

*The Nodak Neighbor*  
presents the  
*2012 Annual Report*



**73<sup>rd</sup> Annual Meeting**  
**April 11, 2013**



## *The Nodak Neighbor*

Official Publication of  
Nodak Electric Cooperative, Inc.

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746-4461 or 800-732-4373  
[www.nodakelectric.com](http://www.nodakelectric.com)

## *Co-op Facts*

### *Total miles of line:*

Overhead 4,162  
Underground 3,801

### *Counties served:*

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

*Square miles:* 8,820

*Metered services:* 18,023

*Number of employees:* 63

### *Board meeting:*

First Tuesday of each  
month

### *Date first energized:*

Dec. 23, 1939

### *Power supplier:*

Minnkota Power  
Cooperative, Inc.

# *Notice of Annual Meeting*

*To the members of Nodak Electric Cooperative, Inc.:*

You are hereby notified that the 73<sup>rd</sup> annual meeting of Nodak Electric Cooperative will be held Thursday, April 11, 2013, at the Alerus Center, 1200 42<sup>nd</sup> Street South in Grand Forks, beginning at 6:30 p.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:**

Listed below are candidates either nominated by petition or selected by the Committee on Nominations. The members of the Committee on Nominations are appointed by the board of directors.

**District 1**

*(one 3-year term)*

**Marlene Arneson**  
Walhalla

**Luther Meberg**  
Park River

**Arnie Peterson**  
Cavalier

**District 2**

*(one 3-year term)*

**David Kent**  
Hatton

**District 3**

*(one 3-year term)*

**Paul Bernardy**  
Larimore

**Shane Ebach**  
Northwood

**Paul Hofer**  
Northwood

**Keith Johnson**  
Sharon

**Tom Peterick**  
Hatton

**Ronald L. Tufte**  
Lakota

**Les Windjue**  
Devils Lake

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

**Voting by mail.** The board of directors has authorized mailing, for the election of directors, each member an absentee ballot. Your ballot will be mailed to you prior to the annual meeting with a list of the candidates and a postage paid return envelope. If the completed ballot is received by 4:30 p.m. on April 10, 2013, it shall be counted as a vote of the absent member. Remember to sign the back side of the postage paid return envelope where indicated or the ballot will be invalid.

David Hagert  
Secretary/Treasurer  
March 5, 2013





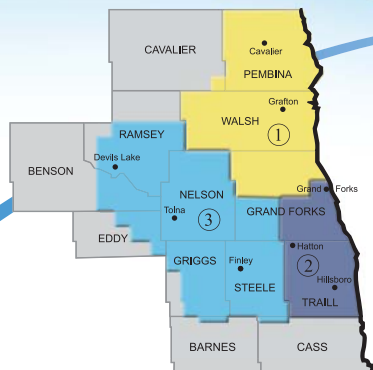
## Board of Directors

*Front row, from left: Bruce Fagerholt, Hoople; Roger Diehl, Hillsboro; Steven R. Smaaladen, Aneta; David Kent, Hatton; and Donna Grotte, Finley. Back row, from left: Gerad Paul, Grand Forks, legal counsel; Mylo Einarson, president & CEO; David Hagert, Emerado; Paul Sigurdson, Edinburg; Doug Lund, Aneta; and Lee McLaughlin, Lankin.*



## Staff

*Pictured from left: Tom A. Edwards, accounting/finance manager; Blaine Rekken, customer/energy services manager; Mylo Einarson, president & CEO; Kim Soper, executive assistant; Dan Schaefer, line superintendent; and Steven Breidenbach, engineering manager.*



# Board of Directors Candidates

## District 1



**Marlene Arneson**  
District 1

Marlene Arneson is a retired educator from Walhalla who taught special education. She graduated from Walhalla High School and Trinity Bible College in Jamestown. Arneson later received a master of arts degree from Wartburg Theological Seminary. She has a son, five grandchildren and seven great-grandchildren. Arneson was active in the Anne Carlsen school auxiliary and has been a youth group leader.



**Luther Meberg**  
District 1

Luther Meberg, Park River, has farmed with his brothers since 1976. The University of North Dakota graduate and his wife, Linda, have two sons and four granddaughters. Meberg is a past Park River school board director, a past Cenex Harvest States elevator advisory board member and has also been on an implement dealership board. Today he is a Walsh County commissioner, and serves on several committees and boards, including the North Dakota County Commissioners Association legislative committee and the Dundee Mutual Insurance board.



