

## In this issue

**JULY 2023** 

Basin Electric report

• Building bridges to a clean energy future

Safety Starts with ME

Your Touchstone Energy® Cooperative

## Avoid stacking hay bales under power lines

As rural farmers and ranchers, members of KEM Electric Cooperative play a vital role in our community's agricultural landscape.

However, it's crucial for members to be aware of potential hazards and prioritize safety in all aspects of their work, including where to stack their hay.

## **Electrical hazards**

Stacking hay bales beneath power lines increases the risk of coming into contact with overhead electrical wires. This poses a significant danger to individuals working in close proximity to the stacked bales, as well as anyone nearby. Accidental contact with power lines can lead to electric shocks, injuries or even fatalities.

### **Fire hazards**

Dry hay is highly combustible, and if it comes into contact with overhead power lines, it can potentially ignite a fire. This puts not only the stacked bales at risk, but also the surrounding agricultural fields, buildings and equipment. The consequences of a hay fire can be devastating, causing substantial property damage and endangering lives.

### **Equipment interference**

Stacking hay bales too close to power lines can interfere with the safe operation of agricultural machinery and equipment. The height of the stacked bales can create clearance issues and limit maneuverability, increasing the risk of accidents and damage to both the equipment and the power lines.

To ensure the safety of themselves, their workers and the community, KEM Electric Cooperative members should adopt the following practices:

• Keep a safe distance. Maintain a minimum distance of 20 feet between stacked hay bales and overhead power lines. This ensures an

adequate safety buffer and reduces the risk of accidents.

- Plan storage locations carefully. When selecting storage locations for hay bales, consider the proximity to power lines. Choose areas that are far away from overhead electrical infrastructure to minimize the risks associated with accidental contact or fire hazards.
- **Consult with KEM Electric.** If there are any doubts or questions regarding power line clearance or safety guidelines, reach out to KEM Electric Cooperative. We have the expertise and resources to provide valuable guidance and ensure safe practices on the farm.





## **MANAGER'S MESSAGE:** We're ready for storm season. Are you?



Now that summer is in full swing, I welcome more opportunities to be outdoors and enjoy the warmer weather, like many of you. Summertime brings many of my favorite activities, like cooking out with family and friends, afternoons on the water and simply slowing down a bit to enjoy life.

Travis Kupper

But summer months also make conditions right for dangerous storms. These potential weather events can cause destruction to our electrical system, but I want you to know that KEM Electric Cooperative crews are ready and standing by to respond should power outages occur in our area.

When major storms knock out power, our line crews take all necessary precautions before they get to work on any downed lines. I would encourage you to also practice safety and preparedness to protect your family during major storms and outages.

The Federal Emergency Management Agency recommends the items below as a starting point for storm and disaster preparedness, but you can visit www.ready.gov for additional resources.

- Stock your pantry with a three-day supply of nonperishable food, such as canned goods, energy bars, peanut butter, powdered milk, instant coffee, water and other essentials, such as diapers and toiletries.
- Confirm you have adequate sanitation and hygiene supplies, including towelettes, soap and hand sanitizer.
- Ensure your first aid kit is stocked with pain relievers, bandages and other medical essentials, and make sure your prescriptions are current.
- Set aside basic household items you will

need, including flashlights, batteries, a manual can opener and a portable, batterypowered radio or TV.

• Organize emergency supplies so they are easily accessible in one location.

In the event of a prolonged power outage, turn off major appliances, TVs, computers and other sensitive electronics. This will help avert damage from a power surge, and will also help prevent overloading the circuits during power restoration. Do leave one light on, so you will know when power is restored. If you plan to use a generator, make sure it's rated to handle the amount of power you will need, and always review the manufacturer's instructions to operate it safely.

Listen to local news or a NOAA Weather Radio for storm and emergency information, and check KEM Electric's Facebook page for power restoration updates.

After the storm, avoid downed power lines and walking through flooded areas where power lines could be submerged. Allow ample room for utility crews to safely perform their jobs, including on your property.

Advanced planning for severe storms or other emergencies can reduce stress and anxiety caused by the weather event and can lessen the impact of the storm's effects.

I hope we don't experience severe storms this summer, but we can never predict Mother Nature's plans. KEM Electric recommends you act today, because there is power in planning. From our co-op family to yours, we hope you have a safe and wonderful summer. 🟵



## **Basin Electric Power Cooperative report**

BY BOARD PRESIDENT WAYNE PELTIER AND CHIEF EXECUTIVE OFFICER AND GENERAL MANAGER TODD TELESZ

Basin Electric Power Cooperative's story in 2022 is one of incredible financial performance and the opportunity as stewards of our members' assets to create an even more stable and sustainable foundation for success.

