



# 2023

## Annual REPORT

2024 Official Notice



Your Touchstone Energy® Cooperative 

**OFFICIAL NOTICE  
OF 2024 ANNUAL MEETING  
79TH ANNIVERSARY**

The Annual Membership Meeting of Slope Electric Cooperative, Inc.  
will be held at:

**NEW ENGLAND PUBLIC SCHOOL  
1200 MAIN STREET • NEW ENGLAND, ND  
THURSDAY, JUNE 6, 2024  
5:00 p.m. MT**

Registration will start at 4:30 p.m., the business meeting will start at 5:00 p.m. with Bingo and a roast beef dinner provided by Feel Good Coffee.

**The following business will be transacted:**

1. Reports on 2023 operations
2. Election of directors
3. Any other business that may come before the meeting
4. Proposed Amendments to Bylaws
  - Article I, Section 3(i) - Adds a requirement that for a termination of a joint membership due to divorce/separation, the members have to provide documentation of the divorce/separation.
  - Article III, Section 6(c)- To be eligible for electronic or mail in voting, a member must have be a member at least 15 days before the date the ballots are distributed.
  - Article III, Section 8- Removes the requirement of using a required order of business at the annual meeting.
  - Article XII- Adds a general procedure for how a member-initiated Bylaw amendment will be processed.

The directors whose tenure of office expires are Lauren Klewin and Dale Hande.

**The following members have been nominated by the Nominating Committee:**

Scott Bachmeier ..... Rhame .....District 3 (Slope County)  
Ryan Jacobson ..... Rhame .....District 3 (Slope County)  
Cheryl Van Daele ..... Rhame .....District 3 (Slope County)

There were no nominations filed by petition at the Slope Electric office on or before 90 days prior to the Annual Meeting.

Please join us at your Annual Meeting – your presence makes a difference.

\_\_\_\_\_  
Dated

\_\_\_\_\_  
Angela Carlson, Secretary

# PROGRAM

4:30 p.m. .... **Registration**

5:00 p.m. .... **Business Meeting**

Welcome

Invocation

Reading of Notice of Meeting, Proof of Mailing & Previous Minutes

## **Reports**

Co-General Managers/CEOs

Financials

Operation Round Up

Election of Directors

Old Business

New Business

1. Bylaw Amendments

2. Other New Business

Scholarships

Adjournment

## **Door Prizes**

6:00 p.m. .... **Meal Compliments of Slope Electric Cooperative**

### **MUST BE PRESENT TO WIN:**

- NOCO 4250A Portable Jump Starter
- Vacation package to Medora; include 1 night stay at Roughrider Hotel, 2 tickets to the Pitchfork Fondue and two tickets to the musical
- Energy credits
- Cash prizes

**Please bring this Annual Report with you to the Annual Meeting.**

**If you require special assistance because of a disability, please call Slope Electric Cooperative at 701-579-4221 or 800-559-4221.**

## BOARD PRESIDENT AND CO-MANAGERS' MESSAGE



**STEVEN WEGNER**  
President

As President of the Slope Electric Board of Directors and as Co-General Managers of Slope Electric, it is a great pleasure that we extend our warmest greetings and gratitude to each member of our cooperative family in this Annual Meeting Report.

This past year, we have remained steadfast in our commitment to serving you, our valued members. Your trust and support have been the cornerstone of our cooperative's success.

Reflecting on our accomplishments, we take immense pride in the strides we've made toward enhancing the reliability of our services. Through strategic investments and innovative initiatives, we've continued to modernize our infrastructure, ensuring dependable electric service to your homes, farms, and businesses.

However, our success isn't solely measured by the milestones we achieve. It's equally defined by the relationships we foster and the positive impact we make on the lives of our members. We deeply appreciate the feedback, involvement, and collaboration that drive us to continually improve and better serve your evolving needs.



**TRAVIS KUPPER**  
Co-General Manager/  
CEO

Looking ahead, we remain committed to our mission of delivering affordable, reliable, and dependable energy solutions. Embracing new technologies and adapting to changing energy landscapes, we aim to provide you with services while upholding our core values of integrity, transparency, and member focus.

None of our achievements would have been possible without the dedication of our hardworking employees and the unwavering support of our Board of Directors. Together, we form a great team dedicated to serving you with excellence.



**JASON BENTZ**  
Co-General Manager/  
CEO

As we navigate the future together, we encourage your continued engagement and feedback. Your input shapes our decisions, ensuring that we remain aligned with your aspirations and priorities.

In closing, we extend our sincerest appreciation for your trust, support, and partnership. Your cooperative spirit is the driving force behind our shared success, and we are honored to serve you.

## BOARD OF DIRECTORS



**STEVEN WEGNER**  
President  
District 2  
Adams County



**ANTHONY LARSON**  
Vice President  
District 2  
Adams County



**ANGELA CARLSON**  
Secretary  
District 1  
Hettinger County



**HENRY FISCHER**  
Treasurer  
District 4  
Bowman County



**DALE HANDE**  
District 3  
Slope County



**CHARLOTTE MEIER**  
District 1  
Hettinger County



**LAUREN KLEWIN**  
District 3  
Slope County



**JEROME CARON**  
District 4  
Bowman County

## VOTING GUIDELINES

Voting regulations are part of the Bylaws of Slope Electric Cooperative, Inc. The spouse of a member automatically holds a proxy if the member is not present. No paperwork is required for spouses who wish to vote in place of the absent member.