**Arnie Peterson**  
District 1

Arnie Peterson is a sales representative for Syngenta Hilleshog Sugar Beet Company. A Cavalier High School graduate, he received a bachelor's degree in microbiology from North Dakota State University. Peterson farmed in the Cavalier area and also owned Peterson Catering and Peterson Trucking. In addition, he was an agriculturalist for American Crystal Sugar. He and his wife, Sandy, have four children and three grandchildren. Peterson is a Kem Temple Shriner and a North Valley Water District board member.

## District 2



**David W. Kent**  
District 2

David Kent was first elected to the Nodak Electric Cooperative board of directors in 1989. Kent's community involvement includes serv-

ing on the boards of Union Township and Holmes United Methodist Church. He is also a member of the Farm Bureau, Goose River Lodge #19 and the Kem Shrine. Kent is a graduate of North Dakota State University with a degree in agricultural economics. Kent works for Nodak Mutual Insurance and resides on the family farm with his wife, Marguerite. They have three daughters.

## How to vote

Members may vote **in person** at the Alerus Center on Thursday, April 11, 6:30 p.m.,

– or –

**by mail.** Ballots will be mailed out prior to the meeting. Voting instructions will be included.

## Attention corporate members

If you are a member Corporation, Cooperative, School, Church, Township (or other non-natural person) of Nodak Electric Cooperative, Inc., and want to be represented at members' meeting(s), the Designation of Voting Representative will be enclosed in the ballot mailing. The form must be completed and signed by an authorized officer of the organization. This form must be completed annually.

In order for the member corporation, etc., to participate in business matters, this form must be received by the secretary of Nodak on or before the date of the members' meeting(s). This form may be mailed with your ballot to Nodak or presented at registration at the members' meeting(s).



## District 3



**Paul J. Bernardy**  
*District 3*

Paul Bernardy farms and also runs Bernardy Insurance Agency in Larimore. He and his wife, Wendy, have been married for 22 years. They have two children, Rylee and Morgan. Bernardy has a marketing degree from the University of North Dakota. The Larimore High School graduate is a township official and is on the state board of the Professional Insurance Agents.



**Tom Peterick**  
*District 3*

Tom Peterick is a sales representative with Schaeffer Manufacturing Company. He graduated from Mahanomen (Minn.) High School and earned a bachelor's degree from Mayville State University in business administration. He has been married to wife Tamara for 13 years, and they have three children. Peterick is a member of the Hatton Men's Club and part of the music worship team at Ebenezer Lutheran Church.



**Shane Ebach**  
*District 3*

Shane Ebach works for Ness Plumbing of Hatton, N.D. The Northwood resident is married to Rendi, and they have a daughter, Piper. Ebach attended South Dakota State University before receiving a degree from Northland Community and Technical College in East Grand Forks, Minn. He is a member of Beaver Creek Lutheran Church and a past auditor of the church.



**Ronald L. Tufte**  
*District 3*

Ronald Tufte has been a United States Postal Service supplier for 32 years. A resident of Lakota and a Lakota High School graduate, he attended the University of North Dakota. He is chair of Clara Township in Nelson County and has farmland ownership in Nelson and Ramsey counties.



**Paul Hofer**  
*District 3*

Paul Hofer has been a farmer in rural Larimore since 1985. He and his wife, Tammy, have two daughters and three sons. A graduate of North Dakota State University with a degree in agricultural economics, Hofer is on the Good Samaritan Home Health board, the Larimore school board and serves as treasurer of Grace Township. He was a member of the Grand Forks County Ag Improvement board and the St. Stephen's Church parish council.



**Les Windjue**  
*District 3*

Les Windjue is a farmer in Morris Township of Ramsey County. He has been married to Karn for 35 years. They have three children and four grandchildren. Windjue graduated from Devils Lake High School and Lake Region State College. He serves on the Greater Ramsey Water District and the Mercy Hospital Foundation boards and is clerk of Morris Township. He is a former member of the Lake Region State College Foundation and served on the Peace Lutheran Church council as treasurer.



