

The Nodak Neighbor

January-February 2025

Official Publication of Nodak Electric Cooperative
www.nodakelectric.com

A Touchstone Energy® Cooperative 



**Preparing for changes
in electricity rates**

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Official Publication of the
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Officers and Directors

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Vice Chairman Les Windjue
Secretary/Treasurer David Brag
Directors Ryan Benson, David Hagert,
David Kent, Pete Naastad,
Cheryl Osowski and Steve Smaaladen
President & CEO Mylo Einarson
Editor Blaine Rekken
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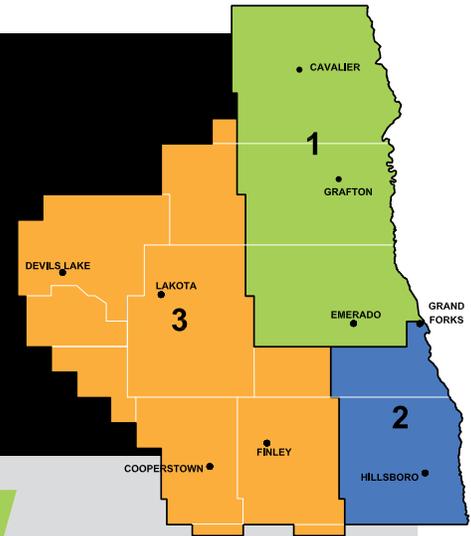
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 @NodakElectricCooperative

 @NodakElectric

On the cover: Nodak Electric distribution line near Buxton, North Dakota.

THREE DIRECTOR POSITIONS OPEN



NOMINATING COMMITTEE MEMBERS APPOINTED

The board of directors has appointed the committee on nominations. At its meeting scheduled for 10 a.m. Wednesday, Feb. 19, 2025, at the Nodak headquarters building, 4000 32nd Ave. S., Grand Forks, the committee shall prepare and post a list of nominations for the director positions slated for election.

Committee members are: John Aamodt, Arvilla, 218-779-5250; Daryl Evenson, Devils Lake, 701-739-9093; Richard Hanson, Grand Forks, 701-739-0950; Shannon Johnson, Park River, 701-331-2933; Neal Klamm, Thompson, 218-779-7378; Jodi Tibert, Minto, 701-739-9093; Glenn Rethemeier, Larimore, 218-779-3222; Paul Retzlaff, Aneta, 701-270-0181; and Linda Stromstad, Hatton, 701-335-3034.

THREE DIRECTOR POSITIONS OPEN

Three director positions will be open at the annual meeting on **April 10, 2025**. The directors whose terms expire in 2025 are:

- District 1 – Luther Meberg – Park River (*incumbent seeking reelection*)
- District 2 – David Kent – Hatton (*incumbent seeking reelection*)
- District 3 – Les Windjue – Devils Lake (*incumbent seeking reelection*)

NOMINATION BY COMMITTEE

If you are interested in being nominated or would like to nominate an individual, you may contact a nominating committee member.

NOMINATION BY PETITION

Nominations may also be made by petition signed by at least 15 cooperative members. The signed petition must be received at Nodak's headquarters by **Monday, Feb. 24, 2025**, to verify nominee qualifications and allow sufficient time for voting by mail.

LOOKING BACK, CHARGING UP, DRIVING FORWARD

SAVE THE DATE
APRIL 10, 2025



KAYLEE CUSACK | NODAK MEMBER

As a farm kid in rural Grand Forks County, I grew up on Nodak Electric Cooperative lines before I knew what it meant to be a cooperative member. Now, with a home of my own on the south side of Grand Forks, I'm proud to be a member-owner of the co-op that powers my community. Please join me and other Nodak members for our Annual Meeting on **April 10 at the Alerus Center**, where we'll share a great meal, receive industry updates and check out Nodak's all-electric Chevy Silverado!



EMPLOYEE UPDATES



Robert Strand
Finley Crew

Robert Strand is from Bemidji, Minnesota, and is a graduate of Northwest Lineman College in Meridian, Idaho. He will be working with the Finley crew.



Jesse Plain
Cavalier Crew

Jesse Plain is from Thompson, North Dakota, and is a graduate of Bismarck State College in Bismarck. He will be working with the Cavalier crew.



Conner Mercil
Cavalier Crew

Conner Mercil is from Warren, Minnesota, and is a graduate of Bismarck State College in Bismarck. He will be working with the Cavalier crew.



*Mylo Einarson
President & CEO*

Preparing for changes in electricity rates

As president and CEO of Nodak Electric Cooperative, I value the opportunity to keep you informed about developments that may impact your service. With this issue, I want to share an important update regarding our electricity rates.

