FOCUSING on customer service

rather than investor value



National Information Solutions
Cooperative (NISC) will soon complete
work on its new building on the Mandan
campus. In this month's local pages,
learn more about one of Mandan's largest
employers and one of Mor-Gran-Sou
Electric Cooperative's larger memberowners — and why the cooperative
business model is one of the most
effective employee recruitment tools.

What's inside:

- NISC grows the Mandan campus with North Dakota talent
- October is National Cooperative Month
- Power cost increases present challenges
- Raleigh native earns America's highest teaching honor
- Board meeting minutes and more

Jamie Wetsch left a for-profit company that focused on the bottom line to join NISC as a software engineer. He says NISC's goal of providing great customer service at an economical price for its members was like taking a breath of fresh air. Wetsch, also a member of Mor-Gran-Sou Electric Cooperative in Mandan, says he appreciates how he can always call his cooperative and get a real person who gives him real answers, rather than an automated reply.



NATIONAL INFORMATION SOLUTIONS COOPERATIVE Growing the Mandan campus with North Dakota talent

STORY AND PHOTOS BY CARMEN DEVNEY

fter spending more than a decade working in corporate America, Jamie Wetsch wanted out. Working as a software engineer for a reputable company in Bismarck, Wetsch earned a reasonable salary and benefits — but it wasn't enough to counter the nose-to-the-grindstone environment that focused on the bottom line.

Wetsch, a Mandan native who was familiar with National Information Solutions Cooperative (NISC), one of Mandan's largest employers that is member-owned rather than run by shareholders, was drawn to the cooperative philosophy of working together for the greater good. A member of Mor-Gran-Sou Electric Cooperative, Wetsch liked how cooperatives focus on customer service rather than investor value.

Wetsch was friends with several NISC employees who all spoke highly of their employer. After a while, Wetsch started thinking, "Could it really be that great over there?" When a software engineer position became available at NISC, Wetsch applied and was hired.

His answer to the question he asked himself 9 ½ years ago is still, "Yes."

"It was a wonderful change of pace for me. It cut my commute time in half, and the benefits are better, the health care is better — and the whole atmosphere is just way better," he says. "There's more focus on taking care of the employee, as well as the customer. You're not just a number in a corporate cog."

NISC success derived from its member-cooperatives' success

NISC is an information technology company that develops and supports software and hardware solutions for member-owners who are primarily utility cooperatives and telecommunications companies across the nation, in addition to America Samoa, Palau and Canada.

Centralizing data processing services was the result of a shared vision among industry leaders in the early 1960s. It wasn't feasible for North Dakota's rural electric cooperatives and telephone companies to independently make substantial investments to purchase a mainframe computer, hire programmers and develop their own software. With encouragement from the Rural Electrification Administration, founders including Mor-Gran-Sou and other rural electric and telephone cooperatives worked together to form NISC.

With headquarters in Mandan and service centers in Lake Saint Louis, Mo., Shawano, Wis., and Cedar Rapids, Iowa, NISC will celebrate its 50-year anniversary in 2018.

NISC has much to celebrate now. This month, construction will be completed on a third building on the Mandan campus, that will provide an additional 160 work spaces, board room, cafeteria and fitness center. It will also connect Capturis, the



wholly owned subsidiary of NISC that provides energy bill management services, to the main NISC building via enclosed walkways.

"With the expansion, our campus will be tied together and give us a common infrastructure to convene. From an employee engagement and morale perspective, it gives us a unifying presence," says Jasper Schneider, vice president of member engagement. The new building will also be used as a gathering space to host membership meetings and trainings.

"It also shows our commitment to Mandan and to North Dakota," Schneider continues. "So often, we hear about diversifying our economy. These are national jobs, based here in Mandan, North Dakota. They aren't directly impacted by the fluctuation in commodity prices, whether it be oil or agriculture."

NISC employs 1,100 people across four campuses, and is preparing to add an additional 120 employees. Four-hundred-sixty-five currently work in Mandan. Doing business in multiple locations allows NISC to recruit the talent it needs. Vern Dosch, president and chief executive officer of NISC, says this is accomplished by developing relationships with the local university system and recruiting students.

NISC had the unique opportunity to teach a capstone class at the University of Mary in Bismarck last semester based on the book, "Wired Differently." Dosch, in partnership with Wally Goulet and Tracy Finneman, wrote the book on how to spark better results with a cooperative business model, servant leadership and shared values. A group of NISC employees taught the class. In having a presence on campus, NISC employees were exposed to some of the best and brightest students who took the class — and a few landed internships in Mandan.

