



Members and guests in attendance intently listen to guest speaker Vern Dosch.

Annual meeting draws highest membership registration in 15 years

BY PATRICIA STOCKDILL

Mountrail-Williams Electric Cooperative (MWEC) members once again packed the room for another cooperative annual meeting.

The June 6 meeting at the home of the Stanley High School Bluejays drew nearly 500 members. The last time MWEC saw this attendance at an annual meeting was in Williston back in 2002. In addition to being introduced to almost the entire 108-member MWEC staff, members received unique insight into the intricacies of the electric industry and the technology driving cooperatives, including MWEC, from National Information Solutions Cooperative Chief Executive Officer and President Vern Dosch, Mandan.

Plus, MWEC General Manager Dale Haugen offered good news: "If things stay on track through 2025, we're not raising our rates. ... The board is committed to stable



The 2017 MWEC annual meeting was held June 6 at the Stanley High School.

rates.” That comes at a time when many rural electric cooperatives in North Dakota and across the United States must deal with ongoing issues of increasing wholesale electric costs.

Haugen then announced that prior to the start of the meeting, the board of directors met and decided to once again reward the evening’s registered members by giving each a \$150 account credit. He explained that the credit amount had decreased

from last year and would decrease again for the final credit at next year’s meeting in Williston.

An inadvertent glitch in registering members as they streamed into the high school gymnasium resulted in what was the first-ever MWEC mail-in ballot election for a director’s seat on its nine-member board of directors.

Due to a ballot mix-up at the time of registration for MWEC’s annual

meeting, new ballots, along with detailed instructions, for the West District, Precinct 1A, were mailed to all registered members who were in attendance at the meeting in Stanley. After mail-in voting closed, the votes were tallied by independent counsel and an independent auditor to declare a winner. The two candidates vying for the position were Richard Ludwig and Brion Norby. Incumbent director Nick Haugen had declared

Dosch addresses meeting about technology



Vern Dosch captivates MWEC members and guests while explaining the benefits of being a part of a cooperative.

With more than 43 years in the industry, Vern Dosch knows rural electric cooperatives. And he knows technology.

Dosch, National Information Solutions Cooperative (NISC) chief executive officer and president, spoke to a riveted audience at the Mountrail-Williams Electric Cooperative June 6 annual meeting.

Headquartered in Mandan, NISC is the billing, accounting and engineering software solutions provider for more than 50 percent of the electric and telephone cooperatives in the United States, including several outside of

its borders.

Dosch’s grandfather was one of the KEM Electric Cooperative founders in Linton. Dosch has a lifetime of work in the cooperative model of doing business and the electric industry. “Cooperatives are unique. ... Cooperatives are a success story of how to electrify rural America. If corporations won’t do it, we have to do it ourselves,” he explained.

Yet over the years as people become accustomed to modern conveniences, including electricity, it can be easy to forget the roots of rural electric and telephone cooperatives.

It’s easy to take it for granted and easy to wonder if the cooperative model is still relevant in today’s society.

For Dosch, the answer is simple: Not only is the cooperative business model still relevant, it’s alive and growing. All Dosch has to do is point to the BisMan Food Co-op, with its member-driven goal of providing a source of healthy, fresh local food, produce and dairy products. “The cooperative form of business is still very much alive,” he added.

Bringing the importance of cooperatives home to MWEC members, Dosch described the vital partnership NISC has with MWEC and its membership: As CEO, Dosch has the opportunity to experience the wide array of cooperatives

his company serves, including cooperatives serving urban America.

NISC got its beginnings much like rural electric cooperatives, Dosch described: The North Dakota Association of Rural Electric Cooperatives, the statewide association of rural electric cooperatives, established a partnership among cooperatives to develop business technology relevant to cooperatives. NISC now has more than 1,000 employees in four U.S. offices

That partnership nowadays strives to provide safe, reliable electric service through “smart grid” technology and software. MWEC and other cooperatives use NISC technology in billing, SmartHub, and other services.

