

The Nodak Neighbor

presents the

2010 Annual Report

71st Annual Meeting - April 2, 2011



**North Dakota
Utility Rebate Program**

Visit www.ndarec.com



Co-op Facts

Total miles of line:

Overhead 4,419
Underground 3,666

Counties served:

Pembina, Walsh,
Ramsey, Nelson,
Steele, Grand Forks,
Griggs, Benson, Eddy
and Traill

Square miles: 8,820

Number of accounts: 17,681

Number of employees: 67

Board meeting:

First Tuesday of each month

Date first energized:

Dec. 23, 1939

Power supplier:

Minnkota Power
Cooperative, Inc.

CONTENTS

- 1 Nominees for Board of Directors
- 2 Message to our Members
- 4 Board of Directors and Staff
- 5 North Dakota Utility Rebate Program
- 6 Treasurer's Report
- 8 Financial Reports
- 10 Operation Round Up®
- 11 Employees
- 12 Agenda

ON THE COVER



On the Cover: Posi Lock Puller, Inc., of Cooperstown, N.D., manufactures a universal puller (above) that removes gears and bearings safely and quickly. Posi Lock recently took advantage of the North Dakota Utility Rebate Program by installing a new lighting system. Read more about the rebate program on page 5.

NOTICE OF ANNUAL MEETING

To the members of Nodak Electric Cooperative, Inc.:

You are hereby notified that the 71st annual meeting of Nodak Electric Cooperative will be held Saturday, April 2, 2011, at the Alerus Center, 1200 42nd Street South in Grand Forks, beginning at 10:30 a.m., for the following purposes:

1. To pass upon reports covering the previous fiscal year, including acting upon reports of directors.

2. To elect three directors:

The Committee on Nominations, appointed by the board of directors, present the following candidates for election to the board of directors:

District 1

(one 3-year term)

Lee McLaughlin
Lankin

District 2

(one 3-year term)

Roger Diehl
Hillsboro

District 3

(one 3-year term)

Steven Smaaladen
Aneta

3. To transact business that may come before the meeting.

4. To report changes made to the bylaws by the Board of Directors.

Article III, Section 9 pertaining to written notice to the Administrator of Rural Utilities Service was deleted as it is no longer a requirement of Rural Utilities Service. Article VII, Section 4 pertaining to capital credit allocation for an individual contract account was deleted as it is deemed to be outdated and not likely to be applied.

Voting by mail. The board of directors has authorized mailing, for the election of directors, each member an absentee ballot. Since the election this year is uncontested, we will not be mailing ballots and return envelopes for the election. You are entitled to vote by mail, and if you wish to vote, we will honor that right. Please feel free to call our office at 1-800-732-4373 and ask for an absentee ballot, and one will be sent to your address. If the completed ballot is received by 4:30 p.m. on April 1, 2011, it shall be counted as a vote of the absent member.

Donna Grotte
Secretary/Treasurer

March 9, 2011

Volume 61, No. 3
April 2011

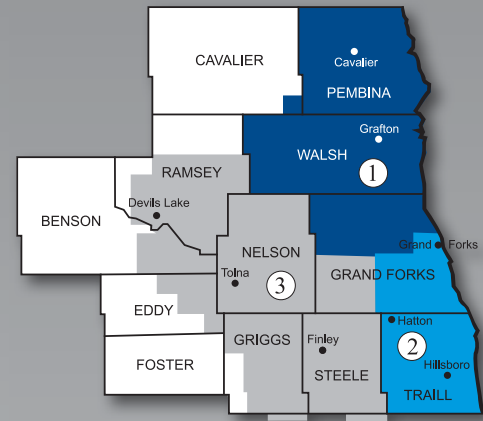
Nodak Neighbor

Official Publication of
Nodak Electric Cooperative, Inc.

The Nodak Neighbor (USPS 391-200) is published seven times a year, Feb., March, April, June, Aug., Oct. and Dec. for \$1 per year by Nodak Electric Cooperative, Inc., 4000 32nd Ave. S., Grand Forks, N.D. 58201-5944. Periodicals postage paid at Grand Forks, N.D., and additional mailing offices. POSTMASTER: Send address changes to NODAK ELECTRIC COOPERATIVE, INC., P.O. Box 13000, Grand Forks, N.D. 58208-3000.

746-4461 or 800-732-4373 • www.nodakelectric.com

NOMINEES FOR BOARD OF DIRECTORS



Lee McLaughlin
District 1

Lee McLaughlin was elected to Nodak Electric Cooperative's board in 1991. Since that time, he has held the positions of chairman, vice chairman

and secretary-treasurer. He currently represents Nodak on the Minnkota Power board. He has completed the courses necessary to receive the Credentialed Cooperative Director award, as well as receiving board leadership certificates.

