

# COOPERATIVE CONNECTIONS



(left to right) Rosebud Electric Directors Dennis Purvis and Boyt Young and Butte Electric CEO Matt Sleep serve a homemade meal to legislators, state employees and Capitol visitors in South Dakota State Capitol.

Photo by Jacob Boyko

## Co-ops at the Capitol

**Every Voice Counts**  
Pages 8-9

**Easements Bring Safety  
and Reliability**  
Pages 12-13

# Working Together to Lower Demand



**Matt Hotzler**  
Manager

When outdoor temperatures drop, electricity use naturally rises. Colder weather pushes us indoors, where we rely more heavily on heating systems, lighting and household appliances. Heating systems run longer and more frequently to maintain comfortable indoor temperatures. Combine that with the fact that most people use electricity at the same times – typically in the mornings and early evenings – and the result is significant pressure on our electric grid.

H-D Electric Cooperative works closely with Basin Electric Power Cooperative and East River Electric Power Cooperative, our local generation and transmission (G&T) cooperatives, to plan for these seasonal patterns and ensure you have reliable power every day of the year. This partnership involves detailed resource and infrastructure planning to make certain electricity is available whenever you need it. However, our local system is also part of a much larger regional and national grid. Basin Electric participates in two major grid operators: the Southwest Power Pool (SPP) and the Midcontinent Independent System Operator (MISO).

During the winter months, when homes and businesses across the country use more electricity at the same time, overall demand can approach – or occasionally exceed – available supply. This is especially true during severe weather events such as ice storms, sudden temperature drops or equipment failures that reduce generation capacity. In rare cases when demand threatens to outpace supply, the regional grid operator may call for temporary, controlled outages – often called rolling blackouts – to prevent widespread system failures. If such a situation arises, H-D Electric Cooperative will provide timely updates and information to members.

To prepare for these scenarios and minimize risks, H-D Electric and our G&T partners take proactive steps year-round. These include routine system maintenance, investments in grid modernization and comprehensive disaster response planning. These efforts help ensure our portion of the grid remains resilient even under extreme conditions. Still, maintaining a reliable electric system is a shared responsibility – and every member can play a meaningful role in lowering demand when the grid is under stress.

You can help by taking simple actions during periods of high electricity use, especially on the coldest days of winter:

1. **Lower your thermostat slightly.** Even a small reduction can make a difference.
2. **Avoid running large appliances during peak hours** – typically 6 a.m. to 10 a.m. and 4 p.m., to 10 p.m. Run dishwashers, washing machines and dryers during midday or late evening.
3. **Adjust your water heater.** Set it to 120°F and try to space out showers to reduce hot water demand.
4. **Unplug unused devices and equipment.** Electronics and lighting contribute significantly to home energy use.
5. **Charge electric vehicles overnight.** Most EVs allow you to schedule charging to begin after 10 p.m., with just a few taps.

Understanding how winter weather impacts electricity demand is key to maintaining system reliability. By practicing simple energy-saving habits at home, you not only reduce your monthly bill – you also help strengthen the resilience of the grid that powers our community. Together, through small actions and shared awareness, we can ensure that our homes stay warm, our lights stay on and our electric system remains reliable throughout the season.

We've talked a lot about **demand** recently because roughly **half of H-D Electric Cooperative's power bill** comes from demand costs. As Basin Electric and East River Electric continue to adjust their wholesale rates, demand remains a major driver of overall costs.

Currently, our general service rate does **not** include a separate demand (kW) charge; instead, demand costs are embedded in the energy (kWh) rate. This means many members may not be aware of how much demand they actually use.

Our three-phase and irrigation members, however, are already familiar with demand because their bills separate demand (kW) and energy (kWh) charges. As a result, their energy rate is lower since demand is billed directly.

Soon, all members will see their **highest monthly demand** printed on their bill. For single-phase members, this will be **informational only**– there is still no separate demand charge on single-phase rates at this time, and demand costs remain included in the kWh rate.

As I mentioned in my articles over the past couple of months, Basin Electric Power Cooperative implemented a rate increase effective January 1, 2026. This increase is driven by several factors, including growing demand, fuel and market volatility, system reliability needs, and higher power pool reserve requirements.

**Continued on page 3.**

**COOPERATIVE CONNECTIONS**

**H-D ELECTRIC**

(USPS No. 018-905)

**General Manager:** Matt Hotzler

**Headquarters Employees:**

- Annie Aberle – Finance and Administration Manager
- Michelle Prins – Billing Representative/MDM Analyst
- Heidi Brewer-Grimlie – Accounting Clerk
- Jami Bolden – Member Service Representative
- Roger Cutshaw – Engineer
- Darren Matthies – Building Property Worker

**Operations:**

- Troy Kwasniewski – Operations Manager
- Todd Sprang – Line Foreman

**Line Crew:**

- Pat Kirby – Operations Support
- Kevin Holida – Lead Lineworker
- Joe Raml – Lead Lineworker
- Derek Bille – Lineworker
- Eric Page – Lineworker
- Joseph Jordan Jr. – Lineworker
- Jonah Paintner – Apprentice Lineworker
- Matt Miller – Lead Equipment Operator/Mechanic
- Brady Mellendorf – Equipment Operator/Mechanic

**Member Services:**

- Tom Lundberg – Member Services Manager

- Noah Reichling – Electrician Foreman
- Jim Thompson – Lead Electrician

- Deaven Boots – Apprentice Electrician
- Jon Zirbel – Meter/Load Management

**Board of Directors:**

- President Bert Rogness – Astoria
- Vice President Terry Strohfus – Hazel
- Treasurer Steven Hansen – Clear Lake
- Secretary Todd Moritz – Castlewood
- Sherwin Dekam – Castlewood
- Dale Williams – Estelline
- Casper Niemann – Lake Norden
- Kevin DeBoer – Clear Lake
- Calvin Musch – Revillo

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Design assistance by SDREA.

After reviewing the impacts on our local rates, we anticipate that the **single-phase rate** will need to generate approximately **9.9% more revenue**. The actual increase for each service will vary based on individual usage patterns. The most significant adjustment is to the **monthly service charge**, which will increase by **\$20.50**, moving from **\$39.50 to \$60**.

Energy charges will remain the same:

- **13.55¢ per kWh** for the first 1,000 kWh used each month
- **9.4¢ per kWh** for all usage over 1,000 kWh

The electric heat rate is also increasing, which means the discount applied to kWh recorded on the heat meter will be reduced to **2.9¢ per kWh**.