“This partnership is doing amazing things. ... Mountrail-Williams Electric is as aggressive as any in the United States in technology,” he emphasized.

Mountrail-Williams is on its way to being a billion-dollar cooperative, Dosch continued. “It’s as high-tech as any corporation.”

Growth at Mountrail-Williams Electric “is unlike any I’ve seen. Period,” he described. “Energy sales is up 800 percent. ... For a cooperative to go through growth and be financially stable, you should feel proud. You guys are an inspiration,” he added. ■



Hobawea Nahish Demaray, daughter of Twyla and Allan Demaray of New Town, sounded fantastic as she sang the national anthem.

his intention not to run again.

Garrett Lalim, incumbent Central District 2A director from Tioga, ran unopposed. Luke Lahtinen, New Town, ran unopposed for the East District 3A position held by retiring director Warren Bratvold, New Town.

Both received a floor motion to cast unanimous ballots for their election, which passed.

MWEC joined its power suppliers, Basin Electric Power Cooperative (BEPC), Western Area Power Administration and Central Power Electric Cooperative as a member of the Southwest Power Pool in 2016, a regional transmission organization (RTO).

In a joint chairperson of the board and general manager's report

submitted in the meeting program, Board Chair Roger Sorenson and General Manager Dale Haugen explained the role of the RTO and MWEC: "The undertaking of moving our transmission facilities into a RTO has a significant revenue enhancement by receiving the appropriate facility credits, plus removes constraints and issues that come up with taking and giving transmission service."

The report added, "The cooperative's financial strength comes from the long-term RTO lease contracts and BEPC power contracts." ■

FAST FACTS

Some "fast facts" from the June 6 Mountrail-Williams Electric Cooperative (MWEC) annual meeting in Stanley:

- 440 registered members.
- Last held in Stanley in 2013; 137 registered members.
- Kelsey Perdue, daughter of Bernadette and Steve Perdue, Ray, is the cooperative's 2017 Basin Electric Power Cooperative \$1,000 scholarship recipient.
- Megan Jorgenson, daughter of Blaine and Jennifer Jorgenson, Williston, is the cooperative's 2017 North Dakota Youth Tour essay contest award recipient with a trip to Washington, D.C.
- Operation Round Up Trust funds ending May: Mountrail, \$18,500, and Williams, \$38,550, with funds generated through the contributions of members rounding up their electric bill to the nearest dollar. Funds are awarded to community-based, nonprofit organizations serving Mountrail and Williams counties.
- Full capital credits will be paid to people who were MWEC members in 2009 along with 17 percent of 2010 capital credits, a total of \$4 million.
- The last residential rate adjustment for MWEC members was in 2009.
- Operating revenue in 2006 was \$14.7 million, compared to \$225.3 million in 2016.
- Number of meters in 2006 was 7,370, compared to 19,787 in 2016.
- The number of kilowatt-hours (KWH) sold in 2006 was 254 million, compared to 2,599 million in 2016 (tenfold increase in 10 years).
- Cost of wholesale electricity MWEC paid to Upper Missouri Power Cooperative and Basin Electric Power Cooperative (generation and transmission) was \$1.7 million in 2006, compared to \$153.96 million in 2016.
- 2016 operating revenue was \$225.28 million, with cost of power \$153.96 million.
- The accounting firm of Eide Bailey conducted an annual review and the cooperative again received a "clean audit opinion."
- While a majority of electricity MWEC members use is produced by coal-based power plants, Upper Missouri and Basin Electric Power Cooperatives also use other sources such as wind, gas peaking stations, hydropower and nuclear power plants. "Wind is going to be just part of our portfolio," MWEC General Manager Dale Haugen explained when asked about wind generation.
- Garrett Lalim, Central District 2A director from Tioga, was recognized for completing his first three-year term on the MWEC board of directors.
- Nick Haugen, West District 1A director from Williston, and Warren Bratvold, East District 3A director from New Town, did not seek re-election and were honored for their years of service. Haugen served six years and Bratvold served eight years.
- Dwight Eiken retired after serving 40 years as the cooperative's legal counsel and was also honored for his tenure.

