Swallow, it's good for you!



Dan Hutt dhutt@bhec.coop

Some of us are old enough to remember well-meaning mothers or grandmothers dosing out tablespoons of castor oil to cure or prevent a variety of real or imaginary childhood illnesses. "Swallow, it's good for you," they would say. Anecdotal evidence suggests that the folk medicine was nearly one hundred percent effective at preventing reoccurrences of

the imaginary maladies. The resulting cramping and sometimes explosive diarrhea left a lasting memory on many an impressionable child. There is little or no evidence supporting its claimed curative powers over headaches, muscle pains, nausea, indigestion, forgetfulness, or various forms of mental illness.

Perhaps 1940s Fascist dictators Benito Mussolini and Francisco Franco heard their mothers say "It's good for you," Maybe they experienced the pain and humiliation of castor oil therapy. We don't know. We do know that both regimes tortured adversaries by force feeding them castor oil, and they effectively discouraged sick calls by factory workers and soldiers by merely threatening a castor oil

treatment. In spite of its historical abuse, the home remedy remained in use in America through the middle of the twentieth century. More than one generation heard, "It's good for you."

In modern society, government has often assumed parental responsibility. In countries ruled by autocratic governments those in power simply dictate the medicine that will be administered. In nations with representative governments social engineering is more complex and inefficient, but still effective. Propagandizing and incentivizing replace dictatorial edicts. Energy policy in the

United States is a lot like castor oil therapy.

When technological advances virtually eliminated the known contaminants of coal generation, and

the United States, with the largest coal reserves in the world, continued its economic dominance with low-priced electricity, antagonists searched for other ways to tame the beast. Political analysts theorize a number of reasons for the desire to strip America of its low-cost energy advantage. With some it is a simple belief that wealth should be redistributed or equalized or that a subsistence lifestyle is a holier existence. With others it is envy of wealth and power. I will leave motivational theory to others and just discuss the reality of recent energy policy.

Energy policy in the United States is a lot like castor oil therapy.

When a skeptical public didn't buy into the "it's good for you" line exhorting unrealistic and immediate reductions in electricity consumption and its accompanying less affluent lifestyle, and when they failed to enthusiastically accept much higher priced and less reliable alternative energy sources, government policy delivered the medicine anyway. It incentivized renewable generation and when that couldn't bring the costs low enough to compete, they employed every means possible to increase the costs of conventional generation. Some genuinely believe that's good for you. I'll leave that judgment

to you.

We are getting high priced energy even if it doesn't cure or prevent any of the real or imaginary societal illnesses. It will redistribute the wealth to autocratic foreign governments who play by their own rules. It will disproportionately hurt the poor in our country who spend a greater percentage of their income on electricity. As you see electric generation costs climb rapidly in this country, you can decide whether the medicine was good for you. The power cost adjustment and the higher heat rate on your bill

show the generation cost increase since 2007. That's the medicine federal energy policy is delivering. "Swallow, it's good for you."



(ISSN No. 1531-104X)

Board President – Al Perry Board of Directors

Dwayne Breyer – Vice President Glen Reaser – Secretary Jim Preston – Assistant Secretary Gary Kluthe – Treasurer Dave Lindblom Alan Bishop

General Manager

Dan Hutt - dhutt@bhec.coop

General Counsel and V. P. of Administration

Walker Witt - wwitt@bhec.coop

V. P. of Operations and Engineering

Alan Michalewicz – amich@bhec.coop

Manager of Marketing and Member Services and *Cooperative Connections* Editor

Mike Chase – mchase@bhec.coop

BLACK HILLS ELECTRIC COOPERATIVE CONNECTIONS is the monthly publication for the members of Black Hills Electric Cooperative, 25191 Cooperative Way, Box 792, Custer, S.D. 57730-0792. Families subscribe to Cooperative Connections as part of their electric cooperative membership. Black Hills Electric Cooperative Connections' purpose is to provide reliable, helpful information to electric cooperative members on matters pertaining to their company and living better with electricity.

In accordance with federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, age, disability, religion, sex, and familial status. (Not all prohibited bases apply to all programs.) To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD).

Subscription information: Electric cooperative members devote 50 cents from their monthly electric payments for a subscription. Non-member subscriptions are available for \$12 annually. Periodicals Postage Paid at Black Hills Electric Cooperative, 25191 Cooperative Way, Custer, S.D. 57730-0792, and at additional mailing offices.

POSTMASTER: Send address changes to Cooperative Connections, P.O. Box 792, Custer, S.D. 57730-0792. Address all other correspondence to: Cooperative Connections, P.O. Box 792, Custer, S.D. 57730-0792 Telephone: (605)673-4461 Fax: (605) 673-3147 e-mail: bhec@bhec.coop

News Briefs

Nominating Committee to Select Candidates From Two Areas

The 2012 Nominating Committee will be appointed at the February board meeting. The committee's first meeting is scheduled at the cooperative's head-quarters west of Custer on Wednesday, February 22, at 10 a.m.

