

JANUARY 2025

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MANAGER'S MOMENT Starting a new year

BY MARK DOYLE, GENERAL MANAGER



I would appreciate a moment of your time...

2024 was another busy year for McLean Electric Cooperative (MEC)! As usual, we had significant development in White Shield, the lake areas and in agricultural projects.

In White Shield, the Mandan, Hidatsa and Arikara Nation broke ground on a new casino, Son of Star, which is scheduled to open in 2026.

Doyle

It has also added other facilities, such as a restaurant and housing.

In the lake area, some existing developments were expanded. For agriculture, growers increased their storage capacity along with other grain-handling additions.

Growth is a benefit to our membership, as it allows us to spread our annual costs over a larger group of members. We have been under inflationary pressure, along with having to carry additional inventory due to supply chain issues. The supply chain issue is still present, but it is affecting less of our materials, except transformers and some underground supplies. We are positioned well for 2025 and do not see any issues getting our projects done.

Due to inflationary pressure and increased inventory, we have increased our base rates to the members in 2023 and 2024, totaling \$10 per month. This has given us some much-needed cashflow to carry the inventory and cover increased costs. At the November 2024 meeting, the board of directors approved another \$5 increase to the base rate, for the same purpose, effective Jan. 1.

For 2025, Central Power Electric Cooperative (CPEC), which supplies our power, has increased our cost of power. The reason for this increase is due to its generation provider increasing its costs. CPEC has done a great job of trying to mitigate the cost increase and reduce the burden on MEC, which we appreciate. Effective Jan. 1, our wholesale costs are increasing, and we need to pass those costs onto the members. At the November board meeting, the board also approved an increase to the membership for the cost of energy (kilowatt-hour or kWh) and demand (kilowatts). The increase to the energy charge (kWh) is 0.00249 or approximately a quarter of a cent. The increase to the demand (kilowatts) is approximately \$1.35.

MEC has had stable rates since 2017, and any increases are scrutinized, as the board of directors represents you. As your electric cooperative, we have been the last to move on increases. Unfortunately, I am sure you all have seen other increases in your lives, such as groceries, fuel, cellphone and other necessary items.

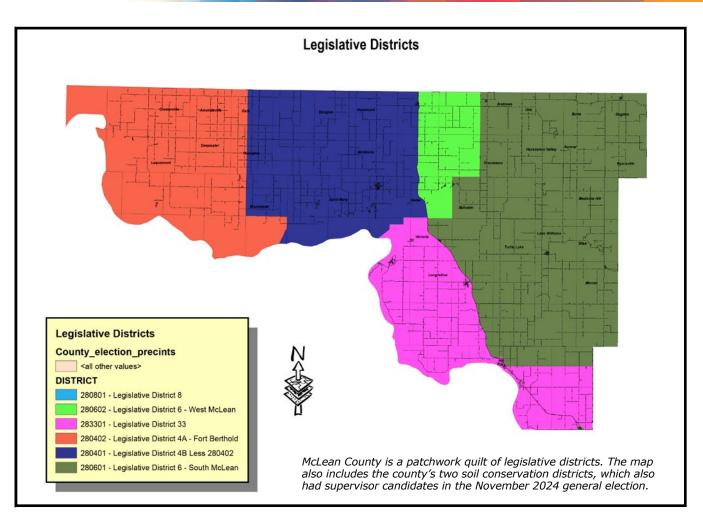
Our country has a change in administration beginning in January. It should be an interesting four years.

The North Dakota legislative session will also be starting. It should be equally interesting. We all must assume property tax reform will be one of the main topics. Another will be landowner rights. Whatever comes out of this session, please know this country is built on democracy, just like your electric cooperative.

As I have said before, we appreciate the cooperation members provided in getting all the projects done. Easements are always an issue, and we ask the landowners for continued support in getting our infrastructure in place to enhance our reliability. In addition, if you have any projects for which you need service, I strongly suggest you contact our staff now to get you scheduled for this year's construction season.