For **three-phase services**, the monthly service fee will increase from **\$115 to \$145**. All energy will now be billed at a flat rate of **5.9¢ per kWh**, eliminating the previous tiered structure in which the first 2,000 kWh were billed at **9.0¢ per kWh**. The **demand charge** will increase from **\$15.40 per kW to \$17.40 per kW**.

For **irrigation services**, the structure of the rates is changing, and these updates will take effect **April 1, 2026**. The new structure more closely aligns with the three-phase rate. The previous annual fee – \$20.42 multiplied by the highest annual kW demand – will be replaced with a **flat \$145 monthly service fee**, billed year-round.

The energy rate will decrease from **7.34¢ per kWh to 5.9¢ per kWh**.

Currently, irrigation demand is billed as either controlled demand at **\$7.23 per kW** or **uncontrolled demand at \$21.75 per kW**, with only one type billed each month. Beginning in April, each service will be charged **two types of demand**:

1. **Non-coincidental peak demand** – the highest kW recorded at any time during the month, billed at **\$5.00 per kW**.
2. **Coincidental peak demand** – the kW recorded at the same time H-D Electric is billed for demand on the East River power bill, billed at **\$17.40 per kW**.

Because the coincidental peak occurs at a system-wide level, its timing cannot be predicted. The best way to avoid higher coincidental peak costs is to continue **shutting down during control periods**, just as many irrigators already do by following the control schedule.

With these significant changes, members with irrigation services can expect additional communication and guidance from us before April.

None of us like to see rate increases, especially when it feels like everything else is going up as well. These adjustments are a result of the rising wholesale power costs we face.

Wishing you a **Merry Christmas and a Happy New Year**. I hope you have a wonderful holiday season and enjoy time with your family and friends.

# Operating Statistics

	October 2024	October 2025
Customers .....	3,868	3,913
Amount Collected.....	\$1,228,070	\$1,437,607
Average Bill .....	\$317.49	\$367.39
Average Kilowatt-Hour .....	2,671	3,009
Kilowatt-Hours Purchased.....	10,910,223	12,428,071
Kilowatt-Hours Sold .....	10,332,903	11,774,934

# Tree Trimming Safety

Trees are majestic, beautiful and good for the soul. But we also know that our members depend on us to deliver reliable power to their homes and businesses. South Dakota's electric cooperatives strive to balance maintaining the beautiful surroundings we all cherish with ensuring reliable electricity. You might not realize it, but there are several benefits to regular tree trimming.

Keeping power lines clear of overgrown vegetation improves service reliability. After all, we've seen the whims of Mother Nature during severe weather events with fallen tree limbs taking down power lines and utility poles. While many factors can impact power disruptions, about half of all outages nationally can be attributed to overgrown vegetation.

Overgrown vegetation and trees also pose a risk to power lines. For example, if trees are touching power lines in our members' yards, they can pose grave danger to families. If children can access those trees, they can potentially climb into a danger zone. Electricity can arc, or jump, from a power line to a nearby conductor like a tree. A proactive approach also diminishes the chances of fallen branches or trees during severe weather events that make it more complicated and dangerous for line workers to restore power.

If trees and other vegetation are left unchecked, they can be-

come overgrown and expensive to correct. A strategic vegetation management program helps keep costs down for everyone.

When it comes to vegetation management, there are ways you can help too. When planting new trees, make sure they're planted a safe distance from overhead power lines. Medium-height trees (40 ft. or smaller) should be planted at least 25 ft. from power lines. Taller trees (over 40 ft.) should be planted at least 50 ft. from power lines. You can also practice safe planting near pad-mounted transformers. Plant shrubs at least 10 ft. from the transformer door and 4 ft. from the sides. If your neighborhood has underground lines, remember to contact 811 before you begin any project that requires digging.

Additionally, if you spot an overgrown tree or branch that's dangerously close to overhead lines, please contact your local electric cooperative.

We have deep roots in our community, and we love our beautiful surroundings. It takes a balanced approach, and our vegetation management program is a crucial tool in ensuring service reliability.

## BENEFITS OF TREE TRIMMING

- ✓ Improves service reliability
- ✓ Speeds up restoration time
- ✓ Keeps crews & communities safe



### "Watch for overhead power lines."

Jacob Ymker, Age 10

Jacob reminds readers to watch out for overhead power lines. Great job, Jacob! Jacob's parents are Mark and Marion Ymker from Armour, 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.

# Heart-Warming DESSERTS

Picture by Elena Veselova from Shutterstock

## APPLE BREAD

### Ingredients:

1/2 cup brown sugar  
1 1/2 tsps. cinnamon  
*Mix in small dish & set aside.*

2 eggs (room temperature)  
1/2 cup sugar  
1 tsp. vanilla  
1/2 cup melted butter or margarine

*Mix together in a bowl and add:*

1 1/2 cups flour  
1 tsp. baking powder  
1/2 tsp. baking soda  
2 cups chopped apples

### Method

Pour 1/2 of the batter into a greased and floured bread pan. Sprinkle 1/2 of the cinnamon and sugar mixture over it. Add remaining batter and top with remaining cinnamon sugar mixture.

Bake at 350° for 45-60 minutes.

**Grace Klein**  
Sioux Valley Energy

## PUMPKIN CHEESECAKE DESSERT

### Ingredients:

1 cup heavy whipped cream  
8 oz. cream cheese, whipped  
1/3 cup sugar  
1/2 cup brown sugar  
1 can pumpkin puree  
1 tbsp. pumpkin pie spice  
1 tsp. vanilla  
1 pkg. cheesecake pudding mix

### Method

Beat 1 cup heavy whipped cream and set aside.

In a separate bowl, mix and beat the cream cheese, sugar, brown sugar, pumpkin puree, pumpkin pie spice, vanilla, and cheesecake pudding mix.

Fold the whip cream into this mixture and spread in a graham cracker crust

Refrigerate two hours before serving plus add a spray of whip cream and sprinkle cinnamon on top.

(Optional) add chopped pecans or walnuts.