### BYLAWS ARTICLE III, SECTION 5

Each member shall be entitled to only one vote. All questions shall be decided by a vote of a majority of the members voting thereon in person, except as otherwise provided by law, the articles of incorporation, or these bylaws. Corporations, cooperatives, firms and bodies politic shall have the right to cast one (1) vote on any issue the same as other members, provided that a duly elected and acting officer executes a proper certification or other qualifying instrument as the Board of Directors may, from time to time, prescribe.

### BYLAWS ARTICLE III, SECTION 7

Voting by proxy shall not be allowed except that the spouse of a member who is not present and registered shall be considered to hold a proxy of that member and shall be entitled to vote.

# SLOPE ELECTRIC COOPERATIVE, INC. MINUTES OF ANNUAL MEETING

JUNE 8, 2023

The 78th Annual Meeting of Slope Electric Cooperative, Inc. was called into session at 6:00 p.m. by President Steven Wegner at the Hettinger Armory in Hettinger, North Dakota on June 8, 2023.

## Opening

Mr. Wegner welcomed attendants to the 78th Annual Meeting of Slope Electric Cooperative, Inc. He then called upon Director Angela Carlson to give the invocation.

## Invocation

Director Carlson then gave the invocation.

## Pledge of Allegiance and National Anthem

Mr. Wegner welcomed the attendants to the meeting and asked the membership to rise for the Pledge of Allegiance, which was led by the Adams and Slope County Livestock Team. After the Pledge, the national anthem was played.

## Roberts Rules of Order

Mr. Wegner stated that the meeting would be conducted pursuant to Roberts Rules of Order, and that the Cooperative's attorney, Jennifer Grosz, would act as parliamentarian.

## Introduction and Special Guest Recognition

Slope Electric's Board of Directors were introduced to the membership, as were Co-Managers. Finally, Director Lauren Klewin introduced special guests attending the meeting. Mr. Wegner asked Slope Electric employees to introduce themselves to the membership.

## Quorum

Board Secretary Angela Carlson was asked to determine whether there was a quorum. Ms. Carlson reported that Slope Electric consists of 1,918 members, and that there were 45 registered members present, with 151 members voting by mail and 47 members voting electronically, and she declared a quorum.

## Confirmation of Notice of Meeting, Proof of Mailing & Condensed Minutes of Annual Meeting

Ms. Carlson reported to the membership that she confirmed the notice of meeting and proof of mailing. Upon motion duly made, seconded, and unanimously carried, it was

RESOLVED, to waive the reading of official notice of the Annual Meeting contained in the report.

The condensed minutes of the last Annual Meeting were printed in the Official Notice of the Annual Meeting. Upon motion duly made, seconded, and unanimously carried, it was

RESOLVED, to accept the minutes as presented.

## Nominating Committee and Election of Directors

The next order of business was the nomination and election of directors. Mr. Wegner then called upon Cammie Janikowski, Chairperson for the nominating/resolutions committee who submitted the following nominations: Adams County – Steven Wegner, and Hettinger County – Angela Carlson and Charlotte Meier. No nominations were received by petition. Mr. Wegner then asked Ms. Grosz to summarize the voting procedures. Ms. Grosz provided this summary, and then Mr. Wegner stated that since he is up for re-election, Vice-President Anthony Larson would conduct the director election. Mr. Larson stated that he would entertain a motion to suspend the rules and have the secretary cast a unanimous ballot for the following positions:

Steven Wegner—Adams County  
Angela Carlson—Hettinger County  
Charlotte Meier—Hettinger County

A motion was made, seconded, and unanimously carried to direct the Secretary to cast a unanimous ballot for the above-named director seats. Each newly elected director briefly addressed the membership.

## Co-General Managers/CEO Report

Slope Electric's Co-General Manager, Travis Kupper, presented the Co-General Managers/CEO report to the membership. Mr. Kupper discussed how this year's Annual Meeting theme mirrored how Slope Electric was established. When Slope Electric was established, a group of people banded together to improve the quality of life for their neighbors by providing electric service to their communities. Back then, and now, Slope Electric has been the conduit to make members lives easier and more enriched and it constantly evolving to meet the needs of its members. Slope Electric is confident that it can do so, now and for generations to come. Mr. Kupper presented a video of Operations Manager Dean Volk, in which Mr. Volk outlined the actions being taken by the Cooperative to provide advanced, reliable service to the members. Mr. Volk also discussed the safety measures implemented to keep its employees, and the membership safe. Co-General Manager Jason Bentz next addressed the membership, discussing supply chain issues and the actions taken by the Cooperative to secure member engagement and feedback about their Cooperative. He then presented a video from Member Service Manager Brooke Waltner which provided the membership with information about the Cooperative's activities in its service territory. Mr. Bentz invited questions from those attending and encouraged any member with questions to contact him or Mr. Kupper.