In closing, we wish you all the best heading into 2025! As always, feel free to reach out to me with any questions or comments. My door is always open.





DECISION-MAKING 2025: North Dakota legislative session

BY PATRICIA STOCKDILL

B eginning Jan. 7, the 2025 N.D. Legislature has 80 days to address a litany of major issues facing the state.

Several issues and decisions will directly impact members of the 17 electric cooperatives serving rural North Dakotans.

As the statewide organization representing those cooperatives, including Lower Yellowstone Rural Electric Cooperative headquartered in Sidney, Mont., the North Dakota Association of Rural Electric Cooperatives (NDAREC) will be busy providing electric industry expertise. It serves as a major voice for its member distribution cooperatives and local cooperative member-owners.

PROPERTY TAXES

NDAREC Communications and Government Relations Director Zac Smith is part of the NDAREC team tracking legislation relating to the electric industry and electric cooperatives in particular.

But other issues are certain to garner attention, especially property taxes and tax reform. Smith anticipates the issue will dominate the session. At least 50 bills related to property tax were already drafted by the end of 2024. Time will tell how many will be introduced and in what form.

One reason NDAREC has a particular interest in potential property tax relief pertains directly to its distribution cooperative members, Smith explained.



Electric cooperatives pay property taxes, but it's structured differently than other property taxes paid by home and property owners, businesses and corporations, such as investor-owned utilities (IOU), he continued.

Instead, electric cooperatives make a payment in lieu of taxes (PILT). PILT is assessed differently than other property tax structures and is also paid to the state of North Dakota by federal agencies managing land in the state, such as the U.S. Forest Service and U.S. Army Corps of Engineers.

Regardless of what property tax legislation goes to committee and floor votes, Smith said NDAREC wants to help ensure its member cooperatives have similar tax relief if any changes are made that would benefit IOUs.

Measure 4, defeated in the Nov. 5 general election, would have eliminated property taxes for all entities paying property tax assessments.

However, because electric cooperatives, such as McLean Electric Cooperative (MEC), make PILT, cooperatives would still have had tax payments. Under the language of the failed measure, cooperatives' existing tax structure didn't change, while IOUs wouldn't have had property tax payments. That would have a negative impact on the cooperatives, as well as their member-owners, Smith added.

While looking out for the state's distribution cooperatives, NDAREC wants to help ensure potential tax changes don't negatively impact cooperative member-owners.

Smith said it's important to ensure rural services, such as roads, education and emergency medical services, continue receiving adequate funding for electric cooperative member-owners if the state's property tax structure changes.

MEC General Manager/CEO Mark Doyle has similar concerns regarding legislative issues, including property tax reform, as they pertain to MEC and its member-owners.

The issue is complicated in the vast majority of MEC's service area, because McLean County was divided into five legislative districts – 4A, 4B, 6, 8 and 33 – when the 2023 Legislature changed district boundaries after the 2020 census.

However, no one living in McLean County currently serves in any of those legislative districts.

One senator serves both District 4A and 4B, while the other districts have a senator and two representatives.

It could be difficult to understand local issues when you don't live in the county, Doyle said.

From MEC's perspective, it raises the question of knowing which senator or representative MEC memberowners should contact regarding any legislative issue.

It also means Doyle has a total of 12 senators and representatives to communicate with when the cooperative provides input regarding issues relating to the electric industry, adding time and expense for anyone in McLean County communicating a broad-scale, countywide message.

ENERGY

As one of the nation's leading energy and agricultural states, action in the 2025 Legislature reaches beyond North Dakota's borders. And actions on the federal level have equal importance to the state of North Dakota.

It's imperative to maintain electric energy reliability and affordability, and NDAREC will continue advocating for ways to ensure those standards, Smith emphasized.

Major discussions have been held on local, state and federal levels – and will continue – regarding how the industry can maintain baseload resources when some have been shut down throughout the multi-state region and beyond.

