



2024 ANNUAL REPORT

& THE OFFICIAL NOTICE OF THE
2025 ANNUAL MEETING

OFFICIAL NOTICE OF 2025 ANNUAL MEETING

The 80th Annual Membership Meeting of Slope Electric Cooperative, Inc. will be held at the:

FOUR SEASONS PAVILION • 12 HIGHWAY 12 EAST • BOWMAN
THURSDAY, JUNE 5, 2025 • 5 p.m.

Registration will open at 4:30 p.m., followed by the business meeting at 5 p.m. Bingo and a meal will be provided after the business meeting, compliments of Slope Electric Cooperative.

The following business will be transacted:

1. Election of Directors

4. Proposed Amendment to the Articles of Incorporation:

- Article II: Removes sections 2 & 3 as Slope Electric no longer engages in the purposes of electrical wiring of premises, nor plumbing of premises.

5. Proposed Amendments to Bylaws:

- Article I, Section 3(c): Clarifies what happens if multiple proxies are submitted in the case of a joint membership.
- Article I, Section 3(h): Provides clarification for eligibility to be elected or appointed as an officer in the case of joint membership.
- Article I, Section 6, Article I, Section 7 and Article VII, Section 2: Adds language to reference Slope Electric members who are entities.
- Article II, Section 3: Removes "bill collecting" to align with current practices.
- Article III, Section 8: Removes requirement to report which members are voting by proxy at the annual meeting to align with current practices.
- Article IV, Section 3: Clarifies requirements for serving as a director and removes certain employment restrictions.
- Article V, Section 1 and Article V Section 2: Expressly allows meetings of directors, both regular and special, to be held by video conferences.
- Article VI, Section 2: Adds the requirement that officers are elected by secret ballot, to align with current practices.
- Article VI, Section 10: Changes the duty to set employees compensation from the Board to the Manager to align with current practices.
- Article VII, Section 2, Paragraph 3: Removes references to capital furnished prior to January 1, 1978 as it is no longer relevant.
- Article VII, Section 2, Paragraph 5: Adds various entity types to provision regarding capital credit retirements to civilly dead entities, and to expressly provide a right to offset capital credits against past due amounts from the entity member.
- Article VII, Section 2, Paragraph 7: Revises the first sentence to add clarity about a member filing bankruptcy that has outstanding capital credits.

2. Reports on 2024 operations

3. Any other business that may come before the meeting

The directors whose tenure of office expires are:

District 2: Anthony Larson

District 4: Chip HJ Fischer and Jerry Caron

The following members have been nominated by the Nominating Committee:

Anthony Larson	Hettinger	District 2 (Adams County)
Chip HJ Fischer	Rhame	District 4 (Bowman County)
Jerry Jeffers.....	Rhame	District 4 (Bowman County)
Daniel Maychrzak.....	Scranton	District 4 (Bowman County)
Kevin Thompson	Bowman	District 4 (Bowman 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.

May 9, 2025
Dated


Angela Carlson, Secretary

ANNUAL MEETING PROGRAM

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

5 p.m. **Business Meeting**

Welcome

Invocation

Reading of Notice of Meeting, Proof of Mailing and
2024 Minutes

Election of Directors

Old Business

New Business

Articles of Incorporation Amendment

Bylaw Amendments

Other New Business

Reports

Co-General Managers/CEOs

Financials

Operation Round Up

Scholarships

Adjournment

6 p.m. **Meal provided by Home Cooked Catering and Bingo**

**ALL REGISTERED MEMBERS WILL BE ENTERED INTO A DRAWING.
MEMBERS MUST BE PRESENT TO WIN. THE FOLLOWING PRIZES WILL BE
DRAWN FOR:**

- NOCO 4250A Portable Jump Start
- Vacation package to Medora
*Includes one night stay at the Roughrider Hotel, two tickets to the Pitchfork Fondue
and two tickets to the Medora Musical*
- Medora Musical tickets
- Cash prizes and more

**If you require special assistance because of a disability,
please call Slope Electric at 701-579-4191 or 800-559-4191.**

Please bring this report with you to the Annual Meeting.

MESSAGE FROM THE BOARD PRESIDENT AND CO-GENERAL MANAGERS/CEOS



STEVEN WEGNER
President

As President of the Board of Directors, and Co-General Managers/CEOs of Slope Electric Cooperative, we continually focus on two key priorities: reliability and affordability for our members.

Over the past year, we've faced significant external pressures that have prompted a thorough review of our rate structure. Several factors are driving the necessary rate increases, particularly rising wholesale electric costs from Slope Electric's power suppliers, Basin Electric Power Cooperative and Upper Missouri Power Cooperative. These increases are tied to investments in new generation and transmission facilities, essential for supporting member load growth, as well as crucial upgrades to our existing infrastructure to maintain reliability.



TRAVIS KUPPER
Co-General
Manager/CEO

Our wholesale providers must adhere to the regulations set forth by regional transmission organizations, which are nonprofit entities mandated by the Federal Energy Regulatory Commission to ensure a stable power supply, adequate transmission infrastructure and competitive wholesale electricity prices.

Additionally, compliance with various regulations impacts our costs significantly. The power markets have become increasingly volatile, influenced by factors such as fluctuating natural gas prices and rising electricity demand. While our power suppliers manage this volatility through strategic generation and hedging, these measures have become more expensive.