**Susan Forma**  
Union County Electric

## CHERRY COCONUT BARS

### Ingredients:

#### Crust

1 cup flour, sifted  
1/2 cup butter  
3 tbsps. powdered sugar

#### Mixture

2 eggs, slightly beaten  
1 cup sugar  
1/2 tsp. baking powder  
1/4 cup flour  
1/4 tsp. salt  
1 tsp. vanilla  
3/4 cup chopped nuts  
1/2 cup coconut  
1/2 cup red maraschino cherries, quartered

### Method

Mix together flour, butter and powdered sugar. Spread in 8" square pan. Bake at 350° for 20-25 minutes or until it is a delicate brown.

In a bowl, mix in the remaining ingredients in the order given: eggs, sugar, baking powder, flour, salt, vanilla, chopped nuts, coconut, maraschino cherries.

Spread this mixture over the crust and bake again for 25-30 minutes. cool and cut into squares.

**Barbara Anderson**  
Lake Region Electric

Please send your favorite recipes to your local electric cooperative (address found on Page 3). Each recipe printed will be entered into a drawing for a prize in December 2025. All entries must include your name, mailing address, phone number and cooperative name.

# Wood and Pellet Stove Efficiency Upgrades



**Miranda Boutelle**  
Efficiency Services  
Group

There is something special about the heat of a fire. It's cozy, comforting and a heat source for households across the country. Whether it provides primary or supplemental heat, a wood or pellet stove must operate safely and efficiently.

Here are some signs your stove may need to be replaced, according to the United States Environmental Protection Agency (EPA):

- You often smell smoke in the house with all the windows closed. Smoke can harm heart and lung health, especially among children and older adults.
- Smoke comes out of the chimney more than 15 minutes after a cold start or reload.
- Watery eyes and stuffy noses are common in your household when operating the wood stove.
- You must continually feed the stove with wood.

The EPA recommends replacing wood stoves manufactured before 1990 with cleaner, more efficient models. This can save you money and make your home safer by reducing fire risk and improving indoor air quality. It also reduces outdoor air pollution. If the back of your stove doesn't have an EPA label, it's likely more than 30 years old.

Next, start comparing equipment to find the best fit using the EPA Certified Wood Stove Database. It provides a list of wood and pellet stoves with efficiency ratings, sizes, heat outputs and other details. Local retailers can help you, too. Work with a reputable dealer who can explain the features most important to you. Don't forget to ask about the highest efficiency models.

Here are some things to consider when choosing

a new wood or pellet stove.

Modern wood stoves require less wood, produce less ash and emit almost no smoke. They come in catalytic and noncatalytic options. In catalytic models, smoke gases and particles are burned in a coated ceramic honeycomb, thereby increasing burn time and reducing air pollution. The operation of noncatalytic models is more standard. According to the U.S. Department of Energy, new catalytic wood stoves have efficiencies of up to 83% higher heating value – or amount of heat released – while noncatalytic models are typically in the 65% to 75% range.

A pellet stove is another option to consider. It burns compressed pellets made of wood or other biomass materials. Like a wood stove, there are free-standing units or inserts. It can burn cleaner and doesn't require hauling wood. Pellets are loaded into the hopper, which feeds them into the combustion chamber for burning. Most pellet stoves use electricity for the hopper and a fan to push warm air into the room. Plan to power them during an outage, if needed. Some models come with battery backup. An EPA-certified pellet stove has a 70% to 83% higher heating value.

Make sure the wood or pellet stove you select is properly sized for your home and heating needs.

Consider the cost of the fuel source – whether you have to buy wood, harvest it yourself or stock up on a specific type of pellet. Reduce fuel consumption and smoke by burning wood that is dry and seasoned, meaning it is split, covered and aged for at least six months. Do not burn trash or treated lumber indoors. It can create indoor air pollution and damage your wood stove. Burning softwood can lead to creosote buildup, which can cause chimney fires.

Installation by a certified technician ensures the job is done right, preventing chimney fires and indoor smoke. Have the stove cleaned and inspected by a professional annually. Also, install carbon monoxide detectors. Follow the manufacturer's specifications for burning materials and operation.

If your stove is acting up or not supplying enough heat for your home, consider upgrading to a new model to increase efficiency and keep your home comfortable this winter.

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# KINGBIRD COFFEE

## Your Local Coffee Shop

Jocelyn Johnson

jocelyn.johnson@sdrea.coop

Tucked away in the heart of Brandon, S.D., sits Kingbird Coffee – a cozy, vibrant coffee shop built on the foundation of generosity and community spirit. Kingbird Coffee has blossomed from a simple act of love into a cherished gathering place that embodies hometown values and creative flair. It all began as a surprise.

“Technically, my wife, Jessica, owns it,” said Michael Gross, who purchased the coffee shop as a gift to his wife. “It was an impulse buy,” recalled Michael with a chuckle.

At the time, Michael felt his hometown lacked a proper coffee shop – a local hangout where neighbors could linger over coffee, connect and find a sense of belonging.

“Our inspiration is to be able to give back to the community,” Michael said.

True to that inspiration, Kingbird Coffee radiates generosity from its very core. Since opening, every cent of profit has gone directly back into the community – nurturing local events, student activities and charitable causes.

“My wife and I have never taken any money from the coffee shop,” Michael explained. “Everything we have made over the years has gone back into the community to support events or kids.”

Their commitment to fostering community shines through ongoing innovation and engagement. Now, the team is preparing to launch new extended hours, accompanied by themed nightly events – each designed to cultivate connections and celebrate local interests.

“We’re planning on having a different event every night,” Michael said. “Like Monday might be advanced board games. Tuesday might be about meeting a local pastor. Wednesday could be kids’ crafts night.”

This effort signifies Kingbird Coffee’s continual quest to be more than just a coffee shop: it is a place where everyone can find something to enjoy, every night of the week.

The eclectic atmosphere of the coffee shop invites you to stay awhile. Couches and nooks make for perfect reading corners, board games beckon to the playful, and even a whimsical swing under the stairs welcomes imaginative children.

“It’s just a fun little quiet vibe,” Michael described. “We have little hidden nook areas underneath the steps and a little swing where kids can go and hang out... there’s ‘take a book, leave a book,’ and board games. It’s just a fun place.”

Here, creativity isn’t just encouraged – it’s essential. While the owners handle behind-the-scenes work, they credit the employees and a dedicated events manager for shaping the everyday magic that keeps patrons returning.



