

COOPERATIVE CONNECTIONS



Building Communities

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Support Local Growth**
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Dave Eide, right, presents a check to Jason Foster, left, fire chief of Garden City Fire Department. Through the REED fund, the department secured a loan to renovate the fire hall.

Rate Adjustment Effective Feb. 1



Dave Page
General Manager

For the last several months in this column, I have been discussing an upcoming rate increase that we expected to implement in early 2025. After careful consideration and detailed financial review, the Whetstone Valley Board of Directors has approved an overall annual rate increase of 7.2%. The increase will take effect February 1st, which means the effective adjustment for the remaining months of 2025 will be 8%.

This adjustment is necessary to generate the revenue needed to support operations for the full year. Members will see the rate change on their March billing statement, which reflects February energy usage.

Rate adjustment percentages will vary depending on members' type of service and specific energy (kWh) usage. Electric cooperatives categorize consumers into different classes – such as single-phase, multi-phase, and commercial services – because each group imposes unique demands on the electrical system, leading to varying costs in providing service.

A Cost-of-Service Study (COSS) is conducted to analyze expenses associated with serving each consumer class. These studies help in designing equitable rate structures that reflect the actual cost of providing service to different groups of consumers. Recognizing these distinctions is essential for designing fair and effective rate structures.

While it is never fun to announce

a rate adjustment, the increase is necessary due to higher power supply costs and other inflationary impacts. Whetstone Valley Electric has two wholesale bulk power providers – Basin Electric Power Cooperative and the Western Area Power Administration, or WAPA. Unfortunately, both entities have announced rate increases for 2025. WAPA also will increase rates in 2026, and it is anticipated that Basin will do the same.

Key Drivers of Power Supply Rate Pressures

1. LOAD GROWTH AND INVESTMENTS IN RELIABILITY:

Basin Electric is making significant investments in new generation and transmission facilities to support member load growth across its entire system. To accommodate this growth, Basin Electric is investing approximately \$8 billion over the next 10 years in transmission and generation assets to ensure reliable electricity for our members.

2. DECREASED SURPLUS SALES IN WESTERN MARKETS:

Market dynamics in the western U.S. have shifted due to increased hydro and renewable energy, which are often cheaper than Basin Electric's generation costs, limiting their ability to sell excess power in the region.

3. IMPACTS OF INFLATION:

There have been cost increases for internal labor, contracted labor,

materials, and maintenance, in addition to higher costs of borrowing money and increased insurance premiums for Basin Electric.

4. VOLATILITY OF

POWER MARKETS: Power market volatility has surged due to intermittent generation, fluctuating natural gas prices, and rising electricity demand. While Basin Electric manages this with generation and hedging, these measures are becoming increasingly costly.

5. INCREASING HYDROPOWER COSTS:

WAPA's rate increase is primarily due to drought, which reduced hydropower generation and forced power purchases. Additionally, rising operation and maintenance costs for materials and labor have contributed.


How The Rate Adjustments Affect Your Electric Bill:

If you have questions about how the upcoming rate increase will affect your electric bill, please don't hesitate to contact our office by phone at 605.432.5331 or by email at energyexperts@whetstone.coop. Our knowledgeable staff is ready to provide more detailed information tailored to each class of consumer. We're here to help and ensure you understand how these changes impact you.

CONGRATULATIONS

*Carolyn Monson
She was the winner of the \$60 bill credit
for the Holiday Open House drawing.*

Thank you to all who attended!



Save the Date

**Annual Meeting is
March 27, 2025 at the
Milbank High School**

COOPERATIVE CONNECTIONS

WHETSTONE VALLEY ELECTRIC

USPS 018-979)

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WHETSTONE VALLEY COOPERATIVE CONNECTIONS is published monthly by Whetstone Valley Electric Cooperative, Inc., PO Box 512, Milbank, SD 57252, for its members. Families subscribe to Whetstone Valley Cooperative Connections as part of their electric cooperative membership. Whetstone Valley Cooperative Connections' purpose is to provide reliable, helpful information to electric cooperative members on matters pertaining to rural electrification and better rural living.

Subscription information: Electric cooperative members devote 50 cents from their monthly electric payments for a subscription. Nonmember subscriptions are available for \$12 annually. Periodicals Postage Paid at Milbank Post Office, Milbank, S.D. 57252, and at additional mailing offices.

POSTMASTER: Send address changes to: Whetstone Valley Cooperative Connections, PO Box 512, Milbank, SD 57252; telephone (605) 432-5331; toll-free 1-800-568-6631; fax (605) 432-5951; e-mail energyexperts@whetstone.coop

Office hours: Monday-Friday 8 a.m.-4:30 p.m.

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Design assistance by SDREA.

Fire Safety

Cooking and heating are the leading causes of home fires and fire injuries, and winter months are the peak time for fire-related deaths.

Minimize Your Risks

The good news: Deaths from home fires in the U.S. have trended downward since the 1970s, according to Injury Facts, but even one death from a preventable fire is too many. While fire doesn't discriminate by age, it is the third leading cause of death for children 1 to 14.