McLaughlin received his bachelor of science degree from North Dakota State University in Fargo in agricultural economics. He is past board chairman of the Walsh Rural Water District. McLaughlin has also served on the Walsh County Farmers Union, Walsh County Fair board and several advisory boards. He served 14 years as a 4-H leader. Prior to farming, McLaughlin spent 11 years as vice president of agricultural lending at Bremer Bank in Grafton.

McLaughlin and his wife, Judy, farm near Lankin raising small grains, pinto beans, soybeans and canola. The McLaughlins are members of St. Joseph's Catholic Church in Lankin where he has served as a trustee.

They have three grown children and four grandchildren with another expected in July.



Roger Diehl
District 2

Roger Diehl has been a member of the board of directors for Nodak Electric Cooperative since 1975. He has also held the offices of president, vice chairman and secretary-

treasurer. Diehl has completed many courses for cooperative directors and received numerous awards. He is past director of the North Dakota Power Use Council and was a director of the North Dakota Association of Rural Electric Cooperatives.

Diehl attended Concordia College and received a bachelor of science degree in mechanized agriculture from North Dakota State University in Fargo. After graduation in 1959, he worked for the J. I. Case Machine Company as a credit supervisor stationed in Dickinson. Diehl started farming in 1961 near Hillsboro and also taught high school at the Northwest School of Agriculture in Crookston, Minn., for several years.

His community involvement includes past trustee, vice president and president of Our Savior's Lutheran Church council, past master of the Hillsboro Masonic Lodge, past chairman of the 20th district Republican Party and a charter member of the reorganization of the Hillsboro Jaycees.

Diehl and his wife, Marlene, reside on the farm south of Hillsboro. The Diehls have four grown children and 11 grandchildren. They have been residents of the Hillsboro area since 1961.



Steven Smaaladen
District 3

Steven Smaaladen became a Sheyenne Valley Electric Cooperative board member in 1997 and a Nodak board member during the transition after the merger between Nodak Electric and Sheyenne Valley

in 2001. He was re-elected to the Nodak board in 2002.

He attended Moorhead State University in Moorhead, Minn., and Trinity Bible College in Ellendale, N.D.

Smaaladen farmed with his father and brother until 1997. He then worked in the construction business from 1997 to December 2004 and is now a full-time rural mail carrier out of McVile, N.D.

For the past 18 years, Smaaladen and his wife, Marsha, have owned and operated Country Greenhouse located on their farm five miles north of Aneta. Their business includes selling bedding plants, perennials, trees and shrubs, and doing a variety of landscaping projects.

As a member of the Finley Assembly of God Church, he serves on the Church board and teaches Sunday school. He has also served many years as a branch leader for the Aid Association of Lutherans, now known as Thrivent.

The Smaaladens have two sons. Zachary Aaron is 13 and Zane Andrew is 3, soon to be 4. In 2008, the Smaaladen family traveled to Changsha, China, to bring home Zane, who was then 19 months old.

Smaaladen's hobbies are hunting, fishing, salvaging scrap metal and attending basketball games with his boys.



David Kent
chairman

George Berg
president & CEO

In some respects, every year is the same for an electric distribution cooperative. We have a basic mission to deliver reliable and safe electricity to our member-owners at the lowest cost possible. During our recent years of existence, this mission has changed little. What does change are the methods of achieving the mission and the obstacles along the road.

From a distribution perspective, 2010 was an excellent year. Our growth in kilowatt-hour sales was a little below average, but we accomplished all of our goals with respect to system improvements and line maintenance. Our off-peak heating program continues to provide financial benefits to our members, while at the same time provides valuable load management options for our power supplier, Minnkota Power Cooperative, Inc. Most importantly, 2010 was a successful year in that we had no serious electrical accidents, and we were affected only minimally from adverse weather.

A unique program initiated in 2010 was the North Dakota Utility Rebate Program. From the massive stimulus plan known as the American Recovery and Reinvestment Act, \$8.3 million trickled down to be made available for energy efficiency and renewable energy rebates. The program was designed such that application for rebates is made through the applicable electric utility. Roughly half of the funds available from the program were distributed by year's end.

The year 2010 might be remembered as the year of the renewable energy surcharge. In recent years, Minnkota took quick action to satisfy state renewable energy objectives through long-term contracts to purchase wind energy from large wind farms. Much of the power purchased through these contracts is in excess of their current needs and is sold in the regional market at current market rates. When the economy took a severe downturn, the market rates for excess energy similarly declined. This has resulted in large losses

MESSAGE TO OUR MEMBERS

in the resale of excess energy, a condition which likely will continue until the economy recovers. These losses have been recovered through a one-half cent surcharge. We look forward to better economic conditions, which will allow us to terminate the surcharge.