Photo by Kingbird Coffee

Kingbird Coffee’s devotion to local flavor extends to every product sold. Beans are sourced from Parable Coffee Roasting Co., a local roaster in Tea, S.D. But the commitment to homegrown doesn’t stop with coffee. Local honey, jewelry, bison jerky, pizza, even handmade stockings from coffee bags, and flowers from a local florist – each item tells a story of community partnership. Artists hang their work for free, keeping a portion of sales and donating proceeds to local art initiatives. On weekends, the shop welcomes pop-up boutiques, allowing small business owners an affordable, supportive venue.

Signature drinks bring history to the present. The beloved “Billy King” remains on the menu in honor of Billy, the shop’s founder and namesake.

“We kept everything the same as if he’s still at it. Billy created it, and he’s a good friend of mine,” says Michael.

Such continuity gives regulars – and new customers – a sense of belonging and nostalgia.

Cultivating connections goes well beyond commerce. Employees past and present share a special bond, growing from high school baristas into college students and, often, friends for life.

“People don’t quit. They just...love it because they have the freedom to experiment and to make drinks,” he said, noting the murals and memories that fill the walls.

When asked to describe the shop’s personality, Michael laughs, “A crazy, wild teenager...you never know what’s gonna happen.” The unpredictable, energetic spirit is exactly what makes Kingbird Coffee so beloved – a hub that welcomes everyone, surprises often and gives back always.

For Kingbird Coffee, community isn’t a slogan – it’s a way of life, brewed fresh daily for everyone who walks through the door.



The South Dakota State Capitol  
in Pierre, S.D.  
Photo by Frank Turner

# CO-OPS AT THE CAPITOL EVERY VOICE COUNTS

**Frank Turner**

[frank.turner@sdrea.coop](mailto:frank.turner@sdrea.coop)

Electric cooperatives carry a wide range of responsibilities to the members they serve. Beyond keeping the lights on, co-ops represent their communities, focus on member needs and help strengthen the places they call home. But behind the scenes, cooperatives also stay actively involved in legislative discussions to stay engaged in the decisions that shape how they serve their members.

According to Steve Barnett, general manager of the South Dakota Rural Electric Association, legislative efforts help protect reliable electricity, keep costs manageable and support rural communities across South Dakota.

“While it’s important that we stay involved in the topics that are relevant to our industry, it’s really about sharing our values and telling our story,” Barnett said. “Being involved means being engaged and aware of the challenges and issues coming up in the 2026 Legislative Session,”

In addition to SDREA’s internal

leadership, legislative efforts are supported by the association’s lobbying team in Pierre, led by Darla Pollman Rogers of Riter Rogers LLP. Rogers and her colleague, Ellie Bailey, have been involved with SDREA’s legislative work for more than two decades.

“A key component of this work involves relationship building with legislators to establish trust and credibility,” Rogers said.

Rogers noted that member engagement strengthens the cooperative voice during session and throughout the year. “The grassroots approach is huge for co-ops,” she said. “Hearing from members across the state and from different cooperatives helps strengthen our overall impact.” Rogers added that one of the best ways members can get involved is by getting to know their local legislators or attending Co-op Day at the Capitol to observe the process firsthand.

With the next session approaching, several topics are already drawing the attention of not only electric cooperatives but utilities across the

state. One of the proposals SDREA is following closely is Rep. Kent Roe’s data center bill, identified as Draft HB 31.

“We’re seeing an increase in interest from large data center developers looking to site facilities in cooperative service territory,” said Chris Studer, chief member and public relations officer at East River Electric Power Cooperative, a wholesale power supply cooperative which serves distribution co-ops in eastern South Dakota and western Minnesota. “We have been providing input on the data center bill to make sure the law would fit within our process and require data centers to invest in generation and transmission infrastructure to serve them, so we can protect our current cooperative consumers from the risk of building generation to serve these large consumers. At the end of the day, we’re not going to put our member-owners at risk, and engaging with lawmakers working on that issue is very important to our cooperative network.”

The association has also been working

with investor-owned utilities on wildfire mitigation legislation, which stands out as another priority for South Dakota cooperatives.

“Wildfire risk is a growing concern, and this proposal gives utilities a clear, consistent way to plan ahead. At its core, this legislation is about preparedness – making sure utilities have a plan and have reviewed it with their governing authority. By strengthening infrastructure, improving vegetation management, and coordinating closely with communities, the framework helps protect public safety while supporting the reliable service South Dakotans depend on,” Black Hills Electric General Manager Walker Witt said.

Cooperative members also have an important role in legislative advocacy. Their engagement helps ensure that rural needs and perspectives reach decision makers. Barnett encouraged members to stay active by reaching out to local lawmakers in their districts and attending local legislative forums and cracker barrels. These are formal town hall style gatherings where legislators answer questions and update the community.

“Members can contact legislators in their respective districts via email or by telephone,” Barnett said. “Attending cracker barrels is also a good way to stay engaged. These opportunities give members a chance to hear updates, ask questions, and share how policy decisions affect their communities.”

Barnett also noted the importance of staying alert during the legislative process, particularly when a bill is significantly amended. He explained that when a bill gets “hog housed,” it means it has been changed so much that the original version is no longer recognizable. “A hog housed bill is changed or amended significantly, to the point where a person may change their position on the bill,” he said. “Tracking these changes is essential to understanding the real impact a proposal may have if it becomes law.”

Barnett said SDREA will continue to represent the interests of both cooperatives and rural communities across the state. At the end of the day, it’s all about providing dependable electricity and keeping the lights on.



Gov. Larry Rhoden takes a picture with members of the electric cooperative network at Co-op Day at the Capitol last February.

*Photo by Jocelyn Johnson*

## STAYING INVOLVED

### Co-op Day at the Capitol

Electric cooperatives’ efforts to engage local legislators extend far beyond traditional lobbying. Every February, cooperatives from across the state gather for a light-hearted dinner at the South Dakota State Capitol to break bread with lawmakers, provide attendees industry updates and sit in on legislative committee meetings.

Last year, South Dakota cooperatives continued their time-honored tradition of serving pulled pork sandwiches and cowboy beans prepared by Ken Gillaspie, who formerly served as a director for East River Electric and as board president for Oahe Electric, and Roger Crom, a former loss control manager at SDREA.

The next Co-op Day at the Capitol is scheduled for Feb. 17, 2026.

### Legislative Banquets

In addition to Co-op Day at the Capitol, select electric cooperatives across the state host legislative banquets as a means of communicating the latest legislative environment with both their members and local lawmakers. Many times, these events provide a free meal to attendees and include updates on both the successes and challenges for the co-op.