EMPLOYEES RECOGNIZED



All MWEC employees stand in front of their member-owners and introduce themselves.

More than 100 employees serve the Mountrail-Williams Electric Cooperative membership. During the June 6 annual meeting, attendees had the opportunity to meet them.

In addition to serving the evening meal, employees from the Williston, New Town and Stanley offices were introduced, along with their position and tenure with the cooperative.

Several employees were recognized for their years of commitment to working with MWEC:

5 years

- Jason Koehn, Stanley
- Cal Peterson, Williston
- Tom Smith, Williston
- Jessica George, Williston
- Brandy Hansen, Williston
- Brett Miller, Williston
- Chris Nordloef, Stanley
- Brian Manson, Stanley
- Margot Brunelle, Williston
- Jennifer Kaiser, Williston

- Colton Brostuen, Williston
- Chaze Greenfield, Williston
- Mark Sommerfeld, Williston
- Michael Felix, Williston
- Nevin Jenner, Williston
- Jodi Bohmbach, Stanley
- Chris Johnson, Stanley

10 years

- Jodi Collings, Williston
- Wendy Johnson, Williston

15 years

- Brady Ellis
- Jeremy Folven

20 years

- Audrey Staples

30 years

- Chris Brostuen

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Dale Haugen presents director **Nick Haugen** with an award following his decision to not seek re-election to the board of directors.



Dale Haugen presents director **Warren Bratvold** with an award following his decision to not seek re-election to the board of directors.

Two directors decide not to seek re-election



Haugen



Bratvold

This year, Mountrail-Williams Electric Cooperative had two directors whose seats were up for re-election decide not to run for another three-year term. Nick Haugen and Warren Bratvold informed the board of directors at the February board meeting that they would not seek re-election.

Nick was born in Minot, but spent most of his life in the Williston area. He is married to Marti and has five children and eight grandchildren. Nick started his working years with Basin Tire in Williston. In 1973, he joined with his father, Jim Haugen, to form Haugen's Inc., a local John Deere and later a Bobcat dealership in which he was the general manager until it was sold to

Gooseneck Implement in 2010. Over the years in the Williston community, Nick has served on the Chamber of Commerce board, the Williston Library Foundation board, and was a member of the North Dakota Economic Development Board and the Northwest Gun Club board. He began serving on the MWEC board of directors in 2011.

Warren was born in Maddock, and moved to Minot in 1953. He graduated from Minot High School and attended Minot State University for two years. He served two years in the U.S. Army at Fort Bragg, N.C., and was deployed for six months to the Dominican Republic. He moved to New Town in 1963 and was bookkeeper and manager of Farmers Union Oil. He was appointed city auditor of New Town and elected to two terms on the board of the N.D. League of Cities and was elected to the New Town school board for one term.

Warren purchased Ben Franklin and operated it as Bratvold Variety as owner and manager. He served three terms as president of the New Town Chamber of Commerce and served two terms on Bethel Lutheran Church council. Warren and his wife Geri have two children and seven grandchildren. He has served on the MWEC board since June 2009.

MWEC would like to thank Nick and Warren for their commitment and service to the cooperative and wish them the best in the future. ■



SURGE PROTECTION

Keeping your Electronics and Home Safe

The National Electrical Manufacturers Association estimates that **60-80%** of surges originate from **internal sources** (within a home or business). Keep your valuable electronics **safe** by protecting them from the surges that can **damage or destroy them**.

What is a power surge? A power surge is a sudden and unwanted **increase in voltage** that can damage, degrade or destroy electronic equipment. Surges can occur when large appliances, such as air conditioners, turn on and off. Surges can also originate from electric utilities or lightning.

LEVELS OF PROTECTION

| GOOD | Point-of-Use Surge Protection | BEST | Whole Home Surge Protection |
|---|---|---|---|
|  | Easy to use - just plug in. |  | Must be installed by a qualified electrician. |
|  | Only protects electronics plugged into the device . |  | Provides protection for your entire electrical system at home including large appliances, outlets, and light switches. |
|  | Must be replaced over time or after a major surge event. |  | Protects against larger surges and provides longer lasting surge protection than point-of-use devices. |

No surge protection can handle a **direct lightning strike**. **Disconnect** sensitive electronics if you suspect a surge is coming.