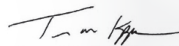
JASON BENTZ
Co-General
Manager/CEO

We have also seen increases in material costs, maintenance, borrowing rates and insurance premiums. All these investments and cost increases are vital for enhancing the reliability for our members. Many of these maintenance expenses are integrated into our base rate, which is essential for the upkeep of our system and sustained operational performance. By investing in our infrastructure now, we are positioning ourselves for long-term success.

In 2024, we focused on enhancing the reliability of service for our electric cooperative members through several key maintenance and infrastructure projects. We completed maintenance on four substations and plan to continue this effort in 2025, using back-feeding and energizing techniques to minimize disruptions. We also replaced numerous poles due to rot or line clearance needs. A significant upgrade began with the installation of SCADA (Supervisory Control and Data Acquisition) hardware, which will enable remote control of substation operations, improving response times and reliability.

Looking ahead to spring 2025, we will undertake a major project to convert 13 miles of overhead power lines south of Rhame to underground three-phase lines, further enhancing service reliability. Additionally, we will perform maintenance on a five-mile stretch of 115kV transmission line south of Rhame.

At the end of the day, we are working strategically to enhance our service to our membership, all while maintaining the affordability and reliability of our system. We want to thank each of our members for their continued support.



SLOPE ELECTRIC 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



CHIP HJ FISCHER
Treasurer
District 4
Bowman County



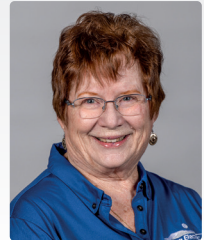
JEROME CARON
District 4
Bowman County



CHERYL VAN DAELE
District 3
Slope County



RYAN JACOBSON
District 3
Slope County



CHARLOTTE MEIER
District 1
Hettinger County

VOTING GUIDELINES

Voting regulations are part of the Slope Electric Cooperative, Inc. Bylaws. 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, except as otherwise provided by law, the Articles of Incorporation, or these Bylaws. Entities 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 instruments 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 6, 2024

The 79th Annual Meeting of Slope Electric Cooperative, Inc. was called to order at 5 p.m. by President Steven Wegner at New England High School in New England, North Dakota on June 6, 2024.

Opening

Mr. Wegner welcomed attendants to the 79th Annual Meeting of Slope Electric Cooperative, Inc. He then called upon Director Dale Hande to give the invocation.

Invocation

Director Hande gave the invocation.

Pledge of Allegiance and National Anthem

Mr. Wegner welcomed the attendants to the meeting and asked them to rise for the Pledge of Allegiance, which was led by members of the Hettinger County 4-H Club. After the Pledge of Allegiance, the National Anthem was sung by Taylor Sonsalla.

Roberts Rules of Order

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

Introduction and Special Guest Recognition

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

Quorum

Board Secretary Angela Carlson was asked to determine whether there was a quorum. Ms. Carlson reported the cooperative consists of 1,916 members, and that there were 93 registered members present, with 314 members voting electronically before the meeting. A quorum was declared.

Confirmation of Notice of Meeting, Proof of Mailing and 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; and it was

FURTHER RESOLVED, that the Official Notice of the Annual Meeting is hereby approved.

The condensed minutes of the last Annual Meeting were printed in the Official Notice of the Annual Meeting. The President then asked the membership to cast their vote of whether to approve the Minutes of the 2023 Annual Meeting on the ballot provided to them.

Nominating Committee and Election of Directors

The next order of business was the nomination and election of directors. Mr. Wegner called upon Shannon Minerich, Chairperson of the Nominating/Resolutions Committee. Ms. Minerich submitted the following nominations for the open

directorships in District 3: Scott Bachmeier, Ryan Jacobson and Cheryl Van Daele. No nominations were received by petition.

Mr. Wegner then asked Ms. Grosz to summarize the voting procedures. Ms. Grosz provided this summary, and Mr. Wegner next introduced each of the candidates. He invited each of the candidates to address the membership.

Mr. Wegner notified the membership that candidate Scott Bachmeier was unable to attend the meeting. Director Anthony Larson then read a statement by Mr. Bachmeier withdrawing his name from candidacy and supporting the remaining candidates for the open director positions. Following this announcement, the remaining candidates, Ryan Jacobson and Cheryl Van Daele, addressed the membership. After this, Mr. Wegner asked the membership to vote for the directors on the 2024 official ballot.

Co-General Managers/CEOs Report

Slope Electric Cooperative's Co-General Managers and CEOs Travis Kupper and Jason Bentz gave the Co-General Managers/CEOs Report to the membership. Mr. Kupper welcomed the membership to the Annual Meeting and reviewed the accomplishments of Slope Electric in 2023. He thanked the membership for their trust and support. Mr. Kupper introduced Operations Manager Dean Volk's video report to the membership which provided the board with a summary of significant operational matters which occurred during 2023 and how Slope Electric addressed them. Mr. Volk stated it was a good year for the cooperative, and fewer than normal outages were experienced.

Mr. Bentz next addressed the membership, reporting on opportunities for grant funds available to the cooperative. If granted, the funds will aid Slope Electric in providing reliable service by converting overhead to underground line in key areas and implementing a SCADA system. He also addressed the challenges of new regulations which challenge the cooperative's ability to provide reliable service to the members. The Co-Managers have pushed back on new EPA efficiency standards, not because they are not in favor of them, but they believe these standards need to be implemented in a time frame that equipment providers can meet.