"One of the most gratifying parts of watching NISC grow is the fact that we are growing this location largely with North Dakota kids," Dosch says. "For



Mor-Gran-Sou Electric Cooperative provides affordable and reliable electric service to NISC. NISC provides technology services to Mor-Gran-Sou and other electric and telecommunications cooperatives. Using an iPad, Mor-Gran-Sou employees **Jason Helgeson** (left), senior engineering technician, and **Jesse Kuhn**, engineering technician, rely on NISC software to fill out service orders. They also use NISC's Outage Management Software, which utilizes real-time data to provide details on circuits that have lost power — making it easier for the cooperative's linemen to sectionalize and fix a power outage.

NISC to be able to provide a stable work environment and high-tech, well-paying jobs in the Bismarck-Mandan area, and to see our young people stay or to see our young people come back to the area, is just really neat."

In addition to employing a talented local workforce, Dosch says NISC is able to thrive on the hill in Mandan thanks to reliable electric service, and unlimited broadband made possible by NISC's telecom members.

Mor-Gran-Sou Electric Cooperative provides electric service to NISC. Over the years, Mor-Gran-Sou has worked with NISC to establish emergency back-up generation, and assisted with the installation of NISC's geothermal heating and cooling system — all with the goal of providing affordable and reliable electric service to what is now one of Mor-Gran-Sou's largest business consumers.

"Mor-Gran-Sou has made significant investments in facilities to make sure NISC's outages are kept to a minimum," says Randy Ressler, manager of operations for Mor-Gran-Sou.

NISC needs reliability from Mor-Gran-Sou, and Mor-Gran-Sou needs technology from NISC. Mor-Gran-Sou and hundreds of electric cooperatives across the state and nation benefit from shared services NISC offers, such as SmartHub, a way for electric cooperative members to manage their accounts from their computer or smart phone. Able to pay their bill, analyze energy use, report an outage and more, SmartHub is helping electric cooperatives educate their members, rather than just giving them a bill at the end of the month.

"Our goal is to be able to put technology out there, and make it so intuitive that members can pick it up and use it. Then they're not calling into the office anymore to pay a bill," Dosch says. "Efficiencies that happen when we deliver technology are huge — for the co-op and for the convenience for the member. That's really what it's all about ... what the appropriate use of

technology can do."

The technology that helps Mor-Gran-Sou, a smaller distribution cooperative in North Dakota, streamline practices and gain efficiencies does the same for Pedernales Electric Cooperative in Johnson City, Texas — one of the largest electric cooperatives in the nation.

"What's neat about our cooperative business model is that because of economies of scale, the same technology at the largest distribution cooperative in the country is the exact same technology that is used by the smallest — because of strength in numbers and economies of scale," Schneider says.

In reflecting on NISC's growth over the years and the new building on the Mandan campus, Schneider credits NISC's members for making it possible.

"As much as we are proud of our



With an aptitude toward technology, NISC employees **Heather Fischer** (left), technical systems consultant, and **Gina Huck**, team lead tech imaging and solutions, didn't have to go to Boston or Silicon Valley or Denver or Minneapolis to find a good job. Reliable electric service, unlimited broadband, and an employer who encourages innovation and accountability allows North Dakota natives to stay and work in their home state.

growth and this new expansion, we also recognize that none of it happens without our members. We really view our members' success as our success," he concludes.

"Making sure the Statewide organization, Mor-Gran-Sou and all the other electric cooperatives have a voice with us has never been more important."









OCTOBER IS NATIONAL COOPERATIVE MONTH

This year's theme is, "Cooperatives Build."



The seventh cooperative principle is concern for community. Mor-Gran-Sou Electric Cooperative joins more than 40,000 cooperative businesses nationwide to work for the sustainable development of their communities through employee involvement in local organizations, through charitable contributions to community efforts and through support for schools.

morgransou.com www.facebook.com/morgransouelectric



Power cost increases present challenges for 2017

A MESSAGE FROM TRAVIS KUPPER, CHIEF FINANCIAL OFFICER



Kupper

all is in the air and winter is just around the corner. This time of year finds the office staff busy preparing for annual year-end reporting and completing next year's budget. It always seems that

we just get one project completed and we jump right into the next one!

Budget preparation for 2017 has been especially trying this time around. Your cooperative has experienced two wholesale power cost increases this year. As you know, the first increase took place on Jan. 1. Recently, as anticipated by management and the board of directors, we received notification of a second rate increase effective Aug. 1. Between these two rate adjustments, our major power supplier increased its overall rate by more than 20 percent. The cost of power, our single-largest expense, makes up about 45 percent of our annual operating cost. That is why an

increase to our wholesale power cost has a large impact on our cost to serve you.

