

Lake Region Electric

A Touchstone Energy® Cooperative 

October 2020 Vol. 21 No. 6

Cooperative Connections

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Co-op Month: Powering our Communities



Laura London

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Let me be the first to wish all of you, the member-owners of Lake Region Electric Association a very happy Co-op Month 2020! October is designated as National Co-op month and we celebrate with more than 30,000 other co-ops around this great nation. Lake Region Electric Association serves 2,583 members through 1,734 miles of energized lines and roughly 3,500 meters. We have come a long way in the fight for electrification of rural areas.

Lake Region Electric Association is guided by the 7 Cooperative Principles. All of these are important. One area that we try to focus on is our commitment to community. It is important for cooperatives to not only provide electricity to the members and communities that we serve, it is paramount that we power these communities!

One way that Lake Region Electric Association shows our commitment to community is through charitable giving. Often, we are approached by organizations and individuals asking for sponsorship and assistance. These opportunities are reviewed individually, and contributions are made accordingly. One of the largest charitable programs that we contribute to is the Co-bank Sharing Success Program. CoBank is a cooperative bank serving agribusinesses, rural infrastructure providers and Farm Credit associations throughout the United States. "Sharing Success provides matching funds for donations made by CoBank's customers to local nonprofit organizations in their communities." This year Cobank matched Lake Region Electric Association's charitable contributions, allowing us to give back \$20,000 to local non-profit organizations. These included Webster Area Development Corporation, Glacial Lakes Area Development (GLAD) and People Against Child Hunger (PACH) and Home Plate Programs, the SDREA Charity Ride, 4-H Clubs of Day and Marshall Counties, the SD Youth Foundation, SD Special Olympics, area food pantries, NRECA International Foundation, North East S.D. Community Action Program, Mitchell Tech, area fire departments, and the Webster Active Living Trail.

Employees of Lake Region Electric Association believe in powering up and nurturing the relationships that they have with their members and communities that we live in and serve. Employees not only sacrifice valuable time with their families during outages and for other work-related activities, they volunteer their time and generously give back to the community through donations. Lake Region Electric employees can often be seen volunteering in their communities from civic responsibilities and children's activities, to handing out food boxes. Employees host an employee food drive in the fall that helps stock the shelves of local food pantries that help those in need. Christmas-time is one of the favorite employee activities where many contribute money to purchase gifts for children through the Spirit of Christmas Tree. This year the generosity of the employees increased when they donated backpacks and money for school supplies to children who do not otherwise have supplies to start the new school year. Getting a simple message, the first day of school stating, "There was a very excited little kindergarten girl this morning to have a shiny new backpack and she can't wait to show her mom! Thanks Again!" Makes the contribution worth it.

Our communities can continue to count on Lake Region Electric to not only keep the power on but to also keep them powered-up!



Welcome New LREA Members

Jeff & Jolene Smith
Denise Tewes
Todd & Angela Frerichs
Jason Lutz
Alan Kotzea
Tanaya Fawn McClung
Josh Wagner
Glacial Lakes Redi Mix LLC
Jared Varns

Sharing Success Donation

General Manager Tim McIntyre (right) presents a donation to Lindsey Kimber of Glacial Lakes Area Development (GLAD). The contribution is part of the Cobank Sharing Success Program.



Lake Region Electric Ripples

Cooperative Connections

(USPS 018-904)

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LREA Donates Water to Area Schools for Activities & Fundraisers



Concern for Community

Lake Region Electric Cooperative employees and other local volunteers recently combined efforts to distribute food boxes to members of the community.



Use Safety as Your Guide When Planting Trees

If the trees in your yard have grown so tall that they touch overhead power lines, they can cause all kinds of trouble. Branches that sway in the wind and rain can snap an electric line, sending a live wire to the ground, where it can electrocute anyone who touches it.

Plus, power lines that are broken by fallen trees will cause you and your neighbors to lose electricity and require a costly trip from your electric cooperative.

That's why any tree that poses a danger—even an old or favorite tree—could be slated for removal by your electric cooperative.

You can prevent problems on the front end by planting smart.

Here are a few tips:

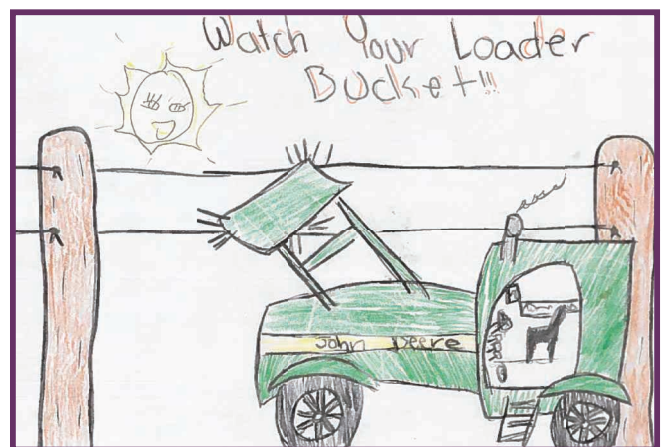
- Do some research and learn all you can about the particular type of tree you want to plant. Learn how tall it will grow when it matures and how wide the full span of its mature branches will become. Use those dimensions to determine how far away from an existing power line you should plant it. Some trees are safe only when they grow 30 feet or more away from a line.
- If the landscape design you like requires you to plant trees in close proximity to electric lines, choose a low-growing variety that will never be tall enough to pose a hazard.
- Before digging any holes to plant trees, call 811, the state's "call before you dig" service. If you don't call and hit underground utility lines, you could be liable for damages.
- Avoid planting in the right-of-way on the edge of your yard or personal property. Your local electric cooperative and other utility companies must maintain that space and could wind up trimming trees out of the way of power lines, possibly leaving the tree looking lopsided.
- Don't plant shrubs too close to your home's outdoor air conditioning unit. AC units require breathing room and should never be crowded by shrubbery or debris.
- If your yard is already home to trees that are close to power lines, keep the trees trimmed so they don't touch any overhead wires. Hire a professional tree trimmer with the proper tools and training to provide this service for you. Don't risk doing it yourself.