Slope Electric's power suppliers are experiencing increases in the cost of acquiring, generating and transmitting power, and the Co-Managers anticipate that Slope Electric's cost of power will increase in the coming years. He assured the members that the Slope Electric team is working diligently on a data driven approach to addressing these rising costs.

Mr. Bentz then introduced Manager of Member Relations Brooke Waltner's video report, which outlined the member service efforts undertaken by the cooperative in 2023.

Mr. Kupper then invited Ms. Carlson to provide the membership with information about the Rural Electric Political Action Committee, known as REPAC. She shared the purpose of REPAC, is to provide financial support to statewide and legislative candidates who are identified as friends of the rural electric program. She noted that REPAC does not make contributions to candidates for federal office. Ms. Carlson closed by inviting the membership to consider becoming members of REPAC.

To close the Co-Manager/CEO Report, Mr. Kupper thanked the cooperative's staff for their diligent work for the members and thanked the members for their continued support of these efforts.

Financial Report

Alex Craigmile, the Chief Financial Officer, presented the 2023 Slope Electric Financial Report as contained in the Annual Meeting Notice via a video

presentation. 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 cooperative'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 were the balance sheet reflected that the present value of Slope Electric's net utility plant decreased from \$58,109,575 to \$57,864,736 in 2023. Seventy percent of Slope Electric's revenue is derived from large commercial sales. Member equity increased to \$75,229,600; Slope Electric's Board of Directors returned \$2.7 million of equity to its membership in 2023. Mr. Craigmile noted that the interest rates on the long-term debt incurred by Slope Electric are extremely low, and its long-term debt is approximately \$30 million. The cost of power for 2023 was approximately 66% of the entire expense of the cooperative. Slope Electric's revenue decreased from \$23,442,816 in 2022 to \$22,064,395. In 2023, Slope Electric ended with a margin of just over \$3.3 million, which will be returned to the members based upon their patronage.

A question was posed about automated phone calls which are made to the membership, and what the cost of them is to the cooperative. Ms. Waltner reported that all calls originate from Basin Electric Power Cooperative (Basin Electric) in Bismarck, and this service is a part of a service package Slope Electric has with Basin Electric which provides after-hours call answering and backup call answering. A second question was posed about the significant amount of accounts receivable reflected on the 2023 Annual Report. Mr. Craigmile noted that this amount included current accounts receivable, and the report was run shortly after a billing cycle was run.

The membership was then asked to cast their vote on whether the 2023 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 summarized the donations made by Operation Round Up to individuals and organizations within its service territory. He reported that 70 percent of the membership participates in this program. Since its organization in 1997, Operation Round Up has donated a total of \$298,820 to community projects, youth programs and individuals within the area Slope Electric serves. Mr. Gion encouraged all members to consider participating in this program. Mr. Gion next introduced the Operation Roundup Board of Directors: Renee Brown, Lane Miller, Lynn Homelvig, and himself, with Lauren Klewin representing the Board of Directors.

Bylaw Amendments

Mr. Wegner announced that the next item of business would be to consider amendments to the cooperative's bylaws. The proposed amendments were provided to the membership in their entirety as part of the Annual Meeting packet. Mr. Wegner asked Ms. Grosz to provide a summary of the amendments, and Ms. Grosz did so. Thereafter, Mr. Wegner asked the membership to vote on each of the four proposed bylaw amendments, after which Slope Electric's third-party voting company, Survey and Ballot Systems, collected the ballots. Ms. Grosz then accompanied Survey and Ballot Systems personnel to supervise the vote counting process.

Door Prizes

Door prizes were drawn, and the winners were announced.

Service Awards

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

Jerome Caron- Director 35 years
Chip HJ Fischer- Director 5 years
Charlotte Meier- Director 5 years

Scholarship Awards

Ms. Waltner presented the \$1,000 Basin Electric Power Cooperative Scholarship award to Bailey Urlacher. Next announced were the Luck-of-the-Draw Scholarship winners. Winners of the \$1,000 scholarships were Jaren Rafferty, Jayda Seim and Emberly Van Daele. Julia Dalley and Megan Monke won the \$500 Luck-of-the-Draw Scholarships.

Ms. Waltner also announced the Youth Tour winner for this year, Landon McKittrick. 2023 Youth Tour winner Julie Sarsland provided the membership with a video presentation about her Youth Tour experience.

Honoring Outgoing Directors

Mr. Wegner informed the membership that two directors have terms drawing to a close this year, Dale Hande and Lauren Klewin. Mr. Hande served the board for six years and Mr. Klewin has served for 27 years. They were presented with plaques as a token of the cooperative's appreciation for their service.

Election Results

The results of the voting on the items presented to the board during the Annual Meeting were presented to the board. The results were as follows:

- 1) The membership voted to approve the condensed 2023 Annual Meeting Minutes.
- 2) The membership voted to approve the 2023 audited Financials.
- 3) The membership voted to elect the two individuals who will represent District 3 are Ryan Jacobson and Cheryl Van Daele.
- 4) The membership voted to approve the proposed Bylaw Amendment to Article I, Section 3.
- 5) The membership voted to approve the proposed Bylaw Amendment to Article III, Section 6(c).
- 6) The membership voted to approve the proposed Bylaw Amendment to Article III, Section 8.
- 7) The membership voted to approve the proposed Bylaw Amendment to Article XII.

Old Business

The next agenda item was old business. There was no old 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 6:22 p.m.

