

C RRENT NEWS

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Your Touchstone Energy*Cooperative Ki>

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OFFICERS & DIRECTORS Chair.....Leland "Judge" Barth Vice Chair.....Casey Wells

Directors: Mark Doll, Vern Frederick Lance Froelich, Chad Harrison, Jay Larson, Bob J. Leingang

Co-General Managers/CEOs: Chris Baumgartner Donald A. Franklund

www.morgransou.com

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Mor-Gran-Sou Electric Cooperative is dedicated to providing affordable, reliable energy and services that support and unite our member-owners.

We also aspire to meet the Touchstone Energy[®] Cooperative core values of integrity, innovation, accountability and commitment to community.

Mor-Gran-Sou Electric Cooperative, Inc., is an equal opportunity provider and employer.





JULY 21, 2017 Fort Yates, N.D. Prairie Knights Casino & Resort

Learn about co-op issues; cast your vote and elect three members to serve on the board of directors; and enjoy a hearty meal.

Attend — and vote — at the annual meeting

At the annual meeting on July 21, four Mor-Gran-Sou Electric Cooperative members will vie for one of three board director positions up for re-election. The positions include one for Grant County, one for the Mandan Area, and one for Sioux County. The candidates include:

Grant County: Casey Wells, Carson

Mandan Area: Thomas Anseth, Mandan Bob J. Leingang, Mandan

Sioux County: Lance Froelich, Selfridge Please note the meeting schedule: 3:30 p.m. CT – Registration begins 5:30 p.m. CT – Business meeting call to order; election of candidates 6:00 p.m. CT – Business meeting recessed; banquet served 7:00 p.m. CT – Business meeting reconvenes

Cast your vote on July 21! When the meeting is called to order at 5:30 p.m. CT, no further ballots will be distributed at the registration table. Meal tickets will be available until 6 p.m. Please plan on being there in time to vote.

The women behind rural electrification

As we celebrate the 70th anniversary of Mor-Gran-Sou Electric Cooperative, we'll look back on the meager beginnings of rural electrification and why

women were perhaps the most motivated to get central station electricity in their homes. Read the July local pages of *North Dakota Living* to learn more about the movement.

In the coming months, we hope to visit with some women in the Mor-Gran-Sou service area who will share how electricity powers their family's lives — and why they need it now more than ever.



Protect your livelihood and your life

Stacking hay under electrical infrastructure can be dangerous, if not deadly.

Imagine up to 115,000 volts of electricity running through the power lines directly above the hay you just stacked. Highly loaded, those aluminum wires get hot — and the warmer the temperature — the more the lines sag. There needs to be at least 10 feet of clearance between the neutral line and the top of your hay bales. Did you plan for sag and leave adequate space?

As amps travel the circuit, the wires get warm. If you back your equipment into a guy wire and a pole bends or breaks, or if you hit an overhead line with the loader, the line could fall on the hay and ignite. The hay you need to feed your cattle — and the provisions you made to feed your family — went up in smoke.

That could be the best-case scenario. If you or your equipment comes into contact with a power line, you could receive an electric shock that could cause injury and death.

Protect your livelihood and your life, and stay away from power lines and poles. If you do make contact with a power line, call 911. Remain seated, warn others to stay away, and wait for Mor-Gran-Sou linemen to deenergize the lines. Do not move from the equipment.

To report damage that is not in need of immediate repair, contact Mor-Gran-Sou at 800-750-8212 or safety@morgransouelectric.com.

Also in the JULY issue of North Dakota Living:

Severe drought continues

- Transmission pole testing
- Save money in Medora
- KX/Co-op Day at the Fair
- Board meeting minutes & more

G&T REPORTS

Each year, Mor-Gran-Sou Electric Cooperative asks our power suppliers, Basin Electric Power Cooperative and Western Area Power Administration (WAPA), to update our members on the accomplishments and challenges of our generation and transmission cooperatives. The following is a condensed update. The full reports can be read in the July local pages of *North Dakota Living*.

BASIN ELECTRIC POWER COOPERATIVE

Basin Electric's history is full of ups and downs, milestones and pivotal decisions. Woven throughout are themes of perseverance and loyalty by the cooperative's members, employees, leaders and friends.

In 2016, we fought the Clean Power Plan legally, legislatively, and in the states we serve because of its potential to impact end consumers. While President Trump has taken steps to roll back regulations, Basin Electric continues the development of a carbon management plan that includes the advancement of clean coal technologies.

Mild weather created a compounding financial deficiency with the drastic drop in commodity prices, resulting in margin shortfalls. An influx of wind generation resulted in a need to back down coal plants. All together, these events spurred a difficult decision by the board of directors to implement a 7-mill rate increase across the membership. The directors scrutinized all possible scenarios and financial models to ensure they could reach the most astute conclusion. The rate increase was approved under the condition the cooperative would continue its austerity program. Ultimately, Basin Electric closed the year in a financially stable position.

The cooperative and its membership faced a lot in 2016. Having a greater purpose and driven to fight for what's best for the members, we are hopeful that the co-op way will transcend the challenges that threaten to divide us.

WESTERN AREA POWER ASSOCIATON (WAPA)

Forty years ago, the adversity of high gas prices lead, in part, to the creation of the Department of Energy and WAPA. Its mission: To assume the power functions of the Bureau of Reclamation by selling and delivering hydropower. That ingenuity, along with the founding of Mor-Gran-Sou, reflects the forwardthinking and innovation of public power. Today, that spirit of collaboration, gumption and resourcefulness is still needed as our nation addresses changing resource generation mix, increasing cybersecurity and regulatory requirements, and the growth of markets.

WAPA continues to address these changes by collaborating with customers to provide at-cost rates, deliver reliable power and maximize our resourcefulness.

In Fiscal Year 2016, WAPA delivered 26,675 megawatt-hours to Mor-Gran-Sou under the Pick-Sloan Eastern Division Firm Power Rate. With our cost-based rates, looking for efficiencies and keeping our eye on costs ensures an environment of stable future wholesale power costs. Collaboratively, we also developed the drought-adder rate component for early recovery, clearly tracking and managing costs associated with the decade-long drought in the 2000s.

At the beginning of 2017, WAPA reduced the drought-adder component because customers repaid a significant amount of the drought costs. By Jan. 1, 2018, we anticipate the drought costs will be fully repaid and the drought-adder component will then be zero.

Our staff focuses on providing value and business excellence for you. Our mantra remains: Operate at the lowest-possible cost consistent with sound business principles bringing value to our customers.