**Keith Johnson**  
*District 3*

Keith Johnson farms and ranches with his wife, Becky, and two sons west of Hatton. A Northwood High School graduate, Johnson attended North Dakota State University. He is on the North Dakota Stockmen's Association board and serves as Beaver Creek Lutheran Church president. He also has been a board member of Northwood Deaconess Health Center and the Central Livestock Association, and a Beaver Creek Lutheran Church council member. The Johnsons have five grandchildren.

# Message to our Members

When we look back at 2012, one way we like to describe it is: eventfully uneventful. There was the hustle and bustle of a growing cooperative with many new faces and exciting new projects and challenges. The one notable thing we didn't see was a significant storm. Although we had one relatively minor storm event that caused outages for some of our members, we were lucky enough to escape the severe storms that all too often cause widespread outages, severe damage and huge restoration costs.

One of the exciting things we have to share with you is that Nodak reached a notable milestone in 2012. For the first time, Nodak sold more than 1 billion kilowatt-hours (kWh) in a single year, which represents a 3.7 percent increase in total kWh sold. We started the year with reduced sales from an abnormally warm winter, and also witnessed the closing of the ADM ethanol facility in Walhalla, N.D. However, robust increases in purchases by TransCanada and overall strong sales in the fourth quarter were enough to overcome the slow start.

While sales growth was a significant factor in a positive financial result for Nodak, that was not the typical case for the rest of the Minnkota system. In fact, nine of the 11 co-ops and all 12 municipalities that comprise the Minnkota



**Steve Smaaladen**  
Chairman

**Mylo Einarson**  
President & CEO

Joint System experienced losses in sales in 2012. In aggregate, Minnkota's sales to Joint System members fell by 1.7 percent from 2011 to 2012.

The good news is that despite these losses our wholesale rate stabilized in 2012. The new Minnkota budget does not include a wholesale rate increase for 2013, and current projections for 2014 show a similar trend. With wholesale rates finally leveling off, we look forward to some predictability in our costs and therefore our rates.

After several months of careful planning and preparation, we deployed our iPad project in spring 2012. Each of our electrical teams was given an iPad with up-to-date maps of our system and member account information. This innovative use of technology allows our line personnel to access real-time data, enhancing their ability to manage outages as well as streamline many of our processes so we can provide better service to our member-owners.

This constant evaluation of our business practices and scrutiny of our cost of operation is what allows us to be successful on such thin margins. Only a dozen years ago our cost of wholesale power accounted for 58 cents of every dollar our members paid to Nodak. In 2012, 83 cents of every dollar was sent to Minnkota for wholesale power, leaving only 17 cents for the rest of our operation. Finding ways to meet your expectations more cost-effectively is one of our highest priorities here at Nodak – right behind keeping our line crews safe and keeping the lights on.

Another notable event in 2012 was the energizing of the Devils Lake East End Outlet. In June, the massive outlet that consists of five large pumps and a 5-mile pipeline began pumping Devils Lake water into the Tolna Coulee. These pumps will help ease the decades-long flooding that has finally started to show signs of letting up.

Another bright spot for Nodak in 2012 was the continuation of our business relationship with TransCanada and the Keystone pipeline. We saw significant increases in kWh sales during the year to TransCanada, which is now our largest member and represents almost 20 percent of our total sales volume.

From a distribution perspective, I would say 2012 was an excellent year. We accomplished all of our goals with respect to system improvements and line maintenance and our off-peak heating program continues to provide financial benefits to our members.

We encourage you to review the accompanying financial statements along with the report from Secretary-Treasurer David Hagert. We hope you'll agree that Nodak ended 2012 in sound financial position and that we fulfilled our mission throughout the year by efficiently providing you with quality electric service while keeping you, the member-owner, in the highest regard.

On behalf of the entire Board of Directors and all the employees at Nodak, we want to thank you for your patronage in 2012 and for the opportunity to serve you. We hope to see you at our annual meeting at the Alerus Center in Grand Forks on Thursday, April 11, 2013.



# Treasurer's Report

**David Hagert**  
*secretary/treasurer*

Change is inevitable, except from vending machines. Such lighthearted words of wisdom could summarize the winter of 2011-2012 in our service area. Although mild temperatures we experienced during first quarter 2012 were certainly much more comfortable than we are historically accustomed to, those short-term climate changes brought challenges to utilities such as Nodak Electric Cooperative. Northern tier utilities are very much financially dependent on kilowatt-hour (kWh) sales that occur during the harshest part of our winter season. Without those sales, we are playing "catch up" during the rest of the year. Our cost of purchased power moves downward during mild winters, just as it does for our members, but our other operating expenses continue as normal – they are not temperature sensitive.