## Financial Report

Alex Craigmile, Chief Financial Officer, presented the 2022 Slope Electric financial report as contained in the Annual Meeting notice via a video presentation. He noted that Slope Electric's financials are annually audited by Brady Martz and Associates, P.C. Slope Electric received an unmodified opinion from Brady Martz, which is the highest opinion that can be received and expresses their confidence in the Slope Electric's financial record keeping. A summarized financial report and financial statement was provided to the members with the meeting notice. Among the highlights he explained was the balance sheet reflecting that the present value of Slope Electric's net utility plant decreased from \$58,636,167 to \$56,109,575. Seventy percent of Slope Electric's revenue is derived from large commercial sales. Member equity increased to \$74,390,237. Slope Electric's average interest rate on long term debt is 3.0%. Mr. Craigmile noted that the interest rates on the long-term debt incurred by Slope Electric were at extremely low rates, and its long-term debt is approximately \$27 million. The cost of power for 2022 was approximately 71% of the entire expense of the cooperative. Slope Electric's revenue decreased from \$26,994,113 in 2021 to \$23,442,816. In 2022, Slope Electric ended with a margin of just over \$3.3 million, which will be returned to the members based upon their patronage for 2022. Thereafter upon motion duly made, seconded, and unanimously carried, it was

RESOLVED, that the 2022 Financial Report be accepted as presented.

## Operation Round Up

Mr. Bill Gion, President of the Board of Directors of Operation Round Up, gave the Operation Round Up Report. He introduced the Operation Round Up Board to the membership and summarized the donations made by Operation Round Up to individuals and organizations within its service territory. Since its organization in 1997, Operation Round Up has donated a total of \$271,970 to community projects, youth programs and individuals within the area Slope Electric serves. Mr. Gion encouraged all members to consider participating in this program.

## Bylaw Amendments

Mr. Wegner announced that the next item of business would be to consider amendments to the Slope Electric's Bylaws. These were provided to the membership in their entirety as part of the Annual Meeting packet. Mr. Wegner then stated that Ms. Grosz was available to provide a summary of the amendments, and the rationale for them. A comment was made by a member expressing some concern overextending the date by which nominations by petition must be made. Upon motion duly made, seconded, and unanimously carried, it was

RESOLVED, to dispense the requirement of reading the Amended Bylaws in their entirety.

Thereafter, upon motion duly made, seconded,

and carried with all members but one voting in favor, it was

RESOLVED, that the Amended Bylaws were approved as presented in their entirety.

## Door Prizes

Slope Electric employee Andrew Sonsalla then drew for children's door prizes.

## Service Awards

A number of Slope Electric personnel earned service awards for their tenure with the cooperative. Mr. Wegner thanked these employees and director for their service to the cooperative, and presented service awards to:

Dale Hande - Director	5 years
Brooke Waltner - Manager of Member Relations	10 years
John Lawhead - Line Technician	10 years

## Scholarship Awards

Ms. Waltner presented the \$1,000 Basin Electric Power Cooperative Scholarship award to Caleb Sarsland. Five hundred dollar scholarships were awarded to a recipient from each school within Slope Electric's service territory:

Bowman County High School- Nicholas Rodakowski  
Hettinger Public School- Bennett Jorgenson  
Lemmon Public School- no applicants  
Mott-Regent High School- Andrew Eikamp  
New England Public School- Hannah Frank  
Scranton Public School- Lillian Steeke

Next announced were the Luck-of-the-Draw Scholarship winners. Winners Jesse Reich and Bennett Jorgenson won the \$500 Luck-of-the-Draw Scholarships.

Ms. Waltner also announced the Youth Tour Winners for this year, Julia Daley and Julie Sarsland.

The 2022 Youth Tour Winner Caleb Sarsland provided the membership with a presentation about his Youth Tour experience through a video presentation.

## Old Business

The next agenda item was old business. There being no old business, Mr. Wegner then called for any new business.

## New Business

Mr. Wegner asked the members if they had any new business. There was no other new business.

## Adjournment

A motion was made, seconded, and carried to adjourn the meeting. The meeting was adjourned at 6:59 p.m.

Angela Carlson, Secretary

# DIRECTOR BIOS

## DIRECTOR CANDIDATES FOR DISTRICT 3 (SLOPE COUNTY)



### **SCOTT BACHMEIER**

#### ***What makes you a great candidate for Slope Electric Cooperative's board of directors?***

Slope County might be the smallest county by population, but is probably the largest when it comes to community involvement and working together for a common goal. When you have a community that can band together for helping neighbors, working together to bring the longest running fair together, or go the distance and help fundraising for a project or someone in need. All of these things are what being part of a cooperative means, and I would like to ask you for your vote to represent Slope County on the Slope Electric Board of Directors. I think any single one of the candidates are a great choice, as they are part of the community we

call home. I would sure appreciate your vote during the Annual Meeting.

#### ***If elected, what are your priorities?***

My priorities to represent my county on the board would be to listen to the needs of the members (owners) of the cooperative and bring those needs, issues, concerns to the board and not only make sure they are heard, but find a way to explain to our members the issues and advantages we have as a co-op. This co-op was brought together to make sure we have safe, affordable, and consistent electricity, and I would do my best to continue the cooperative advantage we have in our community.



