

COOPERATIVE CONNECTIONS



Get Out & Vote!

It's Your Civic Duty

Pages 8-9

Upcoming Energy Projects

Pages 12-13

Planning for the Future While Serving You Today



Walker Witt - CEO
wwitt@bhec.coop

As your electric cooperative, our responsibility is to provide safe, reliable, and affordable power today and well into the future. I want to take a few moments to share updates on where we are, what we are seeing across the industry, and how we are planning ahead on your behalf.

Black Hills Electric Cooperative has worked diligently to manage expenses and delay rate increases for as long as possible. We have absorbed rising costs in wholesale power, materials, and labor without passing them directly on to our members. Like many utilities across the country, we have reached a point where a rate increase is necessary. Our wholesale power provider has increased rates by over 20 percent in the past two years, and the cost of essential materials such as transformers, wire, and other equipment has also risen. Labor and day-to-day operating expenses have continued to climb as well.

We're committed to serving you today and planning for the future.

After careful consideration, the upcoming rate increase is expected to average less than 10 percent, effective May 1, and will appear on your June billing statement. While no increase is ideal, this measured adjustment helps maintain reliable service, supports system improvements, and ensures the cooperative's long-term financial stability.

We encourage you to use the tool on our website to see how the rate change may affect your billing statement. You can also contact our Member Services department to discuss cost-saving tips and energy-efficiency options. For complete rate details, please refer to pages 6-7.

Growth across our service territory remains steady. To meet that demand and prepare for the future, we are moving forward with

plans for a Hermosa facility. The costs of building this facility are considered capital investments, which improve and expand our system through projects like constructing facilities, adding equipment, or upgrading substations.

Operating costs, on the other hand, cover day-to-day expenses such as labor, maintenance, and energy purchases. Having two facilities means our ongoing operating costs will increase, but this investment ensures we can serve members reliably for decades to come. The Hermosa facility will help reduce response times, improve outage restoration, and support both our existing members and the growing number of homes and businesses in the area. You can read more about the Hermosa facility on page 10.

One of the greatest strengths of a cooperative is the involvement of its members. I would like to personally invite you to attend our 81st Annual Meeting on June 4 at the Mueller Center in Hot Springs. Registration begins at 5 p.m., followed by dinner at 6 p.m., with the business meeting immediately after.

The Annual Meeting is more than just a business gathering. It is an opportunity to hear directly from our leadership, review the cooperative's performance, participate in board elections, and ask questions. Your participation helps guide the cooperative's direction and ensures we continue to operate in a way that reflects the needs and priorities of our members.

As we plan for the future, our focus remains clear. We are committed to providing reliable service, making thoughtful investments in our system, and being good stewards of your money. Every decision we make directly affects our members, and we take that responsibility seriously.

Whether managing rising costs, recovering from unforeseen events like the December 2025 storm, or making long-term infrastructure investments such as the Hermosa facility, our goal is to ensure Black Hills Electric Cooperative continues to serve you with excellence today and for generations to come.

Thank you for your trust and support. It is truly a privilege to serve you.

COOPERATIVE CONNECTIONS

BLACK HILLS ELECTRIC

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BOARD PRESIDENT EARNS BOARD LEADERSHIP CERTIFICATE



Board President Dave Lindblom (L) and Vice President Quivey (R).

Our Board of Directors continues to demonstrate a strong commitment to Black Hills Electric Cooperative through their ongoing service, from monthly meetings to continued education. We are proud to share that Board President Dave Lindblom has earned his Board Leadership Certificate (BLC), a significant milestone in cooperative leadership. Vice President Dennis Quivey presented the certificate during the February board meeting in recognition of this accomplishment.

The Board Leadership Certificate program provides advanced education in electric cooperative governance and leadership, equipping directors with the knowledge needed to effectively serve members. Dave's achievement reflects his dedication to BHEC and his commitment to continuous improvement in his role. Please join us in congratulating him on this well-earned recognition.

Electric Heat Season Ends May 1st



Any electric heat used May 1st - October 1st will be at your main meter rate.

ELECTRICAL SAFETY MONTH: TIPS FOR PRIORITIZING SAFETY

At your local cooperative, Electrical Safety Month is recognized every May, but the importance of practicing safety year-round is always emphasized. From co-op crews to the consumer-members served, everyone has a part to play in prioritizing safety.

According to the Electrical Safety Foundation International, thousands of people in the U.S. are critically injured or electrocuted as a result of electrical fires and accidents in their own homes. Many of these accidents are preventable. Electricity is a necessity that powers daily life, but it can also be dangerous — something your local cooperative understands firsthand from working with it 365 days a year.