When cooking, make fire safety a priority by keeping these tips in mind:

- Be alert; if you are sleepy or have consumed alcohol, don't use the oven or stovetop
- Stay in the kitchen while you are frying, grilling, boiling or broiling food
- When simmering, baking or roasting, check the food regularly, remain in the kitchen while cooking and use a timer
- Keep anything that can catch fire away from your stovetop

Heating is the second leading cause of home fires.

Follow these tips:

- Keep all flammables, like paper, clothing, bedding, drapes or rugs, at least three feet from a space heater, stove or fireplace
- Never leave portable heaters and fireplaces unattended; turn off heaters and make sure fireplace embers are extinguished before leaving the room
- If you must use a space heater, place it on a level, nonflammable surface, like ceramic tile, not on a rug or carpet
- Keep children and pets away from space heaters
- When buying a space heater, look for models that shut off automatically if the heater falls over

Other top causes of fire include smoking, electrical problems and candles. To minimize risks:

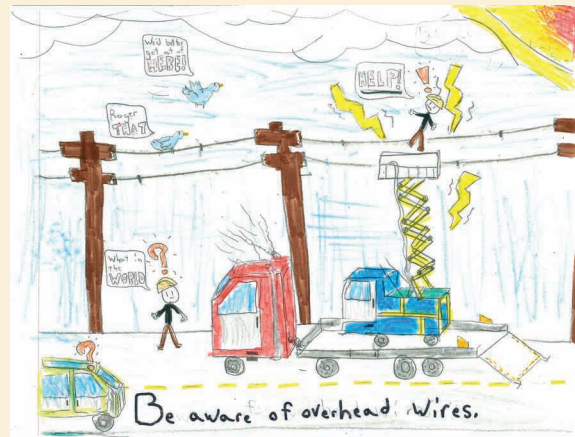
- Institute a "no smoking" policy in the house
- Check all cords and replace any that are frayed or have bare wires
- Switch to flameless candles
- Keep matches and lighters high and out of children's reach in a locked cabinet

Working Smoke Alarms Are a Must

Replacing the Battery on a Smoke Alarm About three out of five fire deaths happen in homes without working smoke alarms. Smoke alarms are a key part of a home fire escape plan providing early warning to reduce your risk of dying in a fire. The National Fire Protection Association recommends you:

- Install smoke alarms on every level of your home, inside bedrooms and outside sleeping areas on the ceiling or high on the wall
- Keep smoke alarms away from the kitchen, at least 10 feet from the stove, to reduce false alarms
- Use special alarms with strobe lights and bed shakers for people who are hard of hearing or deaf
- Test smoke alarms monthly
- Replace batteries in your smoke alarm and carbon monoxide detector annually
- Replace smoke alarms that are 10 or more years old

Source: National Safety Council



"Be aware of overhead wires."

Vance Claeys, Age 11

Vance Claeys cautions readers to be careful when working around power lines. Thank you for your picture, Vance! Vance's parents are Jake and Bridget Claeys, members of Lyon-Lincoln Electric.

Kids, send your drawing with an electrical safety tip to your local electric cooperative (address found on Page 3). If your poster is published, you'll receive a prize. All entries must include your name, age, mailing address and the names of your parents. Colored drawings are encouraged.

SOUP

Sensation

BROCCOLI CHEESE SOUP

Ingredients:

- 1 large pkg. frozen broccoli
- 1/4 cup water
- 3 tbsps. margarine
- 10 oz. package corn
- 1/4 cup chopped carrots
- 1/4 cup chopped onion
- 1/4 tsp. pepper

Cook the above and add
 3 cans cream of potato soup
 3 cups milk
 2 cups shredded Cheddar cheese
 1/2 cup shredded Monterey Jack cheese
 Stir until melted

LaVonne Schmidt
 Sioux Falls, S.D.

NORWEGIAN FRUIT SOUP

Ingredients:

- Bring 1/2 gallon water to a slow boil.
- Add 1 pkg. of sweetened dried cherries, banana chips, apricots, prunes, 2 apples (all cut into pieces)
(Optional to use any dried fruit you wish)
- 1/2 cup golden raisins
- 1/2 cup regular raisins
- 2 whole cloves
- 2 cinnamon sticks
- 1 cup sugar (you can use Splenda)

Method

Boil slowly for one hour add 3 tbsps. tapioca and a large pkg. of cherry jello.
 Refrigerate and serve with whip cream.

Kari Reder
 Warner, S.D.

CABBAGE SOUP

Ingredients:

- 1-2 tbsps. vegetable oil
- 1 pkg. (14 oz.) smoked sausage, sliced 1/4 in. thick
- 1 large yellow onion, chopped
- 1 tbsp. tomato paste
- 1 small green cabbage, cored and shredded (about 8 cups)
- 1 medium carrot, finely chopped
- 1 can (14 1/2 oz.) petite diced tomatoes
- 1 1/2 tsps. salt
- 1/2 tsp. garlic powder
- 1/2 tsp. ground black pepper
- 1/4 tsp. onion powder
- 1/8 tsp. crushed red pepper
- 4 cups chicken stock or broth
- 1 can (15 1/2 oz.) white beans, drained and rinsed
- 1 tbsp. white wine vinegar

Method

Heat oil and cook sausage, until browned. Remove from skillet. Add onion and tomato paste; cook and stir until onions are slightly softened and tomato paste has darkened. Add cabbage and carrots to stockpot. Cook, stirring frequently, about 30 minutes or until cabbage has softened and begins to caramelize. Stir in tomatoes, salt and spices. Cook 10 minutes longer or until cabbage is very soft. Return sausage to pot. Stir in stock and beans. Bring to boil. Reduce heat and simmer 10 minutes. Stir in vinegar. Serve hot, sprinkled with freshly grated Parmesan cheese, if desired.