The year 2010, in some respects, will be remembered as the year of Keystone Pipeline. While this massive project has been built over several years, we began selling energy to three pumping stations this past year. The startup has been much slower than anticipated, and TransCanada purchased only a small fraction of the projected energy usage in 2010. Based on the motor capacity of each pumping station and the operating characteristics of these stations, TransCanada should be the largest single user of energy in the near future.

Unfortunately, 2010 may be remembered as the year the Grand Forks Air Force Base reached a low point of activity. Ten years ago, we saw the last of the minuteman missile presence, as this mission was removed from Grand Forks Air Force Base and transferred to Malstrom Air Force Base in Montana. This past year, we saw the last of the KC135 refueling tankers, which were stationed in Grand Forks and part of the Air Force Air Mobility Command. This left Grand Forks Air Force Base essentially without a mission. Fortunately, for Grand Forks, the plan is to add an unmanned aerial system mission in the future. In 2010, with the Base at an all-time low in population, it was also at an all-time low as far as electric energy consumption.

Ten years ago, 58 cents out of every dollar you paid Nodak was sent to Minnkota. Minnkota is the generation side of our business. In 2010, 77 cents out of every dollar was sent to Minnkota. Most of the increase has occurred in recent years, as Minnkota has spent more than \$425 million for environmental upgrades to its coal-fired power plants. These expenditures have increased our wholesale rates because of the debt service on the investment, as well as higher operating costs due to the upgrades.

The rates we pay Minnkota for our wholesale power have been impacted by rate increases of 13 percent in April 2009, 5 percent in April 2010, and 5 percent in December 2010. Recently, Minnkota announced a whopping 30 percent increase, which will go into effect in March 2011. In only five years, our annual cost for purchased power has gone from \$27 million in 2006 to a projected \$57 million in 2011.

While 2010 has been a challenge with increasing costs of production, we are still thankful to be doing business here rather than many other parts of the country. Rising electric rates have the most severe impact on low-income people. Thankfully, we don't have the high unemployment rates that still linger in many industrial states. While our retail rates have increased in recent years, they still remain far below those in many other parts of the country. Nodak is fortunate, that with a strong agricultural economy and moderate growth, we have been able to offset some of our increased operating expenses with additional kilowatt-hour sales.

Our board and management are committed to maintaining a strong cooperative with an emphasis on safety for the public and our employees, and on service reliability and responsive service to our member-owners. We encourage you to review the information in this annual report, and we hope to see you at our annual meeting at the Alerus Center in Grand Forks on April 2, 2011.

Member Information Meetings

Date	Time	Location
Tuesday, April 19	8:30 a.m.	American Legion – Finley
	Noon	Community Center – Hillsboro
Wednesday, April 20	8:30 a.m.	Community Center – Michigan
	Noon	Ranch Steak House – Devils Lake
Thursday, April 21	Noon	Ramada Inn – Grand Forks
Tuesday, April 26	8:30 a.m.	Minto Community Center – Minto
	Noon	Cedar Inn – Cavalier



Seated from left: David Hagert, Emerado; Donna Grotte, Finley; Lee McLaughlin, Lankin; and Gerad Paul, Grand Forks, legal counsel; Standing from left: Roger Diehl, Hillsboro; Bruce Fagerholt, Hoople; Paul Sigurdson, Edinburg; Doug Lund, Aneta; Steven R. Smaaladen, Aneta; and David Kent, Hatton.



Pictured from left: George W. Berg, president & CEO; Duane Hafner, customer/energy services manager; Steven Breidenbach, engineering manager; Tom A. Edwards, accounting/finance manager; Dan Schaefer, line superintendent; and Blaine Rekken, energy services supervisor.



North Dakota Utility Rebate Program

Rebates still available for energy-efficiency upgrades

“Seize the opportunity” has always been the philosophy of a growing North Dakota company. Posi Lock Puller of Cooperstown manufactures universal pullers that remove gears and bearings safely and quickly. As a member of Nodak Electric Cooperative, Posi Lock recently took advantage of the North Dakota Utility Rebate Program by upgrading its facility with an energy efficient lighting system. The rebate gave the company the incentive to complete the project after several years of consideration. Thanks to a seamless application process, Posi Lock had its rebate money in hand in no time.

The program

Launched June 1, 2010, the North Dakota Utility Rebate Program became available through North Dakota’s 16 electric distribution cooperatives operating with a grant from the North Dakota Department of Commerce. The grant from the department was made possible through a provision of the American Recovery and Reinvestment Act. The program was designed to offer more than \$2 million in rebates to electric cooperative members who purchase and install qualifying products and services, such as energy-efficient central air conditioners, air-source and geothermal heating systems, energy audits, attic and wall insulation and more. Residents can claim up to \$5,000 in rebates and businesses can get up to \$15,000. Rebate amounts vary and there are limitations to the program.