Safety is more than a catchphrase. Cooperative leadership recognizes the responsibility to keep employees safe while also helping protect members and the broader community. That's why your local cooperative hosts safety demonstrations at community events and in schools throughout the year, highlighting the dangers of electricity. These demonstrations often include emergency scenarios, such as what to do in a car accident involving a utility pole and downed power lines, along with discussions about the dangers of pad-mounted transformers and overloading circuits with too many electronic devices.

Electricity is an integral part of modern life. Given the widespread use of electrical devices, tools and appliances, here are a few practical electrical safety tips:

Watch for frayed wires. Power cords can become damaged from age, heavy use or excessive current flow. If cords become frayed or cut, replace them to avoid shock hazards.

Avoid overloading circuits. Circuits can only handle a limited amount of electricity. Running too many devices on one circuit can lead to overheating and potential fire risk.

Label circuit breakers. Understanding your home's electrical system can help prevent overloads. If your home is more than 40 years old and you plan to install large appliances, contact a qualified electrician.

Use extension cords properly. Never plug one extension cord into another. "Daisy chaining" can cause overheating and fire hazards. Do not exceed the cord's wattage, and avoid using extension cords as permanent solutions. If additional outlets are needed, consult a licensed electrician.

Parents and caregivers are encouraged to talk with children

about playing it safe and smart around electricity, including staying aware of overhead power lines near outdoor play areas.

Providing a reliable energy supply 24/7, 365 days a year is a top priority. Equally important is keeping the community safe around electricity.

Contact your local cooperative for additional electrical safety tips or to request a safety demonstration at a school or upcoming community event.



"Do not fly kites by power lines!"

Casen Yuker

Casen cautions readers not to fly kites around power lines. Thank you for sharing your picture, Casen! Casen's parents are Lance and Tarah Yuker from Aberdeen S.D.

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.

Delicious DESSERTS

RHUBARB CAKE DESSERT

Ingredients:

1 pkg. yellow cake mix
1 cup sugar
4 cups rhubarb, diced
2 cups half and half

Method

Prepare cake mix as directed on package and pour into a greased 9x13 pan. Mix sugar and rhubarb together. Spoon evenly over cake batter. Pour half and half over top of rhubarb mixture. Bake at 350° for 40-45 minutes. This is like an upside-down cake with custard on the bottom of the cake.

Marla Gilbert
Southeastern Electric

FUZZY NAVEL CAKE

Ingredients:

1 pkg. yellow cake mix
1 instant vanilla pudding
(large, 5.1 oz. size)
3/4 cup peach schnapps
1/2 cup vegetable oil
1/2 cup orange juice
4 eggs

Glaze

1 cup powdered sugar
4 tbsps. orange juice
2 tbsps. peach schnapps

Method

Spray a 12-cup fluted baking pan with cooking spray, dust with flour. Mix all cake ingredients together until well blended, spread evenly in pan. Bake at 350° for 45-50 minutes until golden brown and cake springs back when lightly touched. Cool cake for 20 minutes. Run a long, sharp knife around the edges to loosen, and invert onto platter. Whisk glaze ingredients together until smooth. With wooden skewer, poke holes on top and around sides of cake. Spoon glaze over the warm cake, allowing to seep in holes, and drizzle down the sides and center. Cool completely before slicing.

Sally Florey
Charles Mix Electric

HAWAIIAN PINEAPPLE CAKE

Ingredients:

2 cups flour
2 cups sugar
2 eggs
1 tsp. baking soda
1 tsp. vanilla
Pinch salt
1 20 oz. can crushed pineapple,
undrained (in natural juice, not
heavy syrup)

Frosting

1/2 cup butter, softened
1 8 oz. cream cheese softened
1 tsp. vanilla
1 1/2 cups powdered sugar

Method

Mix all cake ingredients together until well blended. Bake in greased 9x13 pan at 350° for 35-40 minutes or until top is golden brown.

Combine cream cheese, butter and vanilla. Beat until smooth and creamy. Gradually add powdered sugar. Spread frosting on cake while still warm. Garnish with some toasted coconut if desired.

Sally Florey
Charles Mix Electric

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 2026. All entries must include your name, mailing address, phone number and cooperative name.

Picture submitted by William Berry via Shutterstock.

Keeping You Informed: Understanding the Recent Rate Change



Michelle Fischer

Director of Communications
& Member Services
michellef@bhec.coop

In this month's Manager's Column, CEO Walker Witt outlined the reasons behind the upcoming rate adjustment. We understand members may still have questions, and this article is intended to provide clear, straightforward answers about what is driving the increase, what it means for you, and how your cooperative continues to manage costs responsibly.