McCormick.com

Please send your favorite recipes to your local electric cooperative (address found on Page 3). Each recipe printed will be entered into a drawing for a prize in December 2025. All entries must include your name, mailing address, phone number and cooperative name.

Fireplace Efficiency: Maximize Warmth and Minimize Waste



Miranda Boutelle
Efficiency Services
Group

Q: I heard fireplaces can make your home colder. How do I keep my home comfortable while enjoying cozy fires?

A: When I was a little girl growing up in North Carolina, I remember my dad telling me that some nights were too cold to have a fire. That always seemed crazy to me, but like many other things he said, he was right.

A heat pump heated our home. We had an open fireplace that was more suited for ambiance than creating heat. When you have a fire, warm air rises and draws the smoke out through the chimney. This also draws the warm air out of the house. This invisible force is called the stack effect.

The impact is exacerbated in drafty homes. When the warm air escapes through the chimney, it is replaced by cool air leaking in through gaps and cracks in the home. The greater the difference between the indoor and outdoor temperatures, the greater the stack effect, hence Dad's rule of no fires on the coldest nights.

Wood fireplaces are not an efficient option to heat your home. Most of the heat goes out of the chimney. If you enjoy the comforting ambiance and curling up in front of the fireplace during the colder months, here are some tips to efficiently operate a fireplace in your home.

Because it is out of sight, it can be easy to forget to close the chimney damper. The damper should be open when you have a fire going or when any hot ashes are in the fireplace to ensure smoke and carbon monoxide don't come into your home. Once the fire and all ashes are fully extinguished, close the damper. Leaving the damper open allows warm air to escape, wasting energy. It's like leaving a window open when your heating system is turned on in the winter.

If your damper doesn't close properly or your chimney doesn't have one, purchase a product

designed for the task. There are a variety of chimney plug sizes and styles available, including inflatable options designed to fit snugly in place. While you are at the hardware store, pick up some caulking and weatherstripping to seal air leaks around windows, doors and pipes along exterior walls.

Fireplaces with gas logs are required to be installed with a mechanism that always keeps the damper open. This safety feature allows gases from the pilot light to escape. Glass doors can reduce the impact of air leakage in the winter and summer months. Consider installing glass doors on open fireplaces and keep them closed to minimize drafts.

Sealed combustion gas fireplaces are fully enclosed systems that draw the air needed for combustion from the outside. When properly installed, you get the benefit of the warmth of the fire without the worry of heat loss from drafts. If you have gas logs and enjoy the ease of a gas fireplace, consider upgrading to a sealed combustion unit.

Turning the pilot light off in the summer can reduce wasted gas. If you plan to turn the pilot light off, follow the instructions in the owner's manual to avoid any potential safety issues.

Woodstoves and pellet stoves are additional options that provide more heat than wood or gas fireplaces. Federal tax credits are available for high-efficiency biomass stoves. A credit of 30% of the project cost—including the cost of installation up to a maximum of \$2,000—is available for products purchased and installed between Jan. 1, 2023, and Dec. 31, 2032. The unit must have a thermal efficiency rating of 75% or more. Visit www.energystar.gov for more information.

If you have a woodstove, fireplace or any fuel-burning appliance in your home, be sure to install and maintain smoke and carbon monoxide detectors. Carbon monoxide is an odorless, colorless gas that can be harmful or even deadly if not detected.

Use my dad's sage advice and these tips to keep your home warm while gathering your loved ones around a glowing fire during the winter season.

When the Lights Turned On

Lyle Gehm Remembers the Days Before Power

Jacob Boyko

jacob.boyko@sdrea.coop

For many rural farmers in the 1940s, time seemed to stand still.

The technological advancements born from electrification weren't easily accessible for anyone living off of the electric grid. Kingsbury County-native Lyle Gehm's family was no exception.

The Gehm family's farm seemed to share more similarities with Laura Ingalls' nearby 1880s homestead than it did with the houses just up the road in De Smet.

"You didn't want to get too far away from the stove in the wintertime," Gehm said of freezing nights inside the home. "The stove sat in the middle of the house and bedrooms were scattered around. At night, you'd change the covers around on the bed every so often because we'd lay there and our breath would frost on the covers."

Like other farm families before electrification, the Gehms found creative solutions for everyday challenges. Iron bed warmers helped make getting into a cold bed a little more bearable, but the coldest nights were spent huddling by the stove. Butter and cream were stored in the cistern to stay cool in the summer. Windmills assisted some of the more laborious tasks. The house had several small lights, but they were powered by a battery in the basement.

"I remember mom would run her Maytag washing machine with a gas motor, and we had to stick a pipe out the back of the house for the exhaust," Gehm recalled. "And I remember seeing dad standing with the tire pump, filling a tire."

Gehm says at the time, he never really considered how electricity could change how he lived and worked. So far, his only experience with power was when the family would make the trip into town to shop.