### **CHERYL VAN DAELE**

#### ***What makes you a great candidate for Slope Electric Cooperative's board of directors?***

I was born and raised in Southwest North Dakota, and I have always been served by Slope Electric Cooperative. I feel that serving on the Board of Directors would be a valuable learning experience and a way for me to gain further knowledge of our Cooperative. I feel it is important for me to give back to my community that has always been supportive of our family. I have enjoyed volunteering and serving on various local boards. I have a lifetime of experience in sharing the duties of operating our family ranch and our bus service. I work remotely for Encompass Therapy, out

of Hettinger, which gives me the opportunity to interact with people from all walks of life. I enjoy working with people and I would strive to represent our Cooperative in a positive way.

#### ***If elected, what are your priorities?***

My priorities would be:

- To attend educational classes to further my knowledge of our Cooperative.
- To be available to the membership for questions.
- To keep reliable quality of service and attempt to maintain cost effectiveness for the financial well-being of the membership.



### **RYAN JACOBSON**

#### ***What makes you a great candidate for Slope Electric Cooperative's board of directors?***

I have been a resident of Slope County all my life, I would like to give back to the community where I am raising my family. Growing up in a rural area, I understand the need to have reliable electricity. I am a member of several different cooperative organizations in SW North Dakota. Owning/ Operating a commercial cow/calf business has given me the opportunity to understand and grow business relationships. I possess great listening skills and an open mind. I would be proud to serve as a Director of Slope Electric Cooperative.

#### ***If elected, what are your priorities?***

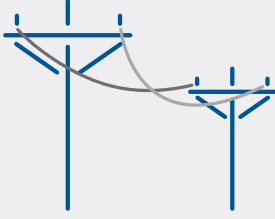
Keeping power reliable, easily accessible, affordable and member-owned are priorities that I think we all want to see. If elected, these are areas where I would work for continued growth and success. I will make myself available to members and be an advocate for their needs. My decisions will be made with the best interests of the cooperative members in mind.




# SLOPE ELECTRIC COOPERATIVE 2023 FACTS & FIGURES

**736.77**  
MILES OF UNDERGROUND

**2,275.67**  
MILES OF OVERHEAD



**93.57**  
TRANSMISSION LINES



**19** DISTRIBUTION SUBSTATIONS



**4,088**  
TOTAL METERS SERVED

**11** EMPLOYEES



**1,915**  
TOTAL NUMBER OF ACTIVE MEMBERS



**\$16,216,347**  
COST OF POWER




**50** NEW SERVICES



**28**  
ANIMAL, FARM, & CAR RELATED OUTAGES



**44**  
TREE & WEATHER RELATED OUTAGES



**1,970,626**  
MILES DRIVEN WITHOUT AN ACCIDENT



**15**  
TRUCKS



**1.31**  
METERS PER MILE



**226,261,923** KWH SOLD

CAPITAL CREDITS RETIRED TO MEMBERS:  
CUMULATIVE AMOUNT **\$24,259,317**  
**\$2,666,713** IN 2023



**CO-OP TRUCKS DRIVE AN AVERAGE OF 9,810 MILES/MONTH**

# FINANCIAL STATEMENTS

## Balance Sheet Dec. 31, 2023 & 2022

### ASSETS

	2023	2022
<b>Utility Plant:</b>		
Lines, Buildings and Equipment	\$83,287,390	\$82,193,539
Accumulated Depreciation	(25,422,654)	(24,083,964)
Present Value of Plant	57,864,736	58,109,575
<b>Investments:</b>		
Investment in Associated Organizations	\$23,105,210	\$24,135,586
Other Long-Term Investments	487,594	596,024
Special Funds	15,174,931	15,576,118
<b>Total Investments</b>	<b>\$38,767,735</b>	<b>\$40,307,728</b>
<b>Current Assets:</b>		
Cash in Operating Funds	\$4,837,890	\$5,346,690
Temporary Cash Investments	13,471,622	11,270,000
Accounts Receivable	2,546,001	262,836
Materials and Supplies	1,921,830	1,826,956
Prepayments - Insurance	133,343	60,889
Interest and Rents Receivable	214,189	187,000
<b>Total Current Assets</b>	<b>\$23,124,875</b>	<b>\$18,954,371</b>
Deferred Debits	\$0	\$0
<b>TOTAL ASSETS</b>	<b>\$119,757,346</b>	<b>\$117,371,674</b>

### EQUITIES AND LIABILITIES

<b>Equities:</b>		
Patronage Capital	\$65,159,266	\$64,471,772
Other Equities	10,070,334	9,918,465
<b>Total Equities</b>	<b>\$75,229,600</b>	<b>\$74,390,237</b>
<b>Liabilities:</b>		
Long-Term Debt Due	\$29,925,501	\$27,018,047
Accounts Payable	1,367,279	1,520,528
Member Deposits	52,044	52,665
Other Current Liabilities	433,375	468,060
Regulatory Liabilities and Deferred Credits	12,749,547	13,922,137
<b>Total Liabilities</b>	<b>\$44,527,746</b>	<b>\$42,981,437</b>
<b>TOTAL EQUITIES AND LIABILITIES</b>	<b>\$119,757,346</b>	<b>\$117,371,674</b>