Why are rates increasing?

The primary driver is the cost of wholesale power from Basin Electric Power Cooperative, which has increased by more than 20 percent over the past two years. Wholesale power is our largest expense, accounting for more than half of the cooperative's total operating costs.

Does BHEC make a profit from this increase?

No. Black Hills Electric Cooperative is a not-for-profit, member-owned cooperative. Rates are designed only to cover the cost of providing safe and reliable electric service, maintaining infrastructure, and ensuring long-term financial stability.

Why can't BHEC absorb these increases?

Because wholesale power makes up such a significant portion of our expenses, increases of this size cannot be absorbed long-term without impacting system reliability and the cooperative's financial health. While we have worked hard to delay the increase, continuing to absorb these costs is not sustainable.

What is BHEC doing to control costs?

We remain focused on responsible cost management by maintaining efficient operations, carefully planning and budgeting, closely monitoring wholesale power costs, and prioritizing only necessary system improvements. Every decision is made with reliability and affordability in mind.

How will this affect my electric bill?

The impact will vary based on your energy use. Members who use more electricity will see a larger dollar increase than those who use less. On average, the adjustment is expected to be under 10 percent across the membership. Please visit our website at bhec.coop/rate-adjustment for information regarding your individual impacts.

Is this related to the new Hermosa facility?

No. The rate adjustment is primarily driven by wholesale power cost increases. While the Hermosa facility is an important long-term investment and will have some operating costs, it is not the driving factor behind this rate change.

Operating costs vs. capital investments:

It is important to understand the difference between the two. Operating costs include day-to-day expenses such as purchased power, system maintenance, materials, fuel, and labor. These are ongoing and directly impact rates. Capital investments, such as buildings, substations, and major system upgrades, are long-term projects that are financed and paid for over many years.

Why didn't BHEC raise rates sooner?

We work hard to keep rates stable and only recommend increases when necessary. Over the past several years, we have absorbed rising costs wherever possible while continuing to operate efficiently and maintain reliable service.

Putting it in perspective

Electricity remains one of the most essential and cost-effective services in your home. When compared to other monthly services such as cell phones, cable or streaming subscriptions, and even garbage service, electricity often delivers the greatest daily value while remaining one of the most stable in cost over time. While no increase is ideal, we are committed to keeping your power affordable, reliable, and available whenever you need it.

If you have additional questions, we encourage you to reach out to our team. We are here to serve you and appreciate the trust you place in your cooperative every day!

MAY 1 - 2026 RATE INFORMATION

Rate Class	CURRENT RATES			RATES EFFECTIVE MAY 1, 2026		
	Customer Charge	Energy Charge	Demand Charge	Customer Charge	Energy Charge	Demand Charge
General Service/ On-Peak Demand	\$40	7.4¢ kWh	\$9.50 kW	\$45	8¢ kWh	\$10 kW
Demand Controller	\$40	6.5¢ kWh	\$10 kW	\$45	7¢ kWh	\$12 kW
General Service Non-Demand	\$40	12.1¢ kWh		\$45	13.1¢ kWh	
Multiphase (less than 50 kVA)	\$51	8¢ kWh	\$12.50 kW	\$61	8¢ kWh	\$14 kW
Multiphase (50 kVA and larger)	\$71	9¢ kWh	\$14.50 kW	\$81	9¢ kWh	\$15.50 kW
MISCELLANEOUS RATES						
Irrigation	Capacity Charge = \$1.75 per Horsepower of connected load per month	9¢ kWh	\$9 kW	Capacity Charge = \$2.00 per Horsepower of connected load per month	10¢ kWh	\$9 kW
Electric Heat	6.9¢ kWh (non-demand) 5.2¢ kWh (demand controller) 6.5¢ kWh (multiphase)		8¢ kWh (non-demand) 6.5¢ kWh (demand controller) 7¢ kWh (multiphase)			
Security Lighting - Monthly Charge						
100 Watt	\$11		\$13			
250 Watt	\$20		\$22			
400 Watt	\$35		\$37			
1,000 Watt	\$53		\$55			
Street Lighting	Average of 17.5% - contact the office with additional questions					

Infrastructure Costs - Percent increase since 2020

Utility Poles (wood, steel, composite).....+25-40%
 Crossarms & braces (steel/wood).....+20-35%
 Conductor wire (aluminum/copper).....+30-50%
 Transformers..... +70-100%
 Copper Wiring.....+50%
 Circuit breakers/reclosers.....+20-30%

Meters.....+20-35%
 Light trucks.....+25-40%
 Bucket trucks, Digger Derricks.....+20-50%
 Fuel costs (especially diesel).....+20-30%
 Maintenance.....+15-20%
 Insurance Premiums.....+20%

Sources: BLS; energynews.com; Reuters; Wood Mackenzie; NREL; IEA

ONE VOTE MAKES A DIFFERENCE



Chuck Sloan • Piedmont, S.D.
Board Treasurer, West River Electric Association

U.S. Air Force 1983-2003

Chuck Sloan has spent much of his life serving his nation.