Angela Carlson, Secretary

MEET OUR BOARD OF DIRECTOR CANDIDATES

DISTRICT 2 CANDIDATES (ONE OPEN SEAT)



ANTHONY LARSON
Hettinger

What makes you a good candidate for Slope Electric Cooperative's Board of Directors?

Thank you for the opportunity the past 15 years to serve Slope

Electric members on the Board of Directors. During this time I have gained valuable knowledge about the role of a board as well as the opportunities and challenges related to an electric distribution cooperative. Through my role as a Slope Electric director, I have been elected to serve on the National Rural Utilities Cooperative Finance Corporation (CFC), as well as the Basin Electric Power Cooperative (Basin Electric) board. CFC has assets exceeding \$30 billion and provides financing for electric distribution and G&T (generation and transmission) cooperatives across the country. Basin Electric is the primary power supplier for Slope Electric providing electricity to nearly 13% of the land mass of the United States and over 3 million people. These experiences help me to be more effective as a Slope Electric director. I respectfully ask for your vote.

If elected, what are your priorities?

Slope Electric continues to experience decreasing sales while the cost of wholesale power and the infrastructure to deliver the electricity is increasing. It will be critical to balance the affordability of electricity with maintaining a distribution system that can reliably provide power to the membership. Efforts will need to continue to create further efficiencies with fellow members of Innovative Energy Alliance Cooperative and any other cooperatives that may be able to provide value to the Slope Electric membership.

DISTRICT 4 CANDIDATES (TWO OPEN SEATS)



CHIP HJ FISCHER
Rhome

What makes you a good candidate for Slope Electric Cooperative's Board of Directors?

I've been a lifelong member of Slope Electric and have worked with members in southwest North Dakota for much of my life, giving me a broad understanding of the power needs of most of our constituents.

I have been on the Slope Electric Cooperative's Board for six years and have been avidly attending the electric cooperative educational opportunities. This investment in time has given me a good understanding of the policies, the electric power industry and associated cooperatives.

I believe I have the foundation to focus on balancing cost and long-term reliability for the future of our members.

If elected, what are your priorities?

My priorities are to support our mission by ensuring that our goals of providing the lowest cost to the membership is realized through sustainable management with long-term plans.

Maintaining high quality employees and management staff supported by a cohesive board that takes initiative in finding ways to move forward is key to making this happen.



JERRY JEFFERS
Rhome

What makes you a good candidate for Slope Electric Cooperative's Board of Directors?

I have always believed that if you are going to commit to serve on a board of

any kind where you have the responsibility to serve the people who entrusted you to it, you need to put yourself into the position. I have always done that in every board position that I have held throughout my adult life. I have had

the privilege to serve on many boards such as school board, farm organization board, state board of directors for an insurance company, county zoning board, and most recently, Bowman County Commission, which I held for eight years. The knowledge that I have gained has given me a good understanding of finances, service, and dedication to the public. I will carry that knowledge forward with pride to the Slope Electric Cooperative Board of Directors.

If elected, what are your priorities?

My priorities when elected will be to become well acquainted with the workings of Slope Electric Cooperative and how it is part of the larger energy industry and the commitment our cooperative has to the members. I will be there to strive for the best, cost effective service possible while keeping rates as affordable as possible to the members. We have been members of this cooperative since its beginning, and have always enjoyed great service-- that service that I want to see continued to our current and new members.



DANIEL MAYCHRZAK
Scranton

What makes you a good candidate for Slope Electric Cooperative's Board of Directors?

I have lived in Bowman county most of my life and have no plans to

move elsewhere. Growing up on a ranch it makes one realize how important affordable and reliable electricity is, which is why I decided pursue a career in electrical technology. Being a director would allow me to help the community which is something I try to do every day.

If elected, what are your priorities?

Priorities are keeping reliable and affordable electricity in the area. Listening to people's cares and concerns and working with the board to improve the co-op.



KEVIN THOMPSON
Bowman

What makes you a good candidate for Slope Electric Cooperative's Board of Directors?

Member-owned, for Generations! That is what Slope Electric has been

since its creation in 1945. We need to look back at its history to help build a strong future.

Electrical power reached this fourth-generation farm in 1949. It enabled the removal of the wind charger system and introduced the simple joys of refrigerators, freezers, welders, and light switches. Since that time three generations of my family have enjoyed modern electricity, allowing this family farm/ranch to prosper and grow, thanks to Slope Electric.

If elected, what are your priorities?

My goals and priorities as a Slope Electric Cooperative director from Bowman County are to:

- Serve as an active and informed board member to help build on past successes, forging an even stronger cooperative for our members to enjoy.
- Bring boardroom experience from serving on several boards/committees in our region.
- Make sure that the cooperative continues to provide affordable, reliable electricity.
- Gain knowledge from our staff and managers, learning first-hand the inter-workings of the cooperative.
- Listen to Bowman County members and bring both their praise and their legitimate concerns to the boardroom.
- Attend educational workshops on current and innovative technology that can enhance services for our members.
- Work with the board of directors and managers to ensure accountability and integrity.
- Work with the board of directors and managers to ensure accurate and timely communication with our members.
- Encourage economic development in our cooperative region to help diversify our load base.
- Ensure that the cooperative stays active in and committed to our service region, supporting activities that build stronger and more viable communities.