From growing suburbs to remote farming communities, electric cooperatives are proud to serve 42 million Americans across 56% of the nation's landscape.

#PowerOn



KIDS CORNER SAFETY POSTER



"Watch Your Loader Bucket!"

Adalin Homola, 11 years old

Adalin Homola is the daughter of Joe and Sonja Homola from Lake Nordin. They are members of H-D Electric Cooperative based in Clear Lake.

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.

People-Pleasing Pasta

Pasta Florentine

16 oz. penne pasta	1 zucchini, cut in thin strips
1 red pepper, thin cut	2 cans mushrooms, drained
1 onion, chopped	1/8 cup butter
1 cup tomatoes, chopped	1/4 cup flour
1 cup skim milk	1 cup chicken broth
1/2 tsp. nutmeg	1/2 tsp. pepper
1 pkg. frozen spinach, thawed, drained	1/4 cup Parmesan

Prepare pasta, cooking 7 minutes. Drain. Spoon into greased 9x13 baking dish. Cook and stir zucchini, peppers, mushrooms, and onions for 3-4 minutes. Remove from heat, stir in tomatoes. Spoon mixture over pasta and gently mix. Whisk flour with drippings in skillet. Whisk in milk. Add broth, nutmeg and pepper. Cook over medium heat and stir until mixture comes to boil and thickens. Add spinach and cheese. Pour sauce over casserole. Cover with foil. Bake at 350 degrees for 40-45 minutes.

Glen and Linda Erickson, Chester, SD

One Pan Chicken Alfredo

3 tablespoons olive oil	1/2 lb. penne pasta, or any bite-sized shape pasta, uncooked
1/4 lb. boneless, skinless chicken breasts	2 c. freshly shredded real parmesan cheese
2 cloves garlic, minced	Salt and pepper
2 c. low sodium chicken broth	Flat leaf parsley for garnish
1 c. heavy cream or half and half	

Cut chicken breasts into half-inch and 1-inch pieces. Season with salt/pepper. Brown chicken in olive oil over medium heat. It will finish cooking as it simmers. Add minced garlic and saute for 1 minute. Add broth, cream or half and half and uncooked pasta and stir. Bring to a boil, cover, reduce to a simmer. Keep pan covered while simmering. Simmer for 15-20 minutes or until pasta is tender. Remove from heat, stir in shredded parmesan cheese. Season with salt and pepper.

Judy Mendel, Doland, SD

Pizza Hot Dish

2 lb. hamburger - brown, sprinkle with onion and garlic salt	1/2 cup water
1 10-oz. can pizza sauce	1/2 tsp. salt
1 8-oz. can tomato sauce	1/4 tsp. pepper
	1 tsp. oregano

Simmer above ingredients 20 minutes. Add 1-1/2 cup grated American cheese (Velveeta) and 8-oz. package of wide noodles, cooked. Put 1/2 of sauce in 9x13 cake pan. Top with noodles. Add rest of sauce. Top with mozzarella cheese and sprinkle generously with parmesan cheese. Bake 30-40 minutes at 350 degrees.

Shirley Miller, Winfred, SD

Shrimp Scampi

8 ounces pasta linguine	1/4 teaspoon black pepper
2 tablespoons butter	1 dash crushed red pepper flakes
2 tablespoons extra-virgin olive oil	1-1/2 pounds large or extra-large Aqua Star shrimp, shelled
4 garlic cloves, minced	1/3 cup parsley, chopped
1/2 cup dry white wine or seafood broth	1/2 lemon, juice only
3/4 teaspoon kosher salt	

Cook pasta according to package directions. In large skillet, melt butter and oil. Add garlic and saute until fragrant. Add wine or broth, salt, red pepper flakes and black pepper. Bring to simmer and reduce by half. Add shrimp and saute until shrimp turn pink and opaque, approximately 2-4 minutes depending on size. Stir in parsley, lemon juice and cooked pasta. Provided by www.aquastar.com.

Please send your favorite vegetarian, garden produce and pasta 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 2020. All entries must include your name, mailing address, telephone number and cooperative name.



Kermit Pearson is shown at his home with his wife Peggy and their newest grandchild, Reed.

Pearson Has 'Benefit of History'

Laura London

Administrative Assistant

I recently had the opportunity to visit with Lake Region Electric Association's Board of Directors President, Kermit Pearson, at the Pearson family farmstead. Kermit grew up near Lake City in the very home where he and his wife Peggy raised their four children. With all the history this home has, one memory that Kermit recalls pretty clearly is of the electrician coming out to wire the home after the REA brought power to the area.