Reach out to your local cooperative to learn more about local Legislative Banquets, Co-op Day at the Capitol or the latest legislative news affecting cooperatives. The co-op network is more than happy to engage.

## Mark Your Calendar The Date Has Been Set!

Tuesday, March 24, 2026  
Hamlin Education Center  
Hayti, S.D.  
Registration at 6:30 p.m.  
Meeting at 7 p.m.

## 2026 H-D ELECTRIC DIRECTOR ELECTION TO BE HELD IN MARCH

H-D Electric Director elections will be held at the **H-D Electric Annual Meeting** on **Tuesday, March 24, 2026**. This year's annual meeting will take place at the **Hamlin Education Center in Hayti, S.D.**

Director nominations are **by petition only**. Petition forms are available at the H-D Electric office and must be signed by **at least fifteen (15) memberships** (individuals of joint memberships count as one membership).

Petitions will be available beginning **January 8, 2026**, and must be returned to the office by **February 27, 2026**.

For inclusion in the **March issue of *Cooperative Connections – Annual Meeting Report* magazine**, petitions should be submitted on or before **January 30, 2026**, to allow time for publication deadlines.

**Three director districts for this year are the following.**

- **District 3** including the following townships: Hamlin Township and Dempster Township, Hamlin County, South Dakota, and Hidewood Township, Deuel County, South Dakota.
- **District 4** including the following townships: Portland Township, Rome Township, Goodwin Township and Havana Township, Deuel County, South Dakota, Kranzburg Township, Codington County, South Dakota, and Georgia Township, Grant County, South Dakota.
- **District 9** including the following townships: Norden Township, Cleveland Township, Dixon Township and Garfield Township, Hamlin County, South Dakota, Laketon Township, Brookings County, South Dakota and Pleasant Township, Clark County, South Dakota.

## Electric Cooperative Director Responsibilities

As the opportunity approaches to elect your director representatives, it's a good time to reflect on the vital role cooperative directors play and the dedication required to fulfill this important responsibility.

Directors serve as the essential link between the cooperative's members and the employees entrusted with day-to-day operations. Acting as an extension of member rights and responsibilities, each director works with honesty, consistency, and good conscience to set policies and make decisions that are in the best interest of the cooperative and its members.

### Communication and Representation

A key responsibility of every director is maintaining communication with the members they represent. Directors must understand member concerns, welcome input, and stay informed by reviewing information, data, and reports relevant to the cooperative – as well as issues affecting state and national associations.

### Time and Commitment

Fulfilling the duties of a cooperative director requires commitment. Directors typically devote 25 to 30 days each year to meetings and training. This includes attending monthly board meetings – usually held on the third Friday of each month and often lasting most of the day – as well as the annual meeting and occasional special meetings.

### Training and Continued Education

Directors are encouraged to participate in seminars and training programs that strengthen their ability to make informed decisions. These educational opportunities cover topics such as financing, electric rates, power supply planning, legal responsibilities, and regional and national issues affecting rural electric cooperatives.

### Participation in the Cooperative Network

Beyond local responsibilities, directors may also engage with regional and national cooperative organizations such as East River Electric Power Cooperative, South Dakota Rural Electric Association, Basin Electric Power Cooperative, the National Rural Electric Cooperative Association, and the Cooperative Finance Corporation. These entities are governed by representatives from member cooperatives, and H-D Electric directors may be asked to serve on these boards. Such roles require additional time and a solid understanding of broad industry issues.

## TOUCHSTONE ENERGY SCHOLAR OF THE WEEK

Congratulations to Natalie Akin, a 2025-2026 Touchstone Energy Scholar of the week in November. Natalie is a senior at Castlewood School District and is the daughter of Cory and Karen Akin. She plans on attending Northern State University in Aberdeen, S.D., for a degree in Elementary Education in the fall of 2026.

The Scholar of the Week program is a partnership between Dakota News Now and your local Touchstone Energy Cooperatives that honors the region's accomplished high school students. Each weekly winner receives a cash award from their local Touchstone Energy Cooperative and is featured on Dakota News Now. All winners are also eligible to receive one of the three scholarships that are given away at the annual Scholar of the Year banquet. Nominations for the weekly awards are submitted by area school principals and faculty, whose selections were based on excellence in the classroom and service in the community.



## Reporting An Outage

**Normal Business Hours:** If your electricity is off for longer than 10 minutes, contact our business office at 1-605-874-2171 or 1-800-358-7233. Our office hours are Monday through Friday 8 a.m.-4:30 p.m.

**After Hours, Weekends, and Holidays:** Please call H-D Electric's office numbers 1-605-874-2171 or 1-800-358-7233 and your call will be transferred to our 24-hour Dispatch Service Center. Once the service center confirms the outage they will contact H-D Electric's crew who will be dispatched to your location as soon as possible.

We ask that when you are calling to report an outage, please have your account number and service address to verify your location.

We don't want to miss your reported outage so please don't report via email, please call the office phone numbers. H-D Electric's email messages are only monitored by office staff during regular business hours Monday through Friday, 8 a.m.-4:30 p.m.

## Basin Electric and H-D Electric Scholarships

H-D Electric Cooperative will award two \$1,250 scholarships and three \$500 scholarships. To be eligible you must be a dependent of a member. One of these scholarships will give preference to a student in an electrical/energy related field. Applications are available and must be completed and returned to H-D Electric by **February 10, 2026**.

Recipients will be chosen according to criteria such as SAT/ACT scores, overall grade point averages, work experience, participation in school and community activities, a personal statement of career goals and a written recommendation by a third party. Only the applications which provide all of the above information will be considered, so it is important to read the application thoroughly and complete every detail.

The applicant must be a student who is enrolled or planning to enroll in a full-time graduate or undergraduate course of study at an accredited, two year or four-year

college, university, or vocational/technical school.

To apply, you must complete the required criteria and the scholarship application, which can be obtained from local high school guidance counselors, calling H-D Electric at 605-874-2171 or via our website at [www.h-delectric.coop](http://www.h-delectric.coop).

Applications must be completed and returned to the office by **February 10, 2026**.