Starting April 1, 2025, Minnkota Power Cooperative, our wholesale power provider, will implement an 8.3% increase in its rates. Wholesale power costs are a significant factor in our pricing structure, representing 85 cents of every dollar we collect from our members. This increase will inevitably affect the cost of electricity for all Nodak members. While we do not yet know the exact timing or magnitude of our necessary adjustments, we are taking proactive steps to determine the best course of action.

To put this in perspective, the wholesale rate increase alone will cost Nodak nearly an additional \$8 million annually. In addition, we, like every other utility, have experienced rising supply chain costs across all aspects of our operations, further compounding the financial challenges we will be facing.

A history of stability

It has been nearly eight years since our last rate adjustment on April 1, 2017. During this time, we have worked diligently to manage costs while maintaining the high level of

reliability and safety you expect. Unfortunately, the rising cost of wholesale power and increases in our own distribution costs – which have recently outpaced historical trends – make a rate adjustment unavoidable.

Planning for the future

To ensure a fair and balanced approach, Nodak has engaged a consultant to conduct a comprehensive cost-of-service study. This study will analyze our current costs and help us determine the most equitable way to adjust rates. We expect the study to be completed in the coming months. Once finalized, we will share details on how and when changes will take effect. Our goal is to implement any necessary changes with careful consideration of their impact on you, our members.

This study will also explore options to structure rates in a way that reflects the varying needs and energy usage patterns of our membership. By carefully analyzing the data, we aim to implement adjustments that are fair, transparent, and aligned with our commitment to provide the best value for your energy dollar.

What to expect

While specific rate changes are not yet determined, potential adjustments may involve modifications to the base service charge, energy usage rates or a

combination of both. Our approach will prioritize fairness and align with our mission to provide low-cost energy without compromising reliability or safety. The timing and structure of these changes will be guided by the insights we gain from the cost-of-service study, ensuring that every decision is data driven and member focused.

Commitment to value

Despite these challenges, electricity purchased through Nodak Electric remains a tremendous value. Our rates continue to be among the lowest in the nation, thanks to the efforts we have made to control costs and operate efficiently. From investing in technology to streamlining operations to implementing energy-saving programs, we are steadfast in our mission to serve you responsibly.

Staying informed

We understand that changes in rates are concerning, and we are committed to transparency throughout this process. Look for further updates in future editions of Nodak Neighbor and on our website at nodakelectric.com.

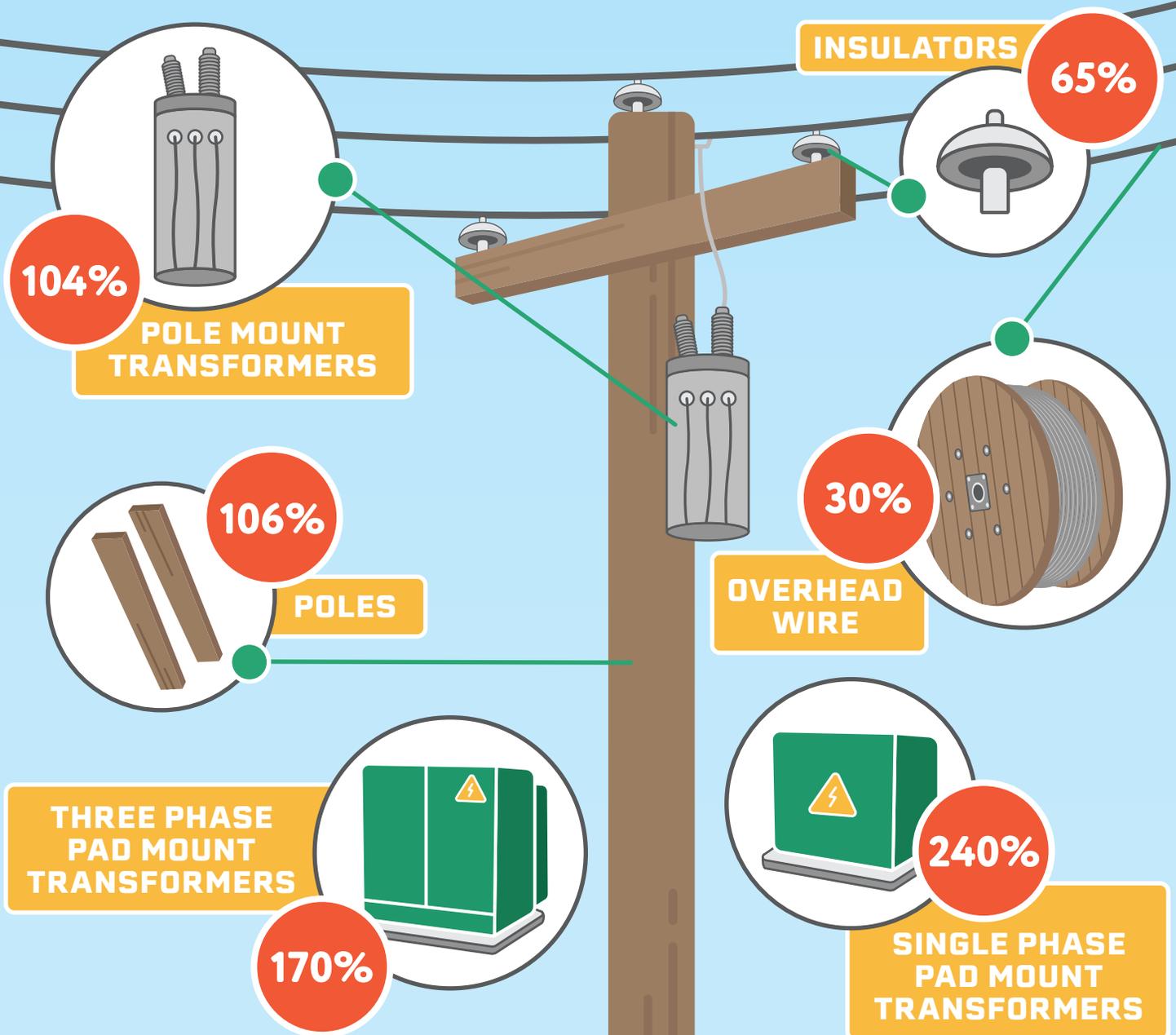
Thank you for your trust and support as we navigate these changes together. Nodak Electric remains dedicated to delivering the reliable, affordable energy you deserve, and we will continue to work tirelessly to minimize the impact of these adjustments on our members.