The 3 percent rate increase implemented last April was partially due to some of those climate changes we experienced, although we cannot totally blame the weatherman. Like most individuals and businesses, we have experienced inflationary upward pressure on everything we purchased in 2012 – from the fuel for our large fleet of vehicles all the way down to the oil-based ink used in our printers. Coupled with those inflationary increases, we also lost approximately 35 million kWh of sales when the ADM plant in Walhalla was shut down last March.

Our 2012 margins ended the year at \$2,590,938, which was considerably better than the previous year's margins of \$1,171,350. Inadequate margins such as those experienced in 2011 are detrimental to our future financial picture, so with the modest increase in rates, along with continued commercial and industrial growth in our service area, we were able to end the year with adequate margins.

Revenue from electric sales was \$84 million in 2012 compared to \$76.8 million in 2011. As compared to other electric cooperatives in our region, we are fortunate to have a diverse mix of residential and commercial accounts. When the residential rate sector lags because kWh sales are affected by unseasonable weather, the commercial sector, which is largely unaffected by climate differences, helps make up the lost kWh sales ground. Such was the scenario in 2012, with TransCanada Pipeline increasing its kWh sales by 42 percent as compared to 2011 levels.

Purchased power costs, which compose 83 percent of our expenses at more than \$68 million, were rate stable in 2012. In years past we have experienced many large increases in our purchased power costs, which to a large extent have been passed along to our membership via increased rates.

In 2012, operating expenses, which are inclusive of operations, maintenance, customer service, accounting and administrative functions, ended the year with a balance of \$7.14 million compared to \$7.30 million in 2011, which amounts to a 2.2 percent overall decrease. We have gone through a two-year period of employee transitions, with some employee positions being merged or eliminated through attrition. Some of the savings in operating expenses can be tracked to those employee changes and various other

cost-saving measures implemented by Nodak.

Fixed expenses, which include depreciation, interest and tax expense, amounted to \$6.69 million in 2012 compared to \$6.38 million in 2011. The requirements of maintaining and expanding our electric plant require us to implement new loans each year and 2012 was no exception. Despite originating more than \$5 million in new loans in 2012, our interest expense increased by only \$46,000 compared to 2011. During the last five years, our overall cost of new debt is slightly more than 3 percent, which helps to keep our annual interest expense increases minimal. The interest rate market may ratchet upward in the future; however, we will continue borrowing only when prudent.

Balance sheet changes occurred mainly in the addition of new electric plant and the corresponding new debt supporting expansion of that electric plant. We did not have a capital credit retirement in 2012, mainly due to the earlier-mentioned margin constraints of the previous year. The decision to make a capital credit retirement each year is complicated, with many factors weighing on that decision. It was to the long-term financial benefit for all of our cooperative members to not have a capital credit retirement in 2012; however, we will again evaluate the financial picture in 2013 to determine if a capital credit retirement is feasible. As a result of the decision to not retire member equity in 2012, year-end member equity or ownership of the cooperative rose to 38.66 percent, which reversed a downward trend of previous years.

To summarize 2012, revenue and margins started the year at a dampened level, mainly due to our unpredictable climate. However, as the year progressed, margin recovery was timely and we ended the year better financially than we had expected or budgeted. As noted in my opening sentence, change is inevitable; it's how you deal with changes that make a difference. We feel your Board of Directors made the necessary changes in 2012, leaving the cooperative in a better financial status for the future. Despite making some changes that are not always easy, the future remains bright for your cooperative and that is something we can all be proud of. We will continue to monitor the well-being of your cooperative so that tradition continues.

Thank you for your patronage in 2012. 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 2013.





# Powering our future

## Young Station upgrades improve reliability, environmental performance

Safe, reliable and affordable electric power is essential to the high quality of life Nodak

Electric Cooperative members have come to expect. Homes and businesses in our service area depend on electricity that's available at the flip of a switch – even when the sun isn't shining or the wind isn't blowing.

For more than 40 years, the Milton R. Young Station has been a power-producing workhorse for Nodak and cooperative members throughout the region. Following a five-year, \$425 million upgrade project, the coal-based plant is positioned to be a reliable and environmentally sound resource for many years to come.