Sloan enlisted in the U.S. Air Force in 1983 and served 21 years on active duty before retiring as a master sergeant in 2004. In that time, he was stationed at bases all around the world, including Oman, South Korea, Turkey, and the Pacific. Since 2004, Sloan has worked as a civilian at Ellsworth Air Force Base, where today he is Chief of Operations Compliance.

Serving in the military, Sloan observed firsthand how seriously service members took absentee voting and civic participation, despite being thousands of miles from American soil. Their passion helped ignite Sloan's own admiration for America's democratic system of government.

"If I found somebody a little *laissez-faire* about voting, saying, 'my vote probably won't count,' I would give them a spiel," Sloan explained. "Yes, your vote does count, and you'll want to be able to say that you made that vote."

He continued, "If you don't choose to exercise that responsibility, then later on if you're displeased, you really can't

complain about it because you didn't make a choice – If anything, vote and give yourself the opportunity to legitimately complain!"

Sloan said people should never underestimate the importance of showing up and making their voices heard, because in close races, one vote can tip the scale.

"There are many instances when one vote may have been a determining factor," Sloan said. "It may not be a general election, but how about in a state or local election where one vote can be the deciding factor? That happens more often than one would think. Your vote matters, no matter what you do."

Sloan brought that civic-mindedness along with him to West River Electric Association, where he serves on the Board of Directors and helps make decisions in the interest of his neighbors and communities he represents.

Sloan said it all just comes back to civic responsibility and staying involved.

"From the time I turned 18, I've never missed a vote," Sloan said. "It's second nature. It's too important to not do."



VOTING STRENGTHENS COMMUNITIES



Evan Buckmiller • De Smet, S.D.
General Manager, Kingsbury Electric Cooperative

De Smet School District Board

For Kingsbury Electric Cooperative General Manager Evan Buckmiller, his call to public service came after a mid-term resignation on the De Smet School District

Board left a vacancy that needed to be filled.

"The board had to appoint someone to fill the seat," Buckmiller said. "Initially when I was asked, I didn't know if I wanted to do it, but I also knew that my wife and I have two young kids in the school system, so I agreed to fill the spot until the next election."

Buckmiller wasn't expecting to develop a passion for civic-service, but six years and two election cycles later, he's still representing the De Smet community on the school board.

"It's for my kids, to make sure they have the best education opportunities possible to prepare them for their future," Buckmiller added.

He said that while serving on the school board has been a

rewarding endeavor, there are also moments that are discouraging; some people will sit out elections, but are also vocal about board decisions they disagree with.

"I receive phone calls about how we are doing everything wrong, but they don't want to step up to be a part of change," Buckmiller explained.

His advice is simple: show up.

"Public participation at the monthly school board meetings is always encouraged," Buckmiller said. "When a community is engaged, there is more diverse input and you get to see the needs of everyone. The needs for one person might not be the same as another, and when you are sitting on a board you want to hear the needs of everyone so you can make the best decision possible for everyone."

Buckmiller said when more people get involved and exercise their civic duties, the communities like his are better for it.

"Being active in the community makes the community stronger and allows different opinions to be heard," Buckmiller said.

"When you show up to meetings and vote, you are giving the board direction so they can make decisions that are in the best interest of everyone."

STICK UP FOR YOURSELF & VOTE



Don Schurdevin • Elk Point, S.D.
Board President, Union County Electric Cooperative
U.S. Navy 1962-1968

Serving on the Union County Electric Cooperative board for more than 25 years, Don Schurdevin has built a reputation for steady leadership and a strong commitment

to the cooperative and its members. But before serving his neighbors and community on the co-op board, Schurdevin first served in a different way. He served not just his Union County neighbors, but his entire country in the U.S. Navy. Schurdevin enrolled during his junior year of high school in 1962, serving active duty in Vietnam from 1963 to 1965, some of that time aboard the USS Midway. The experience helped shape his views on patriotism, civic duty and personal responsibility.

“In the navy, you learn to get along with people, but you learn to also stick up for yourself, because nobody else – is so you better take care of your own business,” he said.

That’s the attitude that Schurdevin brings to his civic participation. He said serving in the military gave him a deeper appreciation for the freedoms Americans enjoy, including voting.