Kermit was a young boy when the electrician was there drilling holes through the plaster walls and pulling wires through in order to bring electricity to all the rooms. Prior to the house being wired, electricity for the farm came from a wind turbine, much smaller and simpler than the ones we see today, that fed power to 32-volt glass batteries kept in the basement. Kermit gets an extra sparkle in his eyes and a smile spreads across his face as he shares the story of the house being wired, "The electrician had a small record player that he gave to my parents along with some records. I got to listen to Gene Autry and other music like that. It was great."

Following graduation from Britton High School, Kermit attended South Dakota State University. He taught vocational agriculture in Redfield and managed the South Dakota State Fair for four years before returning home to the farm. Kermit was elected to the LREA Board of Directors in 1981. At the time, he may not have known how this would grow into a life-long commitment of service to his neighbors and to our rural electric cooperative, however, that is exactly what happened. Kermit was elected to lead Lake Region Electric Association following in the footsteps of Art Jones. Art was a key player who fought to bring electricity to rural communities in the Lake Region territory. Along with

serving the local cooperative, Kermit also serves on the board for wholesale power supplier, East River Electric. He represents East River Electric on the Basin Electric board of directors. Kermit also has served on the Dakota Gasification Company



LREA Board President Kermit Pearson has pursued a lifelong commitment to service.

and Dakota Coal boards. Kermit represents Basin Electric on the South Dakota Rural Electric Association (SDREA) board of directors. In September 2018, Kermit was inducted into the South Dakota Co-op Hall of Fame. Recognition and accolades are not the reason Kermit continues to serve members of Lake Region Electric. He believes in the work he does and feels that advocating for our rural utility providers is necessary to ensure reliable and affordable energy for cooperative members. Serving on a board of directors takes time and commitment. You have to believe in the mission of an organization and have a true desire to make fair decisions for all of the members.

Possibly the greatest benefit that comes with longevity in the cooperative world is recognition. Being in the industry long enough that you become recognized by not only your peers, but

Pearson, continued

by those that you need to influence, and by others who you need backing you for legislation and important issues, helps protect our members. Local and national players in the utility industry know who Kermit is and can call him on a first name basis. They understand he will fight for the consumers of rural electricity on a national level just as hard as he will for his own family and neighbors. It can be difficult for people just starting in the industry, especially in the cooperative world, to figure out what is going on and who everyone is. According to Pearson, “As time goes on, you are able to influence others.” He doesn’t feel that all who represent co-ops should think the same way or have the same beliefs. Rather, that everyone should have respect for their consumers and protect the financial interest of the cooperative as a whole. Another major benefit to longevity is what Kermit calls, “The benefit of history.”

There have been a lot of changes in the industry, mostly due to technology advancement.

History really does tend to repeat itself, so when a person has longevity, they are able to recognize trends and patterns. Recognizing trends benefits the cooperative by helping make decisions and manage cooperative finances to protect members.

The time Kermit has to dedicate to serving on the Lake Region board is the least time consuming, not because it is the least important, but because it is smaller. The area is smaller, the number of consumers affected by board decisions is less and most of the decisions and proposals made by staff who work directly with the members, employees and equipment on a daily basis are well planned before they are brought to the board. Kermit attributes much of the success of Lake Region to the

employees, “The value of our employees does not go unnoticed. They are the face of the cooperative who carry out the daily tasks and regularly communicate with members.” When you hire the right people and have good managers, leading a cooperative is a lot easier. According to Kermit, “As a director, it is our responsibility to ensure the coop is run in a prudent manner to ensure long-term stability.” This philosophy is true for all of the cooperative boards Kermit serves on, “The business principles remain the same. The numbers get bigger, so you just add more zeros to the end.”

He conceded that it can be difficult to make everyone happy. Nobody wants their rates increased; but as with anything, costs increase and that needs to be passed on until it reaches the end user. “We try to be fair,” states Kermit when explaining the importance of having reserves and being financially responsible. All directors are elected by the cooperative member-owners; they are also members of the cooperative, directly affected by decisions that they make.

There have been a lot of changes in the industry, mostly due to technology advancement. One of the earlier changes Kermit participated in was the conversion to automatic meter reading. Prior to the introduction of automatic meters, members had to track their electrical use and calculate their bills, then send in payment. This was a tedious task. “The response to this conversion was tremendous!” Load Management was an advancement put in place by East River Electric with the encouragement of Lake Region. This technology helped control peaks, which stabilized rates. One of the latest changes literally puts power in the hands of the consumer. The introduction of SmartHub has been a great tool for the co-op. SmartHub is an app that helps members track their power usage on a daily basis, pay bills and track outages.

When we discussed changes that have happened, one that cannot be ignored is the concept of easements. When the REA was bringing power to the area, poles and



Pearson addresses members at the Annual Meeting.

lines could be placed practically anywhere. Members were so eager to get electricity to their farms and homes, they didn’t care, or give a thought to, where the poles and lines needed to go. People feel differently these days and it can be more challenging to get easements.

Kermit views being a co-op member as an opportunity, “to have some say in who represents you on a local, regional and national level. Being a cooperative member is an opportunity to have some say in the policies and culture of the cooperative.” He pointed out that ownership in the cooperative is also rewarded through patronage.