Power strips and surge protectors are **not the same**. Not all power strips offer surge protection.



Bins require clearance from power lines

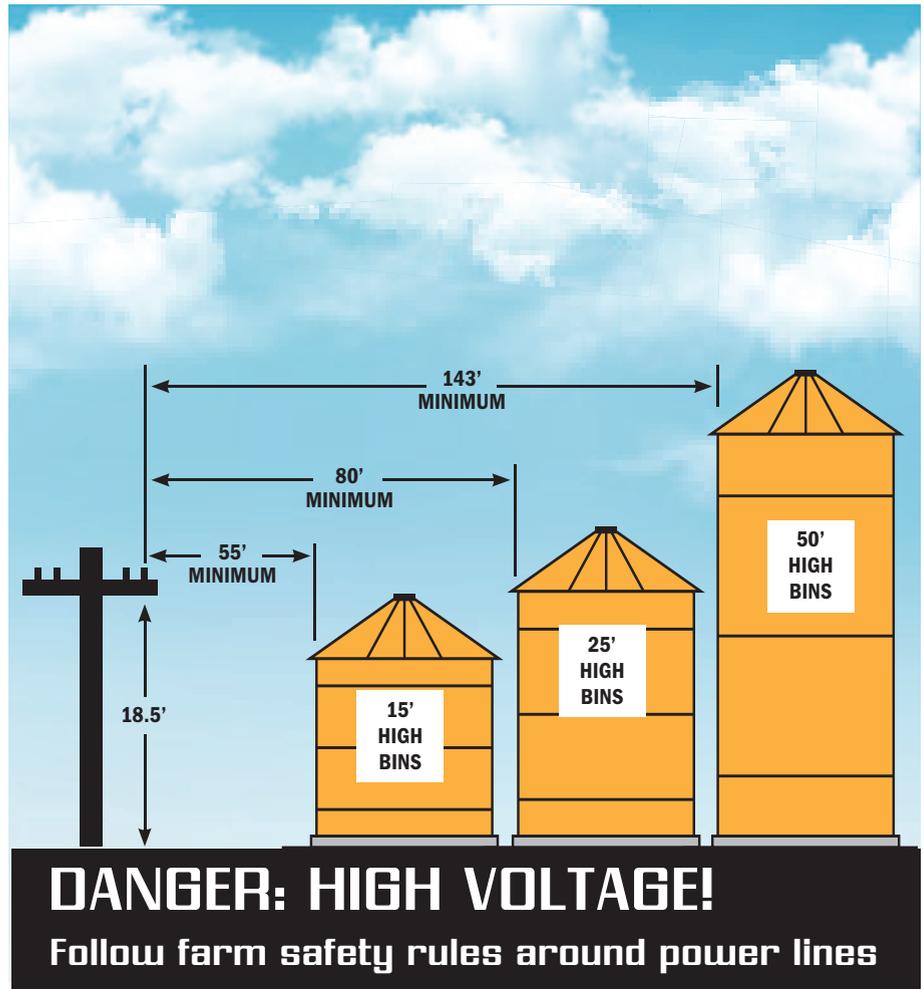
As rewarding as it may be, farming is an extremely difficult job. It ranks among the top 10 most dangerous professions in the United States. At Mountrail-Williams Electric Cooperative, safety is top priority for everyone.

Our farmers work hard to get the job done, and sometimes it's easy to forget all the necessary steps to take when practicing safe operations. Grain bins play an integral role in the efficiency and profitability of farm and ranch operations, and safety regulations should always be considered when working around these structures.