South Dakota law allows electric cooperatives to place poles along public rights-of-way without needing an easement. Shown here, East River Electric's transmission lines north of Pierre are built within the right-of-way. In cases where the rights-of-way are crowded, have obstacles, or are otherwise not suitable for poles or line work, a co-op may seek an easement outside of the right-of-way.  
*Photo by Jacob Boyko*

# EASEMENTS BRING SAFETY, RELIABILITY

## Why More Room Makes Sense for Co-ops, Line Crews & Members

**Jacob Boyko**  
jacob.boyko@sdrea.coop

Serving rural members means maintaining thousands of miles of power line – and finding the space to safely build and access it. At your local electric cooperative, building, maintaining and repairing thousands of miles of infrastructure is a logistical challenge, but each and every piece of the system has its role in a functioning and reliable electric grid.

That's why easements, or agreements to use and access private land, are essential for co-ops and their members. At East River Electric Power

Cooperative, the generation and transmission co-op serving 25 member distribution systems in South Dakota and Minnesota, Engineering and Planning Services Manager Jon Aus works directly with co-op members to get easements for power lines.

In 2025, most cooperatives prioritize building lines along the public right of way – the area between the road and fence lines along roadways – instead of along quarter lines like they have historically, back when rights-of-way were cluttered with telephone and other overhead lines.

“That’s where we like it from an access and maintenance perspective,”

Aus said of rights-of-way. “Nowadays, when we develop a route for a line, we pick the roads we want to zigzag down to get from Point A to Point B.”

Placing infrastructure along roads improves accessibility for crews and speeds up outage response time, especially when mud or snow are a factor, Aus added. But the trade offs are a workspace limited to the shoulder and ditch and overall limited access to the infrastructure.

That’s where easements make all the difference. When a co-op member allows an easement, the co-op will set poles back just several more feet away from the road right-of-way onto private land, and crews can cross behind the fence when they need to access the poles. The impact on private land is minimal, but it’s a massive benefit for the line crews.

“Having an easement allows crews to work on the backside of the structures,” Aus said. “If you don’t get an easement and you don’t have any access rights, they’re stuck working everything from the ditch and the roadside.”

Engineers are meticulous when mapping routes for new lines, Aus added, noting the lengthy process for engineers as they consider pole placement, obstacles, hazards and community impact.

“At the onset of any project, we’re evaluating the impact of our routing,” Aus continued. “Public impact is right up there on our priorities along with reliability and maintenance. We don’t go down routes we foresee to have challenges with public impact.”

Distribution cooperatives see similar challenges on the ground. In southwest South Dakota, Black Hills Electric Cooperative System Coordinator Jesse Sorensen aims to manage a system that’s not only reliable and affordable, but also built on cooperation with members.

“Very rarely do we have someone reject giving an easement,” he said. “We’ve had very good luck sitting down with members and explaining everything to them that there are hundreds – if not thousands – of landowners that allowed easements so we could get electricity to this property.”

He continued, “The biggest concerns from landowners are about losing their trees or the aesthetic value of their property, and we’ll work with landowners by rerouting lines to prevent cutting prize trees or installing lines in prime views.”

At East River Electric, Aus’ team fields similar questions from landowners, usually concerning specific pole placement and whether poles will interfere with field access, an approach or operation of large machinery. He says it’s usually something the engineers can accommodate because ultimately, co-ops want to leave members’ land as good or better than they found it.

“We’ll even work with landowners to pay to replace any trees we have to remove if we obtain an easement from them,” Aus said.

As the co-op steadily grows and expands its transmission system, East River Electric General Counsel Danny Brown stresses that the co-op relies on voluntary easements, and in its 75-year history has never used eminent domain to obtain an easement.

“Eminent domain is not something we ever want to use,” Brown explained. “We try to educate and work with the property owners the best we can. At the end of the day, an easement is voluntary, and if we can’t make it work from the right of way, we have to start thinking about changing our route.”

But opting for alternate, less-efficient routes is a concession that can severely impact system reliability and leads to a higher price tag for co-op members to pay. Fortunately, Aus and Sorensen said most landowners understand the value of working with their cooperative for themselves and their community.

“There have been several times when landowners have said, ‘Absolutely, bring that line through here,’” Aus recalled. “They want to improve their reliability, or they know that they just need more electricity in that area for whatever they might be doing on their property. Most of the time we’re welcomed with open arms.”

That willingness helps keep cooperative power moving across the countryside.

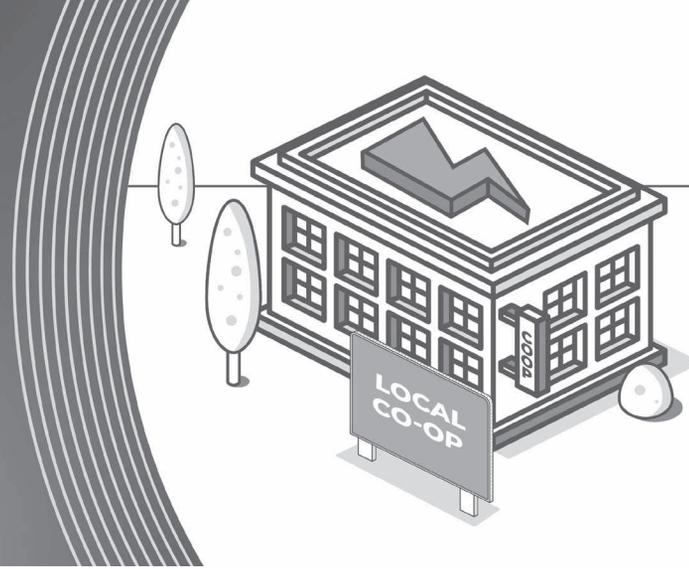


When a co-op obtains an easement to build a line along a road right-of-way border, the line is placed several feet away from the right-of-way border. In this photo, the right of way border is about at the fence line, with the poles placed several feet behind the fence.

On this route, East River Electric has an easement for 30 feet behind the fence line for when line crews need to maintain or repair the line, giving crews more room to work and better access to the structures.

*Photo submitted by East River Electric.*

# WORKING TOGETHER IS POWERFUL



## Understanding the Three-Tier Co-op Structure

Jacob Boyko

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

### What Is an Electric Cooperative? (Tier 1: Distribution Co-ops)

An electric cooperative is a non-profit, member-owned utility governed by a member-elected board of directors. Co-ops are different from a typical utility because they don't report to shareholders; a co-op's responsibility is solely to the people it serves.

Member-ownership keeps the co-op focused on serving the interests of the community and maintaining low costs to members. Co-ops employ democratic principles; each member has one vote, which keeps control local and shields the co-op and members from outside interests.