Baseload resources provide electric energy on a 24/7 basis, operating in the background when people charge batteries, use appliances, run heating and cooling systems and essentially use everything basic in today's human life.

Baseload resources are largely powered through coalbased, natural gas and nuclear power plants, depending on one's location across the United States.

In North Dakota, baseload resources mean coal and natural gas.

Renewable resources do not and cannot operate on a 24/7 basis. The sun doesn't shine, nor does the wind blow, all of the time.

While renewable resources complement baseload resources, scientific technology in today's world is unable to turn renewable energy into 24/7 energy.

Baseload and renewable electric energy issues circle back to the N.D. Legislature and North Dakotans in general, in part because the state is a major player in the electric energy industry. One issue is getting baseload and renewable resources to consumers throughout a multistate region takes transmission capabilities.

And transmission systems need property owner easements. Oil, gas, carbon dioxide, water, communication systems and others also need easements.

Given North Dakota's role in national energy production, rural residents are experiencing increasing

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demand for easements. It's not just western North Dakota, Smith explained, as easement needs stretch far beyond the state's "oil patch."

Smith anticipates multiple bills and much discussion relating to regulatory authority as the Legislature tries to balance an increasing interest among rural residents to maintain or expand local control with the need to address increasing energy demands.

McLean County plays a significant role in the state's three largest economic sectors – energy, tourism and agriculture. Its role in the energy sector requires the need for legislative and regulatory involvement – everything from permitting to environmental issues. The electric industry is highly regulated, Doyle explained, extending from the county level up to the state and federal level.

"But it begins at the county level," he added.

Another issue is the huge demand for data centers to process ever-increasing electronic information. Their usage equates to another huge demand for electric energy. That means additional demand for electric generation and transmission, which circles back to electric cooperatives being able to maintain reliability and affordability.

"We have to figure out how to do that," Smith added. It helps regulatory authorities and governing entities to

make decisions when there is a local understanding of the issues, Doyle offered.

Electricity goes from a baseload or renewable generation source to transmission cooperatives to distribution cooperatives to cooperative member-owners. It's a connected, intertwined grid throughout North Dakota and the entire country.

The issues of generation, transmission, reliability and affordability, while ensuring future resources, are also intertwined and connected.

And people in the North Dakota electric cooperative industry, including Smith, others at NDAREC and electric cooperatives like MEC, are working to ensure reliable and affordable electricity remains a staple in the lives of North Dakotans. including staying involved with 2025 North Dakota legislative activities.

Dates to remember

Important dates for the 2025 North Dakota legislative session:

- Jan. 7: Session begins with Tribal-State Relationship Message, State of the Judiciary Address and Gov. Doug Burgum's final State of the State Address.
- Jan. 13: Representatives can't introduce more than five bills after Jan. 13.
- Jan. 20: Deadline for representatives to introduce bills.
- Jan. 20: Senators can't introduce more than three bills after Jan. 20.
- Jan. 27: Deadline for senators to introduce bills.
- Jan. 30: Deadline to introduce resolutions, except North Dakota Constitution amendments and study resolutions.
- Feb. 25: Bills and resolutions, except North Dakota Constitution amendments and study resolutions, must be reported out of committee in their house of origin. It's also the deadline to introduce North Dakota Constitution amendments and study resolutions.

- Feb. 28: Crossover deadline for all bills.
- March 3 and 4: Recess.
- March 5: Legislature reconvenes.
- March 7: North Dakota Constitution amendments and study resolutions must be reported out of committee.
- March 12: Crossover deadline for resolutions.
- April 9: Deadline for all bills and resolutions to be reported out of committee in second house.
- May 2: 80th day of the 2025 legislative session.

The North Dakota Constitution limits legislative sessions to 80 days, although a governor can call special sessions. The state also requires Senate and House chambers to vote on every bill introduced in the session, regardless of whether or not it received a "do pass" or "do not pass" recommendation in the Senate or House committee assigned to review the legislation.