# FINANCIAL STATEMENTS

## Statement of Revenue and Expenses

For Years Ending Dec. 31, 2023 & 2022

### OPERATING REVENUE

	2023	2022
Farm	\$4,172,411	\$4,089,197
Seasonal	1,918,763	1,660,507
Small Commercial	2,672,118	2,506,670
Large Commercial & Industrial	12,711,483	14,478,330
Public Street, Highway Lights & Wheeling	108,934	118,352
Other Electric Revenue	480,686	589,760
<b>TOTAL OPERATING REVENUE</b>	<b>\$22,064,395</b>	<b>\$23,442,816</b>

### OPERATING EXPENSES

Purchased Power	\$13,532,693	\$16,216,347
Transmission Expense	108,103	52,384
Distribution Expense - Operations	1,727,582	1,708,147
Distribution Expense - Maintenance	348,276	283,807
Consumer Account Expense	206,819	181,451
Customer Service and Information Expense	272,980	217,957
Administration and General Expense	1,421,165	1,311,278
Depreciation	1,890,130	1,898,021
Tax Expense - Property & Gross Receipts	172,200	295,295
Interest on Long-Term Debt	866,939	767,419
Other Deductions	42,556	43,954
<b>TOTAL COST OF ELECTRIC SERVICE</b>	<b>\$20,589,443</b>	<b>\$22,976,060</b>

Operating Margins	\$1,474,952	\$466,756
Non-Operating Margins	875,635	773,339
Generation & Transmission Capital Credits	909,218	1,986,402
Other Capital Credits & Patronage	94,402	89,602
<b>TOTAL MARGINS</b>	<b>\$3,354,207</b>	<b>\$3,316,099</b>

### BRADY MARTZ 2023 OPINION

We have audited the accompanying consolidated financial statements of Slope Electric Cooperative, Inc. and Subsidiary, (a North Dakota nonprofit cooperative), which comprise the consolidated balance sheets as of December 31, 2023 and 2022 and the related consolidated statements of revenues and expenses, patronage capital and other equities, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Slope Electric Cooperative, Inc. and Subsidiary, as of December 31, 2023 and 2022, and the results of operations and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

# PROPOSED BYLAW AMENDMENTS

Article I, Section 3(i) - Upon the legal termination, separation or divorce of the holders of a joint membership, such membership shall be ~~continue to~~ held solely by the one who continues directly to occupy or use the premises covered by such membership in the same manner and to the same effect as though such membership had never been joint: PROVIDED, that the other joint owner shall not be released from any debts due the Cooperative incurred prior to delivery of notice of membership withdrawal by such joint owner, and that capital credits previously accrued to the joint membership shall be equally divided between the joint membership unless otherwise directed in writing by the former joint members and provide any documentation required by the Cooperative.

Article III, Section 6(c) - The failure of any member to receive the notice and ballot shall not invalidate any action which may be taken as a result of the balloting. The ballot shall be certified and signed by the member, and when received by the secretary of the Cooperative, shall be accepted and counted as the vote of the member. Members who first become members within 15 days of the distribution of mail in or electric balloting for an annual meeting will only be eligible to vote in person at that annual meeting.

Article III, Section 8 - ~~ORDER-ANNUAL MEETING OF BUSINESS.~~ The order of business that shall be addressed at the annual meeting of the members and, so far as possible, at all other meetings of the members, shall be essentially as follows:

1. Report as to which members are present in person, in order to determine the existence of a quorum and which members are represented by proxy.
2. Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be.
3. Reading of unapproved minutes of previous meetings of the members and the taking of necessary action thereon.
4. Presentation and consideration of reports of officers, directors, and committees.
5. Election of directors.
6. Unfinished business.
7. New business.
8. Adjournment Any other item of business which has been properly noticed and brought before the meeting.

Article XII - AMENDMENTS

SECTION 1. These Bylaws may be added to, amended or repealed by the members at any regular or special meeting, provided the notice of such meeting shall have contained a copy of the proposed addition, amendment,

or repeal or an accurate summary explanation thereof.

SECTION 2. Any member wishing to offer a proposed amendment may do so upon a petition signed by not less than fifteen members of each district of the Cooperative and filing such proposed amendment with such petition not less than ninety days before the annual or special meeting of members, whereupon the Secretary shall include such proposed amendment or an accurate summary explanation thereof in the Notice of such meeting.

SECTION 3. The Members in any special or regular meeting may also institute proposed amendments to these Bylaws which proposed amendments or an accurate summary explanation thereof shall be included in the Notice of the next succeeding regular or special meeting of members.

These bylaws may be altered, amended or repealed by the members at any regular or special meeting, provided the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal, except that Article VIII of these bylaws may only be amended by the affirmative vote of not less than two-thirds of all of the members of the Cooperative.

## LUCK-OF-THE-DRAW SCHOLARSHIPS

As we gather for our Annual Meeting on June 6, we are excited to announce that five scholarships will be awarded to students in our service area. Three deserving full-time students will each receive a \$1,000 scholarship, while two diligent full- or part-time students will be awarded \$500 each.