Eventually, a time will come when Kermit will no longer serve on the LREA Board. Kermit cannot speculate whether he will make that decision on his own, or if someone will step up to run for election and he will be voted out. Peggy even joked that she might tell him when he’s done. Kermit feels that the current board is comprised of an excellent group of people. “We have a lot of experience on the board and 3 directors who have earned their Director Certification. We have a very qualified group.” When retirement does come, Kermit would like to spend more time following his grandchildren’s activities, spend more time woodworking, and maybe even do a little traveling.



While the ag markets have experienced shifts and changes, rural South Dakota continues to offer a favorable business climate for many industry sectors.

S.D. IS OPEN FOR BUSINESS

REED Fund supports business growth in rural areas

Billy Gibson

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The old adage about making hay while the sun is shining is not lost on the Governor's Office of Economic Development.

During the summer months, the department launched an aggressive regional advertising campaign called "South Dakota Means Business," aimed at encouraging companies from surrounding states to relocate to a more business-friendly environment.

The timing of this marketing strategy was intended to take advantage of the favorable national publicity the state has received for its response to COVID-19 and also to lure disaffected businesses weary of increasingly onerous and burdensome regulatory policies in other states.

The promotional initiative was based on a long list of advantages that make it easier in South Dakota for companies to maximize positive margins and plan for future growth.

The campaign featured Gov. Kristi Noem emphasizing the fact that South Dakota has been ranked best in the nation in several categories: lowest business costs; most accessible financing; two-year college graduation rates; lowest regulatory restrictions; lowest state tax revenue volatility; and more.

"We hear over and over from business owners in other states that increased government regulations are making it difficult to earn a profit and plan for growth," said Commissioner Steve Westra. "We want to get the word out that it doesn't have to be this way."

"As out-of-state businesses become more frustrated with

Dakota Style is a thriving business that has received REED funding through Codington-Clark Electric.



overreach by their state governments, they're turning to South Dakota," said Gov. Noem. "The number of new businesses interested in moving to South Dakota has increased dramatically. We're ready to show these businesses what South Dakota can do for them."

While Gov. Noem pushes to attract more businesses to South Dakota, the state's rural electric cooperatives continue to be engaged in efforts to spark community development. Twenty of the state's electric cooperatives collaborate with five western-Minnesota co-ops to support local business growth through the Rural Electric Economic Development, Inc. (REED) Fund. The non-profit corporation provides financing in all or parts of roughly 70 counties in the two states.

The REED Fund was created in 1997 to boost business growth in small communities and has issued nearly 400 loans totaling more

than \$102 million. That financial support has resulted in more than 9,000 jobs.

While the fund is used by rural electric cooperatives to boost economic activity in their service areas, it is not restricted to co-ops. Many loans have gone to retail entities, manufacturing facilities, agriculture processing and marketing and support services. The fund has also been used to support rural health care, education, recreation, arts, public safety, community infrastructure, housing and office space.

The fund is supported by state and federal government entities, including the Governor's Office of Economic Development and the USDA Rural Economic Development Loan and Grant Program, and also private groups such as Dakota Resources, Basin Electric Cooperative and banking institutions.

The REED Fund had a record year in 2019, with \$12.8 million in new loans. REED and Avera Health also signed a new workforce housing development financing partnership as Avera committed to a \$2 million investment in the fund. This investment, along with an additional \$1 million pledge from SDN Communications and another \$1 million from First Bank & Trust, will expand efforts to finance workforce housing.

Two loans issued in August went to Lesterville Fire and Rescue from Bon Homme Yankton Electric, and to 605 Sires, LLC, from Southeastern Electric.

Bon Homme Electric Manager Stephanie Horst said the money would go toward the purchase of new air packs and a new building addition for the local volunteer fire department.

"A big part of our guiding principles as locally-owned, locally-controlled electric cooperatives is to do whatever we can to improve the quality of life in our service areas and to expand the range of economic opportunities available to our members and our communities," Horst said. "It's very gratifying for us to know we're making a positive impact."

She noted that more than 80 percent of the REED Fund's lending is established in communities of fewer than 4,000 people and 98 percent of REED-financed projects have local ownership.

At Southeastern Electric, General Manager Brad Schardin said 605 Sires, LLC, used its financing to expand its family-owned, full-service bull collection and donor facility. The company opened in 2017 and delivers its products to customers both domestically and internationally.

According to Schardin, "Delivering electrical power that is safe, affordable, reliable and accessible is a tall order in itself. But our commitment goes beyond providing electricity. We also have an obligation to enhance and improve the communities we serve. The REED Fund is an excellent resource to help us fulfill that commitment."

For more information on the REED Fund, visit www.reedfund.coop or call 605-256-8015.

Future of Energy Storage

Energy storage technology is extremely versatile - it's small enough to fit in your phone, or large enough to power your entire home.

Many people are familiar with small-scale batteries for handheld devices, but utility-scale batteries take energy storage to a whole new level. The ability to store energy helps to ensure that energy demand meets supply at any given time, making electricity available when you need it.

The most widespread form of energy storage in the U.S. is through pumped hydropower, a form of mechanical energy storage. Pumped hydropower has been used for several decades now, and currently makes up about 97 percent of the country's utility storage capacity.