Even Gehm's country school was without electricity; Students squinted down at their workbooks on dreary, cloudy days, while in the wintertime, they took turns standing next to the stove.

The family's way of life drastically changed in 1948 when, after several long years of hard work, crews from Kingsbury



Electric Cooperative finally reached the farm south of De Smet as they worked to put the prairie on the grid.

"The folks told us, 'they're working this way and we're gonna have juice,'" he recalled. "We were happy. It was a great experience getting electricity and seeing all it could do for you."

For 13-year-old Gehm, that meant chores were a little simpler, the lights were a bit brighter and the house was much, much warmer.

"For me as a kid, being warm during the wintertime was a big, big change," Gehm said. "After we got power, dad put in a furnace [with a fan] so we got heat in every room. That made a world of difference, and it changed our lives a lot."

Kingsbury Electric crews didn't look much like they do today, Gehm pointed out. On a small budget with limited manpower, the work crew that arrived on Gehm's farm in 1948 was a rag-tag group of guys working with rudimentary equipment. But they didn't let that stop them from seeing to it that Kingsbury County was electrified.

"The equipment that they'd use to put poles in – it wasn't painted white like it is today," Gehm recalled. "It looked like a bunch of stuff the blacksmith shop made. It probably took those guys an hour to put one pole in. Getting electricity was hard work for those guys."

It was Gehm's deep appreciation to the workers' commitment that led him to run for a seat on the co-op's board of directors in 1977, where he served 12 years.

"It's probably one of the best things that ever happened to peoples' lives, getting electricity," he said. "We were able to do things faster, better, cheaper. Once we had electricity, we didn't want to get rid of it."



Pulse of Life Kids Center in Vermillion, S.D.

BUILDING COMMUNITIES

REED Fund Helps Support Local Growth

Jacob Boyko

jacob.boyko@sdrea.coop

Small towns and rural communities are the backbone of electric cooperatives, with many co-op members relying on their small towns for shopping, childcare, entertainment and other basic needs and services.

That’s why co-ops are working to help keep – and expand – services and job opportunities in small towns using the co-ops’ Rural Electric Economic Development Fund, or REED.

REED is a non-profit organization launched by the electric cooperatives in 1996 to finance community-focused projects across small towns in South Dakota and Western Minnesota where affordable financing can be harder to secure.

REED has multiple sources of funding, but one of the main sources of funding over the years has been the United States Department of Agriculture. REED has utilized both the Rural Economic Development Loan and Grant Program (REDLG) and the Intermediary Relending Program (IRP), which together have amounted to more than \$30 million.

Through the REDLG program, REED

can fund eligible projects at a 0% interest rate. Through the IRP program, REED applies for low-interest loans and then re-lends the money at a rate slightly higher than the USDA rate – but still less than traditional lending sources. This adds money to the fund and perpetuates it for future projects.

Since the fund’s inception, it’s been used to support more than 400 community-focused projects.

East River Electric Business Development Director Mike Jaspers says it’s in co-ops’ best interests to make rural living just as feasible as living in a larger city.

“It comes back to our principle of commitment to community,” Jaspers explained. “REED ensures our membership has their vital needs met, and they can enjoy the amenities of life in a rural setting when they’d otherwise have to go to a larger city to access some of those services.”

Eric Fosheim, East River Electric’s economic development director in charge of the REED fund, said the \$130 million lent by REED has impacted more than 10,000 jobs and amounted to over \$1 billion of economic impact throughout

South Dakota and Western Minnesota.

“Our \$1 million investments help spur \$10 million projects, which means for every \$1 REED invests into a project, it roughly has a \$9 or \$10 impact,” he explained.

As a supplemental lender, REED won’t finance a project alone; organizations still must secure funding from other sources. However, REED’s low interest rates and community focus can be just what a project needs to catalyze it over the finish line.

As members of the REED fund, co-ops can impact economic development projects while letting REED take on the financial risk.

“The co-ops aren’t on the hook and aren’t guaranteeing the loans here,” Fosheim explained. “REED is doing that.”

Pulse of Life Kids Center – Vermillion, S.D.

Pastors Glenn and Angela Pulse had a vision and a calling. Pulse of Life Foursquare Church, which they hoped to start on Vermillion’s Main Street inside an old medical clinic, had the ability to serve a greater need in the community, where the wait lists for childcare sometimes exceeded three months. They had the faith — they just needed some resources.

The church council worked with First Bank & Trust to secure a loan to create the Pulse of Life Kids Center, but the bank couldn’t lend them the entire amount they needed.

“New daycare centers have a high rate

of failure, so we couldn't qualify for all of the money that we needed through bank loans," Angela explained. "Instead of saying no, the bank manager suggested we go about it in a different way. That's how the conversation about the REED fund came up."

Clay-Union Electric Manager Chris Larson said supporting the Pulses, who are members of the co-op, made sense for Vermillion, where challenges from workforce shortages and the lack of childcare options are prevalent.

"It fills a need in our community," Larson said.

Fosheim agrees.

"Workforce challenges have really been an issue in recent years and one way we try to help with that is by investing in daycares," he said. "Daycares don't always look that good on paper from a financial standpoint, so a lot of these organizations have a hard time getting adequate financing."