PROPOSED AMENDMENTS FOR CONSIDERATION

Proposed amendments to the Articles of Incorporation:

Article II

The purpose or purposes for which the Corporation is organized are to engage in rural electrification and

1. To generate, manufacture, purchase, acquire, and accumulate electric energy and to transmit, distribute, furnish, sell, and dispose of such electric energy to its members, and to other persons not in excess of ten per centum of the number of its members; provided, however, if it acquires existing electrical facilities, it may continue service to persons not in excess of twenty per centum of the number of its members, who are already receiving service from such facilities without requiring such persons to become members, but such persons ~~may~~ **shall** become members upon such terms as may be prescribed in the Bylaws;
- ~~2. To assist its members to wire their premises and install therein and to acquire and supply electrical and plumbing appliances, fixtures, machinery, supplies, apparatus and equipment of any and all kinds and character, including without limiting the generality of the foregoing, such as are applicable to water supply and sewage disposal; and~~
- ~~3. To furnish electric energy wiring facilities, electrical or plumbing equipment or services to any other Corporation organized under the Electric Cooperative Act or to members thereof.~~
4. 2. To do any other lawful purposes as set out in Chapter 10-15 or Chapter 10-13 of the North Dakota Century Code as those statutes may from time to time be amended.

Proposed amendments to the Bylaws:

Article I Membership, Section 3 Joint Membership-

(c) A proxy executed by either, or both, shall constitute one joint proxy. In the event of conflicting proxies, they shall cancel each other out;

Article I Membership, Section 3 Joint Membership-

(h) Either, but not both, may be elected or appointed as an officer or director contemporaneously;

Article I, Section 6. Purchase of Electric Energy-

Each member shall, as soon as electric energy shall be available, purchase from the cooperative electric energy used on the premises specified in his/hers/its application for membership, and shall pay, therefore, at rates which shall, from time to time, be fixed by the Board of Directors. It is expressly understood that amounts paid for electric energy in excess of the cost of service are furnished by members as capital, and each member shall be credited with the capital so furnished as provided in these bylaws. Each member shall pay to the cooperative such minimum amount regardless of the amount of electric energy consumed, as shall be fixed by the Board of Directors from time to time. Each member shall also pay all amounts owed by him/her/it to the cooperative as and when the same shall become due and payable.

Article I Membership, Section 7 Termination of Membership-

(a) Any member may withdraw from membership upon compliance with such uniform terms and conditions as the Board of Directors may prescribe. The Board of Directors of the cooperative, may, by the affirmative vote of not less than two-thirds of all the directors, expel any member who fails to comply with any of the provisions adopted by the Board of Directors, but only if such a member

shall have been given written notice by the secretary of the cooperative that such failure makes him/her/~~it~~ liable to expulsion and such failure shall have continued for at least ten days after such notice was given.

Article II Rights and Liabilities of Members, Section 3 Wiring of Premises, paragraph 2-

Each member shall make available to the Cooperative a suitable site, as determined by the Cooperative, whereon to place the Cooperative's physical facilities for the furnishing and metering of electric service. Each member shall permit the Cooperative's authorized employees, agents and independent contractors to have access thereto to safely and without interference from hostile dogs or any other hostile source, for meter reading, ~~bill collecting and for~~ inspection, maintenance, replacement, relocation, repair or disconnection of such facilities at all reasonable times.

Article III Rights and Liabilities of Members, Section 8 Annual Meeting Business-

- (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.~~

Article IV Directors, Section 3 Qualifications-

In order to insure equitable geographical representation on the ~~B~~board of ~~D~~directors, the area served by the cooperative is hereby divided into four Districts, as follows:

District Number One shall consist of -

All of Hettinger County;

District Number Two shall consist of -

All of Adams County, North Dakota, and portions of Sioux and Grant Counties, North Dakota and Perkins County, South Dakota which the Cooperative serves;

District Number Three shall consist of -

All of Slope County, North Dakota and portions of Fallon County, Montana which the Cooperative serves;

District Number Four shall consist of -

All of Bowman County, North Dakota and portions of Harding County, South Dakota which the Cooperative serves;

1. The members now serving on the ~~B~~board of ~~D~~directors represent the districts above named; no member hereafter shall be eligible to become or remain a director unless:

~~(a) such member shall be a bona fide resident of the district in which the present director's terms will expire, or in which there is a vacancy;~~

~~(b) is a member of the Cooperative and in good standing; and~~

~~(a) (c) has a meter in their name within the Cooperative's service territory.~~

2. In addition to the foregoing qualifications, no member shall be eligible to become or remain a director, or to hold any position of trust in the cooperative who:

(a) ~~is not a member of the cooperative and in good standing and a bona fide resident of his/her director district; or [intentionally blank];~~

(b) ~~is in any way employed by, or financially interested in, a competing enterprise, or a business selling electric energy or supplies to the cooperative; or a business permanently engaged in selling electrical or plumbing appliances, fixtures or supplies to the members of the~~ cooperative; or

(c) ~~fails to attend at least six (6) of the total number of regular and special Bboard of Ddirectors meetings per year, or who fails to attend four (4) consecutive regular and/or special meetings.~~

- (d) Is not currently or within three (3) years immediately preceding the date of a director's election, was an employee of the cooperative or a director or an employee of a competing firm selling energy; or
- (e) At any time during the five (5) years preceding a director candidate's nomination shall have been employed by a labor union that represents or has endeavored to represent any employee of the cooperative; or
- (f) Is a close relative, which includes a grandparent, parent, spouse, co-habitant, child, or grandchild of an employee or incumbent director, or any half or step relationship of the listed relationships; or
- (g) Is or becomes the full-time employee or agent of, or who is or becomes the full-time employee or principal of, another director.