Energy is stored by pumping water uphill from a lower elevation reservoir to store in an upper water basin. When energy is needed, the water is allowed

to flow through an electric turbine to generate energy, the same way it flows through a hydroelectric dam. This method is largely dependent on surrounding geography and any potential resulting ecosystem issues.

Battery technology is also gaining a lot of ground. In 2018, the power capacity from battery storage systems more than doubled from 2010. The most common type of battery chemistry is lithium-ion because of a high-cycle efficiency and fast response time. Some less-common battery types for utility storage include lead acid batteries, nickel-based batteries and sodium-based batteries. However, each chemistry has varying limitations. Beyond pumped hydropower and batteries, there are a few other forms of energy storage used at the utility scale: thermal, hydrogen and compressed air.

Energy storage currently plays a crucial role in incorporating renewable energy into our electric grid. Solar and wind energy are weather-dependent, so when energy demand is low but energy supply is high from the sun or wind, storing the excess energy makes it possible to use it later when demand is higher. As renewable energy becomes more prevalent, energy storage will help to create a more resilient grid.

Although battery prices have been decreasing steadily over the last several years, energy storage can be expensive to attain. Currently, there are 25 gigawatts of electrical energy storage capacity in the U.S., and many experts expect capacity to grow.



Energy storage plays a crucial role in incorporating renewable energy into our electric grid. Photo by Dennis Gainer

Penhros Farms

Jones family has seen many changes over the years

Laura London

Administrative Assistant

Penhros Farms was incorporated in 1966 when members of the Jones family decided that things could run more efficiently and profitably by combining resources and efforts. When they decided to form the corporation, Art Jones didn't like the idea of Jones Farms, so he recommended the name "Penhros Farms," after a village in the old country spoken of by their Welsh ancestors. The farm is located near Britton with the main operations right at the original homestead.

There is a lot of history surrounding this farming operation. Most importantly for Lake Region Electric Association is that one of the founders of Penhros Farms was Art Jones. He was instrumental in bringing power to the rural farms and communities. Art's son Maurice, one of the founders of Penhros Farms, has "retired" from farming, but he still likes to be involved a bit. I met with Maurice one August day and asked him to share about the past, the farm, his family, his father, and the future.

How Things Have Changed

Maurice can tell stories all day long about how things have changed in his 88 years on this earth. He remembers when the farm was "electrified" by the REA: "We did have some electricity before the REA came; we had a windmill that charged glass batteries to power some appliances and things." Life changed dramatically when the farm became electrified; the power was first brought to the house, then the barn and finally to the shop.

Maurice was a young boy when Art began fighting to get power brought to the area. He proudly holds a photo of his father, exclaiming, "Dad was a fighter for the REA!" He tells of Art being on the East River Board of Directors and spending a lot of time in Bismarck and Washington, D.C. "I was a young boy and I don't remember too much about



Maurice Jones is shown with a photo of his father, Art, who was a pioneer of the REA movement.

how it all started, but we did take a few trips up to Bismarck." He continues, "Dad worked hard for the REA, there was a lot of problems back then." Unlike his Dad and brother, Maurice was never really involved in politics himself, however his daughter Susan is a State Senator and a strong advocate for rural utilities. Maurice explains that the younger generations don't know what it was like to not have electricity, and they especially don't realize the fight and effort that his dad, and others, put up in order to bring power to the area at an affordable cost.

I asked Maurice who ran the farm while his father was away fighting for the rural community. He gave me a puzzled look

because to him, the answer is simple. "Well, of course, the kids ran the farm!" Some stories are interjected at this point of the interview, but Maurice concludes his original thought, "With Dad's guidance, of course, but we ran it." Times were different then. Farming was a family operation and you didn't question things or complain, you just did what needed to be done. All the kids grew up running machinery. Maurice jokes, "As soon as you could walk, you were farming."

Looking at the farm today, that work ethic and dedication has been passed down through the generations. It is still a family farm with the work being done by the grandchildren and great grandchild-

Penhros Farms, continued

dren of Lake Region Electric Association pioneer Art Jones. Maurice is very proud of his family and boasts about what hard workers they all are.

Kevin Jones, Maurice's nephew, and his son K.C. paused their day to show me around a little bit and to talk about farming and what being a member of Lake Region Electric Association means to them. They milked cows "since forever" Kevin says and claims that he couldn't be born until after the cows were milked the day his mom went into labor. They no longer milk cows though. They currently run a cow/calf operation of about 800 head. They also raise alfalfa, corn, and soybeans. Penhros Farms does a lot of grain drying and they have a pretty high demand for electricity at their bin sights, eight of which are 25,000-bushel grain bins. They participated in a pilot program for grain bin load control to reduce demand and costs for energy use. K.C. points out that they also use load control for water heaters to improve efficiency and reduce costs.

Three Generations of Members

What does being a member of Lake Region Electric Association mean? Asking three generations this question will get you three different answers.

Maurice knows what it's like to not have electricity at the flip of a switch. He knows what it took to get electricity brought to rural America. "The kids now don't realize what they have." He said that the bills have really increased, just as the cost of everything has. "All this technology makes farming easier, but it's expensive and you have to work that much harder to pay for it." His advice to the younger generations



Kevin Jones and his son K.C. talk farming with LREA.