Basin Electric enjoyed margins far beyond what was budgeted, largely the result of the cooperation between our marketing and operations teams. The marketing team's insights and strategies created value by optimizing our members' assets – generation, transmission and DC ties. This was coupled with our all-ofthe-above generation fleet, which performed extremely well in 2022, particularly during times of high market stress.

These factors were amplified by a series of record-setting demand levels from our membership. Despite high inflation and volatile markets, our cooperative was able to remain steady, forecasting stable rates for the next decade, a testament to our operational excellence and disciplined risk management practices.

Dakota Gasification Company, our for-profit subsidiary, benefited from high commodity prices and strong operational performance at the Great Plains Synfuels Plant, where systems operated at near-record capacity levels. This meant Dakota Gas was able to repay more than \$250 million to Basin Electric on a revolver the subsidiary had used to fund operating expenses over the last several years.

We know it will be difficult to replicate, sustain or scale this financial success going forward. As we plan for future years, we are focusing our time, energy and efforts on key strategic initiatives that will provide us the leverage to deliver incremental value and absorb more risk for our membership.

The Basin Electric board of directors and management plans to allocate our member capital through investing in assets and people, de-risking Basin Electric, and returning value to the membership.

The good fortune of 2022, in part, was returned



to our members through patronage and bill credits, and the board authorized a one mill rate decrease that took effect in 2023. To protect members from rate volatility, Basin Electric also further built up our rate stabilization fund, which serves as a shock-absorber for market disruptions that have become increasingly more commonplace. Also, Basin Electric has accelerated the depreciation of our oldest coal generation units to ensure the member at the end of the line will not be forced to pay for the same kilowatt-hour twice.

Regarding investment, nearly \$1.5 billion in construction projects has been authorized by our board to add more generation to our fleet and miles to our high-voltage transmission lines. As rural America grows and the criticality of reliable electricity is on the minds of many, the Basin Electric membership is building assets to ensure demand is met and reliability is maintained.

This year was remarkable for all the reasons we mention above, but we know our work never ends. As we strive every day to provide reliable, affordable and responsible electricity for our members produced safely by our employees, we recognize the importance of electric cooperatives to the communities and people of our service territory.

Access to reliable and affordable electricity creates immense opportunities. We are proud of the work we do and know the good fortune we realized over the last year must be

continued on next page



continued from previous page

deployed and invested with steady shoulders. Deliberative conversations and an adherence to decisionmaking driven by data, rigorous analytics and collaborative debate will enable us to make the best decisions for our membership. Above all, we will keep a laser focus on our members at the end of the line to remember why and how what we do matters for success in rural America. ②

# Building bridges to a clean energy future

BY LLOYD LINKE, SENIOR VICE PRESIDENT AND UPPER GREAT PLAINS REGIONAL MANAGER



Lloyd Linke

As we enter the second quarter of 2023, the Western Area Power Administration (WAPA) is looking ahead to a sustainable energy future. In its 45th year, WAPA has developed a new strategic plan, Power Forward 2030, to light the way. The plan outlines three overarching strategic goals: to safeguard a sustainable

energy future, modernize the grid and invest in its employees.

WAPA engaged with employees, customers and other stakeholders throughout the planning process, incorporating their feedback into the final plan. The focus for 2023 is on collaboration – with each other, customers, the U.S. Department of Energy, generating agencies and other stakeholders – to create opportunities through partnerships that strengthen the resilience of our energy infrastructure and improve our operational readiness by working on common issues with customers. In that spirit, our theme this year is "Building Bridges."

The decisions and actions we take today will help define where we will arrive in our future, long after most of us have retired. As we implement this plan, we remain committed to supporting a clean energy future for future generations.

One of the most significant challenges we face in achieving a sustainable energy future is the ongoing drought in the western states, including the Upper Great Plains region. Enduring drought is straining power rates at the same time as replacement power costs are increasing. We understand the challenges this brings to our communities and know that you are concerned about the pressure on rates and want to see WAPA create solutions to preserve the value and longevity of hydropower.

WAPA continues to build connections with customers and generating agencies to address drought and other operational challenges, such as cybersecurity and markets. Both the Upper Great Plains and Rocky Mountain regions are implementing drought adders to help keep drought deficits from escalating as quickly, lower interest expenses due to drought deficits, demonstrate responsible deficit management and provide prompt drought deficit repayments.