Minnkota Power Cooperative, our wholesale power provider, completed the upgrades at the Young Station in 2011. Major projects ranged from the construction of a sulfur dioxide (SO<sub>2</sub>) scrubber for the Young 1

generator and improvements to capture additional SO<sub>2</sub> that passes through the existing scrubber on Young 2.

In addition, nitrogen oxides (NO<sub>x</sub>) reduction equipment was installed on both boilers. Other electrical system and infrastructure projects were completed to support the emission control equipment.

As a result of these upgrades, the Young Station's emission levels have dropped significantly. The systems meet all state and federal regulations by removing 95 percent of SO<sub>2</sub> emissions and reducing 60 percent of NO<sub>x</sub> emissions.

While the environmental performance at the Young Station has greatly improved, the cost of these upgrades has placed pressure on electric rates. However, the improvements at the plant remain the best and lowest-cost option in meeting the area's long-term power demands.

In the meantime, Minnkota and Nodak still have rates that are





competitive regionally and well below national averages.

Following the completion of these upgrades, Minnkota continued to be proactive in finding innovative, low-cost technologies to reduce emissions at its power facilities. Through a partnership with Clean Coal Solutions, a Colorado-based technology firm, the Young Station served as a test site for the first use of CyClean™ technology on a cyclone boiler power plant using lignite coal.

The results show that CyClean has the ability to reduce mercury emissions by 40 percent and NO<sub>x</sub> emissions by an additional 20 percent from previous levels. The Young Station will continue to test and use the technology while long-term arrangements are evaluated.

The CyClean system requires no large machinery or major modifications to the plant. A small building was constructed near the coal supply belt as it enters either of the plant's two

generating units. CyClean is applied – in both a granular and liquid form – directly onto the coal as it enters the facility on a conveyor belt.

The successful implementation of CyClean at the Young Station could pave the way for other power facilities in the state and across the country to adopt the technology.

The Young Station's future is a combination of challenges and opportunities. The challenges will be to continue to provide low-cost power while at the same time meeting new and existing environmental control standards. The opportunities are to maximize the efficiency and long-term availability of the plant.

For Nodak members, the investments made at the Young Station represent a promising future where reliable, affordable and increasingly clean power is available at the flip of a switch.

## Young Station Upgrades

- 2006** – Minnkota sets a path to complete major environmental upgrade projects at the Young Station by signing a Consent Decree agreement with the Environmental Protection Agency. A turbine upgrade project is completed on Young 1.
- 2007** – Work on Young 2 includes a turbine upgrade, generator rewind and the installation of Over-Fire Air (OFA) – the first phase in NO<sub>x</sub> reduction.
- 2008** – Construction begins on the new Young 2 chimney. The 550-foot-tall chimney is needed to accommodate the unit's upgraded SO<sub>2</sub> removal system. Various emission control and electrical system design projects take place.
- 2009** – At Young 1, a generator rotor rewind and electrical system upgrade are completed. OFA is installed.
- 2010** – The upgrade of the Young 2 SO<sub>2</sub> removal system includes improvements to the unit's scrubber and the completion of related ductwork. The new chimney also becomes operational. Selective Non-Catalytic Reduction (SNCR) – the second phase of NO<sub>x</sub> reduction – is implemented. A generator rotor rewind is completed.
- 2011** – The Young 1 scrubber becomes operational. SNCR is installed. Minnkota begins testing CyClean™ at the Young Station.
- 2012** – Plant personnel work to optimize the recent environmental additions to improve safety, efficiency, availability and reliability. CyClean testing continues to yield positive results.