How to stay in touch

The 2025 legislative gathering marks the 69th session in the state's history and there is a multitude of ways to stay in touch with its decision-makers.

Simply visit the N.D. Legislative Branch website, ndlegis.gov, which details the variety of methods to contact legislators as well as track bills.

Here are a few tips in navigating the website:

- Legislators can be reached via email through the legislative branch's website link when they're in session. Click "Legislative Assembly" on the top bar of the homepage, then "Contact Information" and scroll down to "Contact my Legislator."
- The "Contact Information" page also links to 2025 Senate and House rosters with contact information and mailing addresses. There is a link to download printable address labels as well.

Contacting a senator or representative can be as easy as a phone call, writing a letter or emailing when they're not in session.

The homepage also has a link at the upper right corner

to help people find their legislators if they're unsure of the district. Click "Find My Legislator" on the homepage. Simply enter your house number and ZIP code, then click your address to find the legislators for the district serving that address.

Tracking specific bills can also be done directly from the legislative branch homepage by clicking "Find a bill" in the upper right corner. A "Legislative Bill Tracking System" link is located at the bottom right corner of the homepage.

Create a free account or sign in if an account is already available to login and track any of the hundreds of bills the Legislature will address in 2025.

Constituents can also watch live and past meetings, committee hearings and chamber votes by clicking "Video" at the top of the homepage. A daily, weekly, monthly and annual calendar is available to track upcoming activities. Go to the link, ndlegis.gov/videosupport, for answers to a list of "Frequently Asked Questions," including watching video for a specific bill.

Tracking the 2025 North Dakota Legislature

BY PATRICIA STOCKDILL

CLean County, the state's second largest county, has the distinction of being split into five legislative districts – the only one of North Dakota's 53 counties with that number of legislative districts without a large city population.

After the November 2024 election, no one living in McLean County serves in any of the districts.

District 4A and District 4B, which are two separate districts for House representation, is combined as District 4 in the Senate. The county is also part of District 6, District 8 and District 33.

Here are McLean County's legislators in the 2025 session (R-Republican, D-Democrat, I-incumbent, N-new member, M-moved from the other chamber):

- District 4 Senate: Chuck Walen (R, N), New Town
- District 4A House: Clayton Fegley (R, I), Berthold

- District 4B House: Lisa Finley-DeVille (R, I), Mandaree
- District 6 Senate: Paul Thomas (R, M), Velva.
- District 6 House: Dick Anderson (R, I), Willow City.
- District 6 House: Dan Vollmer (R, N), Willow City.
- District 8 Senate: Jeffery Magrum (R, I,), Hazelton.
- District 8 House: Mike Berg (R, N), Bismarck
- District 8 House: SuAnn Olson (R, I), Baldwin.
- District 33 Senate: Keith Boehm (R, I), Mandan.
- District 33 House: Anna Novak (R, I), Hazen.
- District 33 House: Bill Tveit (R, I), Hazen.



2025: Planning ahead

BY PATRICIA STOCKDILL

The page recently changed to a new calendar year. North Dakota is in the heart of winter.

Even so, McLean Electric Cooperative (MEC) already has plans when the spring of 2025 arrives.

It's not wishing the winter away, but it's planning the upcoming construction season to ensure material availability and the ability to meet member-owners' electrical needs.

MEC Engineering Manager Lucas Schaaf said 2025 looks similar to construction and system growth in recent years, with a mix of additional rural development and agricultural needs for grain drying and irrigation systems.

While Mother Nature and the coming year's weather play a large role in plan completions, here is a look at what is tentatively scheduled for 2025.

RURAL DEVELOPMENT

Rural residential development remains the focus of much of MEC's construction plans, primarily adjacent to the shores of Lake Sakakawea in the Garrison area, Schaaf described. The definitive number of lots or additional developments in need of service remains unknown, but MEC already has plans to accommodate new hookups for a development west of Garrison. The protocol in working with new developments establishes the "backbone" of an area's electrical needs, so the ability to have transformers at each lot is in place. The developer bears those costs, Schaaf described, while the transformer and other associated costs to bring electricity to any structures is with the purchaser.

