



Meet your Slope Electric neighbors: Kent and Angie Maershbecker, owners and operators of A to Z Dairy near New England. Learn about the current state of the dairy industry on C2, and read about the Maershbecker's challenges and joys. Thank you, Kent and Angie, for educating our members by sharing your livelihood.

Thank you, dairy producers, for your hard work and commitment to community

In June, we celebrate National Dairy Month. Every day is a good day to enjoy tasty dairy treats and remember the health benefits that dairy products provide! Slope Electric Cooperative supports our members who are dairy producers, and thanks them for all they do.

Slope Electric Cooperative, Inc.

OUTLOOK

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In this issue:

- **Annual Meeting postponed**
- **Power-supplier reports**
- **Youth Tour cancelled**
- **Operation Round Up grants distributed**
- **Theodore Roosevelt Medora Foundation discounts**
- **Meeting minutes ... and more**

'Doing our best to feed the world' **Maershbeckers share challenges, joys of dairy industry in honor of June is Dairy Month**

BY CARMEN DEVNEY



Slope Electric members **Kent and Angie Maershbecker**

As of May 7, Kent Maershbecker hadn't dumped any milk. He and his peers across the state hoped their good fortune would continue — but optimism isn't easy to come by in the dairy industry.

Kent and his wife, Angie, are Slope Electric Cooperative members who own A to Z Dairy in New England near co-op headquarters. Kent shares that at one time, North Dakota had more than 4,000 licensed dairy producers. Now, there are fewer than 60.

Industry economics, coupled with the COVID-19 pandemic, caused an unfavorable shift in the market. Kent says the dairy industry wasn't ready for that shift, and that was one reason producers in other states were forced to dump milk.

"More than 60 percent of the milk produced in the nation and world

goes into products that are served in schools and restaurants. The other 30-plus percent is consumed in households. When the schools closed, only the kids who received free or reduced-fee meals were still receiving milk that was delivered by school busses. Only about 35 or 40 percent of kids were still getting their milk," he says.

Restaurants were closed to dine-in patrons, and take-orders didn't equal the business the restaurants were doing prior to the pandemic.

And yet, some grocery and supply stores were out of milk. Why?

"Moms and Dads were used to buying a gallon of milk that lasted one week. But with the kids home from school, they were going through milk much faster," he says.

"We've had our good times. We've had our great times. We've had our bad times. And this time, it's trying times," he shares.

Kent grew up in a family that ran a beef operation north of Richardton. He worked as a mechanic for John Deere for 13 years before marrying Angie, who grew up on the dairy they own, where she's been around dairy cows all her life.

When the couple married, Angie's parents, former Slope Electric members Joe and Louise Krebs, said if they were going to work on a dairy farm, it should be their own. They sold the dairy to Kent and Angie, who celebrated

20 years as owners on May 1. They have been milking 25 years.

Kent and Angie raised sons Zach, Austin and Jordan on the farm, where the kids learned a great sense of responsibility and work ethic.

"They knew every morning they had chores, and every evening after school they had their chores. It's not an easy life, but it's a good life," he says.

The Maershbeckers have downsized their operation since their sons have grown. They currently milk nearly 80 cows, which are "fresh-squeezed" twice a day starting at 6 a.m. Without hired help, their work day sometimes doesn't end until 9 p.m., and the pay is the same no matter how many hours they put in.

"We get all the overtime we want without the time-and-a-half pay," Kent jokes.

The couple uses 12 milking machines that take about two hours and 15 minutes for each milking. The milk is picked up every other day, and shipped from the farm directly to a cheese plant in Pollock, South Dakota.

Kent says dairy products are one of the most regulated foods.

"We have the only product where the inspection starts at the farm; our barn and parlor must meet regular inspections," he says.

Because the cows must be milked every day, Kent confesses that it's

been hard to take a vacation with Angie; someone always has to stay and milk. Sometimes one of them leaves just to take a break.

One of many blessings is great neighbors, who help whenever the Maershbeckers need it, and the neighbors know that all they have to do is say the word, and they will receive the same help.

Kent and Angie have some acreage and also raise their own beef and feed for all the animals, including their yearlings. They feed

around 150 head and only have to purchase alfalfa.

Reflecting on the dairy industry and their 25 years of changes and challenges, Kent's satisfaction comes from this: "The love of the animals. To see a newborn calf. To see the grass grow new in spring. To see a harvested crop that is sufficient enough to feed the herd," he says. "It's been a good way of life."