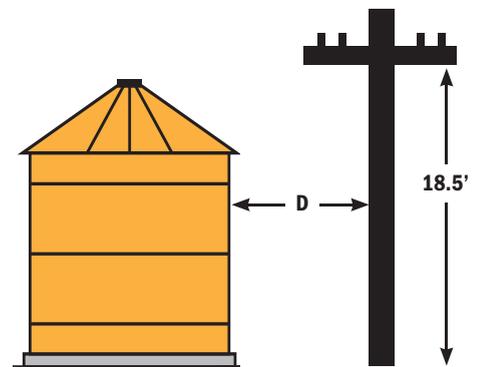
Whether you're purchasing new grain bins or remodeling areas that contain existing ones, proximity to overhead power lines must be a considered factor.

- **Safe clearance.** The National Electrical Safety Code requires an 18-foot minimum vertical clearance from the highest point of the filling port of the grain bin to nearby high-voltage wires and a 55-foot minimum distance from the power line to the grain bin wall. See the chart for further guidelines. Changes to landscaping and drainage work can affect clearance heights of power lines, so remember to check these measurements regularly.
- **Filling grain bins.** High-voltage power lines are not insulated, so it's important to remember to maintain an adequate high-wire clearance when using a portable auger, conveyor or elevator to fill your grain bin.
- **Moving equipment near grain bins.** When moving equipment, such as a hopper or a scaffold, be aware of nearby power lines. Remember to maintain a 10-foot clearance to ensure safety.

Accidents can happen in a split second, which is why your local electric cooperative reminds you to always use caution when working near power lines. If you are considering a plan for a new grain bin or reconstruction of an existing bin's site, please contact Mountrail-Williams Electric Cooperative. Let us assist you in maintaining a safe environment for you and your family. ■



| Height of grain storage structure | D= Minimum distance from line to bin wall* |
|-----------------------------------|--|
| 15 ft. | 55 ft. |
| 20 ft. | 68 ft. |
| 25 ft. | 80 ft. |
| 30 ft. | 93 ft. |
| 35 ft. | 104 ft. |
| 40 ft. | 118 ft. |
| 50 ft. | 143 ft. |
| 60 ft. | 168 ft. |
| 70 ft. | 193 ft. |
| 80 ft. | 218 ft. |



* Based on a typical power line having a vertical clearance of 18.5 feet above the ground and a supply line phase to ground voltage of more than 0V to 22KV; National Electrical Safety Code Rule 232.

**Unofficial minutes
of regular board meeting
May 31, 2017**

Directors present: Jorgenson, Bratvold, Haugen, Lalim, Lynne, Johnson, Grant and Sorenson.

Directors absent: Hartsoch.

Others present: Manager Haugen, in-house counsel Ellis, attorney Foust and staff members.

The meeting was called to order at 9:30 a.m. Minutes of the April 19 board meeting were approved as presented. The agenda for the meeting was approved as presented.

Meeting reports: National Rural Electric Cooperative Association (NRECA) – Director Johnson presented on the annual Legislative Conference. As part of his report, the NRECA Talking Points handout and the article, “Economic Democracy and the Billion-Dollar Co-op – Is our energy grid a sleeping giant of collective ownership?” were provided.

North Dakota Association of Rural Electric Cooperatives (NDAREC) – Director Grant presented the statewide NDAREC board report. As part of his report, the Rural Development Finance Corporation conference call minutes from May 12 were provided.

Upper Missouri Power Cooperative – Director Johnson reported on the May Upper Missouri board meeting. As part of his report, the Upper Missouri general manager report was also provided.

RESCO – Director Sorenson presented on the RESCO May board meeting. As part of his report, he discussed candidates for the open RESCO board position and provided a letter from candidate Rasmussen, who is running for the open position.

Cooperative Finance Corporation (CFC) – A memorandum for Region VI candidates was provided requesting candidates for the open District 6 manager-director seat on the CFC board of directors.

Basin Electric Power Cooperative – The Basin Electric Power Cooperative April regular board meeting minutes were provided, as well as the May Basin update.

Western Area Power Administration (WAPA) – Manager Haugen presented the WAPA report and announced the new vice administrator of WAPA.

Attorney’s report: In-house counsel Ellis proposed clarifying language to Policy 142 and the board took the language under advisement. A motion to accept the proposed language passed.