Schurdevin believes participating in elections is one of the most important ways citizens can stay involved in their communities and help shape the future of their community, state and country.

“I think I voted in every election since I could,” Schurdevin recalled. “School board election, county, state – if I was able to vote I was voting.”

That sense of duty carried into his years of cooperative service. As a director, Schurdevin remains focused on serving members and ensuring the co-op continues to meet local needs. Schurdevin encourages others to “stick up for yourself” by staying informed and voting for a better future.



LEADERS DEPEND ON YOU SPEAKING UP



Chris Rahn • Mission, S.D.
Member Services Manager, Cherry-Todd Electric Cooperative
Todd County School District Board, Rosebud Sioux Tribe

Chris Rahn was not always interested in his local government. In fact, up until just several years ago, he sat many elections out.

But through his work at Cherry-Todd Electric Cooperative and the commitment to community that came with it, Rahn gained a new perspective on civic participation, realizing that change only happens when peoples’ voices are heard.

“I believe everybody who has an opinion should come out and vote,” Rahn said. “One vote matters. One vote can change an entire election.”

Rahn’s indifference to voting began to change as he was asked to take on more responsibilities with the co-op. Cherry-Todd Electric General Manager Tim Grablander nominated Rahn to the Rushmore Electric Federal Credit Union Board of Directors, where Rahn now serves as president.

Shortly after, he was encouraged by local community leaders to apply for a board seat with the Rosebud Sioux Tribe. The tribal

council voted to seat Rahn on the judiciary committee, leading to his first real experience with public service. Like flipping a switch, Rahn’s enthusiasm led to his appointment to other tribal boards, including the Tribal Utilities Commission, Tribal Tax Commission, and the Rosebud Energy Services Company.

Rahn said serving in tribal government opened his mind to the impact he can have on his community. That realization inspired Rahn to run for his first publicly-elected position as a school board member for the Todd County School District.

“I wanted to be more involved in my daughter’s education and just listen to the community’s input,” Rahn said, restating the importance of community members actively engaging with elected officials and sharing feedback.

He continued: “I feel like I’ve been able to bridge the gap between the people I represent and the administration and other public leaders.”

As Rahn looks ahead to years of future public service to work for a better community, he encourages others to step up as well — and all it takes is a vote.

“If you speak up, your voice is heard,” he continued. “When everyone’s voice is heard, we can make better decisions for the community as a whole.”

Photos by Shutterstock



More Coverage, Better Service: The Hermosa Facility

Black Hills Electric Cooperative is building for the future with a new service facility along the Hwy 40 and 79 corridor in Hermosa. The Board of Directors approved the project at the March board meeting, and construction will begin this April. The facility is expected to be operational by the summer of 2027. Once complete, members will be invited to an open house to see how this investment will strengthen service, improve reliability, and support the communities we serve. We are excited to partner with the Hermosa community as we expand our presence in this growing area.

The Hermosa facility will be located closer to approximately

70 percent of our members and meters, making it easier for crews and equipment to reach the areas experiencing the most growth. Serving a larger portion of our membership means faster response times, shorter outages, and more dependable service for families, farms, and businesses. At the same time, the cooperative will continue operations in Custer for the foreseeable future, ensuring that members and employees continue to have local access and the support they have come to expect. This dual approach balances efficiency with continuity and reassurance for the community.

The new facility also supports the cooperative's workforce by providing a modern, well-equipped workspace for skilled lineworkers and staff. Having resources strategically located allows crews to respond more effectively, reduces travel time, and improves coordination across

the system. While there is never a perfect time to build, the board determined that acting now is in the best interest of members. Costs are not expected to decrease, and with interest rates dropping, this is an opportunity to make a long-term investment that benefits everyone served by BHEC.

By expanding coverage while maintaining a presence in Custer, the Hermosa facility enhances reliability, strengthens response capabilities, and ensures members receive the best possible service. It is a strategic investment designed to support our communities today and into the future while providing employees with the tools and workspace they need to keep the lights on safely and efficiently. Members can have confidence that BHEC is making thoughtful, forward-looking decisions to serve more of our system quickly and reliably.

CAPITAL CREDIT ALLOCATION INFORMATION ON MAY'S BILLING STATEMENT

The billing statement you receive in May will have your capital credit allocation amount printed on it similar to the one below. Please note that the image is just an example. Your allocation amounts will differ based on your years of service and energy consumed. You will see your 2025 allocation per location on the first line item. This is the total amount of energy

consumed and patronage for the year. You'll be able to determine the total amount of your equity on the bottom line in bold. Capital credit allocations are not cash. Your allocation is an investment in the cooperative.