While fewer than 60 dairy producers in North Dakota are

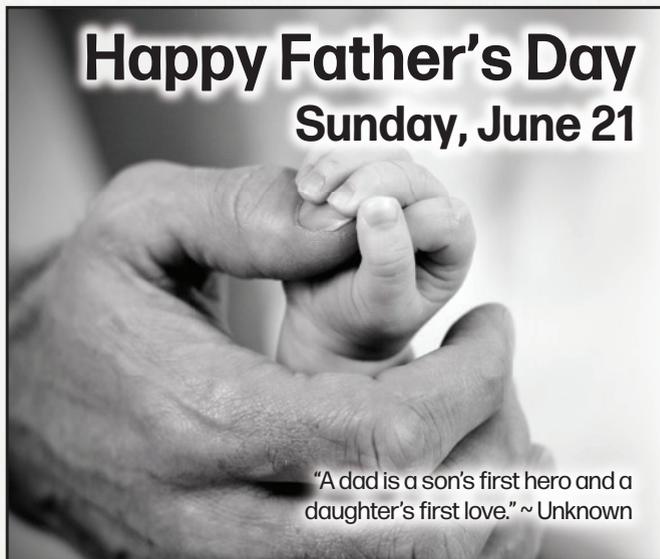
working long hours to provide dairy products, the industry affects every person who eats a bowl of cereal or craves an ice cream cone on a hot summer day.

"Agriculture is an addiction; we can't live without it," Kent says. "We eat it. We sleep it. We dream it. We live it. It's like the saying, 'You can take the boy off the farm, but can't take the farm out of the boy.' We are getting up in the morning, and doing our best to feed the world." ■



Friday, July 3, holiday closing to honor Independence Day

Slope Electric Cooperative wishes our members a Happy Fourth of July, as we celebrate our history and heritage! Line crews will be available in case of an emergency or power outage by calling 701-579-4191 or 800-559-4191.



Happy Father's Day Sunday, June 21

"A dad is a son's first hero and a daughter's first love." ~ Unknown



Report from
THE BOARD OF DIRECTORS

APRIL 30, 2020 CONFERENCE CALL

- Approved minutes of the March 26, 2020, Board meeting minutes and the April 9, 2020, Special meeting minutes.
- Approved capital credit estate retirements, special equipment and RUS Form 219s.
- Co-General Managers/CEOs gave an update on what the co-op is doing in regards to the COVID-19 pandemic and keeping the members informed. They also gave updates on several meetings they participated in via conference call.
- Approved Exhibit A of the Wholesale Power Contract.
- Approved a resolution asking Statewide to work on getting legislation to introduce electronic participation in cooperative annual meetings and electronic voting.
- Accepted the audit report performed for Slope Electric Trust, Inc. (Operation Round Up) for the years 2017, 2018 and 2019.
- Discussed and reviewed possible Bylaw amendments.
- Heard reports from senior staff, including the financial report for March.
- Next regular Board meeting is set for May 21, 2020.
- Held Executive Session.

A message from your power supplier: Upper Missouri Power Cooperative

BY CLAIRE VIGESAA, GENERAL MANAGER

(Editor's note: Upper Missouri Power Cooperative supplies 100 percent of the power distributed to Slope Electric Cooperative members. That power is generated by Basin Electric Power Cooperative and Western Area Power Administration. We asked Claire Vigesaa to update our members on what is happening at Upper Missouri.)

I am writing this column in the midst of the COVID-19 event, mid-April. This event underscores the critical role that power supply and electric distribution plays in our communities and economy. Our commitment to our 11 member-systems, of which Slope Electric Cooperative is one, remains unchanged ... to be "Member Focused and Future Ready" ... providing dependable, reliable and affordable power supply to you, the ultimate member-owner.

Upper Missouri Power Cooperative (Upper Missouri) and your electric cooperative, Slope Electric Cooperative, went to great lengths in scheduling staff, altering work practices, and communicating with you and the public during this pandemic event; all to make every effort to keep the lights on and affordable for you. While simply expressed, it manifests the care and concern your electric cooperative network has for your safety and well-being.