Your local electric cooperative owns and maintains distribution power lines to serve members throughout its territory. While electric cooperatives' territories cover almost all of South Dakota, most of the state's population lives in cities and small towns and purchase electricity from a city-owned municipal power system or a for-profit investor-owned utility.

Most of the electric distribution cooperatives in South Dakota were organized by members beginning in the 1930s and 1940s to serve the rural areas that investor-owned utilities determined would not be profitable enough to be worth serving.

Rural residents formed co-ops, going

door-to-door collecting \$5 sign-on fees – a lot of money at the time – from their neighbors to kickstart the fledgling co-ops. They applied for loans from the Rural Electrification Administration to begin construction, and by the early 1950s, most rural South Dakotans were enjoying amenities made possible by electricity.

### Who Supplies My Co-op's Power? (Tier 2: Regional G&Ts)

East River Electric Power Cooperative in Madison and Rushmore Electric Power Cooperative in Rapid City are generation and transmission (G&T) cooperatives that sell electricity to a total of 27 distribution systems in South Dakota.

East River sells electricity to 19 member systems located in eastern South Dakota and six member systems in western Minnesota, while Rushmore sells electricity to eight member systems: seven located in western South Dakota and Cam Wal Electric Cooperative serving Campbell and Walworth counties in eastern South Dakota.

Both East River and Rushmore are governed by a board of directors comprised of directors from the distribution co-ops. Therefore, each distribution co-op receives one vote on its respective G&T's board.

Beyond selling electricity, East River and Rushmore assist their member systems in other areas; East River builds and maintains transmission systems to serve its member systems and offers support for information technology, marketing, public relations and economic development. Rushmore also offers marketing, PR and IT support, along with engineering services.

Two co-op systems in South Dakota are affiliated with neither East River nor Rushmore. Rosebud Electric Cooperative, based in Gregory, and Grand Electric, based in Bison, are part of District 9 – a collection of other distribution cooperative systems in Minnesota and North Dakota that purchase their energy from multiple sources rather than from a single supplier.

### Who generates my electricity? (Tier 3: Basin Electric)

Rushmore Electric, East River Electric, and District 9 systems including Rosebud Electric and Grand Electric purchase energy from Basin Electric Power Cooperative, a G&T cooperative based in Bismarck, North Dakota.

Just like the regional G&Ts it serves, Basin is governed by a board of directors representing its member systems. There are 11 directors on Basin's board, and they know the energy industry inside and out – after all, to serve on the Basin board, the directors must also serve on their local co-op's board as well as the regional G&T's board, and are elected by their colleagues to represent the co-op, board, and its members.

Currently, Mike McQuiston of the Fort Pierre area represents his local co-op, West Central Electric Cooperative, on Rushmore's board, and represents Rushmore on Basin's board.

Kermit Pearson of the Lake City area represents his local co-op, Lake Region Electric Association, on East River's board, and represents East River on Basin's board.

The cooperative systems that comprise District 9 also elect a director from

a District 9-affiliated co-op to represent them on Basin's board. Wayne Peltier from Minnesota Valley Electric Cooperative in Montevideo, Minn., represents Rosebud, Grand and the other District 9 co-ops on Basin's board.

Basin Electric was formed in 1961 by electric co-ops in the upper Midwest to generate and transmit electricity exclusively for cooperative systems to purchase. The system has grown to serve North Dakota, South Dakota, Nebraska, Minnesota, Iowa, Montana, Wyoming, Colorado, and New Mexico.

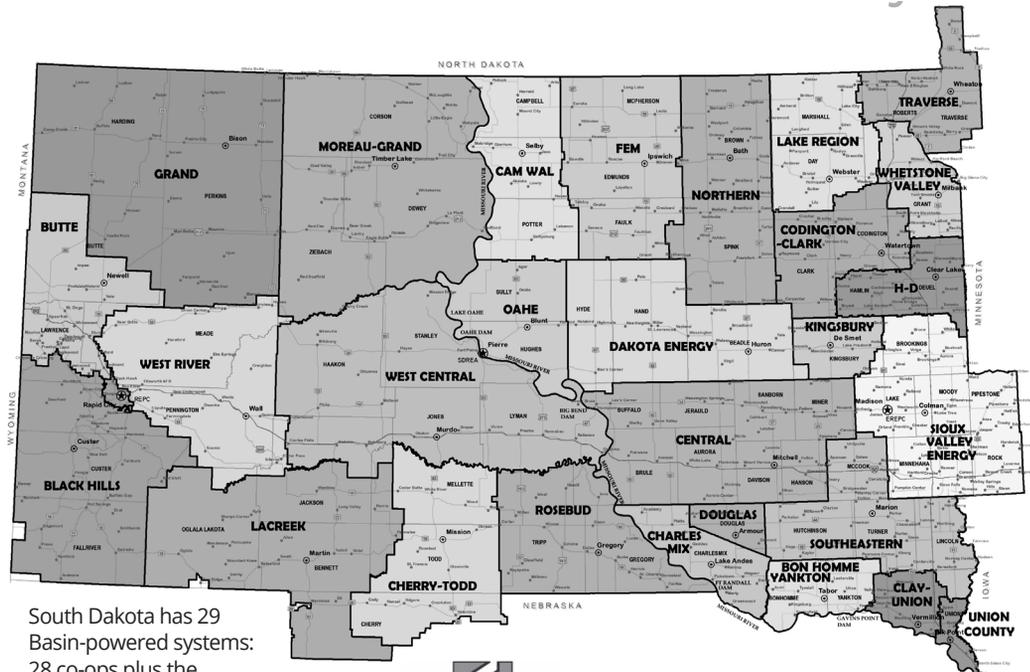
Basin Electric generates electricity using its owned and leased generation assets, which include coal, natural gas, solar, wind, oil and waste heat, with a maximum generating capacity of about 8,500 megawatts.