# Balance Sheet

*As of December 31, 2012 and 2011*

<i>Assets</i>	<b>2012</b>	<b>2011</b>
<b>ELECTRIC PLANT</b>		
Electric Plant in Service	\$ 131,724,012	\$ 127,026,931
Construction Work in Progress	2,820,029	2,551,963
	<u>\$ 134,544,041</u>	<u>\$ 129,578,894</u>
Less: Accumulated Provisions for Depreciation	(44,172,759)	(41,731,736)
	<u>\$ 90,371,282</u>	<u>\$ 87,847,158</u>
<b>OTHER ASSETS AND INVESTMENTS</b>		
Investments in Associated Companies	\$ 4,075,008	\$ 3,430,720
Other Investments	1,772,423	983,002
	<u>\$ 5,847,431</u>	<u>\$ 4,413,722</u>
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 434,847	\$ 680,108
Accounts Receivable (Less Accumulated Provision for Uncollectible Accounts 2012 – \$39,356; 2011 – \$31,978)	10,486,532	8,760,734
Material and Supplies	2,375,583	2,109,098
Other Current and Accrued Assets	135,894	115,543
	<u>\$ 13,432,856</u>	<u>\$ 11,665,483</u>
<b>TOTAL</b>	<u><u>\$ 109,651,569</u></u>	<u><u>\$ 103,926,363</u></u>
<i>Liabilities and Members' Equity</i>		
<b>EQUITIES</b>		
Memberships	\$ 56,155	\$ 56,155
Patronage Capital	31,807,323	29,267,173
Other Equities	10,531,303	10,515,451
	<u>\$ 42,394,781</u>	<u>\$ 39,838,779</u>
<b>LONG-TERM DEBT</b>		
Long-Term Debt (Net of Current Portion)	<u>\$ 50,304,482</u>	<u>\$ 46,520,046</u>
<b>OTHER NONCURRENT LIABILITIES</b>	<u>\$ 1,180,000</u>	<u>\$ 1,180,000</u>
<b>CURRENT LIABILITIES</b>		
Current Maturities of Long-Term Debt	\$ 2,295,000	\$ 4,941,095
Line of Credit	4,600,000	3,000,000
Accounts Payable – Purchased Power	6,424,096	6,138,257
Accounts Payable – Other	388,597	366,188
Customer Deposits	270,000	266,000
Accrued Taxes	1,043,355	929,402
Other Current and Accrued Liabilities	443,743	459,817
	<u>\$ 15,464,791</u>	<u>\$ 16,100,759</u>
<b>DEFERRED CREDITS</b>	<u>\$ 307,515</u>	<u>\$ 286,779</u>
<b>TOTAL</b>	<u><u>\$ 109,651,569</u></u>	<u><u>\$ 103,926,363</u></u>



# Income Statement

As of December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
OPERATING REVENUE:		
Electric Revenue	\$ 84,011,368	\$ 76,824,738
Other	58,388	62,297
Total	<u>\$ 84,069,756</u>	<u>\$ 76,887,035</u>
OPERATING EXPENSES:		
Cost of power	\$ 68,493,882	\$ 62,428,492
Distribution – Operations	2,235,919	2,310,425
Distribution – Maintenance	2,374,773	2,050,264
Consumer Accounts	878,255	903,664
Consumer Service and Information	233,092	302,525
Administrative and General	1,418,178	1,738,043
Depreciation	3,436,437	3,298,969
Taxes	1,002,693	878,214
Total	<u>\$ 80,073,229</u>	<u>\$ 73,910,596</u>
OPERATING MARGINS BEFORE FIXED CHARGES	\$ 3,996,527	\$ 2,976,439
FIXED CHARGES:		
Interest on Long-Term Debt	\$ 2,060,916	\$ 2,039,975
Other Interest	192,634	167,470
Total	<u>\$ 2,253,550</u>	<u>\$ 2,207,445</u>
OPERATING MARGINS AFTER FIXED CHARGES	\$ 1,742,977	\$ 768,994
G&T AND OTHER CAPITAL CREDITS	<u>862,768</u>	<u>410,628</u>
NET OPERATING MARGINS	<u>\$ 2,605,745</u>	<u>\$ 1,179,622</u>
NONOPERATING MARGINS:		
Interest Income	\$ 7,835	\$ 14,869
Other Nonoperating Margins	(22,642)	(23,141)
Total	<u>\$ (14,807)</u>	<u>\$ (8,272)</u>
NET MARGINS	<u>\$ 2,590,938</u>	<u>\$ 1,171,350</u>

