

Cooperative Connections

Getting the
DIRT on
Underground
Damages

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with a
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Know what's **below.**
Call before you dig.

From the President and General Manager

Executive Message



Duane Wolbrink

President



Ken Schlimgen

General Manager

**Join us on Tuesday,
April 3rd at the
Mitchell Corn Palace
for your cooperative's
annual meeting.**

Join us on Tuesday, April 3rd at the Mitchell Corn Palace for your cooperative's annual meeting. Come with expectations for a great meal and to gain a little knowledge about the cooperative you own.

Alan Shedd will be our guest speaker this year. Alan is the Director of Energy Solutions for Touchstone Energy® Cooperatives. He is an authority on electric vehicles and has worked on solar and electric vehicle projects since the 1970's. He owns a plug-in hybrid electric vehicle and driven over 200,000 plugged in miles. The auto industry is investing billions in electric vehicle technology with predictions of over 50 models to choose from by 2020. We are confident this presentation should help us all learn some things about this relatively new technology.

This issue of Cooperative Connections serves as your cooperative's annual report. The financial information and statistics for 2017 can be found on pages 10-11. Your cooperative ended the year in strong financial position and as a result, there are no changes in electric rates for the coming year. The HVAC, Wiring, and Appliance departments also had a good year which help to keep electric rates just a little bit lower.

Your cooperative connected 59 new services in 2017, and at the same time, retired 69 services that were no longer needed, leaving 7,208 electric services spread across 4,486 miles of line. We ended the year with 926 miles of underground cable, a 15 mile increase, and 3,560 miles of overhead wire, a 23 mile decrease. To give you a reference of how far 4,486 miles of line is, it would stretch from Anchorage, Alaska to New Orleans, Louisiana.

Your cooperative purchased 355 million kWh of electricity and sold 346 million. These sales generated \$34 million in revenue for the year. When accounting for other sales and activities, total revenues were almost \$36 million. I can't imagine that our original board members could have ever dreamed this cooperative would someday generate this much revenue through the sale of electricity.

Your cooperative also paid rebates for the installation of 110 electric water heaters, and an additional 98 rebates toward energy star appliances, non-residential lighting upgrades, energy efficiency improvements and the installation of electric heating systems.

Our solar project generated 15,374 kWh of electricity in 2017 as compared to 15,676 kWh in 2016. This is about 10 percent less than the 17,300 annual kWh projections from the manufacturer. Solar informational meetings were held early in 2017 with nearly 130 people attending. We shared information on solar technology, solar well pumping, tax incentives, and data gathered from our solar project.

We also conducted a survey of our membership this past summer to determine what our members think regarding solar technology and your electric cooperative. This survey results were shared at the recent District Meetings held in January, and the survey revealed we have a lot to learn regarding solar and renewable energy before making long term investments in this technology. **continued pg 11**



A Touchstone Energy® Cooperative 

(USPS 018-963)

Board of Directors

- Duane Wolbrink - President
- Todd VanWalleghen - Vice Pres.
- Bernetta Burghardt - Secretary
- Jim Headley - Treasurer
- Mark Hofer - SDREA, NRECA
- Roger Campbell
- Donita Loudner
- Darwin "Butch" Morrison
- Mark Reindl

General Manager: Ken Schlimgen

Editor: Courtney J. Deinert -
courtneyd@centralec.coop

Assistant Editor: Patrick Soukup

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

This cooperative is an equal opportunity provider, employer and lender. If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found on-line at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter by mail to U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Ave, S.W., Washington, D.C. 20250-9410, by fax (202 690-7442) or e-mail at program.intake@usda.gov.

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Office Information

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800-477-2892 or
605-996-7516
www.centralec.coop



Mission Statement

Provide Reliable Energy & Services
with a Commitment to Safety and
Member Satisfaction

Elected by You to Serve You: Board of Directors



Duane Wolbrink
President
Stickney
Elected 1995



Todd VanWalleghen
Vice President
Letcher
Elected 2010



Bernetta Burghardt
Secretary
Fedora
Elected 2004



James "Jim" Headley
Treasurer
White Lake
Elected 1996



Donita Loudner
Fort Thompson
Elected 2002-2007,
2017



Mark Hofer
SDREA, NRECA
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.
- Appropriate personal protective gear should be worn when using power tools.
- 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: safeelectricity.org

Five Easy Ways to

CELEBRATE EARTH DAY

Every Day

1. Conserve water by taking showers instead of baths.
2. Turn off all lights when you leave a room.
3. Bring your reusable bags to the market and other stores when shopping.
4. Go paperless. Pay as many bills as possible online.
5. Ditch the car and walk when possible.

KIDS CORNER SAFETY POSTER



"Spring is coming! Don't fly kites near power lines."