If you have any questions regarding your capital credit allocation statement, please call our office and we will be happy to assist you!

Service Location	Service Description	Usage	Patronage	ALLOCATION		
				COOP	G & T	G & TD
2363	XXXXX	24555	\$2,769.87	\$352.76	\$64.71	\$0.00
TOTAL CURRENT ALLOCATION		24555	\$2,769.87	\$352.76	\$64.71	\$0.00
PRIOR YEARS UNRETIRED BALANCE				\$1,652.63	\$1,015.01	\$110.47
TOTAL UNRETIRED CAPITAL CREDITS				\$2,005.39	\$1,079.72	\$110.47

Capital credits are not payable now and do not represent cash, but rather your equity in Black Hills Electric Cooperative.

As a non-profit electric cooperative, we allocate our annual operating margins, or profits, to members receiving service during the year. These margins are based on your patronage and are called capital credits. They are used by Black Hills Electric Cooperative (BHEC) for operating funds and paid back to our members as the financial condition of the cooperative will permit and bylaw provisions are met.

Please keep us informed of your current address in future years. This will enable us to forward payment(s) when the capital credits are retired for the year or years of your membership.

Patronage: The amount you paid for electricity.
 COOP: Black Hills Electric Cooperative allocation.
 G&T: BHEC's power supplier allocation.
 G&TD: DGC-G&T subsidiary margins used to finance generation and not available for refund.



Pre-register by Thursday, May 28th for a chance to win \$100!

Ways to pre-register:

- Online at bhec.coop/annual-meeting-pre-registration
 - Send an email to bhec@bhec.coop
 - Call 800-742-0085 or 605-673-4461

BUILDING FOR WHAT COMES NEXT

Basin Electric's Pioneer Generation Station, located near Williston, N.D.
Photo Submitted by Basin Electric

Basin Electric Expands Generation Capacity to Meet Growing Demand

Frank Turner

frank.turner@sdrea.coop

Although the flick of a switch can seem close at hand, the electricity that powers our world is often generated many miles away.

For rural cooperative members, electricity often comes from North Dakota, where Basin Electric Power Cooperative operates a fleet of power plants to serve rural communities across nine states. As demand continues to build across that system, the infrastructure behind it is growing right alongside it.

This steady growth has shaped the work now underway across Basin Electric's service territory. In response, the cooperative has kept up with demand by expanding existing generation facilities, building a new power plant and supporting the system with additional transmission projects in just a few short years.

"We're seeing load growth across our system, and it's coming from a combination of residential, agricultural, commercial and energy development," said Gavin McCollam, Basin Electric's senior vice president and chief operating officer. "When you step back and look at it as a whole, it becomes clear that we need to continue building to keep pace with that growth."



New transmission lines in western North Dakota support Basin Electric's newest generation assets.
Photo Submitted by Basin Electric

Pioneer Generation Station

To maintain reliability and keep the lights on for their members, Basin Electric recently expanded its generation capacity through new development to Pioneer Generation Station near Williston, N.D.

Originally developed in the early 2010s, the facility grew in phases over time. Those additions turned Pioneer Generation Station into one of Basin Electric's most important generation assets, but within a decade, the pace of that growth had begun to change.

"Coming out of COVID, not just us but everybody

was seeing rapid increases in loads,” McCollam said. “At that point, we were asking what we could do the quickest to add capacity.”

To meet the need, Basin Electric moved forward with Pioneer Generation Station Phase IV. The cooperative completed the project in 2025, adding about 580 megawatts of generation and bringing the site’s total capacity to 822 megawatts, enough to power roughly 400,000 homes.

The expansion moved quickly in part because Basin Electric built on what it already had.

“We had the site and the people that worked there, so we could add onto it a lot quicker than we could analyze and research new sites,” McCollam said.

Bison Generation Station

Still, Basin Electric continued building for traditional member load growth, beyond Pioneer Generation Station Phase IV, turning to a new project: Bison Generation Station.

Located near Epping, N.D., the natural gas-fueled generation project is being built from the ground up as a large-scale, natural gas facility designed to meet future demand. Once completed, the combined-cycle power plant will produce approximately 1,490

megawatts of electricity, making it the largest power plant solely owned by Basin Electric – almost double the capacity of Pioneer Generation Station. The plant is expected to come online in two phases, with the first unit operating in 2029 and the second in 2030.

Unlike Pioneer Generation Station, which expanded over time, Bison Generation Station is being built as a single, large project.