Kevin, Kirk and K.C. Jones are happy the family farm is a part of the LREA family.

is to "just keep working at it." He strongly feels that younger generations need to stay involved in order to keep electricity affordable and to keep co-ops from being taken over. "As high as the cost is now, it could be much worse!" One difference he wants people to consider when comparing the co-op to an investor-owned utility, "With the co-op you have ownership that is shown through dividends."

Kevin feels that cooperatives in general aren't what they used to be. "Things have definitely changed. People just don't seem to get along anymore." Kevin is also a county commissioner and makes the observation: "It is difficult to find people to run for anything." He says that he used to hear the comment, "If your grandpa was alive..." but people who knew Art are getting to be fewer and fewer and the new generations just don't feel the need to get involved or they don't want to commit the time. He thinks that Lake Region Electric

is well run, and he has not felt the need to get too involved. He said, "Yeah, we have more outages than we like but the guys are pretty quick to get us back on."

K.C. agrees with his dad, Kevin, about how Lake Region Electric operates. "It's different than our grain co-op." He doesn't feel the need to be involved at this time, but it is something that he will keep in mind for the future. K.C. admits they do take electricity for granted. While outages can be inconvenient, they try to stay prepared by having generators ready to go if necessary. He sometimes doesn't even want to call in an outage during the bad weather. "I'm out there snow-blowing and can't even see above some of the drifts, then I look over and see the Lake Region guys already out there in the cold trying to get our power back on."

The Jones family may not be as involved in their electric cooperative as their patriarch Art; however, they all have an appreciation for their cooperative and are happy to be a part of it.



Life on farms and in small towns changed for the better when electric co-ops brought power to the countryside.

CO-OP HISTORY

Co-op legacy provides a road map to success

Billy Gibson

editor@sdrea.coop

On Nov. 29, 1935, a handful of local farmers huddled together in a nondescript general store near Vermillion.

They knew that six months earlier President Franklin Roosevelt had signed an executive order creating the Rural Electrification Administration (REA). They knew the purpose of this new federal entity was to provide low-interest loans so that small communities all across the nation could build the power delivery infrastructures required to bring power to the countryside. And they knew this would be their best opportunity to accomplish something for themselves that the for-profit corporate utilities were unwilling to do: energize rural America. They were all in.

While there were a few fits-and-starts along the way, what emerged out of that meeting was South Dakota's first rural electric cooperative, Clay-Union Electric Corp.

Meanwhile, this exact scenario was being replicated in other small towns and villages from coast-to-coast as the rural electrification movement gained momentum and transformed the lives of millions. From those humble beginnings, the movement has swelled to more than 900 locally-owned and locally-controlled cooperatives serving 42 million Americans in 47 states.

The improbable feat of individuals coming together, organizing, planning and building such a vast power delivery system through the most sparsely populated and inhospitable landscapes has been recognized as one of the country's crowning achievements.

America's electric cooperatives take a great deal of pride in their legacy of service, their spirit of independence, their ability to work together for a common purpose and their democratic system of control and decision-making. It's a system rooted in the



Local citizens got together in the 1930s to organize electric co-ops.

very ideals that made the country great.

So why should today's generation care about this legacy?

Dan Lindblom thinks he knows. Lindblom, along with his fellow co-op leader Verdon Lamb, recently received the South Dakota Rural Electric Association's (SDREA) Legacy of Leadership Award for 2020. He said the rich history of the cooperative movement is important because it provides a model for success that both current and future generations can use to overcome obstacles and challenges, to help navigate through difficult and seemingly intractable situations.

Having served 27 years on the board at Black Hills Electric Cooperative in Custer and 23 years on the SDREA board, Lindblom certainly knows about how to approach difficult dilemmas. As a statewide board officer, Lindblom found himself in the middle of many imbroglios and political squabbles over the decades.

Whether the battleground was in Pierre or Washington, Lindblom fought to protect the interests of electric cooperative



Co-ops led the way in energizing rural America and today lead the way in developing new technologies such as electric vehicles.

members through a wide range of issues such as service territory disputes, state and federal environmental regulations, taxation, transportation and more.

In the process, he learned the art of compromise and the virtue of demonstrating mutual respect. He recalls the not-too-distant past when political



Co-ops improved the lives of all citizens in their communities.

opponents maintained personal, respectful relationships despite any ideological or policy differences they may have had. He also learned the meaning of the old axiom, “United we stand, divided we fall.”

“Speaking with one voice pays off, especially in the political arena,” Lindblom said. “We had situations where an issue may impact one or two co-ops, but we all had to stand together to provide the strength we needed to win. It’s a difficult decision to engage in a fight when you think you don’t have a dog in the hunt, but it’s necessary if you’re going to do what’s good for co-op members across the state. The next time, it may be your issue that comes up and you’ll need the support.”

Lindblom said the secret sauce of success is adopting a posture of give-and-take while standing in solidarity behind a set of shared values.

Verdon Lamb, the other 2020 Legacy of Leadership recipient, served 40 years on the board at Codington-Clark Electric Cooperative in Watertown and also served on the SDREA board. He said the history of the electric co-op movement is a prime example of what can be accomplished when people work together.

“It’s about leadership, sacrifice and working in harmony to do something that’s worth doing for other people,” Lamb said. “I always felt it was worth the sacrifice of giving up my personal time and my farming time to represent the members who put their faith in me and elected me to serve on the board.”

While some say the sense of community, sacrifice and selflessness are lost on the current generation, Lamb said he has hope that young adults will come to understand those ideals exemplified by electric co-ops.

