims that the utility doesn't want you to know about the device. That last part is actually true – because it is a rip off. Variations of the product have been sold to both residential and commercial customers.

There are several questions that you should ask a salesman (or yourself!) when reading an ad for the next magical cure-all:

**1. Does it violate the laws of science?** Some products claim that they are capable of “changing the molecular structure ... to release never-before tapped power.” Changing the laws of science is no



# Big Rip Off

easy task. If the inventors truly can do this, the product will surely be sold at every store in the nation and they will become very wealthy. They won't be mailing out flyers or operating from a poorly designed web site.

**2. Was the product tested by an independent group like a national lab or university?** If the performance of the product was not tested and certified by a lab or other entity not connected to the company selling it, then be skeptical. Call the third party group and talk to them. Sometimes scammers lie about the tests.

**3. Is it too good to be true?** In today's economic times, saving money is top of mind. We want something to be true so that we can save money, improve our lives and feed our families. But wanting something to work doesn't mean it will.

Sometimes energy scammers contact consumers directly, either by calling or stopping by and claiming they represent the local electric co-op. Never give anyone personal or financial information who claims to be an employee of the co-op without confirming their identity. If they call, ask for a call back number, then verify their identity with your co-op. If they stop by, ask the person for a valid employee ID.

The key is to be skeptical and ask questions. Asking tough questions and being skeptical will not offend honest people. Remember, if it sounds too good to be true, it probably is.

*Brian Sloboda is a technical research analyst specializing in energy efficiency and renewable energy for the Business Technology Strategies (BTS), a service of the Arlington, Va.-based National Rural Electric Cooperative Association.*

## How to Spot a Scam

<http://www.ag.state.mn.us/Consumer/Publications/howtospotascam.asp>

**Scammers are constantly** reinventing new ways to perpetrate old ploys. Whether you're contacted by phone, mail, email, text or in-person, the following tips provide advice on how to spot a scam.

### Look For These Tell-Tale Red Flags

**You are contacted out of the blue.** Scam artists aim fake invoices, phony debt collection notices and spam emails at unsuspecting consumers hoping they will pay before checking their records. You should never send money or provide personal information to unknown or unfamiliar people or entities. For example:

*"Steve" received a call from a man with a heavy foreign accent who claimed to be calling from the IRS about supposed unpaid taxes. Steve knew he'd paid his taxes on time and didn't owe any money. When the individual said he had to pay immediately to avoid a penalty, Steve hung up.*

**You are required to send money upfront to receive a prize.** Legitimate companies never require someone to pay money upfront to receive a prize. Consider this:

*"Bill" received a mailing that claimed he'd won \$1 million in an overseas lottery. The mailing stated that he needed to pay \$500 for "taxes" to receive his winnings. Bill knew that foreign lotteries were illegal — and he certainly hadn't entered one — so he tossed the mailing in the trash.*

**You are asked to send money via a wire transfer or "reload pack."** Scam artists often instruct consumers to send money by wire transfer or reloadable money packs. Sending money in these forms is the same as sending cash — it is nearly untraceable and once the money is sent, it is generally gone for good. Just consider:

*"Mike" received a call from someone who claimed to represent the "U.S. Government Grant Department." The caller asked him to put \$325 on a reloadable money pack and call back with the numbers on the back of the card to receive a \$5,000 grant. Mike hung up because he knew that giving the number on the back of the card to the individual was as good as giving him cash.*

**You are asked to provide personal or financial information.** Banks, government agencies and legitimate companies only ask consumers to provide personal information in rare circumstances and don't do so by email or text message. Scam artists impersonate these types of entities and use deceptive messages to lure consumers into providing their private information so they can use it to commit fraud. Never provide your private information in response to an unsolicited call, email or text message. Instead, call the entity at the number listed on its website or the back of your card. For example:

*"Roberto" received a text message that appeared to come from his bank. It said he should call a toll-free number to reactivate his credit card. Roberto knew his credit card was working properly and didn't recognize the texter's*

*number. He called his bank using the telephone number listed on the back of his credit card, which confirmed the message was a scam.*

**You are asked to keep it a secret.** Scam artists may ask consumers not to tell anyone about the situation so the consumer doesn't get advice from someone who might detect the scam. If you are asked to keep a transaction a secret, you should do the opposite: immediately contact trusted family members or friends to investigate the situation and get their opinion:

*"Delores" received a call from a man she thought was her grandson, "Mike." He said that he was in trouble and needed money fast. Mike claimed that he was embarrassed about the situation and pleaded with Delores not to tell anyone about the matter, especially his parents. After the call ended, Delores called her daughter, who said Mike wasn't in any trouble at all.*

**You are asked to act quickly.** Scam artists may say that there is a limited time to act in order to get people to pay money before they have time to think the situation through:

*"John and Mary" were in the market to sell their timeshare in the Bahamas. They received a call from a supposedly local Bahamian company that claimed it had found a buyer who wanted to buy the unit that same day and asked John and Mary to immediately pay a large upfront fee. When they asked for a few days to think about it, the individual claimed that they must send him the money that day or forfeit the opportunity. John and Mary let the "deal" go because they weren't going to send money before they had time to review the documents and research the company. It's a good thing they did, because this was a scam.*

**You receive payment in the form of a cashier's check or money order.** Scam artists can create counterfeit checks and money orders that look remarkably authentic. After your financial institution cashes a check or money order, it generally has up to two weeks to reverse the transaction. If the check or money order ultimately ends up being counterfeit, your financial institution will probably hold you responsible for any portion of the funds that were used or sent back to the scam artist. For example:

*"Terri" was trying to sell her car on an online classified site. One of the offers she received included a check for an amount greater than the sale price. The purported buyer told her the overpayment was for shipping and asked her to wire the money to a transporter. Terri asked her bank to look over the check. Sure enough, it was counterfeit. It's a good thing Terri didn't wire the overage to the transporter, because her money would have been gone for good.*

**It sounds too good to be true.** If something sounds too good to be true, it probably is. Consider this:

*"Rhoda" received a mailing that offered an "exclusive" work-at-home opportunity earning \$5,000 a week. Rhoda became suspicious when she noticed the bulk mailing stamp on the envelope. She asked herself, "how many others had received a similar offer?" A quick Internet search told her that thousands of people apparently had — and the offer was a scam.*

# East River Electric Annual Report



**Tom Boyko**  
General Manager - East River  
Electric Power Cooperative

From the original founders of Central Electric Cooperative to the hard-working staff and board members you have today, cooperative leaders have created a “Legacy of Leadership and Service.” Your cooperative doesn’t exist to make a profit; the staff and board work to provide a vital service to you and your family at the lowest possible cost. They are leading the cooperative into the future with innovative ideas and programs to help enhance our communities, educate members, and help you save money

on your electric bill. East River would like to thank your General Manager Ken Schlimgen and your East River board representative Duane Wolbrink for playing an active role in East River’s operations. They consistently advocate on your behalf and we thank them for their service to East River.

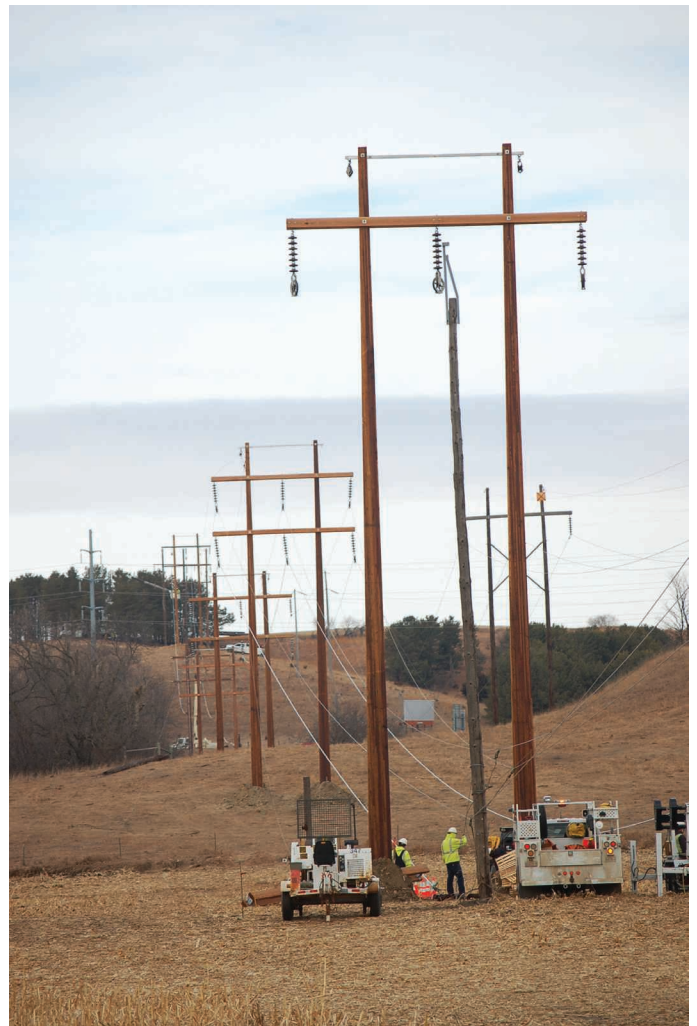
A big part of the legacy your board of directors has built includes securing a future power supply for decades to come. In the past year your board of directors has contracted to receive your power supply from East River Electric through the year 2075. East River, in turn, has contracted with Basin Electric for the same term, ensuring that our cooperative relationship will continue for decades to come. Long-term contracts allow East River and Basin to secure financing at reasonable interest rates, helping to keep your rates affordable. East River thanks your board of directors for their confidence in East River as we work together for years to come.