What is Upper Missouri Power Cooperative? Upper Missouri was organized in 1957 to serve the transmission needs of electric

cooperatives in eastern Montana and western North Dakota. Today, Upper Missouri provides service to 11 distribution cooperatives, six in eastern Montana and five in western North Dakota, including Slope Electric Cooperative. The 11 member-systems serve 74,834 meters to farms, ranches, homes and businesses in 37 counties, representing 54,762 square miles. Our service area spans east to west from Hysham, Mont., to the Missouri River near Washburn, N.D., and from the Canadian border to the South Dakota/Montana borders; serving an area equal in size to the state of Iowa or the state of New York.

Upper Missouri is a cooperative, governed by a board of 11, represented by one trustee from each member-system. Anthony Larson, from Hettinger, is Slope Electric Cooperative's voice on the Upper Missouri board. We appreciate and respect Anthony's participation, and enjoy his commitment to our cooperative family.

On behalf of Slope Electric Cooperative, Upper Missouri purchases power from Basin Electric Power Cooperative and Western Area Power Administration (Western). As member-owners of Slope Electric Cooperative, you'd be well aware of Basin Electric and its long-term investment in generation facilities. Upper Missouri sources 96.7 percent of its power supply from Basin Electric. The remaining 3.3 percent is sourced from Western, electric energy generated from hydro facilities on the Missouri River system like Garrison Dam.

Upper Missouri has 241 delivery points to meter electric energy used by its 11 member-systems across the region. These metering points determine consumption and billing, and are important data collection points for assuring that power is available and delivered throughout the day, week, month and year. Upper Missouri's meter technology enables us to read meters every two seconds, ultimately forwarding this near real-time data to the Southwest Power Pool for power delivery scheduling.

While it sounds simple, it is nearly miraculous that power can be reliably delivered "just in time," 24 hours a day, 365 days a year. As you know, electricity can't be stored, so power use variability through consumer use (your ability to confidently know that the lights will come on when you flip the switch), coupled with the variability of power generation from coal, gas, wind and solar facilities, is a real feat.

In addition to data collection, metering and power-supply aggregation work, Upper Missouri is subject to North American Electric Reliability Corporation compliance and Federal Energy Regulatory Commission rate oversight. Upper Missouri also supports its 11 member-systems through representation on several state, regional and national associations.

We are committed to being "Member Focused and Future Ready" for the benefit of Slope Electric Cooperative and you, Slope's member-owners. Thank you for your patronage. ■

Message from Basin Electric Power Cooperative

BY CHIEF EXECUTIVE OFFICER AND GENERAL MANAGER PAUL SUKUT AND BOARD PRESIDENT WAYNE PELTIER

(Editor's note: Basin Electric Power Cooperative generates the majority of the power purchased by Upper Missouri Power Cooperative and transmitted to Slope Electric Cooperative members. We asked Paul Sukut and Wayne Peltier to update our members on what is happening at Basin Electric.)

As we write the message you are reading today, our world is shifting dramatically. The COVID-19 pandemic is a rapidly changing situation. These are extraordinary times that require exceptional measures to deal with a health risk that affects us all. We are committed to doing everything we can for the safety of our employees and members.

Additionally, our focus is to assure the continuity of business functions, as we have an important role to play, ensuring 3 million members across nine states have reliable electricity, along with continuing our operations at Dakota Gasification Company.

While the safety and health of our members and employees continue to be a top priority, it's inevitable that the effects of this pandemic hamper our business. Already-low commodity prices impact us at Dakota Gas, which produces synthetic natural gas from coal, and a growing list of products including urea, anhydrous ammonia and carbon dioxide.

Low commodity prices also affect the production of oil in the Williston Basin of western North Dakota and eastern Montana. Oil production is slowing, and in some cases, production is at a halt. We are closely monitoring this, as our pre-pandemic load forecast showed immense growth, for which we

were making plans to buy and build generation capacity. The related financial impact and duration of this economic slowdown due to the pandemic cannot be reasonably estimated at this time.

We will continue to work with our members to find new ways to support them. Programs, like the demand period waiver, allow members to increase the number of consumers that can be placed under their load management system, and our load incentive rate meant to attract business and industry to our members' service areas. We implemented a 1 mill/kilowatt hour rate decrease for 2020, another step we took to help our members thrive.

What other decisions did we make in 2019 that promise to set us up for a strong future? Our board decided it makes good economic sense to add solar generation to our already diverse portfolio. We are buying more of our capacity in the market rather than building new generation, and repowering wind turbines to generate more electricity. We are investing in research to develop new technology to capture and store carbon dioxide from our coal-based power plants, which has the potential to keep our plants running for many more years, provide necessary stability to the transmission grid, and further protect our environment. We also continue to find new market opportunities for our Dakota Gas products to enhance its revenue stream.