Thankfully, Mor-Gran-Sou has taken a number of steps in the past several years to lower that impact to the membership. We continue to share employees and resources with other cooperatives, consolidate positions and shift work duties where possible, and strategically plan for innovative ways to serve our members in a cost-effective manner.

One of more recent actions was the establishment of the revenue deferral program. This program allowed us to set aside a portion of our income over the past two years when we had increased sales and margins were larger-than-projected. It is like a savings account for your cooperative. By deferring some income from the good years, we are able to buffer the not-so-good years; or, as we have done, use the program to offset a rate increase to our members. This is one of the issues that makes the new budget more challenging than prior years. How can we best use the deferral to have the most positive impact on the membership? This issue has been the topic of numerous management and board conversations.

Mor-Gran-Sou's dedication to its members is always a large consideration in its actions. This commitment is part of who we are. While we may not always be able to make a popular decision, you can be assured that the impact to each member has been discussed as part of the decision process. Please note that the recent increase in wholesale power cost and its future impact to the cooperative and its membership is currently being discussed by the board of directors and management.

While we have endured more than our share of struggles in the past few years, our financial outlook remains stable. The dedication of our membership ensures that Mor-Gran-Sou will remain healthy and able to serve you well into the future.

If you weren't able to join us for the annual meeting in July, the annual report and other newsworthy articles have been posted to our website. Once again, Prairie Knights Casino will play host to our members on July 21, 2017 as we celebrate our 70th anniversary.

If you have any questions or concerns, feel free to contact me. I look forward to speaking with you. ■

ne thing that's certain about North Dakota weather is the

ne thing thats certain about North Dakota weather is the uncertainty of it, except for the fact that at some point during the winter, it probably will get cold. Our rates are designed around a number of different factors, one of them being an average cost of installing our service. Over the years, we've seen requests for electric service coming in later and later in the construction season and in many years, throughout the winter season. Both equipment maintenance and labor costs are significantly higher during winter weather conditions.

We're not opposed to obliging those requests, however, depending on frost and weather conditions we will assess an additional contribution in aid of construction charge of \$5 per line foot to help offset our increased costs for late-season, cold-weather work. This charge will be made on a case-by-case basis for line extensions requested and built after Nov. 1 and prior to April 1.

Recognizing that everyone is really busy throughout the year, please remember we need sufficient advance notice (two to four weeks) most any time to schedule installing your electric service or service change, but especially just prior to Nov. 1 because everyone is trying to beat the weather.

If you have questions please call Randy Ressler, manager of operations, at 701-597-3301, 701-663-0297 or 800-750-8212. ■

Raleigh native earns America's highest teaching honor



Raleigh native Loni Miller has earned America's highest teaching honor — the prestigious Presidential Award for Excellence in Mathematics and Science Teaching. Inspired by a family of teachers and driven by the work ethic she learned on the family's ranch, Loni is a big believer in learning by doing. Currently an assistant professor and elementary education program director at the University of Mary, Loni stays busy building relationships, leading by example, infusing reflective thinking in her teaching, and always putting students first.

oni Miller, a former teacher at Saxvik Elementary School and current assistant professor and elementary education program director at the University of Mary, both in Bismarck, has earned the prestigious Presidential Award for Excellence in Mathematics and Science Teaching (PAEMST) from President Obama. The president recently named 213 mathematics and science teachers as recipients of the award. These awardees represent all 50 states, the District of Columbia, Puerto Rico, U.S. Territories, and the Department of Defense Education Activity schools.

PAEMST is awarded to outstanding K-12 science and mathematics teachers from across the country. The winners are selected by a panel of distinguished scientists, mathematicians and educators following an initial selection process at the state level.

"The recipients of this award are

integral to ensuring our students are equipped with critical thinking and problem-solving skills that are vital to our nation's success," President Obama said.

Miller and fellow recipients received their awards at a ceremony in Washington, D.C., on Sept. 8 — which also includes a \$10,000 award from the National Science Foundation to be used at their discretion. However, there is no greater reward for Miller than to see her students do their best, not to give up when they fail at a task and to find their passion.

"Being recognized as a science teacher with the Presidential Award is an immense honor," says Loni. "I am thankful for the opportunity to have had great teachers in my past who allowed me to pass on their information to my students. Inspiring students to become scientists is a great passion for me, and I enjoy directing the students to

become problem-solvers."