“We had a history of building small units, piecemealing them in as quickly as we could. That worked for a long time, but eventually we reached a point where we needed to think about building differently,” McCollam said. “There was a point where we recognized that continuing to add smaller pieces wasn’t going to be the most effective approach. We needed to build something at a scale that would allow us to stay ahead of that growth.”

Serendipitously, the transition from Pioneer Generation Station to Bison Generation Station happened on the same day. Basin Electric finished construction at Pioneer and turned the facility over to operations, then received the permits to begin construction on Bison.

“I’m kind of a nerd,” McCollam

said, laughing. “I’m nerdy enough to think this wasn’t a coincidence, and the power plant gods were smiling on us.”

Once complete, it will become a central part of Basin Electric’s generation portfolio.

“It’s going to be the flagship of our gas fleet,” McCollam said. “It’s being designed with the understanding that the system we’re serving today is going to continue to grow.”

Looking Ahead

According to McCollam, these new generation assets are a response to the organic growth Basin Electric is seeing across its traditional membership, including residential demand, agriculture, commercial activity and energy production.

“We support that growth where it happens, and we make sure the system can deliver power where it’s needed,” he said.

For Basin Electric, the work underway now is part of a longer process to ensure reliability in a time of growing energy demand.

“The entire purpose of Basin Electric is to provide reliable service to our membership,” McCollam said. “As that system grows, we have to continue building to keep up with it.”



This architectural rendering depicts Bison Generation Station, a natural gas-fueled plant project slated to begin operations in 2030.

Photo Submitted by Basin Electric

FROM FIELD TO FUEL

A new multi-seed crush processing facility, served by Central Electric Cooperative, is now operational after two years of construction near Mitchell. Photo submitted by High Plains Processing

New High Plains Processing Seed-Crush Facility Opens Near Mitchell, S.D.

Frank Turner

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A new multi-seed crush processing facility is now operational after nearly two years of construction, and its impact is taking shape across the region.

Located two miles south of Mitchell, the High Plains Processing plant is a large-scale seed crush and refining facility, powered by Central Electric Cooperative in the heart of South Dakota's soybean country.

The facility is backed by South Dakota Soybean Processors, the majority owner and operator, which also operates soybean crush facilities in Volga and Miller, along with a large group of local investors.

"There's a lot of local influence in this plant," said Pat Gathman, general manager of the facility. "Many of the investors originally invested in South Dakota Soybean Processors in Volga, and others invested directly into this project here in Mitchell."

That local investment shows up not

just in ownership, but in how the facility fits into the broader agricultural system. For local producers, it means more of what they grow can be processed closer to the farm.

"Instead of having the soybeans go to an elevator to be processed someplace else, they're being processed right here in Mitchell," Gathman said. "It gives farmers a better opportunity from a market standpoint."

For Central Electric Cooperative members, the plant represents one of three industrial loads being served by the cooperative. In addition to strengthening the local economy, large industrial loads like the multi-seed crush facility provide a consistent demand for electricity and help justify new investments in local infrastructure.

"The soybean plant brings new revenues to Central Electric Cooperative, which helps minimize rates for the entire cooperative membership," said Central Electric Cooperative General Manager Ken Schlimgen.

As part of the proposal process and selection as the electric provider, East River Electric Power Cooperative built a new substation and made additional system upgrades to serve the facility. Central Electric Cooperative also completed system improvements to support the load.

"The work was completed over a two-year window," Schlimgen said. "The project was on time and under budget during the worst of the supply chain delays."

Inside the facility, energy from the electric cooperative is used to turn familiar crops into multiple usable products, with the primary goal of separating oil from soybeans, sunflowers and camelina and preparing it for a range of markets. Currently, the plant is only accepting soybeans.

"We go through the preparation area where we crack the beans, heat them up, separate the hulls from the soybean itself, flake it, and then send it over to the extraction area," Gathman said.

The process separates oil from the soybean. The oil is refined and prepared for a range of uses, including renewable

fuels and food products, while the remaining material becomes soybean meal, a high-protein livestock feed.

“We bring it into our oil refinery where we refine it, bleach it, deodorize it and send it to storage,” Gathman said. “From there, it can go out by truck or rail to be turned into renewable fuels.”

The Mitchell location was selected in part because it brings together several key pieces of infrastructure needed to support a facility of this scale. Rail access, utilities and proximity to soybean production all played a role in the decision.

“We’ve looked at Mitchell for many, many years,” said Tom Kersting, CEO of South Dakota Soybean Processors. “You’re on a mainline railroad, it’s good soybean ground, and there’s a strong production history in that area. As we look at other seeds like sunflowers or camelina, you don’t have to go very far west of Mitchell before that becomes even more suitable.”