With the REED fund's \$245,000 loan, the Pulses' vision finally took shape and the Kids Center opened in 2023. Today, the center offers faith-based daycare with a capacity for 43 of the community's children.

"It's encouraging because it puts more options on the table to make these new things possible," Angela said. "There's no way we could have done this without the REED fund."

Fire Station – Garden City, S.D.

In Garden City, a small community northwest of Watertown, a dilapidated fire hall sat rotting into its own footprint.

"It was just in a state of disrepair," said Scott Campbell, treasurer at the Garden City Fire Department. "The walls were pushing out and we had to put plastic over the doors. It was cramped and old. The truck was parked over a basement area, and being heavy and full of water it caused some concern."

Options were narrowing; Garden City would have to act fast or lose their fire station and rely on surrounding communities during an emergency.

Codington-Clark Electric Director



Nursing home expansion in Philip, S.D.

Russel Foster, who also volunteers for the fire hall, approached his co-op's manager, Dave Eide, in 2022 about using REED to breathe new life into Garden City's fire hall.

Eide agreed and helped with the application process, championing the fire hall as a vital need for Garden City, the co-op and co-op members.

"Everybody needs fire protection," Eide explained.

Through REED, the fire hall secured a \$230,000 loan. The new hall features a community room, which Scott said filled a desperate need.

"We had no place to vote, no place for birthday parties," Campbell said. "Township meetings were in houses at kitchen tables."

For Eide, the REED fund is just another example of what co-ops are supposed to do – serve communities.

"It's an extension of what co-ops are in the first place," he said. "We sell power to members and that's one way we help and serve our communities. The REED fund is just another extension of that."

Elder Care – Philip, S.D.

In rural Philip, limited options for elder care had some long-time locals facing tough decisions.

"Our nursing home for a lot of years was not big enough," said Cindy Pfeifle, business manager at Philip Health Services. "Members of our community were having to leave the area when they needed nursing home care."

After applying for a REED loan in 2022 through West Central Electric and securing funding from other community sources, Philip Health Systems renovated and expanded the nursing home, increasing occupancy from 30 beds to 42 beds.

West Central Electric CEO Jeff Birkeland said access to the REED fund is essential for rural areas without much population growth.

"We need to keep our people from moving away and keep our businesses local," Birkeland said. "The best way to do that is by giving them access to very low-interest financing. Saving hundreds of thousands of dollars in interest costs makes projects much more feasible."

Pfeifle says the community support was essential to initiate the project and applauds REED for helping bring opportunities back to small towns.

"It sends a message of support and cooperation and that they understand how important it is to keep services in rural areas for people who live here," Pfeifle said.

The nursing home project was the first in West Central Electric's territory to use the REED fund, but Birkeland hopes many more projects are to come.

"We are a cooperative, so job number one is to take care of our members and do everything we can to help our communities," Birkeland continued. "If somebody comes to you or you see a need in our communities, we're all in."

Here's Why Your Home Needs Smoke Detectors

Inspectorteam.com

Your home is more than just four walls; it's a place of comfort, cherished memories, and safety. One crucial element that ensures this safety is the humble yet powerful smoke detector. Everyone should understand the vital importance of smoke detectors in your home and why you should never underestimate their role in protecting your loved ones and property.

1. Early Detection Saves Lives:

- Smoke detectors are your first line of defense against fires. They can detect smoke and alert you to the presence of a fire in its earliest stages, giving you precious time to escape.

2. Fire Can Spread Rapidly:

- Emphasize how fires can escalate quickly, filling a home with toxic smoke within minutes. Smoke detectors provide that early warning needed to evacuate safely.

3. Protecting Your Loved Ones:

- Discuss the importance of smoke detectors in safeguarding family members, including children, the elderly, and pets who may not be able to react quickly in a fire emergency.

4. Property Preservation:

- Point out that while lives are the top priority, smoke detectors can also help minimize property damage by alerting you to fires before they become uncontrollable.

5. Different Types of Fires:

- Explain that smoke detectors are designed to detect various types of fires, including fast-burning fires and smoldering fires, which may not produce visible flames but can still be deadly.

6. 24/7 Monitoring:

- Mention that smoke detectors provide continuous monitoring, working day and night, ensuring your safety even when you're asleep or away from home.

7. Legal Requirements:

- Highlight that many jurisdictions and insurance companies require the installation of smoke detectors in homes, underscoring their importance.

8. Easy Maintenance:

- Encourage regular testing and maintenance of smoke detectors, such as changing batteries and cleaning to ensure they remain reliable.

9. Interconnected Alarms:

- Discuss the benefits of interconnected smoke detectors, which can trigger all alarms in your home when one detects smoke, enhancing safety.

10. Evolving Technology:

- Mention that modern smoke detectors offer advanced features like wireless connectivity, smartphone alerts, and carbon monoxide detection, making them even more valuable.

In the end, smoke detectors are not just gadgets on your ceiling; they are silent heroes that stand guard to protect what matters most—your family, your home, and your memories. The importance of smoke detectors cannot be overstated, and their presence in your home can make all the difference between a safe escape and a devastating tragedy. Take a moment to ensure your smoke detectors are in working order, and remember that their constant vigilance is the assurance of safety and peace of mind in your cherished haven.