## Other Generation: Western Area Power Administration

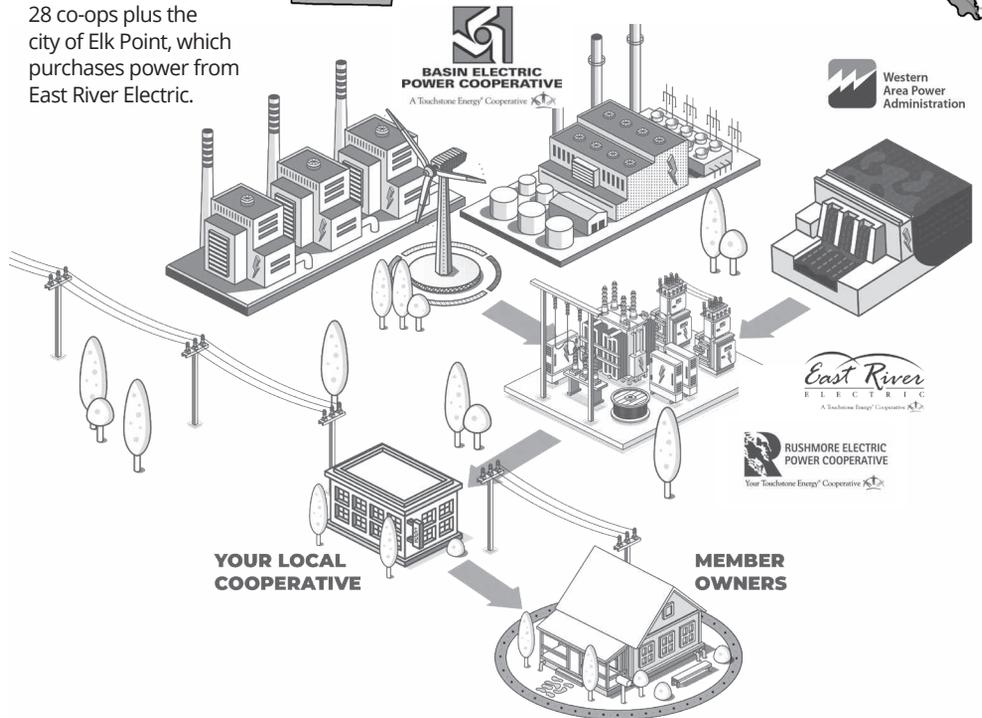
East River, Rushmore and the District 9 systems also purchase an allocated amount of electricity from the Western Area Power Administration. WAPA is the power marketing administration under the U.S. Department of Energy that markets and transmits power from the U.S. Army Corps of Engineers-operated Missouri River dams and other generators in the western U.S.

WAPA purchases make up about 18% of East River Electric and 12% of Rushmore Electric's purchases, respectively. District 9 systems also purchase some of their electricity directly from WAPA.

Each year, WAPA transmits about 25,000 gigawatt hours of electricity across its 17,000-circuit mile transmission system. WAPA serves a 15-state region that includes North Dakota, South Dakota, Minnesota, Iowa, Wyoming, Montana, Nebraska, Kansas, Colorado, Utah, Texas, New Mexico, Arizona, Nevada and California.



South Dakota has 29 Basin-powered systems: 28 co-ops plus the city of Elk Point, which purchases power from East River Electric.



## Basin Electric Directors Representing South Dakota



**Kermit Pearson**  
East River, Lake Region  
*Submitted Photo*



**Wayne Peltier**  
District 9, Minnesota Valley  
*Submitted Photo*



**Mike McQuiston**  
Rushmore, West Central  
*Submitted Photo*

## REGISTER TO WIN!

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

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

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



### UNTIL JAN. 6

#### Garden Glow

5-9 p.m. (Closed Dec. 24-25, Jan. 1)  
SDSU McCrory Gardens  
Brookings, SD  
[www.sdstate.edu/mccrory-gardens](http://www.sdstate.edu/mccrory-gardens)

*Photo Courtesy of Travel South Dakota*

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.

### UNTIL DEC. 26

#### Christmas at the Capitol

8 a.m.-10 p.m. (Holidays Included)  
South Dakota State Capitol  
Pierre, SD  
605-773-3178  
[christmasatthecapitol.sd.gov](http://christmasatthecapitol.sd.gov)

### UNTIL JAN. 5

#### Winter Wonderland at the Falls

5 p.m.  
Falls Park  
Sioux Falls, SD

### DEC. 20-21, 23-24, 27-28

#### 1880 Train Holiday Express

Hot Chocolate, Santa  
Hill City, SD  
[www.1880train.com](http://www.1880train.com)  
605-574-2222

### DEC. 31

#### American to the Heart New Year's Eve Bash

Doors Open at 5:30 p.m.  
American Legion  
Sioux Falls, SD  
Tickets: 605-336-3470

### JAN. 4, FEB. 1

#### American Legion Post 15 Pancake Breakfast

8:30-12 p.m.  
The Alliance  
1600 W. Russell St.  
Sioux Falls, SD  
605-336-3470

### JAN. 6-8

#### Dakota Farm Show

USD Dakota Dome  
Vermillion, SD  
[www.dakotafarmshow.com](http://www.dakotafarmshow.com)

### JAN. 20

#### Prohibition & the Pig

Lake Cty. Museum Fundraiser;  
Prohibition-Era Bootlegging  
6 p.m.-7:30 p.m.  
\$60 per ticket  
The Office Bar & Grill  
Madison, SD  
605-256-5308

### JAN. 23-24

#### Pro Snocross Races

Deadwood, SD  
605-578-1876

### JAN. 27, FEB. 24

#### American Legion Post 15 Bingo

5 p.m. Social, 6 p.m. Meal,  
6:45 p.m. Bingo  
Reservation Required for Meal  
1600 W. Russell St.  
Sioux Falls, SD  
605-682-1222

### JAN. 28-30

#### Sioux Falls Farm Show

Sioux Falls Convention Center  
Sioux Falls, SD

### JAN. 30-FEB. 7

#### Annual Black Hills Stock Show

Central States Fairgrounds  
Rapid City, SD  
[www.centralstatesfairinc.com](http://www.centralstatesfairinc.com)

### FEB. 1

#### The Great Lake County Hotdish Competition

11:30-1:30 p.m.  
St. Thomas School Gym  
Madison, SD  
605-256-5308

### FEB. 6-7

#### Brookings Home Show

Dakota Bank Center  
Brookings, SD  
[brookingsregionalbuilders.com](http://brookingsregionalbuilders.com)

### FEB. 7-8

#### The Black Market/Formerly Benson's Flea Market

Sioux Falls, SD  
605-332-6004

### FEB. 13-16

#### 12th Annual Frost Fest

Brookings, SD  
605-692-7444

### FEB. 21-MARCH 1

#### Sioux Falls Home Show

Sioux Falls Convention Center  
Sioux Falls, SD

**Note: We publish contact information as provided. If no phone number is given, none will be listed. Please call ahead to verify the event is still being held.**