Upon establishment of the fact that a director is holding office in violation of any of the foregoing provisions, the ~~B~~board of ~~D~~director shall remove such director from office.

Nothing contained in this Section shall affect in any manner whatsoever the validity of any action taken at any meeting of the ~~B~~board of ~~D~~directors.

Article V Meetings of Directors, Section 1 Regular Meetings, paragraph 2-

Upon proper notice as otherwise provided herein, regular meetings may also be held in a location outside the Four counties, ~~or~~ via telephone ~~call or video conference meeting, or a hybrid thereof~~, without regard to the actual location of the directors at the time of such a telephone or video conference ~~meeting, if all the directors consent to this~~.

Article V Meetings of the Directors, Section 2 Special Meetings, paragraph 2-

Upon proper notice as otherwise provided herein, regular meetings may also be held in a location outside the Four counties, ~~or~~ via telephone ~~or video conference call meeting, or a hybrid thereof~~, without regard to the actual location of the directors at the time of such a telephone or video conference meeting ~~if all the directors consent to this~~.

Article VI Officers. Section 2 Election and Term of Office, sentence 1-

The officers shall be elected by ~~secret~~ ballot, annually by and from the ~~B~~board of ~~D~~directors at the first meeting of the ~~B~~board of ~~D~~directors held after the Annual Meeting of the members.

Article VI Officers, Section 10 Compensation-

The powers, duties, and compensation of officers, agents and ~~employees-Manager~~ shall be fixed by the ~~B~~board of ~~D~~directors, subject to the provisions of these bylaws with respect to compensation for directors and close relatives of directors.

Article VII Non-Profit Operation, Section 2 Patronage of Capital in Connection with Furnishing Electric Energy, paragraph 1, sentence 4-

The books and records of the cooperative shall be set up and kept in such a manner that at the end of each fiscal year the amount of capital, if any, so furnished by each patron is clearly reflected and credited in an appropriate record to the capital account of each patron, and the cooperative shall, within a reasonable time after the close of the fiscal year, notify each patron of the amount of capital so credited to his/her/~~its~~ account.

Article VII Non-Profit Operation, Section 2 Patronage of Capital in Connection with Furnishing Electric Energy, paragraph 3-

In the event of dissolution or liquidation of the cooperative, after all

outstanding indebtedness of the cooperative shall have been paid, outstanding capital credits shall be retired without priority, on a pro rata basis, before any payments are made on account of property rights to members. If, at any time prior to dissolution or liquidation, the Bboard of Ddirectors shall determine the financial condition of the cooperative will not be impaired thereby, the capital then credited to patrons accounts may be retired in full, or in part. ~~Any such retirements of capital furnished prior to January 1, 1978, shall be made in order of priority according to the year in which the capital was furnished and credited, the capital first received by the cooperative first being retired. After December 31, 1977, t~~The board of directors shall determine the method, basis, priority and order of retirement, if any, for all amounts thereafter furnished as capital. Without limiting the generality of the board of directors' power to determine the method, basis, priority and order of retirement of capital, the board of directors shall have the power to adopt rules providing for the separate retirement of that portion ("power supply portion") of capital credited to the accounts of patrons which corresponds to capital credited to the account of the cooperative by an organization furnishing electric service to the cooperative. Such rules may (a) establish a method for determining the power supply portion of capital credited to each patron for each applicable fiscal year, (b) provide for separate identification on the cooperative's books of the power supply portion of capital credited to the cooperative's patrons, (c) provide for appropriate notifications to patrons with respect to the power supply portion of capital to their accounts, and (d) provide for the power supply portion of capital credited to patrons for any fiscal year to not be retired, when other capital credited for the same fiscal year is retired.

Article VII Non-Profit Operation, Section 2 Patronage of Capital in Connection with Furnishing Electric Energy, paragraph 5-

Notwithstanding any other provisions of these bylaws, the Bboard of Ddirectors, at its discretion, shall have the power at any time upon the death of any patron, including patrons who were ~~members-entities, including but not limited to~~ partnerships, LLCs, nonprofit entities, trusts ~~that was or is a member of the cooperative~~ and corporations which have become civilly dead by formal ~~termination~~, dissolution or ~~become completing dissolution~~ bankruptcy, leaving an estate to be administered for the benefit of its ~~shareholders-owners~~ and creditors, if the legal representative(s) of their estate shall request in writing that the capital credited to any such patron be retired prior to the time such capital would otherwise be retired under the provision of these Bbylaws, to retire capital credited to any such patron immediately upon such terms and conditions as the Bboard of Ddirectors, acting under the policies of general application, ~~and the legal representative(s) of such patron's estate shall agree upon;~~ provided, however, that the financial condition of the Ccooperative will not be impaired thereby and provided further that the Cooperative will offset any obligations the patron has to the Cooperative.

Article VII Non-Profit Operation, Section 2 Patronage of Capital in Connection with Furnishing Electric Energy, paragraph 7-

Notwithstanding any other provisions of these bylaws, should a member file bankruptcy and ~~that member has~~ ere shall be outstanding capital credits which have been allocated upon the books of cooperative to the account of member, and said member shall have an amount owed to cooperative for electrical energy provided to member, or amounts owed to cooperative on accounts other than electrical energy provided by cooperative, cooperative shall retain the capital credits to offset any amounts owed to cooperative and any remaining balance over and above this amount shall be retained in the capital credit account of member to be paid under the policies set by the Bboard of Ddirectors.