East River and its members also made history over the past year by joining the Southwest Power Pool as a Transmission Owner. The Southwest Power Pool is a massive system of transmission lines and substations that now stretches all the way from Canada to the Mexican border. As part of SPP, East River and its members are now part of a market-based system and are able to see a greater return on our transmission assets which helps to control rates. It’s just another way that East River is working to keep your rates affordable.

East River continues to invest in maintaining and upgrading its transmission system to keep your electricity reliable. Over the past few years East River has constructed or rebuilt hundreds of miles of transmission line across its service territory and has upgraded or constructed several substations. East River is constantly monitoring and evaluating its transmission assets to better serve its members.

Another service East River provides to our member

cooperatives is leadership on public policy and is constantly on watch against harmful legislation or regulations that will make electricity more expensive. One of the most harmful regulations ever attempted is the Environmental Protection Agency’s Clean Power Plan which sought to regulate carbon emissions from existing power plants. It would drastically increase your electric bill by likely forcing the closure of coal-fired power plants you own through your cooperative’s membership in East River. The EPA rule simply goes too far, too fast and will increase costs, hurt reliability and have a dramatic impact on the future of our industry. Along with hundreds of other cooperatives across the country East River sued the EPA, arguing that the agency did not have the



**As an SPP member, East River has the ability to build transmission facilities that are identified through the SPP planning process and to see a greater return on our transmission assets.**

authority to close power plants and that the Clean Power Plan would cause dramatic increases in electric rates to consumers across the country. East River and Basin Electric also petitioned the Supreme Court to ask for a stay of the rule. Thankfully, the Supreme Court granted the request for a stay. As a result, implementation of the rule is on hold until the courts decide the full case. The D.C. Circuit Court will hear oral arguments on the case this June and will likely rule sometime in the fall. From there it will likely go to the Supreme Court. It could be 2018 before there is a final ruling on the Clean Power Plan. In the meantime, East River will continue to work with the South Dakota congressional delegation and other lawmakers to fix parts of the rule that are especially harmful.

Electric Cooperatives saw success in Congress this year after a law was passed and signed by the president that gives an exemption for the production of high-capacity water heaters that many of you have in your homes today. After the Department of Energy banned the production of water heaters over 75 gallons, electric cooperatives led an effort to secure a legislative exception to the rules. Because of the new law, water

heater manufacturers can now produce large-capacity, grid-enabled water heaters if they are used in a load management program like the one many of you are enrolled in. This victory will help continue to save you money by managing water heaters during times of peak energy use.

Our cooperative family continues to increase our use of renewable energy. Over the past year, Basin Electric has agreed to purchase another 700 megawatts of wind energy. This decision nearly doubles our current amount of wind energy. Combined with the hydropower we access from the federal dams through the Western Area Power Administration and some other small renewable energy projects, well over one-third of our power supply comes from renewable sources. We are committed to continue to look for ways to diversify our power portfolio to serve you better.

Thank you for attending your annual meeting and taking an active role in your cooperative. It's extremely important that you stay informed and continue to be active in your cooperative. It is members like you that help move the cooperative forward toward an even brighter future.

## Determan named Scholar of the Week

Tasha Determan, a senior at Hanson High School, was named Touchstone Energy Scholar for the week of February 21-27, 2016.

Determan is a mature and determined student who has excelled both academically and creatively. In addition to her 4.0 grade point average, Determan says she's grown a lot as an artist. Recently, she was selected as a finalist in the "Doodle 4 Google" artistic competition.