NDAREC administers the program from its headquarters in Mandan, N.D. From June 1 to Dec. 31, 2010, NDAREC awarded 820 rebates totaling more than

\$850,000 to electric cooperative members. Jane Porter, finance director for NDAREC and chief administrator of the program, says some of the most requested residential rebate categories across the state have been air-source heat pumps, geothermal heat pumps, air conditioners and water heaters. For commercial rebates, the most requested category has been lighting retrofits.

More than \$1,200,000 in rebates is still available and waiting to be claimed. The program will continue through Dec. 31, 2011, or until the funds are spent – whichever occurs first.

“At the rate we are awarding rebates, we are right on schedule to continue distributing funds through December 31, the day the grant ends,” Porter estimates.

While it’s hard to predict how fast the remaining rebates will be claimed, one thing is certain: it is still an opportune time to make residential and commercial improvements, and receive money back – now, with a rebate from the North Dakota Utility Rebate Program, and in the future, with lower energy bills.

The partnerships

Electric cooperative employees are working closely with consumers to review their energy needs and make sure the energy-efficiency upgrades they want to make will qualify for a rebate through the North Dakota Utility Rebate Program. Many are also connecting with local contractors throughout their service areas to ensure that service providers are also aware of what technology qualifies.



Posi Lock Puller, manufacturer of universal pullers (inset), recently took advantage of the North Dakota Utility Rebate Program by upgrading its facilities with energy efficient lighting.



Donna Grotte
secretary/treasurer

Self-made Midwest billionaire Warren Buffet once stated, “Price is what you pay, value is what you get.” He could very well have been referring to his monthly co-op electric bill. In terms of the electric distribution industry over the last three years, we are hopeful that Mr. Buffet’s thoughts about maintaining value will resonate clearly to each of our members as they review their own monthly electric bills and the annual finances of their cooperative. At a time when electric bills continue to ratchet upward, we feel there is still tremendous value in the product we deliver on a round-the-clock basis to each of our valued members.

The year 2010 provided challenges in relationship to year-end margins compared to the historical pattern of annual margins in the \$2 to \$2.5 million range. Margins for 2010 amounted to \$726,283 as compared to 2009 margin levels of \$1,437,963. In April 2010, our power supplier, Minnkota Power Cooperative, enacted a 5 percent wholesale power cost increase to the distribution cooperatives. That power cost increase was absorbed within our existing retail rate structure until a change in retail rates was needed in September. However, with nearly 80 percent of our total costs of electric service relating to purchased power, any type of increase in power costs during the year significantly affects our ending margins. In total, power costs rose to \$45.05 million last year, which is a 16 percent increase from the previous year level of \$38.83 million.

Revenue from electric sales measured \$58.68 million as compared to \$52.74 million in 2009. With the increases in power costs outpacing the increases in electric revenue during the year, margins took a turn downward. Wholesale power costs will continue to rise in 2011, but we are hopeful the double digit growth of the past few years is behind us. Additionally, we are fortunate to maintain growth within

our distribution system, which helps spread all cost increases amongst more energy sales.

In 2010, controllable expenses, which are inclusive of operations, maintenance, customer service, accounting and administrative functions, ended the year with a balance of \$7.07 million as compared to \$6.77 million in 2009, which amounts to a 4.4 percent overall increase. A portion of this increase can be attributed to investments we have made in technology during the past year, both in the operations phase of our business, as well as administratively. Some of those technology improvements include the addition of personnel within our information technology department, along with an investment in tools and equipment aimed at improving service reliability. Our members expect and deserve more electronic information regarding their monthly power billings, as well as quicker response time to problem situations. The investment in technology comes with a price tag, but without those investments the cost to serve our members becomes even higher in the future. We addressed some of those technology needs in 2010, and it will continue beyond the close of this financial year.

Fixed expenses, which include depreciation, interest and tax expense, amounted to \$5.87 million in 2010 as compared to \$5.91 million in 2009. Despite approximately \$3.7 million of new debt in 2010, interest expense decreased slightly due to favorable long-term interest rates and timely use of short-term borrowing. Also, tax expense noted a \$100,000 decrease due to a change in the methodology used to calculate distribution taxes by the state of North Dakota.

Non-operating margins, or margins achieved other than through the sale of electricity, include capital credit allocations derived from various nonprofit organizations that we conduct business with. In total, non-operating margins amounted to \$338,243 in 2010. The largest

TREASURER'S REPORT

contributor to non-operating margins last year was CoBank, our supplemental lender to RUS, returning \$212,000 in patronage allocations for the year.