Taylor Brooks, 7 years old

Taylor is the daughter of Tyson Brooks, Lake Andes, S.D. He receives his internet service through Charles Mix Electric Association, Lake Andes.

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.

Appetizers and Beverages

Jalapeno Poppers

- | | |
|---|--|
| 18 fresh jalapenos cut in half (stems intact if possible), seeds and membrane cleaned out (wear gloves) | 18 slices thin bacon, cut in halves |
| 1 (8 oz.) pkg. cream cheese | Bottled barbecue sauce |
| 2/3 cup grated Cheddar cheese | Toothpicks |
| 2 green onions, chopped | Rubber gloves or plastic bags for working with the jalapenos |

In a bowl, combine cream cheese, cheddar cheese and chopped green onion mixing gently. Stuff the pepper halves with the cheese mixture. Wrap bacon slices around each pepper half, covering as much of the surface as possible and do not stretch the bacon. Secure the bacon with a toothpick and then brush the surface of the bacon with barbecue sauce. Place on a cookie sheet lined with parchment paper. Bake at 275°F. for 1 hour or until bacon is done. Serve hot or room temperature.

Note: These can be assembled a day in advance, kept refrigerated and then baked or baked, frozen and reheated prior to serving. Experiment with different cheeses or jellies instead of barbecue sauce.

Judy Mendel, Doland

Mocha Freeze

- | | |
|------------------------------------|----------------------|
| 2 cups vanilla ice cream, softened | 1 T. chocolate syrup |
| 1/4 cup cold strong coffee | 1/2 cup crushed ice |

Combine ingredients in blender; blend well. Makes 4 servings.

Becki Hauser, Tripp

Triple Berry Special

- | | |
|---------------------------|------------------------------|
| 1 cup frozen strawberries | 1/2 cup buttermilk |
| 1 cup raspberries | 1-1/2 cups strawberry yogurt |
| 1 cup blueberries | 2 T. honey |
| 1 cup milk | 2 T. flax meal |

Combine ingredients in blender; blend well.

Hannah Schoenfelder, Cavour

Southwest Chili Cups

- | | |
|---|--------------------------------------|
| 1/2 lb. lean ground beef | 1 tsp. McCormick® Garlic Powder |
| 1 (15 oz.) can black beans, drained and rinsed | 2 (8 oz. each) pkgs. corn muffin mix |
| 1 (8 oz.) can tomato sauce | 1 cup shredded Cheddar cheese |
| 4 tsp. McCormick® Chili Powder | 3/4 cup sour cream |
| 2 tsp. McCormick® Oregano Leaves, finely crushed, divided | 1/4 cup thinly sliced green onions |

Brown beef in large skillet on medium-high heat. Drain fat. Add beans, tomato sauce, chili powder, 1 tsp. oregano and garlic powder; mix well. Bring to boil. Reduce heat to low; simmer 5 minutes. Prepare corn muffin mix as directed on package, adding remaining 1 tsp. oregano. Spoon batter into 12 greased and floured or paper-lined muffin cups, filling each cup 2/3 full. Spoon beef mixture into each cup, gently pressing into batter. Sprinkle with cheese. Bake at 400°F. for 12 minutes or until edges of muffin cups are golden. Cool 5 minutes in pan on wire rack. Top each cup with sour cream and green onions. Makes 12 servings.

Nutritional Information Per Serving: Calories 317, Total Fat 13g, Sodium 659mg, Cholesterol 67mg, Carbohydrates 38g, Protein 12g, Dietary Fiber 3g

Pictured, Cooperative Connections

Orange Julius

- | | |
|-----------------------------|------------------|
| 1/2 cup water | 1 T. sugar |
| 1/2 cup milk | 1/4 tsp. vanilla |
| 1/3 cup frozen orange juice | 6 ice cubes |

Combine ingredients in blender; blend well.

Fay Swenson, Rapid City

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 2018. All entries must include your name, mailing address, telephone number and cooperative name.



Minutes of the Previous Annual Meeting

APRIL 6, 2017

The Annual Meeting of the members of Central Electric Cooperative Association was held on Thursday, April 6, 2017, at the Corn Palace, Mitchell, South Dakota. Duane Wolbrink, President, called the meeting to order at 7:30 p.m. Manager of Finance and Administration Scott Kroger was appointed acting secretary. President Wolbrink announced that there was a quorum of registered members present (319) at the time the meeting began.

President Wolbrink called upon associate Father Shane Stevens of the Holy Family Parish of Mitchell 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 2016 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 to 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 gave the president's report which included the financial report, regulation challenges, line replacement cost, and the cooperative's involvement in solar.

President Wolbrink called on Director Mark Hofer. Director Hofer discussed the history of NRECA, as well as Co-ops Vote.