The daughter of Mor-Gran-Sou Electric Cooperative members Oscar and Rachel Miller from Raleigh, Loni grew up on a ranch, where she learned the value of hard work and problem solving.

Influenced by a family of teachers, Loni saw firsthand how hard they worked to help their students.

"Education is very important to my family," she says. "My grandmother, Irene Koehn, shared many stories of her time as a third-grade teacher and how she enjoyed teaching them 'arithmetic.' My mom, Rachel, is an English teacher and librarian at Flasher Public School. She has been a teacher for many years, and she still works hard to stay up-to-date with research to help her students succeed. I've heard stories about my grandfather, Isidor Miller, and how he would hook up the horses and make sure his kids got to school no matter what the weather was like. My dad, Oscar Miller, is famous for figuring things out on his own, and I don't think there is anything he can't fix through problem solving. I also remember going to visit my aunt and uncle, Janice and Don Miller, and seeing diagrams created on the cupboards of the solar system. All of these folks — and many more helped me become the person I am today. I am proud to say I am from Raleigh." ■

Mor-Gran-Sou Electric Cooperative thanks the University of Mary for sharing part of this story and giving us the opportunity to highlight a community accomplishment.



ESSAY QUESTION:

Democracy is the foundation of our American way of life and of cooperative enterprise. The fundamentals of democracy include voter participation, political party affiliation, and public debate of issues. Describe what you think makes our current democracy strong, and provide suggestions for ways our democracy can be made stronger and more effective.

THE ESSAY-WRITING CONTEST

- 1. All-expense-paid trip to Washington, D.C., compliments of Mor-Gran-Sou Electric Cooperative.
- 2. A whole week to visit unforgettable historic monuments, museums and the U.S. Capitol.
- 3. A learning experience you'll never forget.

CHECK OUT THE ESSAY-CONTEST GUIDELINES AT www.ndyouthtour.com and www.youthtour.coop

MOR-GRAN-SOU ELECTRIC COOPERATIVE board meeting highlights

Meeting date: Aug. 31, 2016

- Approved the July 15, 2016 regular Board meeting minutes
- Approved the July 15, 2016 Reorganization meeting minutes
- Reviewed the July 15, 2016 Annual Meeting minutes
- Approved one work order inventory and a special equipment inventory
- Approved capital credit refunds to estates and those age 80 and over
- Ratified the 2017 Innovative Energy Alliance (IEA), LLC proposed budget as presented
- Approved Basin Electric Power Cooperative PURPA Resolution
- Approved a Western Area Power Administration coincidental billing change
- Approved pursuing sale of a transformer in the Elgin Substation
- Set the 2017 Mor-Gran-Sou Annual Meeting for July 21, 2017

- Reviewed statistics and evaluations from the 2016 Annual Meeting
- Approved appointments of 2016-2017 Board of Director Committees
- Presented CoBank Share Success Matching Grant Fund/Basin Electric/ Mor-Gran-Sou donations to Jacobson Memorial Hospital Chief Executive Officer (CEO)
- Approved numerous voting delegates
- Heard updates on IEA and all entities of WDUS Holdings LLC
- Reviewed and accepted director's expense report for July
- Heard reports and held discussion on meetings attended by Co-General Manager/CEOs and directors
- Reviewed department reports
- Held Executive Session

Upcoming regular board meeting dates:

Oct. 26 at Prairie Learning Center D&E Building, Raleigh, at 10:30 a.m. CT

Nov. 30 in the NDAREC board room, Mandan, at 10:30 a.m. CT

Members are welcome to attend the board meetings at any time. Please contact Mor-Gran-Sou at cternes@morgransou.com, or call 800-750-8212 or 701-597-3301 to confirm the meeting date and location if you wish to attend.

To place an item on the agenda, please contact Board Chair Leland "Judge" Barth or Co-General Manager/Chief Executive Officer Donald Franklund at least one week in advance.

Members may obtain a copy of approved Board minutes by completing and returning the "Request for Information or Data" form. You can find this form at www.morgransou.com, or call the office for a copy.



FALL BACK!

Daylight saving time ends this year on **Sunday, Nov. 6**. Don't forget to "fall back" one hour on Saturday evening before you go to bed.





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OFFICERS AND DIRECTORS

Chair	Leland "Judge" Barth
Vice Chair	Casey Wells
Secretary-Treasurer	Bonnie Tomac
Directors	Mark Doll,
Vernard Frederick, Lance Froelich,	
Chad Harrison, Jay Larson, Bob J. Leingang	

MANAGEMENT

Co-General Mgr./CEO..... Chris Baumgartner Co-General Mgr./CEO.... Donald A. Franklund

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