He added that finding a location with the right infrastructure is becoming increasingly difficult.

“There’s just not a lot of good sites left if you want to be on rail, next to a natural gas line, have a good electrical source and access to wastewater,” Kersting said. “There are a lot of infrastructure needs for a large facility like this, and it’s tough to find all of that in one place.”

That infrastructure includes electric service, which was a key part of the project from the beginning.

“Central Electric has been great to work with,” Kersting said. “They built a large substation not just for this plant, but to expand service throughout the area. It’s been a great partnership, and they’ve been very accommodating and easy to work with.”

Since becoming operational, the plant has already made an impact on the local community. The facility employs about 80 people, with the majority coming from the surrounding area.

“We’ve got some outstanding employees here that are really a part of things,” Gathman added.

For Gathman, the experience of moving to Mitchell has stood out just as

much as the work itself.

“The community has been outstanding,” he said. “Not just from the neighbors that we live around, but the community as a whole. It’s been very welcoming and very inviting.”

After moving multiple times throughout his career, including time spent outside the country, the difference was noticeable.

“My wife and I have moved 12 times, mostly around the U.S., and we did a stint in Brazil,” Gathman said. “I grew up in Fargo, and I love Fargo, but it was nothing compared to the reception we got when we came here.”


That sense of connection is something he hopes to carry forward.

“I can’t say enough about it,” he said. “I really want to help pay that back in the long term.”

As High Plains Processing continues to ramp up, its presence is expected to grow alongside it. The facility adds new demand for infrastructure, new options for producers and a new step in how agricultural products move through the region.



High Plains Processing celebrates the groundbreaking of its seed-crush facility in 2023.
Photo submitted by High Plains Processing



MAY 18
Voter Registration
Deadline for Primary
Election
5 p.m.
(South Dakota)

JUNE 1
Last Day to Request
Absentee Ballot.
5 p.m.
(South Dakota)

JUNE 2
Primary Election
7 a.m.-7 p.m.
(South Dakota)

Photo by Shutterstock

MAY 2
Consignment Auction
7 a.m. Gates Open
10 a.m. Auction
Prairie Village
Madison, SD

MAY 2
Cinco de Mayo Fiesta
2-8 p.m.
Milbank, SD
605-432-6656

MAY 6-7
Energize! Exploring Innovative
Rural Communities Conference
Hosted by SDSU Extension
Community Vitality
Community Center
Wall, SD
extension.sdstate.edu/energize

MAY 9
1880 Train Opens
Hill City, SD

MAY 10
Senior Breakfast
8 a.m.-12 p.m.
Hill City Senior Center
Hill City, SD

MAY 15-17
Open House Weekend
Free Entrance
Custer State Park
Custer, SD

MAY 16
2nd Annual Bird Bash
8 a.m.-1 p.m.
Bear Butte State Park
Sturgis, SD
605-390-2901
valleyhummingbird@yahoo.com

MAY 22
Hill City Community
Birthday Party
5-7 p.m.
Hill City Center
Hill City, SD

MAY 23
Free Christian Men's Event
8 a.m.-2 p.m.
The Barn at Aspen Acres
Spearfish, SD
Register: RiseUpMen.com

MAY 23-24
Hill City Birthday &
Lumberjack-Logging
Celebration
Downtown Hill City
Hill City, SD

MAY 30
Car, Pickup & Motorcycle Show
12-4 p.m.
Johnson Siding
Rapid City, SD
605-348-2343

MAY 30
Frühlingsfest
Spring Street Market
1-5 p.m.
Main Street Square
Rapid City, SD
605-718-8484

JUNE 4-6
Black Hills Quilt Show
Thurs. 5-8 p.m.
Fri. 9 a.m.-5 p.m.
Sat. 9 a.m.-4 p.m.
Rushmore Hall
at the Monument
Rapid City, SD

JUNE 6
Sportsman's Bash
Social: 3:30 p.m.
Dinner: 6 p.m.
Auction: 6:45 p.m.
Weston Cty. Senior Center
627 Pine St.
Newcastle, WY

JUNE 13
Luce Pioneer Day
10 a.m.-3 p.m.
Rope & Candle Making, Butter
Churning, Dutch Oven Cooking
Lake Herman State Park
Madison, SD
605-880-5077

JUNE 19-20
77th Annual Czech Days
Tabor, SD
www.taborczechdays.com

JUNE 24-27
Crystal Springs Rodeo
Clear Lake, SD
605-874-2996

JUNE 26-27
Buckhorn Rodeo
Britton, SD
605-880-5077

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.

Note: We publish contact information as provided. If no phone number is given, none will be listed. Please call ahead to verify the event is still being held.