Director Hofer called on Manager Schlimgen. Manager Schlimgen welcomed members to the Annual Meeting and gave the manager's report. He recognized this year's recipient of the Basin Electric Power Cooperative Scholarship, Bailey Moody, Letcher; and the two recipients of the Jay Headley Memorial Scholarships, Karley Litterick, Howard, and Aaron Linke, Woonsocket.

Manager Schlimgen then announced this year's Youth Tour winners: Olivia Hanten, White Lake High School; Hunter Gregory, Kimball High School; Catherine Bechen, Sanborn Central High School; Ashley Henglefeld, Hanson High School; Jessica Burghardt, Howard High School; and

Madison Hetland, Mitchell High School.

Manager Schlimgen asked Central Electric employees to come up on stage and he introduced them.

Manager Schlimgen announced the 10 applicants that were awarded funding from Operation Roundup: Alexandria Little Tykes Daycare, Carthage Campbell Straw Bale Museum, Emery Little Learners Daycare and Preschool, Ethan Community Center, Gann Valley Spring Hill Cemetery Association, Kimball Police Department, Kimball School District, Stickney Volunteer Fire Department, Wessington Springs Youth Baseball, and White Lake Fire Department

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 2017 Central Electric Annual Meeting. There being no further discussion from members the meeting was adjourned.

Letter from our Generation & Transmission Cooperative

East River Report



Tom Boyko

East River Electric Cooperative
General Manager

The cooperative principles are what set electric cooperatives apart from other utilities.

East River was formed 67 years ago by our members. Those members foresaw the opportunity to create a generation and transmission cooperative that would allow them to do collectively what wasn't possible individually. At that time, the mission was to deliver cost effective hydropower to East River's member systems.

Today, East River is still delivering hydropower to our members but we've also seized other opportunities along the way that provide collective benefits. Over the years, our cooperative family has also collectively faced extreme challenges that we've tackled with a focus on what's best for our members.

Examples from this past year show our continued focus on the needs of our members such as increasing the resiliency of our systems against cyber security threats and keeping pace with changing politics. We're well into our second year as a Southwest Power Pool member which, among other benefits, has brought a new revenue stream to help manage rates and reliability focused projects. East River is also now receiving revenue through Midcontinent Independent Transmission System Operator (MISO) facility credits for our eligible facilities within the Montana Dakota Utilities (MDU) transmission system.

A major challenge we faced in the past year was a Christmas Day ice and wind storm that caused severe damage to almost 500 of East River's structures in northeastern South Dakota. We'd like to thank everyone who was involved in safely and efficiently restoring power in a timely manner.

Another big success this past year was rolling out a safety campaign that educates farmers about the dangers of operating large farm equipment around power lines. With an upcoming wave of retirements, legislative uncertainties and innovations in renewable energy and smart home technology, the years ahead are sure to be filled with big decisions that we must make together.

East River exists to enhance the value of its members and our success comes from remaining focused on that mission. Thank you to East River's board of directors, our member system board members, member managers and staff, and our employees for the great working relationships. We appreciate the confidence and support you have in our efforts to achieve our mission of enhancing the value of our members.

The cooperative principles are what set electric cooperatives apart from other utilities. Our members are the focal point of every decision and, through democratic control, our members set our future course. Our cooperative family will stay strong, withstand challenges and make the most of opportunities by remaining member owned and member focused.

Know what's below Call **811** before you dig.



April is set aside as National Safe Digging Month, designed to raise awareness of safe digging practices and the need to call 8-1-1 before any digging projects.

Underground Excavation Damages Cost **\$1.5 BILLION**

Common Ground Alliance

www.cga-dirt.com

Damage to underground utilities from digging activities carries a hefty price tag.

Common Ground Alliance (CGA), the stakeholder-run organization dedicated to protecting underground utility lines, people who dig near them, and their communities, released its comprehensive 2016 Damage Information Reporting Tool (DIRT) Report in 2017.

The report, which is the sum of all 2016 data submitted anonymously and voluntarily by facility operators, utility locating companies, one call centers, contractors, regulators, and others, estimates that the total number of underground excavation damages in the U.S. last year rose 20 percent from the year prior, to approximately 379,000, and conservatively cost direct stakeholders at least \$1.5 billion. The 2016 DIRT Report benefited from a record-high number of event record submissions as well as a record-high Data Quality Index score (a measurement of the completeness of data submissions), yielding the most comprehensive analysis of damages to buried facilities ever compiled.

Data from 2016 informed CGA's first-ever estimate of the societal costs associated with underground



Always Call Before You Dig.

One easy call gets your utility lines marked and helps protect you from injury and expense.

Safe Digging Is No Accident: Always Call 811 Before You Dig

Visit call811.com for more information.