THE RISING COST OF ELECTRIC UTILITY MATERIALS

Over the past four years, your electric cooperative has experienced an unprecedented increase in the cost of materials we need to deliver power. It's an uptick everyone in the industry is facing, and we – in coordination with your board of directors – have done our best to keep those increases from affecting electric rates. However, to continue providing safe, reliable and fiscally responsible electricity to our members, a small rate adjustment has become necessary in 2025.

The graphic below shows some of the core components that your electric cooperative needs to operate and the corresponding price increases since 2020. We thank our members for your understanding as we work to ensure you receive the best possible value for your energy dollar. If you have questions concerning your electric rate, please don't hesitate to give your cooperative a call.

Disclaimer: Material price increase numbers represent recent averages in our region. Material prices can and do fluctuate.



NERC: Nation's electric grid at elevated risk during extreme winter weather

Most regions across the United States are facing elevated risks of electricity supply shortfalls this winter, particularly during extreme weather events, according to a new report from the North American Electric Reliability Corporation (NERC). In its Winter Reliability Assessment released Nov. 14, NERC highlighted growing challenges to the nation's power grid as dispatchable generation sources – such as coal and natural gas power plants – are retired.

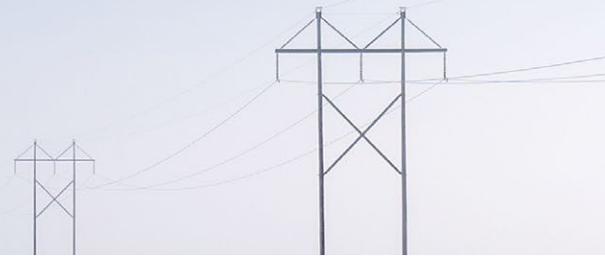
In the Upper Midwest's MISO region – where Nodak Electric Cooperative and its power provider, Minnkota Power Cooperative, operate – the

elevated risks are attributed to the retirement of 5 gigawatts of coal and natural gas generation since last winter.

“With fewer internal dispatchable resources and increasing reliance on wind and imports, the risk of supply shortfall in winter has increased in MISO,” the NERC report concluded.

NERC's findings emphasize the growing vulnerability of the nation's electric grid amid the transition to lower-carbon but more variable power sources. As the grid evolves, ensuring reliability during periods of extreme weather will require careful planning and investment in both generation capacity and infrastructure resilience.

NERC outlined several strategies for grid operators, generation owners and government authorities to prevent energy emergencies and reduce the risk of power outages. These recommendations include bolstering preparedness for periods of high electricity demand and low wind output, winterizing generation units to ensure their reliability in extreme cold and enhancing operational coordination to secure adequate fuel supplies for power generation.



NDAREC RECOGNIZES 15 APPRENTICESHIP GRADUATES

The North Dakota Association of Rural Electric Cooperatives (NDAREC) announces the graduation of 14 lineworkers and one meter technician from its apprenticeship program. After four years of on-the-job training and independent study, these employees are now fully qualified to take on the vital responsibilities of ensuring safe and reliable utility service for North Dakotans. Graduates were recognized during a Jan. 9 awards ceremony at the NDAREC Apprenticeship, Training and Safety Conference.