One of Determan's involvements is the choral program. Determan's vocal music teacher, Susan Almjeld, said, "[Tasha's] always a delight to have. She works hard. No matter what you put in front of her, she's going to do the job. This year she changed from soprano to alto and she just took that challenge and ran with it."

In addition to chorus, she's also involved with the Speech team and National Honor Society.

Following graduation, Determan plans to attend the University of South Dakota and is considering studying art as well as striving for medical school.

Central Electric presented Determan with a \$100 scholarship. The Scholar of



**General Manager Ken Schlinggen presented a scholarship check to Determan for \$100. Pictured (Left to right) is Schlinggen, Determan, and Hanson Middle/High School Principal Ray Slaba.**

the Week scholarship was created by KSFY and Touchstone Energy Cooperatives to recognize outstanding students across the state who set an example of hard work and high academic standards. Area school principals and faculty nominate students for this award, based on excellence in the classroom, service in the community and extracurricular participation. The KSFY staff makes weekly selections throughout the school year.

## Regional Dateline

### March 17-19

SD High School State AA Girls Basketball Tournament  
PREMIER Center/Sioux Falls Arena, Sioux Falls, SD  
605-224-9261  
www.sdhsaa.com

### March 17-19

SD High School State AA Boys Basketball Tournament  
PREMIER Center/Sioux Falls Arena, Sioux Falls, SD  
605-224-9261

### March 17-19

SD High School State A Boys Basketball Tournament  
Rushmore Plaza Civic Center  
Rapid City, SD, 605-224-9261

### March 17-19

SD High School State B Boys Basketball Tournament  
Barnett Center, Aberdeen, SD  
605-224-9261

### March 18-20

South Dakota Taxidermy Competition and Convention  
Watertown, SD, 712-540-5868

### March 19-20

Curt Carter Memorial Gun Show, Watertown, SD  
605-793-2347

### March 19-20

Black Hills Motorcycle Show  
Rushmore Plaza Civic Center  
Rapid City, SD, 605-381-0467

### April 1-3

Annual Hats Off to the Artists Art Show, Faulkton, SD  
605-598-6525

PHOTO COURTESY OF CUSTER STAMPEDE BUFFALO ART AUCTION



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.

## Events of Special Note

### March 26

Easter Egg Hunt  
City Park, 10 a.m.  
Wessington Springs, SD  
Contact Linda Burg at  
605-539-1373

### May 20

11th Annual Custer Stampede Buffalo Art Auction Unveiling  
Custer, SD, 605-673-2244

### April 2

Spring Coin and Currency Show, Elks Lodge  
Watertown, SD, 605-882-4663

### April 2-3

Professional Bull Riders Built Ford Tough Series  
Sioux Falls, SD, 605-367-7288

### April 2-3

Spring Big Boy Toy Show  
Brown County Fair Grounds  
Aberdeen, SD, 605-229-3632

### April 2-3

Zonta Spring Craft Show  
Northridge Plaza, Pierre, SD  
605-280-5806

### April 7

Freshman Impact Program  
Powerful one-day prevention program for freshman students, Elementary School Gym and Parking Lot, Wessington Springs, SD  
Contact Betsy Krohmer at  
605-539-1871

### April 8-9

Lakota Omniciye Wacipi  
Black Hills State University  
Spearfish, SD, 605-642-6578

### April 8-10

Sioux Empire Film Festival  
Sioux Falls, SD, 605-367-4616

### April 8-10

South Dakota Quilters Guild Spring Retreat, Rapid City, SD  
605-895-2509

### April 9-10

Dakota Territory Gun Show  
Rushmore Plaza Civic Center  
Rapid City, SD, 605-394-4115

### April 14

Red Green "I'm Not Old - I'm Ripe" Tour, Sioux Falls, SD  
605-367-4616

### April 15-16, 22-23

Schmeckfest, Academy Campus  
Freeman, SD, 605-925-4542

### April 23

RiverRat Marathon  
Riverside Park, Yankton, SD  
605-660-9483  
www.riverratmarathon.com

### April 30

Fourth Annual Festival of Tables, Senior Community Center, 10:30 a.m., \$10 ticket  
Wessington Springs, SD  
Contact Linda Burg at  
605-539-1373, Marilyn Robbins at 605-539-9552 or Abbie Younie at 605-539-9377

### June 3-4

Howard Headers Car Show and Cruise, Howard, SD  
605-203-1086

### June 24

"Hemmings Motor News Great Race" Lunch Stop  
Chamberlain-Oacoma, SD  
www.greatrace.com