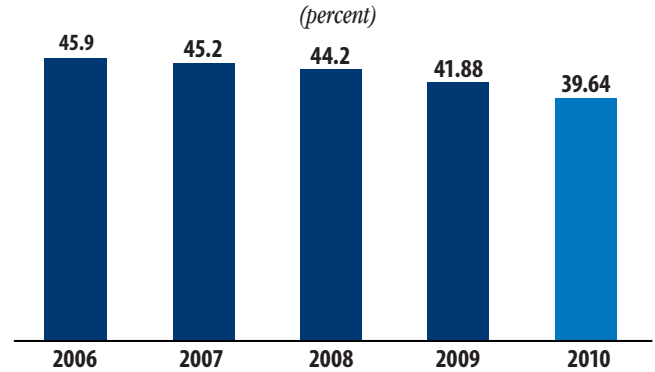
Balance sheet changes occurring in 2010 were minimal. A capital credit retirement occurred in March of last year, amounting to \$1.61 million. In addition to this general retirement, estate retirements amounted to \$79,000 in 2010. Due to a reduced 2010 margin, consistent capital credit retirements and increased total debt, member equity or ownership of the cooperative fell by 2.24 percent to a level of 39.64 percent. Even though 2010 took a downward turn, our member equity still remains very viable as compared to other co-ops in the U.S.

A co-op without continual annual system improvements and utility plant growth is a troubled co-op – such is not the case with Nodak Electric Cooperative. Total distribution plant additions in 2010 amounted to \$6.3 million, combined with \$2.3 million worth of plant retired. This is consistent with previous year's plant growth and is a very positive trend.

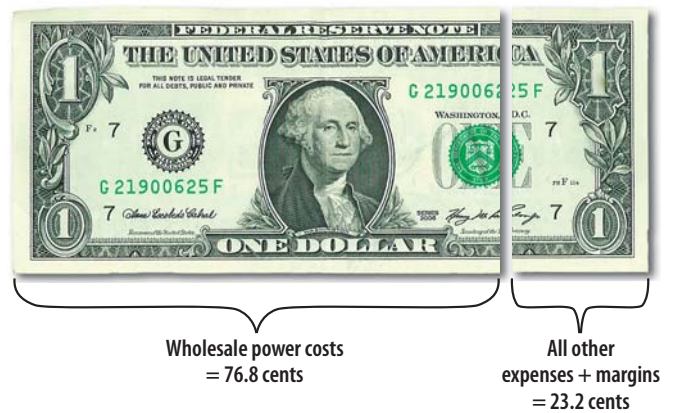
To summarize 2010, changes in the wholesale cost of power presented the biggest challenge. Various regulatory agencies will continue to pressure the electric industry to invest millions of dollars in plant upgrades, and those upgrades need to be paid for by the member end-user. Our Board of Directors and each employee of Nodak Electric is committed to finding new and better ways to be more efficient so as to offset a portion of these power cost increases. With continued growth of your cooperative, the future is still very promising despite the near-term obstacles.

If you have any further questions regarding the finances of Nodak Electric Cooperative, please feel free to stop by, give us a call or visit our website at www.nodakelectric.com. Thank you for your patronage in 2010. We sincerely hope you will continue to find good value in your electric service with Nodak Electric Cooperative, and we look forward to your continued support in 2011.

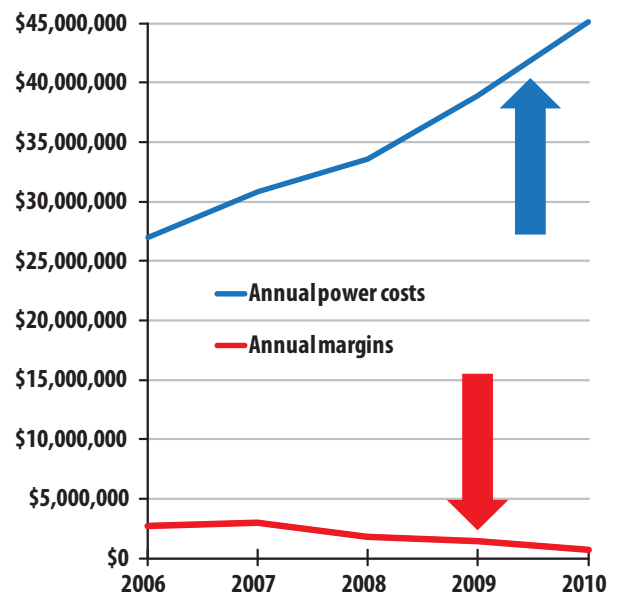
Member Equity



For every dollar in revenue taken in:



Power Costs in Relation to Margins



BALANCE SHEET

As of December 31, 2010 and 2009

<i>Assets</i>	<u>2010</u>	<u>2009</u>
ELECTRIC PLANT		
Electric Plant in Service	\$ 122,224,768	\$ 118,284,312
Construction Work in Progress	3,202,639	3,211,323
	<u>\$ 125,427,407</u>	<u>\$ 121,495,635</u>
Less: Accumulated Provisions for Depreciation	(39,948,188)	(37,998,494)
	<u>\$ 85,479,219</u>	<u>\$ 83,497,141</u>
OTHER ASSETS AND INVESTMENTS		
Investments in Associated Companies	\$ 3,235,105	\$ 3,234,831
Other Investments	920,696	857,288
	<u>\$ 4,155,801</u>	<u>\$ 4,092,119</u>
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 683,218	\$ 405,764
Accounts Receivable (Less Accumulated Provision for Uncollectible Accounts 2010 – \$31,836; 2009 - \$30,803)	8,585,444	6,848,974
Material and Supplies	2,134,064	2,899,756
Other Current and Accrued Assets	123,090	72,415
	<u>\$ 11,525,816</u>	<u>\$ 10,226,909</u>
DEFERRED DEBITS	<u>\$ 63,274</u>	<u>\$ 121,531</u>
TOTAL	<u>\$ 101,224,110</u>	<u>\$ 97,937,700</u>
<i>Liabilities and Members' Equity</i>		
EQUITIES		
Memberships	\$ 56,155	\$ 56,155
Patronage Capital	29,653,995	30,622,202
Other Equities	10,416,739	10,342,223
	<u>\$ 40,126,889</u>	<u>\$ 41,020,580</u>
LONG-TERM DEBT		
Long-Term Debt (Net of Current Portion)	\$ 47,012,018	\$ 40,888,134
OTHER NONCURRENT LIABILITIES		
	<u>\$ 1,180,000</u>	<u>\$ 1,180,000</u>
CURRENT LIABILITIES		
Current Maturities of Long-Term Debt	\$ 2,488,929	\$ 4,604,610
Line of Credit	3,500,000	3,700,000
Accounts Payable – Purchased Power	4,716,584	4,281,152
Accounts Payable – Other	321,559	313,083
Customer Deposits	231,699	193,884
Accrued Taxes	923,956	1,020,950
Other Current and Accrued Liabilities	460,897	458,377
	<u>\$ 12,643,624</u>	<u>\$ 14,572,056</u>
DEFERRED CREDITS	<u>\$ 261,579</u>	<u>\$ 276,930</u>
TOTAL	<u>\$ 101,224,110</u>	<u>\$ 97,937,700</u>

INCOME STATEMENT

As of December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
OPERATING REVENUE:		
Electric Revenue	\$ 58,634,327	\$ 52,682,201
Other	51,894	61,776
Total	<u>\$ 58,686,221</u>	<u>\$ 52,743,977</u>
OPERATING EXPENSES:		
Cost of power	\$ 45,052,471	\$ 38,838,001
Distribution – Operations	2,224,481	2,264,017
Distribution – Maintenance	2,082,244	1,991,438
Consumer Accounts	870,151	868,373
Consumer Service and Information	279,574	182,799
Administrative and General	1,617,969	1,467,027
Depreciation	3,151,882	3,005,705
Taxes	874,324	982,150
Total	<u>\$ 56,153,096</u>	<u>\$ 49,599,510</u>
OPERATING MARGINS BEFORE FIXED CHARGES	\$ 2,533,125	\$ 3,144,467
FIXED CHARGES:		
Interest on Long-Term Debt	\$ 1,914,739	\$ 1,935,777
Other Interest	230,346	182,902
Total	<u>\$ 2,145,085</u>	<u>\$ 2,118,679</u>
OPERATING MARGINS AFTER FIXED CHARGES	\$ 388,040	\$ 1,025,788
G&T AND OTHER CAPITAL CREDITS	<u>253,290</u>	<u>306,669</u>
NET OPERATING MARGINS	<u>\$ 641,330</u>	<u>\$ 1,332,457</u>
NON-OPERATING MARGINS:		
Interest Income	\$ 93,885	\$ 122,483
Other Non-operating Margins	(8,932)	(16,977)
Total	<u>\$ 84,953</u>	<u>\$ 105,506</u>
NET MARGINS	<u>\$ 726,283</u>	<u>\$ 1,437,963</u>