The number of lots in a new rural residential development determines if higher-capacity three-phase line is installed, but any new construction involves burying underground cable, unless the location's terrain and environmental conditions warrant using overhead line.

Interest in rural residential development remains steady with the past few years, Schaaf continued, mostly surrounding with most surrounding the Garrison area, given its lake access and area amenities.

Additional ongoing growth continues in the White Shield community and its surrounding vicinity, he added.

SYSTEM UPGRADES

Capacity and reliability are MEC priorities, so system upgrades take place on a regular yearly basis when possible. Plans call for continuation of an ongoing underground project in the Coleharbor area in 2025.

Application

Basin Electric and McLean Electric offer scholarships Deadline Feb. 1

Thinking about going to college and wondering how you will pay for everything?

Basin Electric Power Cooperative will be offering two scholarships in the amount of \$500 each. McLean Electric Cooperative (MEC) will offer one \$500 scholarship. Applicants must be members of MEC or children of members of the cooperative. The applicant must be a student who is enrolled or planning to enroll in a full-time graduate or undergraduate course of study at an accredited two-year or four-year college, university or vocational/technical school.

Information packets are available at area schools. Contact your school counselor. You can also obtain information by calling MEC at 701-463-6700 or 800-263-4922 or at www. mcleanelectric.com/grants&scholarships. All applications must be received in our office by Feb. 1.



In addition, MEC tentatively plans to convert 2 miles of overhead two-phase line to three-phase underground line near the Crooked Lake substation in eastern McLean County. The focus for both is increasing capacity, which ultimately can improve service reliability.

AGRICULTURE

New and existing grain drying and irrigation system upgrades tend to be cyclical, Schaaf added, with construction of about one-half mile of line to an irrigation system tentatively scheduled for the spring.

If other irrigation systems or grain drying needs arise during the year, MEC tries to ensure enough materials are available to meet member-owner needs.

That philosophy also applies to existing cabin sites and rural residential system upgrades, which typically involve lot owners working together with MEC to convert sections of overhead lines to underground cable within portions of a development. Interest in those projects varies, Schaaf explained, and focus on older developments where electrical service was only available as overhead line when the lots were established.

Most often, adjacent lot owners work together to determine interest in cost-sharing the upfront expense with MEC and then reach out to the cooperative to determine its feasibility, Schaaf continued.

R St NW 6 the Temple

Capacity and system upgrades, regular system maintenance and construction for new services involve more than one-year planning. Every four years, MEC is required by the U.S. Department of Agriculture Rural Utilities Service, one of MEC's financial lenders, to provide long-range, four-year construction plans and budgeting. Work will begin on the next upcoming fouryear plan in the fall and winter, Schaaf added.

MEC is fortunate to have a broad diversity of service types, Schaaf described, serving a combination of small and large loads, rural businesses, agriculture, recreation and rural residential needs. All point toward another busy construction season for MEC crews and its primary construction contractor, Coal Creek Construction, Underwood.

Weather and material availability will determine the exact amount of work in any given construction season. Identifying needs and developing a plan and schedule, yet remaining flexible given North Dakota's variable weather, is critical in meeting member-owner needs, Schaaf suggested. He encourages current or potential new member-owners to contact MEC with their possible project to help ensure material and contractor availability for a timely completion.

Go to MEC's website, www.mcleanelectric.com, or contact Schaaf at 701-463-6700 or 800-263-4922.

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To enter the essay-writing contest:

JUNE 15-21 2025

STANK ENTER YOUR

• You must be a sophomore or junior in high school.

• You and your parents or guardian must be served by McLean Electric Cooperative.

Essay question:

Why is it important to be involved in your community, and how does that prepare you to be a future leader?

The application deadline is Jan. 17, 2025.