A man tests a smoke alarm. Photo by Scott Van Osdol

2025 Board of Directors Elections Coming up

Whetstone Valley Electric Cooperative is planning its 83rd annual membership meeting. The 2025 annual meeting will be held Thursday, March 27, 2025, at 6:30 p.m. at the Milbank High School Theater.

This year, three members must be selected to serve on the Board of Directors, all for three-year terms.

The districts with open seats are as follow:

- **District 7 – Grant Center, Alban Townships**
- **District 8 – Stockholm, Madison, Vernon Townships**
- **District 9 – Adams, Waverly, Troy, Antelope Valley, Georgia Townships**

Director nominations are by petition only. Petition forms are available at our headquarters at 1101 E. 4th Ave. in Milbank. A candidate must be a bona fide resident of the district and return a petition with at least six (6) signatures from current members of the same district to the Whetstone office not less than 40 days prior to the annual meeting (Feb. 14, 2025).

Due to publication deadlines, in order to have a candidate profile published in the March issue of Cooperative Connections, petitions should be submitted by Jan. 31, 2025.

The process for becoming a director for Whetstone Valley Electric Cooperative, Inc. (WVEC) is contained in the Cooperative bylaws Article IV. Each candidate for a director position should carefully read the bylaws and understand the procedures. The bylaws can be found on our website, www.whetstone.com.

coop, or by contacting our office.

The Whetstone Valley Electric Cooperative board serves on behalf of the membership to provide oversight and strategic governance, while day-to-day operations are led by the cooperative general manager. The board is responsible for sending representatives to the associations of which the cooperative is a member. Directors are expected to attend education seminars and may be asked to serve on other associated cooperative boards. Directors may be asked to lobby and remain informed on pertinent legislative issues. Reading and studying is necessary to keep informed of current issues and how they may affect the co-op. It is the responsibility of the board to evaluate and develop long-term strategic plans to assure the financial and operational stability of the cooperative. Directors should expect to commit about 30 days per year for cooperative-related activities.

In addition to the rewards of being a director, there are some important responsibilities. A director must:

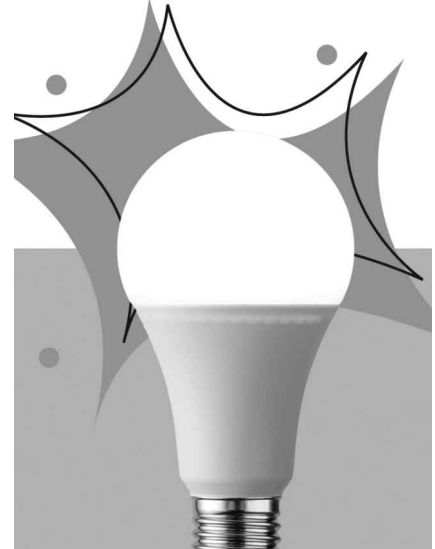
- **Be prepared to abide by and uphold the bylaws of the cooperative.**
- **Be open to new ideas and have a desire to learn.**
- **Be able to understand and engage members as their expectations change.**
- **Be adept at analyzing complex options to make sound decisions.**

If you are interested in learning more about what it means to be director, please feel free to contact a board member or our General Manager.

ENERGY EFFICIENCY TIP OF THE MONTH

If you have a home office, look for opportunities to save energy in your workspace. Use ENERGY STAR®-rated equipment, which consumes up to 50% less energy than standard models. Set equipment like printers and scanners to automatically switch to sleep or energy-saver mode when not in use. In addition to saving energy, the equipment will stay cooler, which will help extend its life. Another way to save energy in your home office is to use efficient lamps for task lighting. Replace any older bulbs with energy-saving LEDs.

Source: energy.gov





The Waxdahl's solar array and hog farm, east of Flandreau. *Submitted Photo*

DISTRIBUTED ENERGY

Understanding the Impact of DERs to the Electrical Grid

Frank Turner

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Farming has always been a way of life for fourth-generation producers Matt Waxdahl and his brother, Ben. Growing up just outside of Flandreau, the brothers spent their childhood lending a hand on their grandfather's and father's farms.

Over time, Matt and Ben started their own operation. As the market evolved, so did the brothers. In 2009, they expanded into hog farming, building their first barn. Their success led to the addition of two more barns, the most recent constructed in 2022.

According to Matt, raising hogs comes with one major benefit: temperature-controlled barns.

"It's all under one roof, and it doesn't matter if it's 100 degrees outside or -20, it's always T-shirt weather," said Matt.

However, keeping their hogs on a permanent tropical vacation requires a significant amount of energy. During the summers, industrial fans and a stout ventilation system keep the barn cool, while powerful heaters maintain a comfortable environment in the biting South Dakota winters.

Two years ago, the brothers tackled this energy-intensive challenge by installing a 30-kW solar array. With guidance from Sioux Valley Energy, their local electric cooperative, they determined the project would financially benefit their operation due to availability of tax credits and grant funding.

"We saw that the majority of our power usage was always during the day," Matt explained. "We did some number crunching, and it penciled out."

Distributed Energy Resources

The Waxdahl brothers' decision to invest in a solar array reflects how farmers and ranchers across the state are utilizing Distributed Energy Resources (DERs) like solar panels and on-site wind turbines. While some producers use solar panels to power remote water pumps, others invest in larger systems like solar arrays to offset the energy demands of their farms.