Every decision we make is carefully researched and debated. We serve our members, and we are our members at the same time. We are facing many uncertainties, but our strong network of people is what will bring us through this challenging time. Our board, membership, and employees - we're all in this, together. ■

~~ANNUAL MEETING BASH / JUNE 4, 2020, FOUR SEASONS PAVILION, BOWMAN~~



POSTPONED

The 75th Annual Meeting of Slope Electric Cooperative will be rescheduled due to the coronavirus.

More information will be shared as it becomes available.

MESSAGE FROM **Western Area Power Administration**

BY ACTING SENIOR VICE PRESIDENT AND REGIONAL MANAGER FOR UPPER GREAT PLAINS LORI FRISK

Engaging in the present with our eyes on the horizon



(Editor's note: Western Area Power Administration also generates power purchased by Slope Electric Cooperative. We asked Lori Frisk to update our members on what is happening at WAPA.)

Engaging at all levels pays dividends to Western Area Power Administration (WAPA) and our customers. The partnerships and common goals we share are the foundation of a bright future that is stable and progresses WAPA toward a successful, relevant and valuable future.

Stability and progress initially sound like opposites, but in reality they are interconnected and dependent on each other. Being a progressive organization takes stability in our purpose,

finances, people and operations. Remaining a stable organization requires making progress in our ability to deliver on our mission in a changing energy world, modernizing our operations, securing our financing and developing our people into thoughtful, collaborative leaders capable of carrying on our legacy.

COVID-19 response

Like our customers, we are staying engaged and rapidly adapting to a new environment during the COVID-19 pandemic. We took swift actions across WAPA's 15-state region to protect our staff, successfully deliver on our mission and provide stability for our customers. At our telework peak, WAPA had more than 1,250 employees working remotely.

Of course we do have essential personnel who cannot work from home. Those mission-critical personnel are the primary focus, as we work to ensure safe social distancing for maintenance and operations employees. We also worked to get as many of our real-time merchant staff teleworking as possible. When real-time merchants work from home, we improve their safety, as well as the safety of those who still must work onsite.

WAPA helped shape some of the industry's best practices and a collective path forward.

For example, the Federal Energy Regulatory Commission and North American Electric Reliability Corporation have shared WAPA's Pandemic Plan across the country as a model template from which to begin. Email us at COVID-19@wapa.gov to request it.

Cost containment

Since 2013, we have returned about \$2 billion to the Treasury, helping pay down that debt and ease pressure on cash flow. The power rates for Pick Sloan Eastern Division have decreased by about one cent per kilowatt-hour since 2013, and we anticipate Pick-Sloan's composite rate to remain stable through fiscal year 2022.

We continue to improve our business processes with the goals of better predictability, cost containment, and making sure we are properly managing the lifecycle of our assets. The tools we have developed over the past several years, from unified 10-year capital plans to asset management, reserve strategy and improving our planning processes, are allowing WAPA to be more efficient than ever.

The Continuous Process Improvement Program topped \$93 million this year in mostly cost avoidance. Implementing common tools, especially in IT with projects like selecting a common supervisory control and data

acquisition system vendor, results in fewer maintenance, service, installation, employee training and other costs.

Our Office of Security and Emergency Management avoided a one-time cost of more than \$1 million by consolidating alarm monitoring, rightsizing the contract security force and implementing enhanced procedures for identifying security solutions. The office will also save us more than \$443,000 annually starting in fiscal year 2021 by absorbing the roles performed by contactors with no increase in federal staff.

We continue to find, evaluate and implement best practices in the utility industry to maintain our extensive transmission assets. Using aviation-assisted maintenance, we avoid costs, reduce time spent on maintenance projects and avoid environmental impacts. We can also complete more maintenance with less wear and tear on vehicles, and most importantly, reduce the physical stress and risk to our workers.

Cost savings and avoidance through continuous improvement allows us to redeploy limited resources to other pressing

priorities, ensuring we are spending money and time on the right programs and activities.

Looking to the future

As we operate at cost, WAPA is wisely prioritizing funds and focusing on mission-essential and future-essential tasks beyond the immediate pandemic-related activities.