This year, committee members will nominate candidates for one director position from the geographical area of Fall River County and two director positions from the geographical area of Lawrence, Meade and Pennington Counties. Members living in those areas received a post card notification in January. The membership will vote on candidates at the 2012 annual meeting Friday, June 1, at the Mueller Center in Hot Springs.

BHEC members, like yourself, are elected to serve a term of three years on the Board of Directors. If you are interested in serving on the board, contact the cooperative. Nominations can also be made by petition as described in the

cooperative's bylaws.

Persons interested in being candidates from the two geographical areas should return their applications by Wednesday, February 15.

An application packet or a copy of the bylaws and petitions may be obtained by contacting the cooperative office at 673-4461 or 1-800-742-0085.







The current terms of Gary Kluthe, left, and Al Perry, from the Lawrence, Meade and Pennington Counties geographical area and Dwayne Breyer, right, from the Fall River geographical area will end on June 1. As of that date, Kluthe will have served for 18 years, Perry for six years and Breyer for five.

Scholarship Deadlines Fast Approaching

Persons applying for one of Black Hills Electric's two scholarships must have their applications returned by:

\$1,000 Scholarship for graduating high school seniors—received at our office on or before Monday, February 6. Applications are available at area high school guidance counselors' offices or from Black Hills Electric Cooperative. This scholarship is awarded based on grades, ACT or SAT scores, community involvement, work experience and personal career goals.

Washington, D.C. trip and \$1,000 scholarship—This essay contest is for current high school juniors. The winner will receive an all-expenses-paid trip to Washington this summer and a \$1,000 scholarship upon graduation from high school. This year's essay question is, "What can I do to help keep my co-op's rates low?" Essays must be returned to BHEC's office by Friday, February 17 to be considered.

For more information, please contact Black Hills Electric Cooperative at 673-4461, 1-800-742-0085 or mchase@bhec.coop.

2 February 2012 • COOPERATIVE CONNECTIONS • February 2012 3

Co-op News

Area Meetings Scheduled

This February, Black Hills Electric Cooperative members will have seven opportunities to enjoy a hot bowl of soup with neighbors and friends.

The annual, free soup suppers are a way your co-op's directors and employees can show their appreciation to the members and give you a chance to help fund your local community organization.

ROCKERVILLE

Thursday, Feb. 2, 6-7 p.m.
Rockerville Community Hall
Co-sponsor: Rockerville Community
Club

OELRICHS

Monday Feb. 6, 6-7 p.m.
Oelrichs Community Hall
Co-sponsor: Oelrichs VFD and
Oelrichs Ambulance Service

WHISPERING PINES

Monday, Feb. 13, 6-7 p.m.
Whispering Pines Fire Hall
Co-Sponsor: Whispering Pines
Volunteer Fire Department
Fire Dist. Annual Meeting follows

HERMOS!

Tuesday, Feb. 14, 6-7 p.m.
Hermosa Grade School gym
Co-sponsor: Hermosa VFD
Fire Dist. Annual Meeting follows

TOHNSON SIDIN

Wednesday, Feb. 15, 6-7 p.m.
Rimrock Community Hall
Co-sponsor: Rimrock Community
Club

HAYWARD

Friday Feb. 17, 6-7 p.m.
Hayward Fire Hall
Co-sponsor: Hayward Volunteer
Fire Department

ROCHFORD

Friday, Feb. 24, 6-7 p.m.
Rochford Community Hall
Co-sponsor: Rochford Community

U.S. Future Depends on Low-cost Energy

Since Thomas Edison's first power plant lit up 800 light bulbs in New York City on the evening of September 4, 1882, electricity has become our most prevalent energy form. It drives our nation's economy and powers smart technologies that enhance our quality of life.

American homes use more electricity today than ever before yet the portion of our household budgets that we devote to our electricity bills has actually declined.

That's because electricity prices—unlike the prices for most other goods—did not keep pace with the rate of inflation for many years.

The growth rate for electricity prices remains comparable to, and even lower than, other important goods. Overall, the price of one kilowatt-hour of electricity (adjusted for inflation) has increased at a lower rate that other consumer goods like gasoline, health care, housing, food, and transportation.

Today Black Hills Electric Cooperative and all other electric utilities are facing steadily increasing costs to generate and deliver electricity. While electric cooperatives make continuous efficiency improvements and are working with state and federal regulators to contain costs and to keep electricity prices as low as possible, the fact is that rising electricity costs are becoming inevitable throughout the United States. And yet,



Storm damage costs BHEC thousands of dollars a year, adding to the cost of power.

electricity remains one of the true bargains among crucial U.S. commodities.