According to Ben Pierson, energy services manager at East River Electric, DERs are not common across the state. However, Pierson noted there are situations where DERs make sense: in remote areas where connecting to the electrical grid is too costly, for businesses or individuals looking to leverage tax credits and grant funds, and

for individuals who want to produce their own energy as a personal or environmental choice.

“The most successful applications of DERs that I’ve seen have been for agricultural operations like hog and dairy farms, where the producer has been able to secure both grant funding and tax incentives,” said Pierson. “It makes sense economically because they are using most their energy during the day when solar is producing.”

Even in the best-case scenarios, DERs still face challenges. Without existing tax breaks and grant funds, the energy savings from Waxdahls’ solar array would not have justified the expense. “It wouldn’t be economically efficient at all without the tax credits and grant funding,” Matt said.

The array has also not been as efficient as the Waxdahls had hoped. While the panel installers projected a return on investment within seven to 10 years, the reality after two years of operation suggests it may take closer to 12 to 15 years for the panels to pay for themselves.

Despite the challenges, Matt considers his solar array a successful addition to his hog operation. “If I had another barn the same size, I would make the same decision to add a solar array,” he said.

The Electrical Grid

While DERs offer renewable energy options at the local level, South Dakota’s electrical grid already incorporates significant contributions from renewable energy sources at a wholesale price.

In fact, Basin Electric Power Cooperative, a generation and transmission cooperative serving South Dakota’s electric cooperatives, began purchasing energy from the Wild Springs Solar Project in 2024. Located near New Underwood, the 128-megawatt facility is the largest solar farm in the state. Basin Electric is set to purchase 114 megawatts of the project’s output, marking its first step into utility-scale solar generation.

The benefits of this project are already underway, said Pierson.

“Building a large-scale solar array is much more economically feasible than

a smaller-scale solar array,” said Pierson. “It lets us implement renewable energy into the portfolio in a cost-effective way.”

According to Pierson, power providers are continually working to implement renewable energy where it makes sense while providing reliable energy at an affordable price.

Connecting to the Grid

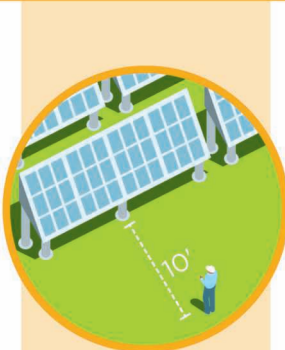
When considering the addition of DERs such as solar panels or an on-site wind turbine, Pierson encouraged members to contact their local electric cooperative to ensure the system is properly sized and safely connected.

When implementing a DER, there are often safety requirements in place to protect both the DER owner and the grid operators.

“Especially if you are talking to a third-party vendor, please reach out to your local utility to discuss the pros and cons – and realities – of implementing DERs,” said Pierson. “Utilities can offer unbiased information regarding the expected output and proper sizing of a DER.”

SAFETY NEAR SOLAR

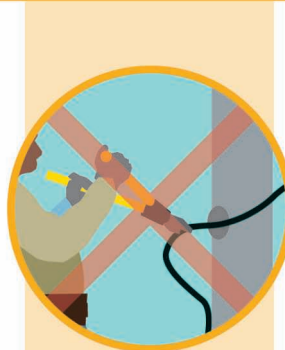
Like any other source of electricity, solar panels can pose potential hazards. Keep these safety tips in mind when you’re near solar panels.



Stay at least 10 feet away from the installation.



Never walk on solar panels.



Never cut any wiring to the solar panels.



Never touch broken or damaged solar panels.



Twin home built in 2022. These handicap accessible units have three bedrooms, two baths and double attached garages.
Photo submitted by Dick Werner

COMMUNITY GROWTH

Building a Stronger Community Through Workforce Housing

Jocelyn Johnson
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Supply and demand for workforce housing in South Dakota remains an issue for many smaller communities. Wage and worker demand has outpaced what many rural communities offer in affordable housing supply. Attracting and retaining qualified workers is becoming more of a challenge due to the simple, albeit costly, prerequisite for a place to live.

The need to develop and provide workforce housing at reasonable rates is a trending topic that one community advocate in Herreid, S.D., quickly acted on – resulting in a population increase for the first time since the town’s 1960 census.

Dick Werner, member of Cam Wal Electric and Black Hills Electric, has long championed the development of rural towns as a business owner, economic development consultant,

former state legislator and former county commissioner. He saw a need in his hometown for workforce housing, which he attributed to the dwindling population.

“When we first started tracking our population, we found that the highest number in our population fell into the category of 65 and older,” Werner said, “Next was the workforce group. Our lowest was our youth, which directly correlated with our depleting school enrollment.”

In 2016, Werner and other community leaders found the Herreid Area Housing Development (HAHD), a nonprofit committed to improving the town’s housing stock and ensuring long-term growth. Using this, the group worked quickly – gaining funds to build a place where workforce families would want to live

“It’s been one of the most rewarding challenges you can deal with,” Werner

said. “If you don’t control the dirt, you don’t control the future.”

Werner attributes his community’s growth to working families moving and staying in Herreid as well as welcoming diversity into the community’s workforce.