### **Who may be eligible?**

- High school students enrolled in courses for college credits
- Individuals enrolled in part-time classes such as online
- Students attending classes part- or full-time in the fall

### **Eligibility requirements:**

The eligible attendee must be a Slope Electric member or dependent of a Slope Electric member.

Students must attend the Annual Meeting, June 6. If the qualifying student is not a Slope Electric member they must be accompanied by their parent or guardian who is a member of Slope Electric. There will be a sign-up booth at the Annual Meeting where eligible students will be able to register for the drawings.

## SLOPE ELECTRIC ANNOUNCES YOUTH TOUR WINNER



Each year, Slope Electric looks forward to announcing the high school sophomore or junior that has been carefully selected to represent Slope Electric in Washington D.C. for the Youth Tour. This opportunity provides these blossoming students with the chance to explore our nation's capital and build relationships with fellow students from across the U.S.

Slope Electric extends a heartfelt congratulations to **Landon McKitrick** for being named the North Dakota Electric Cooperative Youth Tour winner.

Landon, son to Slope Electric members Joe and Carrie McKitrick, is a sophomore at Bowman County High School. He enjoys helping his family on the farm in Bowman, running cross country, fishing, hunting, and traveling to western Montana. This is Landon's first trip to Washington D.C., and he is "excited to see it all."

Landon was prompted to apply for the Youth Tour by his dad and was further encouraged by the testimony of a previous Youth Tour winner who runs cross country with him. Intrigued by the chance to delve deeper into American history, Landon chose to focus his essay on the Industrial Revolution. Reflecting on his choice, he shared, "I picked the Industrial Revolution because industrious things, seeing large operations, and big advances in history are interesting and motivating to me."

## SLOPE ELECTRIC AWARDS SCHOLARSHIP



Each year Slope Electric awards several outstanding high school seniors with scholarships towards their post-secondary education pursuits. This is just one of the many ways Slope Electric embodies the commitment to giving back to our cooperative family and community.

### BASIN ELECTRIC/SLOPE ELECTRIC SCHOLARSHIP RECIPIENT

The winner of this \$1,000 scholarship provided by Basin Electric Power Cooperative is **Bailey Urlacher**, daughter of Mary and Gregg Urlacher, from Regent, ND. Bailey is a senior at New England High School and plans to attend North Dakota State University for agricultural education.



## SLOPE ELECTRIC COOPERATIVE EMPLOYEES

### OFFICE

Dean Volk, Operations Manager/Chief of Staff.....	33 years
Brooke Waltner, Manager of Member Relations.....	11 years
Kennedy Fricke, Member Service Representative I.....	1 year

### NEW ENGLAND

Andrew Sonsalla, Line Technician .....	18 years
Dusty Hoff, Foreman.....	14 years
Mark Frank, Line Technician.....	12 years
Shay Olson, Apprentice Line Technician.....	2 years

### BOWMAN

Jeff Boynton, Outpost Foreman .....	18 years
Cody Braaten, Line Technician .....	14 years
Jon Lawhead, Line Technician .....	12 years
Brad Schmitt, Line Technician.....	3 years

### 2023 SERVICE AWARDS

Jerome Caron, Director.....	35 years
Henry Fischer, Director .....	5 years
Charlotte Meier, Director.....	5 years

**CONGRATULATIONS ON YOUR YEARS  
OF SERVICE AND HARD WORK!**

# SLOPE ELECTRIC COOPERATIVE, INC.

## **RESOLUTION NO. 1**

### NORTH DAKOTA ELECTRIC INDUSTRY LEGISLATIVE ISSUES

#### Territorial Integrity Act

We believe the North Dakota Territorial Integrity Act serves the best interest of both rural and urban consumers and electric power suppliers. The Territorial Integrity Act is needed to ensure orderly development of the state's electric infrastructure to deliver electricity without wasteful duplication. The Act is fair and it has worked well since it was passed in 1965. It has minimized disputes over service areas. Slope Electric will strongly oppose any legislative, regulatory or other effort to abolish or weaken the provisions of the Territorial Integrity Act.

#### Rural Electric Cooperative Board Regulation

As consumer-owned organizations, we oppose any attempts to place North Dakota's rural electric cooperatives under rate and service jurisdiction of the North Dakota Public Service Commission (PSC). North Dakota's rural electric cooperatives are directed by a member-elected board of directors who are responsible for rate and management decisions based on the best interest of the members. We believe the PSC should still be the watchdog for consumers who get their power from for-profit stock companies or other sources in which the consumer is not a member/owner.

## **RESOLUTION NO. 2**

### RURAL UTILITIES SERVICES PROGRAMS - ELECTRIC

Slope Electric Cooperative calls upon the Congress and the administration to continue a commitment to a balanced approach to long-term financing for the nation's electric cooperatives, including hardship loans (for those systems meeting strict eligibility requirements), municipal rate loans and Federal Financing Bank and Treasury rate loan guarantees.