Know what's below.
Call before you dig.

facility damages in the U.S. As estimated by a very conservative model accounting only for stakeholders' direct costs related to a damage, 2016 damages alone cost approximately \$1.5 billion in the U.S. This estimate does not include property damage to excavating equipment or the surrounding area, evacuations of residences and businesses, road closures and/or traffic delays, environmental impacts, legal costs, injuries or deaths. Customers and users of underground facilities were most impacted, shouldering just over 30 percent of the total societal costs, and emergency responders absorbed more than 23 percent.

While the 2016 damage ratio, which measures damages per 1,000 one call transmissions, increased 14 percent from 2015, construction spending has risen such that the ratio of damages to construction spending has dramatically declined since 2004 (the first year the DIRT Report was issued), and estimated damages have stabilized into the 300,000-400,000 range since 2010 despite increased construction activity in the interim.

"The substantial estimated economic impacts of damages to underground facilities across the U.S. likely do not come as a big surprise to damage prevention advocates who are dedicated to reducing that figure – along with the very human impacts these damages can have – on a daily basis. Nevertheless, we hope that the 2016 DIRT Report's analysis of the \$1.5 billion in societal impact is eye-opening to both the industry and the public at large, and provides clear evidence that reducing damages is solidly in the public interest," said Sarah K. Magruder Lyle, president

and CEO of CGA. "The latest DIRT Report also examines damage prevention paradigms in other countries for the first time, which is an opportunity to consider how this information can help us work toward our goal of zero damages."

Other significant findings from the 2016 DIRT Report include that damages caused by a failure to call 811 prior to digging have fallen to a record-low 16 percent, part of an encouraging long-term trend.

2016 damages alone cost \$1.5 billion in the United States.

Once again, CGA has made an interactive DIRT Dashboard accessible to the public through its website, allowing users to view and manipulate the data through the lens of a specific element, e.g., damages by state, root cause analysis, etc. It contains a series of dashboard visualizations that allow users to sort information through additional filters, giving damage prevention stakeholders a powerful tool for drilling down into the areas where they feel they can have the biggest positive impact. Added this year are the capabilities to filter several dashboards by state or year (inclusive of 2015 and 2016 data), as well as a new dashboard that centers around the U.S. Department of Transportation's Pipelines and Hazardous Materials Safety Administration's (PHMSA) determinations on the adequacy of state damage prevention programs.

"CGA's Data Reporting and Evaluation

Committee has worked tirelessly to recruit quality data submissions and explore new areas of analysis to inform the 2016 DIRT Report as part of its pursuit to provide damage prevention advocates and the public with comprehensive, relevant information," said Bob Terjesen, Data Committee co-chair from National Grid. "DIRT data is more accessible than ever with the interactive DIRT Dashboard hosted on the CGA website, making it possible for any stakeholder to explore the unique ways each of us can have an impact on the staggering \$1.5 billion in societal costs caused by damages to buried utilities, and on protecting the people who work near them."

The complete DIRT Annual Report for 2016 is available for download at www.commongroundalliance.com, and stakeholders interested in submitting data to the 2017 report or establishing a Virtual Private Dirt account should visit the DIRT site at www.cga-dirt.com.

About CGA

CGA is a member-driven association of nearly 1,700 individuals, organizations and sponsors in every facet of the underground utility industry. Established in 2000, CGA is committed to saving lives and preventing damage to North American underground infrastructure by promoting effective damage prevention practices. CGA has established itself as the leading organization in an effort to reduce damages to underground facilities in North America through shared responsibility among all stakeholders. For more information, visit CGA on the web at <http://www.commongroundalliance.com>.

Key Takeaways

This year's DIRT Report highlights several key takeaways that demonstrate that despite the increase in damages submitted to DIRT, the industry continues to make progress in several key areas:

- Estimated total U.S. damages increased 20 percent, from 317,000 to 379,000.
- Since 2010, damages have stabilized into the 300,000-400,000 range despite there being a rebound in construction spending.
- Damages per 1000 transmissions increased 14 percent, from 1.54 in 2015 to 1.76.
- However, the rate is lower than the 2013 and 2014 rates of 2.07 and 1.84 respectively, indicating a long-term trend of

improvement.

- The ratio of damages to construction spending has declined dramatically from 0.63 damages per million dollars of construction spending in 2004 to 0.41 in 2016.
- Call before you dig awareness remains consistent with historical findings at 45 percent (survey taken June 2017).
- The societal costs associated with underground facility damages in the U.S. in 2016 are estimated at \$1.5 billion. This is a minimum estimate based on routine costs for stakeholders directly connected to a damaged facility. It does not include costs such as property damage, evacuations, road closures, environmental impacts, lawsuits, injuries, and fatalities