“You know, people said the same things about us when we were kids,” said Lamb, who graduated from high school in 1953. “They said we weren’t going to amount to much, but we turned out okay.”

Chris Larson is manager at Clay-Union Electric Corp., where South Dakota’s electric cooperative system began. He pointed out that the legacy of electric cooperatives is rooted in friends, family and the community. Because cooperatives have always been owned, operated and controlled independently, and have always been geared for local service, they demonstrate the power of human connections and the strength that comes with

teamwork. He said this is especially clear to see as cooperatives and their members deal with the coronavirus pandemic.

“When times get tough, you look to your family and friends, and those are the people who make up our cooperative,” Larson said. “Cooperative communities work together to accomplish things that would be impossible to do alone. That’s what the cooperative legacy is all about, and we see how it lifts us up and sustains us through troubling times.”

Larson said electric co-op history points back to a time in the 1930s when the country was racked by a slumping economy. Co-op organizers went door-to-door to rally support and ask for a membership fee. It was money that many households simply didn’t have. He noted that the first attempt at forming the co-op failed because the start-up funds weren’t there. But by working together and staying focused on the goal, the community accomplished the mission of energizing homes, farms, schools and businesses.

“Friends and families in the Clay County area pulled together and found a way to improve the quality of life for all,” Larson said. “The result is that today we provide power to water districts, banks, grocery stores, elevators, hotels, ag supply stores and more. Electricity is the life blood that makes our local economy run. That’s why our history is so important – it shows the possibilities of what can be done. It’s a road map for achieving what some think is impossible. That’s a message we can all learn from and has no expiration date.”

Larson said that by being attentive to the legacy of electric cooperatives, members of the younger generation can make a real difference in the future of the country.



CO-OPS VOTE

Cooperative members encouraged to make their voices heard

Billy Gibson

editor@sdrea.coop

The act of voting is not only a basic right of every American citizen, it's also a hallmark of the country's rural electric cooperative system.

The monumental rural electrification movement that began in the 1930s was founded on the principle of one member, one vote. As communities all across the nation began building infrastructures to deliver electricity to farms and schools and homes in outlying areas, the idea that every member had only one vote – regardless of that member's status, wealth or influence – quickly gained widespread appeal.

The same set of democratic principles that have served as the system's bedrock from the beginning continue to sustain the cooperative network today.

All of the more than 42 million electric cooperative members across the country are encouraged to cast their vote for their local board representative with the aim of installing competent, effective leadership. Exercising the right to cast a ballot in board elections ensures that the members maintain a measure of democratic control over the organization that they collectively own.

While voting power rests in the hands of cooperative members, as it does with the general electorate, that power is lost if those responsible for being engaged in the political process don't do their part. If electric cooperative members don't elect qualified, committed representatives to look out for their interests at the board table, this puts the future of the cooperative in doubt. The same applies to the national political system as well.

Participating in the political process is so paramount to maintaining and upholding democratic institutions that the more

than 900 member-owned electric cooperatives across the country have launched a promotional initiative called Co-ops Vote. The campaign is designed to raise awareness not only of the upcoming national elections but also the voting process that takes place each year at every cooperative.

Long before the launching of the Co-op Votes campaign came the formation of a federal political action committee called the Action Committee for Rural Electrification (ACRE). Founded in 1966, ACRE is a non-partisan organization that provides support for candidates who serve as advocates for the best interests of electric co-ops, their member-owners and their communities.

The grassroots organization is backed by a diverse group of more than 35,000 individuals in 47 states who make an average annual contribution of just \$65. Through the ACRE Co-op Owners for Political Action, an off-shoot of the original ACRE program, local cooperatives are able to reach out to their residential member-owners and invite them to be politically engaged in marshaling financial support for candidates and involved in other significant grassroots advocacy initiatives.

South Dakota's rural electric cooperatives are strong participants in the effort to make sure the voices of co-op members reach the halls of the statehouse in Pierre and also resonate on Capitol Hill in Washington, D.C. According to Ed Anderson, general manager of the South Dakota Rural Electric Association in Pierre, those voices include calls for electrical power that is safe, reliable, affordable and accessible for all South Dakota citizens.

"Electrical power is essential to sustaining our way of life," Anderson said. "We need power to run our homes and farms

and businesses. With our relatively low population density, it's a challenge to keep power rates at a point where our members can afford their monthly electric bill. That's why it's critical that we make sure the decision makers in Pierre and in Washington are listening to our voices and listening to our concerns."

South Dakota's electric cooperative leaders, employees and members are stepping up to the plate by increasing their participation in ACRE and ACRE Co-op Owners for Political Action. Roughly half of the 30 cooperative boards in the state boast 100 percent participation in ACRE at the \$100 per year (Century Club) level.

One of those cooperatives, Black Hills Electric based in Custer, also has an employee participation level of 100 percent, in addition to its management, key staff and seven-member board.

CEO and General Manager Walker Witt said supporting political leaders who can relate to the unique challenges faced by rural South Dakotans is important.