“It’s not just building homes, but it’s knowing what you have in your community,” Werner said. “We not only needed places for families to live, but we also needed to welcome diversity and make our community family friendly.”

Public facilities were similarly given attention to promote community growth. Playgrounds, sports facilities and the city pool were updated through a combined effort of donations, loans and grants.

Since 2017, five speculative homes have attracted 25 new residents to Herreid. The HAHD also purchased a remodeled eightplex apartment, a fourplex built in 2009, and two new twin homes – all full with a waiting list.

“That’s where we worked with the South Dakota Housing Opportunity Fund,” Werner said. “It gave us half the money to build and it’s forgivable after 20 years.”

South Dakota Housing is a self-supporting, nonprofit entity that

provides financing solutions such as housing bonds, tax credits and other federal and state resources to fund housing programs. This funding provides housing construction and rehabilitation, rental assistance, educational opportunities and more. One program offered is the South Dakota Housing Opportunity Fund.

Amy Eldridge, Rental Housing Development Director for South Dakota Housing, highlighted the financial virtues of the program.

“Local economic development groups and any property developer may apply for the funding,” said Eldridge. “It’s about the attractive financing that the program offers at 0% interest. With today’s interest rates, it’s hard to develop a property if you have to pay 7% interest while trying to construct it.”

Working with \$3 million annually, the South Dakota Housing Opportunity Fund has a competitive application process. New construction as well as building acquisition and rehabilitation qualify.

South Dakota Housing also offers infrastructure funding through the Housing Infrastructure Financing Program. John Curry and partner Chris Dunham of Elk Point Investments were recent recipients of these funds. They are currently developing land in Elk Point, S.D., where more than 150

homes have been built over the past 27 years.

“We’re the land developers, so we do the dirt work and civil engineering, and we sell to home builders,” said Curry. “The South Dakota Infrastructure Fund was something I had read about. . . We were in a good position to apply, and it provided 1/3 of the development costs if you met the criteria. With this funding, we are targeting to sell 56 lots beginning the spring of 2025.”

South Dakota Housing was allocated \$200 million by the state in 2023 to provide loans and grants for the development of housing infrastructure through the Housing Infrastructure Financing Program. Any for-profit or non-profit entity, tribal government, housing authority, political subdivision or agency of South Dakota is eligible to apply for funding.

“There is a shortage for housing,” said Curry. “I think you’re going to see a nice boom in workforce housing throughout the state because of this funding.”

(Right) Elk Point development. *Photo submitted by John Curry*

(Below) The pool project included a new bath house, new step-in pool with water features and existing main pool enhancements. The total project cost was \$1,132,000, with HAHD raising \$800,000 through grants and fund raising activities.

Photo submitted by Dick Werner



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Your Phone Number: _____

Your E-mail Address: _____



To have your event listed on this page, send complete information, including date, event, place and contact to your local electric cooperative. Include your name, address and daytime telephone number. Information must be submitted at least eight weeks prior to your event. Please call ahead to confirm date, time and location of event.

FEB. 1
James River Gobblers Wild Turkey Banquet
5 p.m.
Highland Conference Center
Mitchell, SD
605-999-3208

FEB. 2
Hot Dish Competition Lake County Museum Fundraiser
11 a.m.-1 p.m.
St. Thomas School Gym
Madison, SD
605-256-5308

FEB. 8
Polar Bear Chili Cook-Off
11 a.m.-2 p.m.
Main Street
Hill City, SD

FEB. 8
Dad & Daughter Dance
6-8 p.m.
Joy Ranch
Florence, SD
www.joyranchofsd.com

FEB. 8
ALL Ability Skate Day
Disability Awareness & Accessibility Committee
1-3 p.m.
Main Street Square
Rapid City, SD
605-390-4434

FEB. 14-17
11th Annual Frost Fest
9 a.m.-3 p.m.
Brookings, SD
605-692-7444

FEB. 15
Sioux Empire On Tap
Sioux Falls Convention Center
Tickets available online
www.siouxempireontap.com

FEB. 22
Knights of Columbus Ice Fishing Derby
Waubay Lake
Registration 9-10 a.m.
605-881-5075

FEB. 22
Bellator Titans Charter Casino Night Fundraiser
6-11 p.m.
316 2nd St.
Aberdeen, SD

FEB. 28-MARCH 1
Mardi Gras Weekend
8 p.m. Fri.-10 p.m. Sat.
Main Street
Deadwood, SD
605-578-1876

MARCH 8-9
Philip Area Annual Gun Show
Sat. 9 a.m.-5 p.m.
Sun. 9 a.m.-3 p.m.
American Legion Hall
Philip, SD
605-859-2135

MARCH 14-15
Badlands Quilter Weekend Getaway
Fri. 5 p.m.
Sat. 8 a.m.
Community Center
Wall, SD
605-685-5718

APRIL 4-5
Annual Schmeckfest
German Heritage Celebration
748 S Main St
Freeman, SD
605-925-4237

APRIL 11-12
Junkin' Market Days Spring Market
Fri. 4-7 p.m.
Sat. 9 a.m.-4 p.m.
\$5 Admission
W.H. Lyon Fairgrounds
Sioux Falls, SD
www.junkinmarketdays.com

Note: Please make sure to call ahead to verify the event is still being held.