“On behalf of NDAREC, I'd like to congratulate this year's graduates,” said NDAREC Executive Vice President and General Manager Josh Kramer. “Lineworkers and meter technicians play a critical role in

delivering the power that sustains our homes, businesses and communities. These jobs come with inherent risk, and they require a deep understanding of safety, technology and precision. By completing NDAREC's apprenticeship program, these graduates have demonstrated the knowledge and skills necessary to fulfill their roles and power the lives of more than 250,000 North Dakotans.”

Jacob Lund and Jordan Johnson, lineworkers for Nodak Electric Cooperative, were among the program graduates.

Jacob Lund also received this year's Outstanding Apprentice Award, which is sponsored by the managers and line superintendents associations.

Lund was the highest-ranking apprentice in both related studies and on-the-job performance.

“Jake has excelled in every category of line work,” said Crew Foreman Mike Foerster, Nodak Electric Cooperative. “He brings nothing but positive energy to our crew and is a great role model for new apprentices in our cooperative.”



JORDAN JOHNSON
Finley Crew



JACOB LUND
Cavalier Crew



ADVOCATING FOR OUR MEMBERS

NODAK ELECTRIC COOPERATIVE WILL BE ACTIVE IN THE UPCOMING LEGISLATIVE SESSION

As North Dakota prepares for its upcoming legislative session, the state's political landscape remains firmly in Republican control, with supermajorities retained in both chambers. Your electric cooperative is dedicated to advocating on behalf of its members to ensure that reliable and affordable electricity remains a cornerstone of our state's energy landscape.

Among the key issues expected to take center stage during the session are property tax reform, permitting reform, wildfire mitigation and the state's potential role in advancing carbon capture projects. Each of these priorities has implications for our members and the broader energy community.

ENSURING COOPERATIVES ARE INCLUDED IN PROPERTY TAX REFORM

Affordable energy and affordable living go hand in hand. Property tax reform is a critical issue for our members, and it requires thoughtful solutions. Our goal is to ensure any changes are fairly and equitably implemented for all utility providers.

STREAMLINING PERMITTING PROCESSES

As an energy state, North Dakota must ensure that infrastructure can be safely and economically built. By ensuring consistency in permitting processes, North Dakota can continue to grow its economy while respecting landowner rights.

ADVANCING CARBON CAPTURE PROJECTS

North Dakota has positioned itself to be a leader in carbon capture and storage (CCS) technology. This innovative approach is crucial for reducing emissions while preserving the role of fossil fuels in our energy mix. By advocating for the state to continue its role in supporting and funding CCS projects, your cooperative is helping ensure both reliability and environmental goals are met.

YOUR VOICE IN BISMARCK

As the legislative session unfolds, Nodak Electric will remain an advocate for policies that promote reliability, affordability and sustainability. We'll keep you updated on our efforts and any legislative developments that may impact you as a member-owner.

WATER HEATER REBATES

55 gallon or less
\$125/UNIT

56-99 gallon
\$200/UNIT

100 gallon or greater
\$300/UNIT

Additional rebate for conversion from existing natural gas or propane to an electric water heater
\$250

Additional rebate for new building construction
\$100

Please call our Energy Services team at 701-746-4461 or 800-732-4373 if you have any questions about off-peak or the rebate program. For additional rebate information, visit nodakelectric.com/rebates.

All systems must be new equipment and controlled on Nodak's off-peak program.
A check will be issued to participating members after a visit from a Nodak technician.



WINTER STORM PREPARATION AND SAFETY: **REPORT EVERY OUTAGE**

Winter weather conditions are upon us, and we often wonder when a snowstorm will hit and what the impact will be. Although Nodak Electric Cooperative hopes storms will have little to no impact, we are always prepared and ready to act when called.

Nodak Electric is prepared for winter storms and we want to help you be prepared for them as well. Here are a few tips to keep in mind when it comes to winter storm outages:

- **Always report an outage. Do not assume someone else has already called about an outage. We aim to keep members up to date on social media, but it is not monitored 24/7, so we advise not to report outages through our social media pages.**
- **Have a backup plan for you and your family. We suggest having items such as water, nonperishable food items, blankets, batteries, flashlights and a charging bank, although these items vary depending on your family's needs.**
- **Do not plug generators into household wiring, unless you have an appropriate transfer switch installed. If a generator is connected to a home's wiring without a transfer switch, power can back-feed along power lines and harm lineworkers making repairs.**

We know storm outages can be unsettling, but we want to assure you our team is working behind the scenes to ensure your power returns. Safety is our No. 1 priority, so if weather conditions are too dangerous, crews may not be able to work until it becomes clear. All of us at Nodak Electric are committed to ensuring safe, reliable electric services for you. We appreciate your patience during uncertain times like these, but urge you to give us a call with any questions regarding an outage.