2010 Recipients

North Dakota Caring Foundation, Inc.	\$ 740
Northwood Hockey Boosters, Inc.	\$1,500
Sox for Kids	\$1,000
Sunshine Kids Center	\$1,000
Third Street Clinic.....	\$2,000
Susan Stark.....	\$1,788
Hope-Page After Prom Party.....	\$50
May-Port-CG After Prom Party	\$50
Hatton-Northwood After Prom Party.....	\$50
Adams-Edmore After Prom Party.....	\$50
Dakota Prairie After Prom Party	\$50
Lakota After Prom Party	\$50
Grand Forks Central After Prom Party	\$50
Fordville-Lankin After Prom Party.....	\$50
Thompson After Prom Party	\$50
Central Valley After Prom Party	\$50
Park River After Prom Party	\$50
Valley-Edinburg After Prom Party	\$50
Devils Lake After Prom Party.....	\$50
Griggs County Central Prom Party	\$50
North Border After Prom Party.....	\$50
Red River After Prom Party.....	\$50
Altru Ambulance Service.....	\$100
Aneta Ambulance Service.....	\$100
Binford Ambulance Service.....	\$100
Cooperstown Ambulance Service.....	\$100
Drayton Ambulance Service	\$100
Finley Ambulance Service.....	\$100
Fordville Ambulance Service.....	\$100
Hillsboro Ambulance Service	\$100
Hoople Ambulance Service	\$100
Hope Ambulance Service	\$100
Lake Region Ambulance Service	\$100
Lakota Ambulance Service.....	\$100
Larimore Ambulance Service	\$100
McVille Ambulance Service	\$100
Michigan Ambulance Service	\$100
Northwood Ambulance Service.....	\$100
Pembina County Ambulance Service.....	\$100
St. Ansgar Hospital Ambulance Service.....	\$100
Valley Ambulance & Rescue Squad	\$100
West Trail Ambulance Service	\$100
Raymond Alkofer	\$2,000
Beverly Brorby.....	\$2,000
Brennan Ehlers	\$2,500
Development Homes, Inc.	\$1,000
Kristofer Mehling	\$715
Elizabeth Praska	\$2,000
Park River Volunteer Fire Dept.	\$1,000
Ross Azure.....	\$1,500
Lawrence Cobert	\$1,500
Patricia Danielson	\$1,500
Farm Rescue	\$500
Fordville Rural Fire Protection District.....	\$1,000
Hillsboro Medical Center Foundation	\$500
Hospice of the Red River Valley.....	\$500
Francine McClendon.....	\$500
Minto Rural Fire Protection District.....	\$500
Northeast Human Services (Foster Care)	\$500
Northlands Rescue Mission	\$500
Pembina County Council on Aging/Pembina County Meals & Transportation	\$500
Mike & Sheila Storey	\$1,000
Janice Townson.....	\$500
Huey Wells, Sr.....	\$1,000
Community Violence Intervention Center.....	\$500
Feed My Starving Children Program.....	\$500
Mayville Senior Center.....	\$500
Northwood Deaconess Health Center.....	\$500
Sunshine Kids Center	\$500
Walsh County Transportation Program.....	\$500
Jeremy Amundson.....	\$2,000
Maria Garcia	\$1,057
Richard Gosselin.....	\$1,500
Tony Kitzman.....	\$2,000
Braydon Ray	\$2,000
Carol & Vic Voecks	\$2,000
Total.....	\$47,600



Strength in Numbers

Thanks to you, it's working!

Operation Round Up® is a program that rounds up members' monthly electric bills to the next whole dollar amount. The resulting funds are put into a special account to assist others in need. The funds collected through Operation Round Up are used for a wide variety of projects, programs and items throughout the Nodak service area.

The Round Up board meets quarterly and considers each application that has been received since the previous meeting. They award funds to the applicants based on how well the application fits the original funding guidelines: 1. Individuals or families in crisis; 2. Services – ambulance and fire; 3. Community youth needs with emphasis on permanent benefit; 4. Scholarships with emphasis on re-education of displaced agricultural people; and 5. Senior needs with emphasis on permanent benefit.

Operation Round Up is a voluntary program with roughly 60 percent of the 13,393 members participating. Since the program started, a total of \$522,600 has been distributed to individuals and organizations throughout the Nodak Electric service area.