## 2012 Recipients

Jeremy Dombrowski .....	\$1,000
Feed My Starving Children .....	\$500
Home Delivered Meals .....	\$500
Marcus Jordan .....	\$1,877
Francine McClendon .....	\$500
Northwood Deaconess Health Center .....	\$500
Donna Sapa .....	\$1,500
Jonathan Tiseth .....	\$1,408
Manvel Fire Department .....	\$1,000
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
McVillie 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 Traill Ambulance Service .....	\$100
Griggs County Central High School After Prom Party ..	\$50
Devils Lake High School After Prom Party .....	\$50
Hope-Page High School After Prom Party .....	\$50
Grand Forks Central High School After Prom Party .....	\$50
Hatton/Northwood High School After Prom Party .....	\$50
Adams/Edmore High School After Prom Party .....	\$50
Midway High School Prom Party .....	\$50
Park River High School After Prom Party .....	\$50
Central Valley School After Prom Party .....	\$50
Fordville-Lankin School After Prom Party .....	\$50
Lakota High School After Prom Party .....	\$50
Minto High School After Prom Party .....	\$50
Red River High School After Prom Party .....	\$50
Valley-Edinburg High School After Prom Party .....	\$50
Walhalla High School After Prom Party .....	\$50
Dakota Prairie After Prom Party .....	\$50
Robert Anderson .....	\$2,500
Michael Clark .....	\$1,000
Linwood Heironimus .....	\$250
Ray Helgoe .....	\$600
Russell Higdem .....	\$1,000
Inkster Fire District .....	\$1,000
Mr. & Mrs. Anthony Krenzel .....	\$1,000
Michael McCain .....	\$300
Rainbow Lodge .....	\$500
St. Thomas Park Board .....	\$500
Phoebe Anderson .....	\$710
Cavalier High School FBLA .....	\$500
Faith in Action Health Coalition .....	\$500
Fire Academy of North Dakota .....	\$1,500
Donald Jensen .....	\$2,000
Brandon Kartes .....	\$2,500
Mamie Lien .....	\$2,000
Anisa Mohamed .....	\$200
Chris & Andrea Passa .....	\$1,377
Brayden Rauschendorfer .....	\$500
Jennifer Wilkie .....	\$500
Bre Ann Ziegelmann .....	\$700
Ross "Pete" Azure .....	\$1,000
Community Violence Intervention Center .....	\$500
Daniel Degavrilac .....	\$1,000
Ken & Melissa Dornhecker .....	\$1,000
Kadynn Hiltner-Dupree .....	\$1,000
Grafton Volunteer Fire Dept. ....	\$500
Hillsboro Fire & Rescue .....	\$500
Ron Lerud .....	\$500
Steve Litzinger .....	\$1,000
Mary Mattila .....	\$1,800
Park River Volunteer Fire Dept. ....	\$500
Viola Reckard .....	\$1,300
Toni Sapa .....	\$1,428
Jennifer Swanson .....	\$2,500
Janice Townson .....	\$1,000
<b>Total .....</b>	<b>\$48,750</b>



*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 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. It awards 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 13,556 members participating. Since the program started, a total of \$611,900 has been distributed to individuals and organizations throughout the Nodak Electric service area.

## Operation Round Up 2012 Board of Directors



Jay Eastvold



Sheryl Kjelland



Maynard Messer



Pat Osland



Harvey Puppe



Mitch Vold



Roger Windjue



# Employees

**Amundson, Becky I.**, Customer Account Representative  
**Bjornstad, James O.**, Lead Lineman  
**Bollingberg, Philip K.**, Apprentice Lineman  
**Brag, David M.**, District Crew Foreman  
**Breidenbach, Steven C.**, Engineering Manager  
**Charbonneau, Brian D.**, District Crew Foreman  
**Dahlen, Dale O.**, Apparatus Technician I  
**Dahlen, Kevin J.**, Meter Technician I  
**Dalbey, Victoria J.**, Receptionist  
**Danielson, Steven C.**, Energy Management  
**Dubuque, Vernon C.**, Engineering Representative  
**Edwards, Tom A.**, Accounting & Finance Manager  
**Einarson, Mylo R.**, President & CEO  
**Ferguson, Thomas C.**, District Crew Foreman  
**Ford, Guy M.**, Journeyman Lineman  
**Gierszewski, Connie M.**, Billing Supervisor  
**Gronbeck, Tyler**, Apprentice Lineman  
**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  
**Hoerer, Brent**, Journeyman Lineman  
**Hoveland, Gregory A.**, Construction Crew Foreman  
**Johnson, Cole J.**, Electrical Engineer  
**Karboviak, Maurus J.**, Journeyman Lineman  
**Kelley, Kurt A.**, District Crew Foreman  
**Kindseth, Lucas**, Information Systems  
**Korynta, Glenn F.**, Electrical Equipment Operator  
**Lamb, Jake T.**, Apprentice Lineman  
**Lider, Jeffrey C.**, Journeyman Lineman  
**Lommen, Todd**, Apparatus Technician  
**Lorenz, Nathan D.**, Journeyman Lineman  
**Markuson, Michelle R.**, Accountant II  
**McKelvey, Cory L.**, District Crew Foreman  
**Midstokke, Scott K.**, District Crew Foreman  
**Mohn, Gordon A.**, Tech Crew Foreman  
**Mosher, Dwight L.**, Electrical Equipment Operator  
**Nagel, Melvin M.**, District Crew Foreman  
**Nipstad, Mark A.**, Journeyman Lineman  
**Nowacki, Loren M.**, Information Technologist