FINANCIAL STATEMENTS

Balance Sheet Dec. 31, 2024 & 2023

ASSETS

2024

2023

Utility Plant:

Lines, Buildings and Equipment.....	\$85,681,704	\$83,287,390
Accumulated Depreciation.....	26,724,698	25,422,654
Present Value of Plant	58,957,006	57,864,736

Investments:

Investment in Associated Organizations	\$22,430,764	\$23,105,210
Other Long-Term Investments	379,229	487,594
Special Funds	14,667,044	15,174,931

Total Investments	\$37,477,037	\$38,767,73
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Current Assets:

Cash in Operating Funds.....	\$3,650,332	\$4,837,890
Temporary Cash Investments	13,573,920	13,471,622
Accounts Receivable.....	614,199	2,546,001
Materials and Supplies.....	3,363,966	1,921,830
Prepayments - Insurance.....	210,075	133,343
Interest and Rents Receivable.....	457,925	214,189

Total Current Assets	\$21,870,417	\$23,124,875
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Deferred Debits	\$0	\$0
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TOTAL ASSETS	\$118,304,460	\$119,757,346
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EQUITIES AND LIABILITIES

Equities:

Patronage Capital	\$64,511,109	\$65,159,266
Other Equities.....	10,177,539	10,070,334

Total Equities.....	\$74,688,648	\$75,229,600
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Liabilities:

Long-Term Debt Due	\$28,999,635	\$29,925,501
Accounts Payable	1,544,637	1,367,279
Member Deposits	69,160	52,044
Other Current Liabilities	615,760	433,375
Regulatory Liabilities and Deferred Credits	12,386,620	12,749,547

Total Liabilities.....	\$43,615,812	\$44,527,746
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TOTAL EQUITIES AND LIABILITIES	\$118,304,460	\$119,757,346
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FINANCIAL STATEMENTS

Statement of Revenue and Expenses For Years Ending Dec. 31, 2024 & 2023

OPERATING REVENUE

	2024	2023
Farm	\$4,060,037	\$4,172,411
Seasonal.....	1,920,633	1,918,763
Small Commercial.....	2,624,857	2,672,118
Large Commercial & Industrial.....	10,620,745	12,711,483
Public Street, Highway Lights & Wheeling.....	118,053	108,934
Other Electric Revenue.....	626,065	480,686
TOTAL OPERATING REVENUE	\$19,970,390.....	\$22,064,395

OPERATING EXPENSES

Purchased Power	\$12,106,385	\$13,532,693
Transmission Expense	85,468	108,103
Distribution Expense - Operations.....	2,014,058	1,727,582
Distribution Expense - Maintenance	502,930	348,276
Consumer Account Expense.....	246,210	206,819
Customer Service and Information Expense	319,207	272,980
Administration and General Expense	1,452,687	1,421,165
Depreciation	1,945,863	1,890,130
Tax Expense - Property & Gross Receipts	173,954	172,200
Interest on Long-Term Debt.....	857,068	866,939
Other Deductions	26,454	42,556
TOTAL COST OF ELECTRIC SERVICE.....	\$19,730,284.....	\$20,589,443

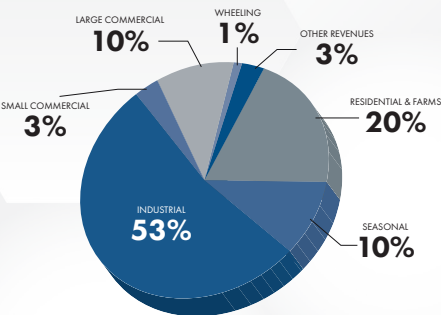
Operating Margins	\$240,106	\$1,474,952
Non-Operating Margins	1,358,602	875,635
Generation & Transmission Capital Credits	624,675	909,218
Other Capital Credits & Patronage	68,943	94,402
TOTAL MARGINS	\$2,292,326.....	\$3,354,207

BRADY MARTZ 2024 OPINION

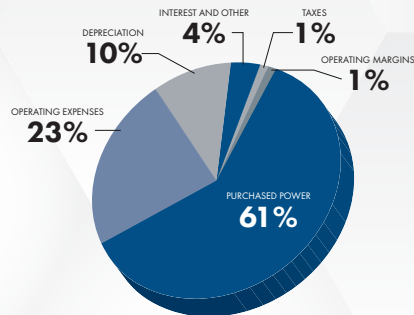
We have audited the accompanying consolidated financial statements of Slope Electric Cooperative, Inc. and Subsidiary, (a North Dakota nonprofit cooperative), which comprise the consolidated balance sheets as of December 31, 2024 and 2023 and the related consolidated statements of revenues and expenses, 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, 2024 and 2023, 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.