Balance Sheet

	2016	2017
ASSETS		
Lines, Office Building and Operational Equipment	\$73,833,518	\$76,415,756
Less Depreciation	\$(21,447,658)	\$(22,320,601)
Total Electric Plant Less Depreciation	\$52,385,860	\$54,095,155
Cash and Investments:		
General Fund	\$593,300	\$925,987
Investment:(Associated Organizations)	\$16,678,616	\$16,789,082
Total Cash Investments	\$17,271,916	\$17,715,069
Total Receivable	\$3,338,137	\$3,331,615
Materials and Supplies	\$1,985,625	\$2,298,997
Prepaid Insurance	\$141,184	\$93,430
Other Current and Accrued Assets	\$6,656	\$6,724
Deferred Debits	\$921,666	\$820,706
TOTAL ASSETS	\$76,051,044	\$78,361,696
LIABILITIES		
Total Amount Owed to RUS & CFC	\$36,747,712	\$37,258,541
Consumer Deposits	\$142,963	\$140,088
Deferred Credits	\$1,800,000	\$ -
Other Current and Accrued Liabilities	\$1,408,732	\$1,468,098
Accounts Payable	\$2,545,627	\$2,634,693
TOTAL WE OWE	\$42,645,034	\$41,501,420
EQUITY		
Patronage Capital and Other Equities	\$33,406,010	\$36,860,276
TOTAL EQUITIES	\$33,406,010	\$36,860,276
TOTAL LIABILITIES & EQUITY	\$76,051,044	\$78,361,696

Operating Statistics

	2016	2017
REVENUES:		
Revenue from the Sales of Electricity, Wheeling and Fees	\$30,274,430	\$35,857,840
TOTAL REVENUE	\$30,274,430	\$35,857,840
EXPENSES:		
Cost of Purchased Power	\$21,140,821	\$24,256,268
Distribution-Operations Expense	\$1,345,943	\$1,325,361
Distribution-Maintenance Expense	\$1,670,619	\$1,780,983
Consumer Accounting and Collecting Expense	\$266,201	\$228,307
Consumer Service and Information Expense	\$340,211	\$411,248
Sales Expense	\$107,478	\$113,373
Administrative and General Expense	\$1,413,705	\$1,423,555
Depreciation Expense	\$1,932,475	\$1,908,719
Tax Expense	\$515,090	\$554,420
Interest Expense	\$1,193,700	\$1,262,394
Other Deductions	\$24,321	\$22,372
TOTAL EXPENSE	\$29,950,564	\$33,287,000

How Your Dollar was Spent



	2016	2017
MARGINS		
Patronage Capital and Operating Margins	\$323,866	\$2,570,840
Non-Operating Margins	\$138,589	\$159,839
Generation and Transmission and Other Capital Credits	\$2,199,864	\$1,369,641
PATRONAGE CAPITAL OR MARGINS	\$2,662,319	\$4,100,320

Executive Message continued

Some challenges your cooperative is facing in the near future include continue improving our cyber security processes. A test this past year revealed how a South Dakota electric cooperative's network had experienced 28,000 attempts in one month from random hackers trying to gain access to their system. We also need to evaluate the security of our buildings and storage yards to protect our equipment, inventory, and personnel.

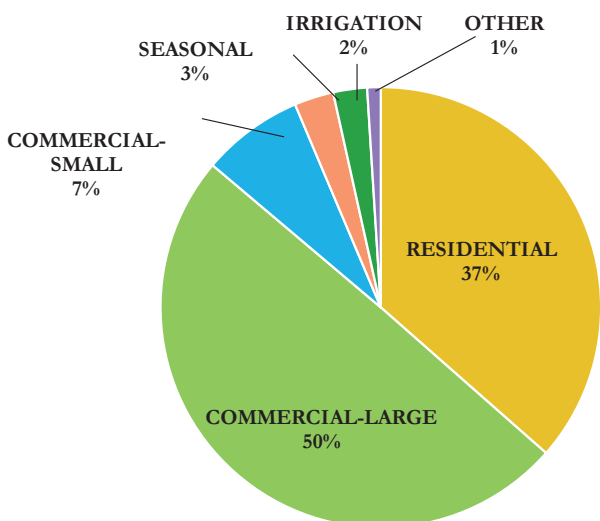
We are developing a long range plan for replacing our aging distribution system, some of which was constructed in the 1950's. We are gathering information on the age of each mile of the 3,560

miles of overhead powerlines we have. This will help us to plan and budget for replacing the system before there are major problems, while controlling the impact this investment in our system will have on electric rates.

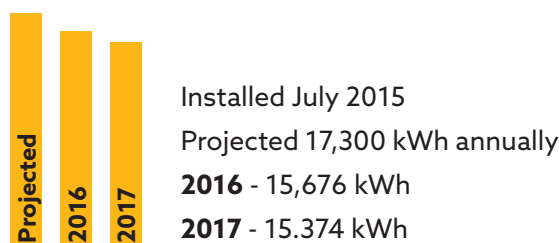
Your cooperative continues to grow and adapt to best serve our members. The management staff, board of directors and employees are committed to providing reliable electric energy and services with an emphasis on safety and member satisfaction. We hope to see you at the Annual Meeting.