Operation Round Up 2010 Board of Directors

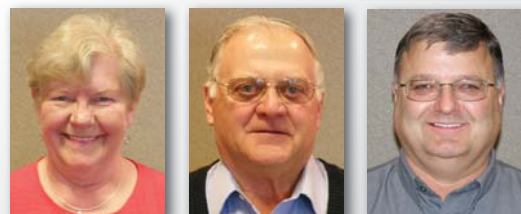


Bruce Ellertson

Sheryl Kjelland

Maynard Messer

Pat Osland



Janice Sauer

Harvey Puppe

Roger Windjue

EMPLOYEES

Amundson, Becky I., Customer Account Representative
Baker, Russell G., District Crew Foreman
Berg, George W., President & CEO
Bjornstad, James O., Lead Lineman
Brag, David M., District Crew Foreman
Breidenbach, Steven C., Engineering Manager
Chaput, Damus E., District Crew Foreman
Charbonneau, Brian D., Lead Lineman
Dahlen, Dale O., Apparatus Technician I
Dahlen, Kevin J., Meter Technician I
Dalbey, Victoria J., Receptionist
Danielson, Steven C., Energy Services Representative
Dubuque, Vernon C., Engineering Representative
Edwards, Tom A., Accounting & Finance Manager
Ferguson, Thomas C., District Crew Foreman
Ford, Guy M., Journeyman Lineman
Gierszewski, Connie M., Billing Supervisor
Hafner, Duane, Customer/Energy Services Manager
Haman, Wade A., Journeyman Lineman
Hansen, Casey, Electrical Engineer
Hanson, Jeffrey B., Lead Lineman
Herz, Todd, Engineering Representative
Hjelmstad, Eric, Journeyman Lineman
Honek, Chad R., Electrical Technician II
Hoveland, Gregory A., Underground Crew Foreman
Hovland, Christopher, Journeyman Lineman
Juntunen, Steven R., Lead Lineman
Karboviak, Maurus J., Journeyman Lineman
Kelley, Kurt A., District Crew Foreman
Kiemele, Timothy B., District Crew Foreman
Kindseth, Lucas, Information System Coordinator
Korynta, Glenn F., Electrical Equipment Operator
Kurtz, James R., Heavy Lead Lineman
Lider, Jeffrey C., Journeyman Lineman

Lommen, Todd, Apprentice Apparatus Technician
Lorenz, Nathan D., Journeyman Lineman
Lunak, Melissa M., System Operations Supervisor
Markuson, Michelle R., Accountant II
McKelvey, Cory L., Lead Lineman
Midstokke, Scott K., Lead Lineman
Miller, Randy J., Journeyman Lineman
Mohn, Gordon A., Tech Crew Foreman
Mosher, Dwight L., Electrical Equipment Operator
Mozinski, David H., Energy Management Coordinator
Nagel, Melvin M., District Crew Foreman
Nipstad, Mark A., Journeyman Lineman
Nowacki, Loren M., Information Technologist
Peterson, Lois D., Customer Account Representative
Poehls, Bret D., Journeyman Lineman
Raymond, Jason F., Assistant Line Superintendent
Reed, Dale W., Lead Lineman
Rekken, Blaine A., Energy Services Supervisor
Rocksvold, Wayne P., Warehouseman
Schaefer, Daniel J., Line Superintendent
Schmaltz, Gretchen R., Energy Services Advisor/Analyst
Schmaltz, Ryan L., Operations Technician
Sloan, Jeff J., Journeyman Lineman
Slominski, Mark S., Lead Lineman
Slusar, Paul S., Radio Technician
Snustad, Joseph K., Staking Engineer
Solem, Carol D., Customer Account Representative
Sondreal, Derek W., Apprentice Lineman
Soper, Kim M., Administrative Assistant
Steinhaus, Jeremy A., Journeyman Lineman
Strand, Marilyn J., Accountant I
Traiser, Charles M., Cable Locator
Walcker, Russell L., Lead Lineman

Energy Services Department:

(Seated, left to right)
Duane Hafner, Customer/Energy Services Manager;
and David Mozinski, Energy Management Coordinator;
 (standing, left to right)
Gretchen Schmaltz, Energy Services Advisor/Analyst;
Steve Danielson, Energy Services Representative;
and Blaine Rekken, Energy Services Supervisor.



OUR MISSION

Nodak Electric Cooperative is proud to serve as your local electric provider. We believe that working together toward a common vision is the cooperative difference. We do this by operating on a not-for-profit, cost-of-service basis. Margins are given back to the members in the form of capital credits to reduce their electric costs. Co-ops put consumers first.

These core business principles that have supported your local cooperative and all cooperatives for years are still alive and very strong today. Nodak's mission is based on the following statement: "Nodak Electric Cooperative is dedicated to be an efficient provider of quality electric service with leadership that demonstrates the highest regard for its member-owners."

71st Annual Meeting

Agenda

April 2, 2011

- 9:30 a.m.** – Doors open and registration begins at the Alerus Center, Grand Forks
- Entertainment by Jazz On Tap
- 10:30 a.m.** – Call to order of the 71st annual meeting
David Kent, chairman, presiding
- Reading of Notice
 - Declaration of Quorum
 - Nominating Committee Report
 - Election
 - Nodak business report
David Kent and George Berg
 - Guest Speaker
Wally Lang, Minnkota Power Cooperative
 - Question and answer period
 - Old and new business
 - Drawing for grand prize
 - Adjournment
 - Complimentary meal



GUEST
SPEAKER



Wally Lang

Wally Lang is the vice president of transmission for Minnkota Power Cooperative, our wholesale power provider.

Lang grew up on a farm in south central North Dakota and graduated from UND with a degree in electrical engineering. He joined Minnkota in 1974 and was promoted to his current position in 2002. Lang is responsible for overseeing Minnkota's power delivery system, which includes transmission lines, substations, telecommunications and energy management systems.

Lang and his wife, Susan, reside near Larimore, N.D., and have two grown children and two grandchildren.

Entertainment by Jazz On Tap