A member request for information was presented to the board. The board took the request under advisement. The board approved a motion to provide the member information that is readily available to staff.

In-house counsel Ellis discussed the bankruptcy process and the process MWEC

is using to address the bankrupt accounts.

In-house counsel Ellis and attorney Foust discussed the director qualifications and voting requirements in the bylaws of the cooperative.

Member concerns: The board reviewed the current meter deposit payment policy in response to a member’s request for a waiver of the required cash deposit. There was discussion about prior member requests for waiver of payment and payment alternatives that have been proposed. The board approved a motion to follow the current meter deposit payment policy.

Operating and financial report: Jay Lux presented the operating report for the year to date and for the month of April. The total margins and capital credits for the year to date was \$6,161,156.00. OTIER is 2.17; TIER is 2.23; MDSC is 3.31; and equity is 31.49 percent.

He also presented the 2016 tax distribution summary. In 2016, MWEC paid \$2,081,328.00 in distribution tax and \$63,192.00 in transmission line tax.

Capital credit retirements: The board approved the retirement of the following capital credit accounts:

- Donald Anderson estate
- Melford L. Johnson estate
- Joann Stevens estate
- Evelyn C. Johnson estate
- Willard Hanson estate

Bad debts: The Board approved the transfer of \$14,721.63 from accounts receivable to bad debts. Efforts will continue to collect these sums including the retention of capital credits.

Special equipment/work order closeouts:

The board approved the closeout of the following special equipment/work order:

| | |
|-------------------|-------------|
| Closeout 663..... | \$8,347.19 |
| Closeout 664..... | \$18,361.85 |
| Closeout 665..... | \$2,965.42 |
| Closeout 666..... | \$2,443.76 |
| TOTAL..... | \$10,536.32 |

Board resolution: The board took a resolution authorizing the amendment and restatement of the Retirement Security and/or 401k Pension Plan under advisement. The board approved a motion to adopt a resolution

Manager’s report: Safety – Manager Haugen gave a report on the NDAREC safety meeting he attended in May. As part of his report, the minutes from this meeting was provided. There were no lost-time accidents reported in April.

Reliability and outage report – A written reliability and outage report was presented. There were 120 outages reported in April.

MWEC building update – Manager Haugen presented an update on the progress of the MWEC office building. He reported the building is currently still on schedule. As part of his report, he also presented the meeting minutes from his meeting with FCI

Constructors Inc. where the progress of the building project was discussed.

New York 100 Power Outlook – Manager Haugen was one of 20 candidates nominated to attend the CFC Power Outlook in New York City. He presented a report on his experience at this meeting and also provided a “key issues” handout.

Touchstone Energy – Manager Haugen presented the Touchstone Energy® Cooperative PowerPoint on a 2016 electric utility survey on the national trends.

SPP – Manager Haugen presented the transmittal letter to the board and discussed the SPP Filing with FERC.

Manager Haugen also discussed diversification of the cooperative.

Construction notes – The latest construction notes were provided.

Employee update – The board and management recognized that employee Alex Vournas has completed NRECA’s Robert Kabat Management Internship Program.

Annual meeting – The 2017 annual meeting will be held at the Stanley High School on June 6. The annual meeting program was provided.

Correspondence – Chris Brostuen presented a letter from the Corps of Engineers with a proposed certificate of authority and easement. A motion was made to authorize the execution of the certificate of authority and easement. The motion was approved.

Adjournment: There being no further business, the meeting was adjourned. ■

**MOUNTRAIL-WILLIAMS
ELECTRIC COOPERATIVE**

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DIRECTORS

- Roger Sorenson..... Chairperson
- Robert Grant Co-chairperson
- Cheryl HartsochTreasurer
- Blaine Jorgenson.....Secretary
- Larry Johnson..... Director
- Aaron Lynne Director
- Garrett Lalim Director
- Luke Lahtinen..... Director
- Neff, Eiken
& Neff, PC.....Project Attorney
- Dale Haugen General Manager

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