2017 Annual Statistics

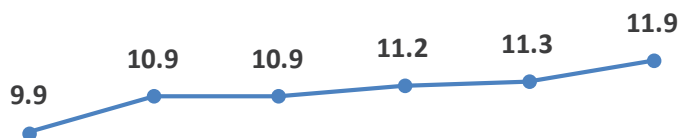
Source of Revenue



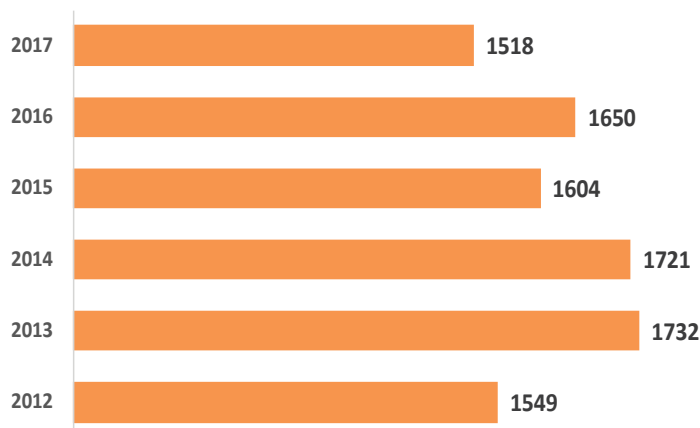
Central Prairie Solar Output



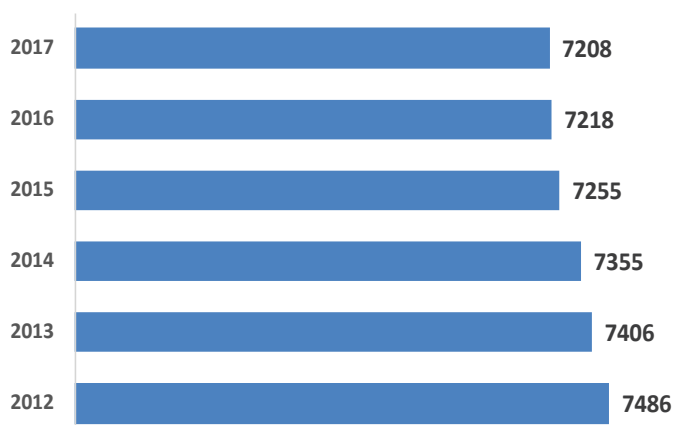
Average price per kWh (cents) for Residential Members 2012-2017



Average Monthly kWh Used per Residential Member



Number of Meters





A DAY WITH A LINEWORKER

Cooperatives' Dependable Problem Solvers

Paul Wesslund

NRECA Contributing Writer

Larry's typical day as an electric co-op lineworker actually started the night before. He was getting ready for bed when a woman reported her power was out. It was Larry's weekly overnight to be on call, so the co-op truck was already in his driveway. He drove it to the woman's house, ID'd a problem in the base of the meter, installed a temporary fix until an electrician could get out the next day and returned home two hours later. He would report for work at the co-op office by 7:30 the next morning.

"I like hunting down problems," said Larry. "I know I'm doing something the members can't do themselves. They depend on us."

Larry's like a lot of electric utility lineworkers, said Mark Patterson, director of safety and loss control for the South Dakota Rural Electric Association.

"There are more people who can't do this work than can do it," said Patterson. "It takes specific skills and intestinal fortitude. They're a 'get it done' type of personality."

Larry isn't like a lot of lineworkers, he is a lot of lineworkers. He's actually not a real person, but a combination of the real people interviewed for this story about a typical day for a lineworker.



Following procedure

Larry started his day in a room with the rest of the lineworkers, leafing through stacks of paper – checklists, maps, work orders – planning the day’s work. They compared notes, asked who was familiar with the area they were headed to and analyzed last night’s college ball game.

In addition to taking time to coordinate the plans and paperwork, these guys (there are a few women among the more than 15,000 co-op lineworkers around the country) need to keep track of a lot of equipment. Neatly organized shelves in the warehouse hold saws, drills, climbing hooks, insulated work poles, trash cans and binoculars. They need to be wearing safety gear or have it close at hand – hard hat, safety glasses, fire-retardant uniforms, steel-toed shoes, regular work gloves, hot-line safety gloves.

One more delay kept the crews from driving off to their first jobs, and it was probably the most important reason of all – the weekly safety meeting.

The co-op’s safety coordinator opened the meeting. He said that while catastrophic contact with electric current is always top concern, today’s meeting would focus on avoiding “slips, trips and falls that can cause very big issues.” A safety specialist from the state co-op association told the group that he disagreed with the common idea that a lineworker’s job is dangerous: “It’s hazardous and unforgiving, but it doesn’t have to be dangerous if you follow

the right procedures. We have the tools, the rules and the knowledge that can keep it from being dangerous.”