Email entries to Sonja Moe at sonjadm@mcleanelectric.com or mail a hard copy to: Youth Tour Essay Contest, 4031 Hwy. 37 Bypass, P.O. Box 399, Garrison, ND, 58540.

Questions? Please contact Sonja Moe, McLean Electric, at 701-463-6700 during regular business hours.



McLean County community calendar: Events and activities to see and do

McLean County area food pantry January distribution and thrift store dates, times and locations:

- Garrison: Garrison Area Resource Center & Food Pantry: Noon-2 p.m. and 5-7 p.m. Jan. 23.
- Community Food Pantry serving Ryder, Makoti, Roseglen, Plaza, White Shield, Parshall and those in need: 10 a.m.-1 p.m. Jan. 25, 181 Ellsworth St., Makoti.
- Community Thrift Store serving Ryder, Makoti, Roseglen, Plaza, White Shield, Parshall and the region: 3-6 p.m. Tuesday, 4-7 p.m. Thursday and 10 a.m.-1 p.m. Saturday, except holidays, 181 Ellsworth St., Makoti.
- Max: Our Savior Lord's Food Pantry, Noon-3 p.m. and 5-7 p.m. Jan. 20, Max City Hall, 215 Main St.
- Turtle Lake: The Lord's Pantry, 2-4 p.m. Jan. 9 and 10 a.m.-noon Jan. 25, Trinity Lutheran Church, 515 Kundert St.
- Turtle Lake: Free Community Clothing Share & Exchange Store, every Thursday, noon-6 p.m., 221 Main St.
- Underwood: Community Cupboard of Underwood food distribution, 10 a.m.-noon Jan. 11 and 4-6 p.m. Jan. 23, 208 Lincoln Ave. Like us on Facebook (Community Cupboard of Underwood) for distribution and thrift store updates and other information.
- Washburn: McLean Family Resource Center, McLean County residents can contact the center, 701-462-8643, for an appointment to pick up baskets along with more information or assistance through the center's services, 205 Seventh St..
- Washburn: McLean Family Resource Center Clothing Outlet, 10 a.m.-5 p.m. Monday, Tuesday and Wednesday, 205 Seventh St.
- Wilton: Wilton Food Pantry, "mini" distributions every Friday, 11:30 a.m. until gone. Full food distribution, 4-6 p.m. Jan. 16, Wilton Senior Citizens Center, 42 Dakota Ave.

• Wilton: The Clothes Closet, 3-5 p.m. Jan. 16, First Presbyterian Church, 401 Dakota Ave.

Area food pantries often experience high needs for the following items: baked beans, pork and beans, canned fruit, tuna, chicken, vegetables, cereal, oatmeal, granola and breakfast bars, juice, macaroni and cheese, hamburger and tuna helper, pancake mix, syrup, pasta, spaghetti, Alfredo and pasta sauce, peanut butter, jelly, rice side dishes, soups and chili, and household items, such as body wash and soap, dish soap, laundry detergent, shampoo and conditioner, toilet paper, toothpaste and toothbrushes. Contact local food pantries for drop-off locations, information or a list of additional needs in your community.

January and early February events:

- Jan. 25: Bottoms Up Delta Waterfowl Chapter Banquet, Wilton Memorial Hall, Wilton.
- Jan. 27: Max Community Library Preschool Story Hour, 10:30 a.m.
- Jan. 28: Max Community Library Book Club, 7 p.m.
- Jan. 17: Deadline for McLean Electric Cooperative Washington, D.C., Youth Tour applications. High school sophomores and juniors are eligible to apply for the Youth Tour. Visit www.mcleanelectric.com.
- **Feb.1:** Deadline for McLean Electric Cooperative and Basin Electric Power Cooperative college scholarships. For more information, visit www.mcleanelectric.com.

Nonprofit organizations and communities throughout McLean County can contact Patricia Stockdill at stockdill.patricia@gmail.com or 701-337-5462 to submit community events.

BOARD OF DIRECTORS:

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