While some in this country argue it's time for the Rural Development utilities lending programs to be eliminated, or that the lending programs be based only on guarantees, Slope Electric opposes such proposals. The need for capital to build new facilities and/or renew existing plant continues at a level that clearly justifies a well-funded loan program. The guarantee program should not become the sole solution to electric cooperative capital needs. While it's enticing to seek guarantees during times of low interest rates, the nation's electric co-ops remember many years when capital costs reached double digit interest rates. Interest rates change with the market, but the primary focus for electric co-ops serving the high-cost, low-consumer-density areas of this country remains largely unchanged. Nationally, electric cooperatives still serve only about 7.4 customers per mile of line, compared to about 34 customers for the investor-owned utilities (IOUs) and about 48 customers for municipal power systems. In North Dakota, cooperatives average 1.96 customers per mile. Slope Electric Cooperative serves 1.25 meters per mile of line.

We would further oppose any effort to eliminate the 7-percent cap on Rural Development utilities municipal rate loans, and would not support the inclusion of any general funds policy that limits a rural electric system's ability to access Rural Development utilities loan programs.

We also oppose any means testing or move from the once-rural-always-rural test for borrower eligibility.

We wholeheartedly support the current, balanced Rural Development utilities loan program and urge Congress to fund the program sufficiently.

## **RESOLUTION NO. 3**

### HYDROPOWER POLICY

#### Preference Clause

Hydropower is an integral part of the rural electric cooperative power supply.



Preference power allocations, power marketing agencies, cost-based rates and other Pick-Sloan users are part of hydropower concerns, and regulations in these areas affect rural electric cooperatives and their reliance on hydropower.

We believe that the rightful allocation continues to remain with these existing qualified preference customers. As the capacity of federal resources is limited, we believe that careful consideration must be given when providing allocations to otherwise qualified new customers at the expense of existing preference customers. We further believe that non-contributing private interests, who would use the benefits of the resource for profit, should not be at all entitled to this resource.

Our energy future largely depends on our ability and willingness to use this nation's hydropower resource efficiently. We, therefore, continue to encourage and support full development of the Missouri River for its traditional preference customers.

The principles establishing the preference clause for the disposition of federal hydropower are as sound today as they were when initiated. We oppose any effort to change it.

#### Power Marketing Administration

We believe power marketing administrations (PMAs) should not be sold. Selling federal assets is not sound fiscal policy. Likewise, we oppose the privatization of power marketing administration maintenance contracts for federal dams. We believe the federal government is best suited to provide the maintenance for the dams it operates and can provide the maintenance for a lower cost than private contractors.

The partnership that exists between the federal government and rural electrics regarding PMAs is an example of how the federal government can work to benefit its citizens. We believe that partnership should continue to benefit the rural, sparsely populated states like ours.

The power we receive from PMAs remains a vital component in continuing to ensure universal electric service at the lowest price possible.

#### Hydropower Rates

We do not believe hydropower rates should be increased beyond cost-based pricing. We strongly oppose any violation of the long-standing covenants between the government and its citizens, which clearly provide hydropower to be sold at the lowest-possible cost, consistent with sound business principles. Straight-line amortization, surcharges, increased interest rates and other changes for accelerated repayment by power marketing agencies have been proposed by the Office of Management and Budget under various agencies, as well as by members of Congress. Similarly, the budget proposal to increase PMA rates to "market levels" is nothing more than a discriminatory tax that would fall inequitable upon millions of rural Americans. We urge Congress to reject this proposal and others who abandon the fair, reasonable and equitable principles that have guided the pricing of federal power for nearly a century.

#### Pick-Sloan Benefits

We recognize the water development benefits promised to Upper Missouri Basin states to compensate for Missouri River bottom land flooded to provide downstream flood control as part of the Pick-Sloan Plan.

Any changes from the original authorization for these federal projects should not jeopardize this region's hydroelectric users. We oppose changing preference clause provisions or raising hydroelectric rates to pay the debt obligation of the dams presently assigned to irrigation. We urge the Congress to strongly resist any attempts to provide for repayment assistance to municipal and industrial water systems in hydropower rates contrary to the reclamation law. We oppose any attempt to alter the benefits to preference customers that would increase hydropower rates to subsidize an investment which is not the responsibility of hydroelectric consumers.

## **RESOLUTION NO. 4**

### ENVIRONMENTAL

#### Nature

As a rural state and region, we are concerned about the interrelation of man and nature. Issues such as conservation, global climate change and carbon sequestration affect our land, and we believe that stewardship of our natural resources and concern

for the environment are primary to all our members. We support continued study and greater scientific knowledge of the changes and issues that affect our environment here and in our nation and world.

#### Clean Coal

Electric cooperatives operating coal-based generating facilities in North Dakota have invested heavily in clean coal technology. We support their efforts and encourage even more research and funding for clean coal technology to reduce emissions of sulfur dioxide, mercury and nitrous oxide to ensure that the region's rural electric consumers can continue to benefit from the use of our state's plentiful lignite coal resources.

#### Environmental Protection Agency

The use of "sue-and-settle" lawsuits have become a loophole used by non-governmental organizations to advance their environmental agenda over the years. This tactic has resulted in major changes in laws, rules and policies under federal environmental acts, without providing for meaningful participation by the public, by state agencies whose primacy over environmental programs are being commandeered, and by stakeholders whose jobs and businesses are being impacted.