By mid-morning, the convoy was ready. Three lineworkers drove three trucks: a service truck, a bucket truck pulling a trailer with a large spool of wire and a digger truck with a huge auger on top and pulling a trailer carrying a backhoe. They headed across the county for the day’s job – moving a ground-mounted transformer 500 feet up a hill, closer to an underground connection to a new barn.

“It’s going to be muddy out there after the rain we’ve had,” said Larry. “When you’re working on underground connections, mud is not your friend.”

They’re a ‘get ‘er done’ type of personality.

We neared the site by late morning. To avoid interrupting the field work, the team stopped for an early lunch. Over burgers, I asked Larry about his training and his typical day.

We don’t say ‘hurry up’

“There’s nothing routine,” he said. A work plan might get changed because someone crashed their car into a utility pole. Tomorrow he would be presenting a safety demonstration to a group of elementary school students. He told about the satisfac-

tion of traveling out of state to help repair hurricane damage.

When the caravan arrived at the work site, the trucks drove up the packed, crushed-rock driveway, avoiding the soft ground on either side.

The three lineworkers gathered near the front of one of the trucks for what a lot of co-ops call a “tailgate meeting” and this co-op calls a “job briefing.” They read through forms, noting the address, cross street, job and account number. All three men signed the form.

They broke their huddle and de-energized the lines they would be working on, calling to let the office know the power had been cut. The next step was to use the backhoe to dig around the new connection pipes sticking out of the ground, making room for a ground-mounted transformer.

When the backhoe finished digging around the new transformer location, it drove down to the old transformer site. The crew unhooked the electric connections then chained the transformer to the backhoe’s loader bucket to be carried up the hill. But to keep the backhoe from getting stuck in the mud on the trip up the hill, the trucks had to be backed down the driveway to clear the way for the backhoe to drive up on firmer ground.

Two of the crew pulled new wire underground, then cut and spliced the two-inch diameter wires into the transformer box. They secured the connections before cleaning up the work site.

On the return trip, the convoy visited the truck stop to top off the gas tanks. Back at the co-op, they checked the paperwork for the next day’s jobs, then stocked the trucks with the equipment they would need for an early start.

Before we said goodbye, I asked Larry what thought of the time it took to follow all the procedures of their work day.

“We don’t think, ‘this is taking a long time,’” he said. “We just think, ‘this is how you do it. We don’t say, ‘hurry up.’ We look out for each other.”

Paul Wesslund writes on cooperative issues for the National Rural Electric Cooperative Association, the Arlington, Va.-based service arm of the nation’s 900-plus consumer-owned, not-for-profit electric cooperatives.

National Lineworker Appreciation Day April 9, 2018

More than 15,000 electric cooperative lineworkers serve on the front lines of our nation’s energy needs, maintaining 42 percent of electric distribution lines.

Lineworkers perform intricate work, often in dangerous conditions, to ensure we receive the safe, reliable power we depend on.



Heat Pump Credit

Consumers who installed a geothermal (also called ground source) heat pump system after Jan. 1, 2017, can now qualify for a full 30 percent tax credit after Congress passed and the president signed a compromise federal spending bill Friday, Feb. 9, which included a provision that extends the tax credit and phases it out after 2021. The tax credit extension is retroactive to Jan. 1, 2017, so consumers will need to discuss the recent development with their tax preparer.

The geothermal heat pump tax credit extension was one of several tax credits for renewable energy, carbon-capture, nuclear energy and other technologies that were left out of legislation passed previously that extended similar tax credits for wind and solar energy.

The phase out schedule of the geothermal tax credit is similar to the schedule for wind and solar technologies. If the unit is installed between Jan. 1, 2017 and Dec. 31, 2019, the tax credit is 30 percent of the cost of the unit. Between Jan. 1, 2020 and Dec. 31, 2020, the credit drops to 26 percent, and between Jan. 1, 2021 and Dec. 31, 2021, it is 22 percent. Without another extension, the tax credit would sunset after 2021.

Geothermal heating and cooling systems take advantage of the stable temperature underground using a piping system, commonly called a loop. Water circulates in the loop to exchange heat between your home, the ground source heat pump, and the earth, providing geothermal heating and cooling. It's one of the most energy efficient and cost-effective systems available.

Check with your local electric cooperative to discuss how the tax credits and other possible local incentives can help in deciding whether a geothermal system is right for you.

Basin Bus Tour

July 18-20, 2018

Sign up now for Bus Tour 2018!

The Basin Bus Tour allows Central Electric members to see first-hand how our electricity is generated. The trip includes stops at Oahe Dam, Antelope Valley Station, Dakota Gasification, and Coteau Coal Mine.