"The management, staff and employees have supported ACRE since its inception. We believe in the importance of electing representatives who believe in the importance of the rural electric program and

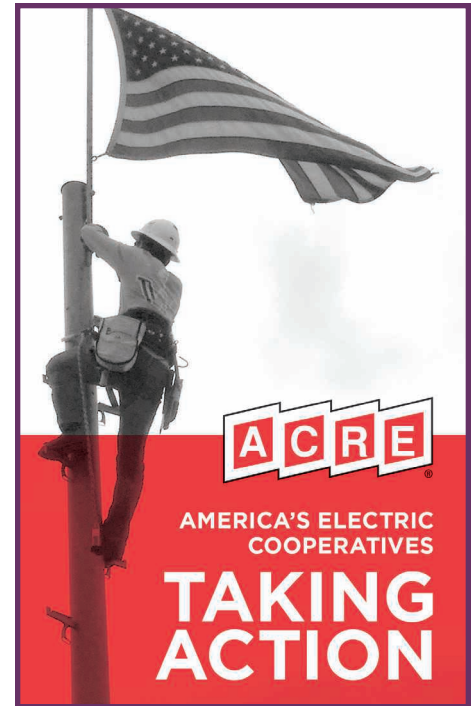
those co-ops on the front lines of rural electrification. ACRE dollars help keep the struggles of rural America in the forefront of the legislative arena. ACRE has helped us build political capital in South Dakota and Washington."

Tim McCarthy, General Manager and CEO at Sioux Valley Energy in Colman, echoed Witt's observations.

"Our Strategic Leadership Team (SLT) and Board of Directors believe it is important to be politically engaged. We view our role as advocates for our member-owners and it's part of our commitment to them. We are engaged at all levels of the political process and, in fact, employ a government relations professional to ensure continued involvement. ACRE supports candidates who will speak for and protect the interests of electric cooperatives and their consumer-owners."

Sioux Valley Energy has also made an effort to appeal directly to members by conducting community-based forums, a process that has been temporarily disrupted by the coronavirus pandemic.

According to McCarthy, "We have worked hard to engage our members in the political process, hosting what we call 'Take Action' forums. We invite



elected officials to speak at these events and it allows our members to hear about energy-specific legislation and regulation that may impact their rates and or service. They also have the chance to ask questions and hear directly from their elected officials. Unfortunately, because of COVID-19, we will not be hosting any this year."

Rural communities depend on Co-op Voters.

- ✓ Learn about the issues.
- ✓ Talk to your family and friends.
- ✓ Cast your vote.

**Election Day is
November 3, 2020**



Be an active participant in our democracy. Be a Co-op Voter.

www.vote.coop

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

September 24-26

Custer State Park Buffalo Roundup and Arts Festival, Custer, SD, 605-255-4515

September 25-27

Coal Springs Threshing Bee Featuring Massey Harris Tractors, Meadow, SD 605-788-2229

September 26

Great Downtown Pumpkin Festival, 526 Main Street, Rapid City, SD, 605-716-7979

September 26

Chamberlain/Oacoma Harvest Festival, Chamberlain, SD, 605-234-4416

September 26-27

Menno Pioneer Power Show, 616 N Fifth Street, Menno, SD

September 26

Wheelin' to Wall, Wall Community Center, Wall, SD

October 2-3

First United Methodist Church Rummage Sale, 629 Kansas City St, Rapid City, SD, 605-348-4294

October 2-3

Oktoberfest, Deadwood, SD, 605-578-1876

October 3

Cruiser Car Show & Street Fair, Main Street, Rapid City, SD, 605-716-7979

October 3

Cowboys, Cowgirls and Cowcatchers Soiree, 6 p.m., South Dakota State Railroad Museum, Hill City, SD, 605-574-9000



Sept. 26
Wheelin' to Wall, Wall, SD,

October 3-4

Marshall Area Gun Show, Red Baron Arena, 1651 Victory Dr., Marshall, MN, 507-401-6227

October 3-4

Harvest Festival, Harrisburg, SD, 605-743-2424

October 3-18

Pumpkin Festival, Canton, SD, 605-987-5171

October 10

Annual Fall Festival, 4-6 p.m., Fairburn United Methodist Church, Fairburn, SD 605-255-4329

October 10

Groton's 5th Annual Pumpkin Fest, Groton City Park, Groton, SD, 10 a.m. to 3 p.m. Lunch Served 11 a.m. to 1 p.m.

October 10-11

Pumpkin Festival, 27249 SD Hwy 115, Harrisburg, SD, 605-743-2424

October 24

Ladies Day Shopping Extravaganza, The Crossing Bar, Mina, SD, 11 a.m. to 4 p.m.

October 29-30

Helping with Horsepower's Phobia - A Haunted Trail, Reclamation Ranch, 40789 259th St., Mitchell, SD, 7-11 p.m. 605-770-2867

October 31-November 1

Dakota Territory Gun Collectors Assn. Sioux Falls Classic Gun Show, 3200 W Maple St. Sioux Falls, SD, 605-630-2199

November 7

Silver Star Bazaar, Lake Norden Community Center, Lake Norden, SD, 9 a.m. to 5 p.m.

November 7

Helping with Horsepower's RibFest, 4 p.m., Reclamation Ranch, Mitchell, SD, Contact mattcarter1421@gmail.com to Register Your Team

November 14

Annual Holiday Extravaganza, Sisseton Area Merchants and Crafters, Sisseton, SD, 605-698-7425

November 21-22

Winterfest: A Winter Arts Festival, 203 S Washington Street, Aberdeen, SD, 605-226-1557

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.