WAPA recognizes the importance of investing in our energy infrastructure to withstand challenges like the ongoing drought. In addition to collaborating with customers, WAPA is also investing in research and development to modernize the grid and strengthen its resilience.

In November 2022, WAPA installed a neutral blocking device (NBD) at White Substation in South Dakota. The NBD, developed to block geomagnetically induced currents (GICs) during solar storms, uses three paths to ensure the transformer neutral maintains its ground connection, providing an effectively grounded system in all operating modes. The NBD is the first commercially developed device installed in the United States, and the second device of its type to become operational. It serves as a national pilot program to install, test and evaluate technology designed to mitigate the effects of GICs in transformers. GICs resulting from severe geomagnetic disturbances can saturate transformers and cause negative impacts, including reactive power absorption, voltage drops, electrical harmonics injected into the power system and overheated transformers.

The NBD, installed at strategic locations in the power system, may reduce and eliminate these negative effects. Following a GIC mitigation pilot program report from the Electric Power Research Institute, WAPA experts performed

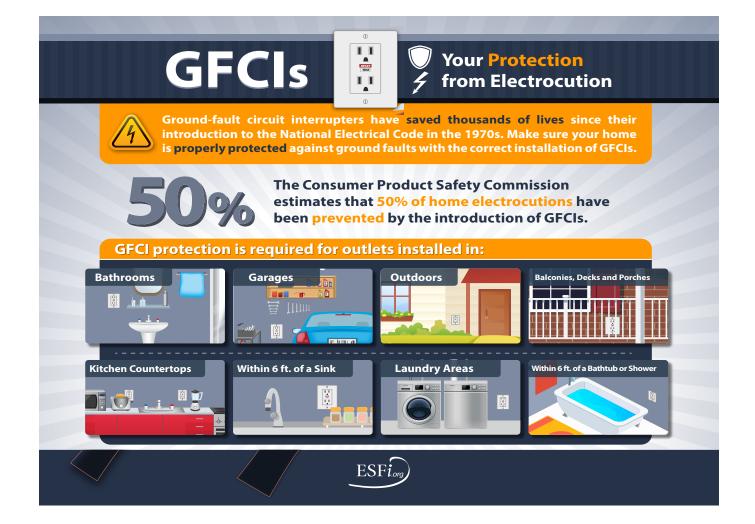


two system studies to identify and analyze preferred locations for the NBD within the organization's transmission system. The NBD was installed at the White Substation, which is well positioned to serve numerous customers and sites and was chosen because it connects to three or more adjacent substations with large, bulk electric system transformers. In late February, a moderate, double-coronal mass ejection accompanied by solar flares erupted from the sun, pointing at the Earth's orbital position, giving rise to a strong geomagnetic disturbance (GMD) event. The NBD functioned well during this first major test.

WAPA is also investing in its employees to build a strong and resilient workforce. As part of the Power Forward 2030 strategic plan, WAPA is focused on attracting, retaining and developing top talent to ensure we have the skills and expertise necessary to meet future challenges. This includes investing in employee development programs, mentoring and coaching programs, and other initiatives to support employee growth and development.

Finally, WAPA is committed to working with stakeholders in the energy industry to achieve a clean energy future. This includes collaborating with utilities, generating agencies, policymakers and other stakeholders to promote the adoption of renewable energy, reduce carbon emissions and improve the reliability and resilience of the grid.

Looking to the future, WAPA is well positioned to continue its leadership role in the energy industry. With a clear strategic plan, a commitment to collaboration and innovation, and a talented and dedicated workforce, WAPA remains focused on delivering reliable, affordable and sustainable power to our customers.





# Safety Starts with ME: Protecting yourself from utility scams

In today's digital age, where technology connects us in more ways than ever before, it's crucial to remain vigilant and protect ourselves from scams.

Utility scams come in various forms, but they typically involve impostors posing as utility company representatives seeking payment or personal information.

"These scammers may use threatening language, urgency or even offer special discounts to deceive unsuspecting individuals," said Lisa Rossow, data/communications analyst. "It's important to remember that KEM Electric will never demand immediate payment or personal information over the phone or email."

To protect yourself from utility scams, follow these essential tips:

- **Be cautious.** Maintain a healthy skepticism when receiving unexpected calls or emails. Verify the caller's identity by asking for their name, department and contact information.
- Never share personal information. Avoid providing sensitive information, such as social security numbers, credit card details or account numbers, to unsolicited callers or suspicious emails.
- Hang up, don't engage. If a caller becomes aggressive, threatening or insists on immediate payment, hang up immediately. Legitimate utility companies will provide options for secure payment and will not pressure you into immediate action.
- Verify before paying. If you receive a payment request, independently verify its authenticity by contacting the utility company directly through their official customer service channels. Do not use the contact information provided by the suspicious caller or email.
- **Report suspicious activities.** If you suspect you have encountered a utility scam, report it to your local cooperative. By reporting these incidents, you help protect others in your community.