For just \$25 per member, the trip includes round-trip transportation, a two-night hotel stay, meals and tour access.

To sign up for the tour, visit www.centralec.coop for an application or call our office at 800-477-2892. Priority will be given to members who have not been on the tour before.

Applications will be accepted until June 1, 2018.





Central Electric Cooperative's 18th Annual Meeting Tuesday, April 3rd, 2018 Corn Palace, Mitchell, SD

Annual Meeting Highlights

6:30 PM

Buffet Meal

Electric Vehicle on
Display

7:30 PM

Guest Speaker:
Alan C. Shedd, P.E.,
CEM on Electric Vehicles

Election of Director-at-
Large

Scholarship & Youth
Tour Winners

Door prizes



GUEST SPEAKER

**Alan C. Shedd, P.E.,
CEM**

Director, Energy
Solutions

Touchstone Energy
Cooperatives

Summary

- Alan Shedd works with electric cooperatives and their members to develop resources, solutions,

and communicate best practices for energy efficiency, renewables, and smart energy use.

- He holds a degree in Engineering Science and Mechanics with an Energy Engineering Certificate from Georgia Institute of Technology.

- He is a registered professional Mechanical Engineer, Certified Energy Manager, BPI Building Analyst, and HERS rater.

- He's done energy analysis, energy management, research, and HVAC system design in the U.S. and Europe.

- He has worked on solar and electric vehicle projects since the 1970's

- He works with local, state groups, and schools to develop electric vehicles, use photovoltaic systems, and learn more about energy.

- He owns and drives a plug-in hybrid electric vehicle with over 200,000 plugged-in miles.

- When he's not doing engineering stuff, he likes to race sailboats.

DATELINE

March 24

Spring Craft Fair/Flea Market,
American Legion Hall,
Wagner, SD, 605-384-3543

March 24

Milltones Spring Show, 7 p.m.,
High School Theatre, Milbank,
SD

April 5

McCrossan's Wildest Banquet
Auction in the Midwest
featuring A Night Out with
the PBR, 5:30 p.m., Arena,
Sioux Falls, SD, Tickets:
\$75 each, 605-339-1203,
www.mccrossan.org

April 6

SPURS Spring Dance, Dakota
Events Center, Aberdeen, SD,
Tickets available at the Hitch
'N Post or by calling
605-226-1099

April 6-7

Forks, Corks and Kegs Food,
Wine and Beer Festival,
Deadwood, SD, 605-578-1876

April 6-8

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

April 7-8

Spring Zonta Vendor and
Craft Show, Northridge Plaza,
Pierre, SD, 605-222-1403,
bkstand@pie.midco.net

April 7-8

Hats Off to the Artists Art
Show, Faulkton, SD,
605-598-4160

April 25-29

Black Hills Film Festival, Hill
City, SD, 605-574-9454

April 28-29

Bike Show, Ramkota
Convention Center,
Aberdeen, SD, 605-290-0908



Photo courtesy: Brookings Quilters Guild

May 5

Consignment Auction,
Prairie Village, Madison,
SD, 800-693-3644,
www.prairievillage.org

May 6

Opening Day, Prairie Village,
Madison, SD, 800-693-3644,
www.prairievillage.org

May 13

1880 Train Mother's Day
Express, Hill City, SD,
605-574-2222

May 18

Turkey Races, Huron, SD,
605-352-0000

May 18-19

Sioux Empire Film Festival,
Sioux Falls, SD, 605-367-6000

May 18-20

State Parks Open House and
Free Fishing Weekend, Pierre,
SD, 605-773-3391

May 18-20

Tesla Road Trip Rally, Custer,
SD, 605-673-2244

June 1-2

Howard Headers Cruise Night
and Car Show, Registration
10:30 a.m. to Noon, Show
Noon to 4 p.m., Cruise
6 p.m., Howard, SD, Gary at
605-203-1086

June 3

Prairie Village Pageant,
Prairie Village, Madison,
SD, 800-693-3644,
www.prairievillage.org

June 7-9

Senior Games, Sioux Falls,
SD, Contact Nicole Tietgen at
605-665-8222

June 8

Northern Bull Riding Tour,
Prairie Village, Madison,
SD, 800-693-3644,
www.prairievillage.org

June 8-9

Senior Games, Spearfish, SD,
Contact Brett Rauterhaus at
605-772-1430

June 15-16

Czech Days, Tabor, SD,
www.taborczechdays.com,
taborczechdays@yahoo.com

June 16

Holy Rocka Rollaz concert,
Prairie Village, Madison,
SD, 800-693-3644,
www.prairievillage.org

June 21-23

Senior Games, Mitchell, SD,
Contact Howard Bich at
605-491-0635

July 7

Hedahls Auto Value Car Show,
Hav-A-Rest Campground,
Redfield, SD, 605-380-9985

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.