Today the electric power industry is a robust industry that contributes to the progress of our nation. America's electric companies pay billions of dollars in tax revenue, employ nearly 400,000 workers, provide a variety of public service programs to benefit the local communities they serve, and produce one of our most valuable commodities—electricity.

Please visit www.ourenergy.coop to ask our congressional delegation to keep electricity costs low. America's future depends on it.

BHEC's Winter Peak Demand Periods AM BHEC's Winter Peak Demand Peak Demand Now that winter is here, BHEC's times of greatest electricity usage or peak demand periods have changed. Winter peaks occur both in the morning and afternoon. These are the times that electricity costs the most for the cooperative to purchase and can affect your rates. Reducing load during these times saves.

Director Qualifications and Nominating Procedures

Preparations are underway for BHEC's 67th annual meeting Friday, June 1, at Hot Springs. Three directors will be elected at the meeting—two from Lawrence, Meade and Pennington Counties and one from Fall River County. The qualifications of a director and nominating procedures, as set forth by Article IV, Sections 3 and 4 of the bylaws, are:

SECTION 3. QualificationsNo person shall be eligible to become

or remain a director of the Cooperative who is a close relative of an incumbent director or of an employee of the Cooperative, or is not a member in good standing of the Cooperative and receiving service therefrom at his primary residential abode; PROVIDED, that the operating or chief executive of any member which is not a natural person, such as a corporation, church, etc., or his designee, shall, notwithstanding that he does not receive service from the Cooperative at his primary residential abode, be eligible to become a Director, from the directorate district in which such member is located, if he or such designee (1) is in substantial permanent occupancy, direction or use of the premises served by the Cooperative, and (2) is a permanent and year-round resident within or in close proximity to an area served by the Cooperative. PROVIDED FURTHER, that no more than one (1) such person may serve on the Board of Directors at the same time. No person shall be eligible to become or remain a Director of, or to hold any other position of trust in, the Cooperative who does not have the legal capacity to enter into a binding contract or is in any way employed by or financially interested in a competing enterprise, or electric utility, or a business selling electric energy or supplies to the Cooperative, or a business primarily engaged in selling electrical or plumbing appliances, fixtures or supplies to, among others, the members of the Cooperative.

Upon establishment of the fact that

a nominee for Director lacks eligibility under this section or as may be provided elsewhere in these bylaws, it shall be the duty of the Chairman presiding at the meeting at which such a nominee would otherwise be voted upon to disqualify such nominee. Upon the establishment of the fact that any person being considered for, or already holding, a directorship or other position of trust in the Cooperative lacks eligibility under this Section, it shall be the duty of the Board of Directors to withhold such position from such person, or to cause him to be removed therefrom, as the case may be. Nothing contained in this Section shall, or shall be construed to, affect in any manner whatsoever the validity of any action taken at any meeting of the Board of Directors, unless such action is taken with respect to a matter which is affected by the provisions of this Section and in which one or more of the Directors have an interest adverse to that of the Cooperative.

SECTION 4. Nominations

It shall be the duty of the Board of Directors to appoint not less than forty-five days or more than one hundred twenty days before the date of the meeting of members at which Directors are to be elected, a committee on nominations consisting of not less than five nor more than eleven members who shall be selected from different sections so as to insure equitable representation. No member of the Board of Directors may serve on such committee. The committee, keeping in mind the principal of geographical representation, shall prepare and post at the principal office of the Cooperative at least thirty days before the meeting a list of nominations for Directors which may include a greater number of candidates than are to be elected.

Any fifteen or more members acting together may make other nominations by petition not more than 120 days nor less than thirty days prior to the meeting, and the Secretary shall post such nominations at the same place

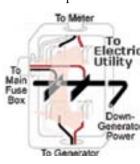
where the list of nominations made by the committee is posted. The Secretary shall mail with the notice of the meeting or separately, but at least ten days before the date of the meeting, a statement of the number of directors to be elected and the names and addresses of the candidates, specifying separately the nominations made by the committee on nominations and also the nominations made by petition, if any.

Generator Safety Tips

Only a qualified licensed electric contractor should install a permanent

standby generator.

A doublepole, doublethrow transfer switch is the recommended device to keep your genera-



tor from back feeding into the electric utility's system. The switch also keeps the utility's power from re-energizing your house wiring while your generator is running, protecting your generator, wiring and appliances from damage when your service is restored.

Before starting your generator, carefully read and follow all of the manufacturer's instructions.

Be sure that the total electric load on your generator won't exceed the manufacturer's rating.

Always locate your generator where its exhaust will vent safely.

Prioritize your needs. Use the lowest wattage light bulbs that provide a safe level of light, reserving power for additional lighting elsewhere or a small appliance. Alternate using larger loads, hot water heater off while cooking, etc.

Never run cords under rugs or carpets where heat might build up or damage to a cord may go unnoticed.

Extension cords must be properly sized to carry the electric load. Overloaded cords can overheat and cause fires or damage to equipment.