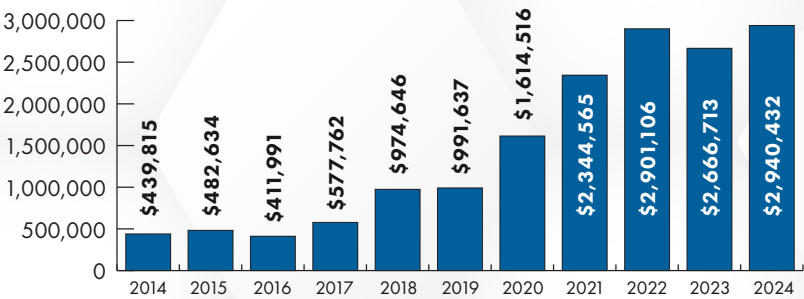
WHERE YOUR DOLLAR CAME FROM 2024



WHERE YOUR DOLLAR WENT 2024



CAPITAL CREDIT RETIREMENTS

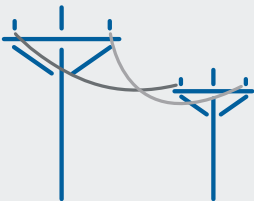


SLOPE ELECTRIC COOPERATIVE 2024 FACTS & FIGURES

736.77

MILES OF UNDERGROUND

2,275.67



MILES OF OVERHEAD



93.57

TRANSMISSION LINES



19 DISTRIBUTION SUBSTATIONS

4,098

TOTAL METERS SERVED

11

EMPLOYEES



1,910



TOTAL NUMBER OF ACTIVE MEMBERS



\$12,106,385

COST OF POWER



32 NEW SERVICES



16



ANIMAL, FARM, & CAR RELATED OUTAGES

89

TREE & WEATHER RELATED OUTAGES



3,300,711

MILES DRIVEN WITHOUT AN ACCIDENT



15



TRUCKS

1.31

METERS PER MILE



CAPITAL CREDITS RETIRED TO MEMBERS:
CUMULATIVE AMOUNT

\$27,199,749

\$2,940,432 IN 2024



CO-OP TRUCKS DRIVE AN AVERAGE OF 10,787 MILES/MONTH



SLOPE ELECTRIC COOPERATIVE EMPLOYEES

OFFICE:	
Dean Volk, Operations Manager/Chief of Staff.....	34 years
Brooke Waltner, Manager of Member Relations.....	12 years
Kennedy Binstock, Member Service Representative.....	2 years

NEW ENGLAND	
Andrew Sonsalla, Senior Staking Technician	19 years
Dusty Hoff, Foreman.....	15 years
Mark Frank, Line Technician.....	13 years
Shay Olson, Apprentice Line Technician.....	3 years

BOWMAN	
Jeff Boynton, Outpost Foreman.....	19 years
Cody Braaten, Line Technician.....	15 years
Jon Lawhead, Line Technician.....	12 years
Brad Schmitt, Line Technician.....	4 years

2025 SERVICE AWARDS



STEVEN WEGNER
President
Board of Director
20 years



ANTHONY LARSON
Vice President
Board of Director
15 years



CODY BRAATEN
Line Technician
15 years



DUSTY HOFF
Foreman
15 years

OPERATION
ROUND UP

Operation Round Up is a program of voluntary contributions through rounding up electric bills to the next dollar.

Funds are disbursed in the general service area of Slope Electric solely for medical, educational, charitable, safety and scientific purposes.



How do I apply?

Applications can be completed by individuals, non-profit organizations or charity groups. If you know of someone in need, have them apply.



Call Slope Electric at 800-559-4191



Download the appropriate application at slopeelectric.coop/operation-round

SCAN ME



SLOPE ANNOUNCES YOUTH TOUR WINNER



Slope Electric Cooperative is proud to sponsor one student to participate in a once-in-a-life-time experience to Washington D.C. for the National Rural Electric Cooperative Association's Youth Tour each June. The Youth Tour is a long-standing cooperative program that immerses students in American history for a week. Students have the opportunity to learn more about rural electric cooperatives, visit national monuments and state delegates. Through this experience students gain life skills, meet new people and make unforgettable memories.

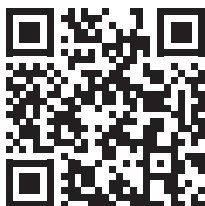
Kailee Gussey, daughter of Steven and Jessica, is a junior at New England High School and was chosen as this year's Youth Tour winner.

SLOPE ELECTRIC COOPERATIVE AWARDS HIGH SCHOOL SCHOLARSHIP



Every year, Slope Electric Cooperative fuels the future by awarding a \$1,000 scholarship provided by Basin Electric Power Cooperative (Basin Electric) to a high school senior within our service area. This initiative embodies our cooperative's unwavering commitment to community growth and celebrates the achievements of dependents of our members. This year's winner of the Basin Electric scholarship is Blake Larson, son of Anthony and Jodi, from Hettinger. Blake is a senior at Hettinger Public School and plans to attend North Dakota State University in pursuit of an Agri-business degree. Larson is active in various activities in and outside of school including FFA, 4-H, choir and sports.

LUCK-OF-THE-DRAW SCHOLARSHIPS AVAILABLE



We are proud to announce our Luck-of-the-Draw Scholarship opportunities once again. This year members and dependents of members will be able to sign up to be randomly chosen for a Luck-of-the-Draw Scholarship at the Annual Meeting.

Three \$1,000 scholarships will be awarded to full-time students and two \$500 scholarships to full- or part-time students. Whether you are a non-traditional student taking online courses or a high school student taking college credits you qualify to register for the Luck-of-the-Draw Scholarship.

Visit our website www.slopeelectric.coop or scan the QR code with your phone for more information.

RESOLUTIONS

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. Slope Electric Cooperative, Inc.

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 ~~76.36~~ 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 ~~4.9625~~ customers per mile. Slope Electric Cooperative serves ~~4.18131~~ 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 CO₂ 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 Electrocutation

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 CO₂ captured and sequestered before climate change policy is enacted.
- New laws and regulations should be prospective rather than retroactive in application.



Your Touchstone Energy® Cooperative 

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