This tactic has been the genesis for a number of the changes in environmental laws, rules and policies that have negatively impacted the members of Slope Electric, including the efforts to override the state of North Dakota concerning regional haze, the limiting of Rural Utilities Service (RUS) funding for coal-fired power plants, the setting of CO<sub>2</sub> standards for new coal-fired power plants that cannot be supported with current technology, the effort to re-classify coal ash as hazardous waste, and many other aspects associated with the Clean Air Act.

Slope Electric Cooperative supports legislation to close this loophole and allow meaningful participation by the public, states and stakeholders before such cases can be settled, and to require that policymaking be done through the legislative and rulemaking processes, along with appropriate Congressional oversight and procedures that are essential to sound public policy, democratic government and the rule of law.

#### North Dakota Wilderness and Wild and Scenic River Proposal

Slope Electric Cooperative opposes proposals to redesignate a portion of the Little Missouri National Grasslands or other lands across the state as National Wilderness Areas, or to designate portions of the Little Missouri River, the Pembina River, or other rivers running through the state as wild and scenic rivers or otherwise unduly interfere with private property rights or the orderly development of coal and other energy reserves when adequate protections already exist to protect the beauty of these areas and rivers.

#### Clean Water Restoration Act

We oppose removing the word "navigable" from the Clean Water Act's definition of waters under federal jurisdiction.

Whereas immediate consequences would usurp the states' power to regulate streams, ponds, and other permanent "wetlands". It would also create federal regulation over isolated waters, drainage ditches, ponds, prairie potholes, etc.

#### Accidental Wildlife Electrocution

Recent interpretations of the Migratory Bird Treaty Act (MBTA) have asserted that accidental electrocution of raptors and migratory bird species is a deliberate "taking" of wildlife by electric utilities. In addition, the MBTA is a "strict liability" law, which means that the U.S. Fish and Wildlife Service (USFWS) only has to show that the birds were killed by the activities of an individual or business.

Severe penalties have been assessed and proposed against utilities whose systems have experienced avian contacts with their facilities. USFWS is advocating that rural electric cooperatives enter into memorandums of understanding (MOUs) to eliminate migratory bird mortality due to electrocution on transmission/distribution lines and associated equipment.

Rural electric cooperatives support the goal of reducing avian electrocutions, and they have installed equipment on lines and created attractive perches away from dangerous locations to prevent avian deaths. It is impractical, however, to convert all aerial equipment to underground or to retrofit all existing equipment to eliminate all impact to avian species.

We urge balance in the federal government's approach to establishing the MOUs for rural electric cooperatives. We urge Congress to act by changing two provisions of the

MBTA by (1) modifying and tempering the language that treats in-flight electrocutions or contacts by avian species as an intentional “taking” of protected avian species, and (2) a re-evaluation of the “strict liability” standard for utilities that have implemented avian protection measures.

## **RESOLUTION NO. 5**

### **SUPPORT FOR FAMILY FARMERS**

North Dakota’s rural electric cooperatives have invested over \$1 billion in electric distribution facilities, and another \$5 billion in generation and high-voltage transmission facilities, to provide dependable electric power to the state’s largest industry—agriculture. This investment was made by rural electric leaders based on a vision of a widely dispersed network of prosperous family farms that would in turn support rural communities.

In this time of relative uncertainty in agriculture, it is important to maintain a strong public partnership with the federal government to help family farm agriculture compete in a global economy. This can be achieved by maintaining a strong farm program that includes an adequate safety net for farmers, countercyclical payments in times of depressed market conditions, improved crop insurance, and a permanent disaster relief program of emergency assistance.

## **RESOLUTION NO. 6**

### **GLOBAL CLIMATE CHANGE**

Concern about global climate change has accelerated, leading to strong efforts to enact federal and state policies to reduce man-made emissions of greenhouse gases into the atmosphere, including carbon dioxide from burning coal. Because the electric industry in general and electric cooperatives in particular rely heavily on coal for base load electric generation, poorly designed policies would cause substantial harm to electric consumers without measurable benefits in stabilizing or reducing global warming. We must assess the costs of current proposed global climate change legislation that have the potential to double wholesale coal-based electricity rates. To address climate change responsibly, we strongly endorse the following principles to guide climate change policy:

- Emission reduction requirements must be directed to all sectors of the economy.
- Emission reduction plans must be based on international understandings and agreements that ensure other nations, including both developed and developing nations, participate.
- The emission reduction targets must be achievable and timed with the advancement and commercialization of technologies.
- Emission reduction proposals, such as cap and trade plans, must include an economic safety valve, to avoid excessive financial hardships, market manipulation or large price swings.
- Fuel diversity should be encouraged to avoid reliance on a few sources of electricity, which will limit competition and create higher prices. This means nuclear energy and coal with carbon capture and storage, must be part of our nation’s energy future, together with hydropower and other renewable energy, such as wind and solar power.
- Early adopters should receive credit for efforts made in CO<sub>2</sub> captured and sequestered before climate change policy is enacted.
- New laws and regulations should be prospective rather than retroactive in application.



# *Slope Electric* Cooperative, Inc.

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