"At KEM Electric, your safety is paramount," Rossow said. "By familiarizing yourself with the signs of utility scams and implementing



preventative measures, you can protect yourself from falling victim to fraudulent activities."

Remember, safety starts with each individual. Stay informed, be cautious and report any suspicious activities. 😨

# Board Meeting Highlights May 23

- KEM Electric board of directors met May 23 at KEM's office in Linton.
- The board reviewed and approved the minutes of the April 25 meeting.
- Travis Kupper and Jason Bentz presented the co-general managers' report.
- Basin provided a report to the board.
- Alex Craigmile, CFO, presented a summary of the financial report.
- Dale Nagel, operations director, and Marcy Sanders, member relations, provided the board with an update.
- Tom Bair, attorney, updated the board on the status of projects.

# Ensure seamless communication and optimize your experience

In our ever-evolving world, staying connected is vital, and KEM Electric Cooperative is committed to providing you with exceptional service. To serve you better and keep you informed about important updates, we kindly request all members to take a moment to review and update their contact information. By keeping your details current, you ensure a seamless and efficient communication channel between you and your cooperative.

At KEM Electric, we understand that accurate contact information is key to delivering timely notifications, outage updates and other vital communications. By updating your contact information, you allow us to reach you through your preferred means of communication, whether it's phone calls, text messages or email. To update your contact information, simply log in to your SmartHub account on our website or contact our friendly member services team who will be more than happy to assist you. Remember, by providing us with the most up-todate information, you're enabling us to serve you better, tailor our communications to your preferences, and ensure that you receive the vital information you need when you need it. *©* 



# Mark your calendar for Co-op Day at the State Fair!

Experience KX/Co-op Day at the highly anticipated state fair on July 26 in Minot. As a valued member, we are pleased to extend exclusive benefits to enhance your experience.

By attending the North Dakota State Fair on July 26, you gain access to a special offer on gate admission, where you can save \$1 off the regular price. Additionally, maximize the thrills of the carnival rides with a \$5 discount on daily unlimited-ride wristbands and \$1 off admission to the Ranch Rodeo.

You're also invited to join us at the KX/Co-op tent for a complimentary ice cream social at 2 p.m., creating an opportunity to connect with fellow fairgoers and savor a sweet treat.

To secure your tickets and take advantage of these offers, simply reach out to our dedicated team at the office. Give us a call today and allow us to facilitate a memorable experience for you at the state fair. *©* 

# Happy Independence Day!

In observance of the Fourth of July holiday, KEM Electric Cooperative will be closed on Tuesday, July 4. Line technicians will be available in case of an emergency outage.



# EXPLORE IT, ADORE IT AND SAVE!

In partnership with the Theodore Roosevelt Medora Foundation, KEM Electric Cooperative is once again making excursions to Medora more affordable for families.

This summer, our members are eligible for a 15% discount on the following reservations:

- Tickets to the Medora Musical
  - Pitchfork Steak Fondue
- Gospel Brunch tickets
  - Bully Pulpit Golf Course
  - Old Town Theater shows
  - Lodging at the Badlands Motel, Elkhorn Quarters, Rough Riders Hotel and Medora Campground

Touchstone Energy® members can use the code, TOUCH2023, for the discount. The code is good for reservations by phone, website or in person.

## KEM ELECTRIC COOPERATIVE INC.

Your Touchstone Energy® Cooperative 🔊

ELECTRIC COOPERATI

#### DIRECTORS:

Victor Wald, Chairman	Napoleon
John Beck, Vice Chairman	Linton
Carter Vander Wal, SecTreas	Pollock
Dean Dewald, Director	Dawson
Carmen Essig, Director	Lehr
Dean Hummel, Director	Hague
Neil Meidinger, Director	Zeeland

Your Touchstone Energy® Cooperative 📈

#### MANAGEMENT:

Travis Kupper ..... Co-GM/CEO Jason Bentz..... Co-GM/CEO

## Report outages to the following toll-free number: 800-472-2673

-

•

•

Hazelton, Linton and Strasburg exchanges' phone number: 701-254-4666 FIND US 0N:

#### **OFFICE HOURS:**

Monday through Friday, 8 a.m. to 4:30 p.m.

8 a.m. to 4:30 p.m. Website: kemelectric.com / Email address: info@kemelectric.com