## Engineering Department

**(Front row, from left) Steve Breidenbach, Engineering Manager; Dale Dahlen, Apparatus Technician I; Dustin Weissner, Engineering/Operations Specialist; and Vern Dubuque, Engineering Representative. (Back row, from left) Cole Johnson, Electrical Engineer; Kevin Dahlen, Meter Technician I; Casey Hansen, Electrical Engineer; and Todd Herz, Engineering Representative.**

**Olson, Bjorn P.**, Apprentice Lineman  
**Peterson, Lois D.**, Customer Account Representative  
**Poehls, Bret D.**, Journeyman Lineman  
**Raymond, Jason F.**, Assistant Line Superintendent/  
 Safety Coordinator  
**Reed, Dale W.**, Lead Lineman  
**Rekken, Blaine A.**, Customer/Energy Services Manager  
**Rocksvold, Wayne P.**, Warehouseman  
**Schaefer, Daniel J.**, Line Superintendent  
**Schlieve, Flint**, Apprentice Lineman  
**Schmaltz, Gretchen R.**, Energy Services Advisor/Analyst  
**Schmaltz, Ryan L.**, Energy Services Specialist  
**Sloan, Jeff J.**, Lead Lineman  
**Slominski, Mark S.**, Lead Lineman  
**Solem, Carol D.**, Customer Service Representative  
**Sondreal, Derek W.**, Journeyman Lineman  
**Soper, Kim M.**, Executive Assistant  
**Stadstad, Jared L.**, Apprentice Lineman  
**Steinhaus, Jeremy A.**, Journeyman Lineman  
**Traiser, Charles M.**, Cable Locator  
**Weisser, Dustin Z.**, Engineering/Operations Specialist  
**Winkels, Josef S.**, Accountant II

## 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."

# 73<sup>rd</sup> Annual Meeting *Agenda* **April 11, 2013**

- 5 p.m.** – Doors open and registration begins at the Alerus Center, Grand Forks
- Complimentary Swedish meatball meal served from 5 p.m. to 6:15 p.m.
- 6:30 p.m.** – Call to order of the 73<sup>rd</sup> annual meeting  
*Steve Smaaladen, chairman, presiding*
- Reading of Notice
  - Declaration of Quorum
  - Nominating Committee Report
  - Election
  - Nodak business report  
*Steve Smaaladen and Mylo Einarson*
  - Guest Speaker  
*Dr. Steve Benson, Microbeam Technologies*
  - Question and answer period
  - Old and new business
  - Drawing for grand prize
  - Adjournment

*Music by pianist Gretchen Kindseth*

## *Guest Speaker*



**Dr. Steve Benson**  
*President*  
Microbeam  
Technologies, Inc.

Dr. Steve Benson is professor and chair of the Department of Petroleum Engineering at the University of North Dakota's College of Engineering and Mines and president of Microbeam Technologies, Inc., in Grand Forks. Microbeam is a leading energy and environmental technologies company, specializing in advanced fuel quality analysis and determining the impacts of fuel impurities on power system performance.

Since 1992, the company has performed more than 1,300 commercial projects while providing advanced analysis to the power industry, boiler manufacturers, coal companies, researchers and others.

Benson has more than 25 years of professional experience in managing complex multidisciplinary projects conducted for various federal and state departments and agencies, such as the U.S. Department of Energy and the Environmental Protection Agency, and has managed numerous projects for industry and government co-funded programs. Benson is a member of several professional organizations and has written or co-written more than 200 publications.

**Cash prizes!**  
*The first 250  
registered voters  
will receive a free  
rain gauge!*