Our regions are paving the way to move into new energy imbalance management options, including the Southwest Power Pool's Western Energy Imbalance Service or the California Independent System Operator's Western Energy Imbalance Market (WEIS). Upper Great Plains-West in Montana will transition into SPP's WEIS market in February 2021.

Another future-leaning task is a study to combine transmission rates in the Southwest. Our goal is to proceed quickly toward these decisions and transitions to best meet our customers' needs based on region-specific circumstances.

As always, we are focused on reliability. Each day we work toward that goal so it can be one fewer thing to concern our customers and their communities.

Value of hydropower and WAPA

As baseload generation resources continue to retire, hydropower — and by extension, WAPA — will become more critical. Hydropower is one of the main remaining baseload resources; the supercomputer of the energy world, given its unique black-start capabilities and low-carbon emissions.

WAPA is working to ensure the capacity, reliability, black-start capabilities and other operational benefits of hydropower — ignored in today's market structure — are appropriately and adequately compensated.

Working together with our customers and the industry at large, WAPA continually seeks ways to better understand our customers' specific and unique needs, manage the challenges and opportunities before us, and develop better tools for communicating and working together that yield tremendous results. We look forward to engaging with our partners to deliver value across North Dakota and the Upper Great Plains region in the years and decades ahead. ■

WHERE TO GET HELP

- NDSU Extension offers resources for dealing with farm/ranch stress: www.ag.ndsu.edu/farmranchstress
- Abound Counseling at LSSND offers in-person and statewide telehealth counseling services. Payment options include sliding fee, health insurance and no-fee options through LSSND's Abundant Care fund: (701) 223-1510
- In an emergency, call 9-1-1
- For First Link Help Line, call 2-1-1
- National suicide-prevention hotline (available 24 hours/day): (800) 273-8255

For non-emergency situations, speak with your health care professional about mental-health services in your area.

WEARING OUT YOUR BOOTSTRAPS?

HELP IS AVAILABLE.



In North Dakota, we expect a lot from our bootstraps.

Farmers and ranchers learn early on how to troubleshoot almost any foreseeable challenge and to take care of our own problems.

But sometimes life throws more at us than even the strongest bootstraps can support. It's not because we're weak or whiny. It's because we are human and life is just plain tough sometimes.

Everyone — whether they show it or not — can feel sad or frustrated or overwhelmed, and it doesn't mean they are failures. Those feelings are just information, like a temperature gauge or "check engine" lights. It's a cue that something needs to be corrected before it can be up and running again.

Youth Tour cancelled for 2020

The annual Electric Cooperative Youth Tour, scheduled this year from June 20 to 26, was cancelled the middle of April due to the COVID-19 pandemic.

Jim Matheson, chief executive officer for the National Rural Electric Cooperative Association, said, "There will certainly be a void in Washington, D.C., without the 2020 Youth Tour."

Josie Brennan, a home-schooled sophomore from Bowman, won Slope Electric Cooperative's essay contest this spring and had planned on going. She is the daughter of Slope members Gary and Lana Brennan.

We understand the trip was cancelled to protect the students, and we support the decision. We also know Josie was looking forward to traveling to our nation's capital and exploring museums, memorials and monuments for one amazing week learn.

Slope Electric has offered to send Josie on the tour next year instead, and she accepted. While she has to wait a year, Josie will still get to take the trip she earned and get a hands-on lesson in history.



Josie Brennan

Josie, thank you for your understanding! An employee with Eats N Treats and a volunteer for Hope and Healing Therapeutic Riding, you are already a student leader in your community. We are proud to have such a motivated and accomplished student representing Slope Electric Cooperative! ■

Operation Round Up awards local grants

The Operation Round Up board held its quarterly board meeting via conference call the morning of May 5, to review grant applications. The board awarded \$3,400 to three individuals and one organization.

Each donation is matched by Slope Electric, which amounts to approximately \$1,200 per month. These funds are collected and deposited into a separate account. Every penny donated goes to a worthy cause and can make a difference in the lives of those in our communities.

The next meeting is scheduled for Tuesday, Aug. 11. If you know of a person, family or community project needing a helping hand, please fill out an application and submit it by Aug. 4. To download the application, visit <http://www.slopeelectric.coop/> and click on Your Community and Operation Round Up. Or, call the cooperative at 701-579-4191 or 800-559-4191 and request an application.

Thank you for helping those in need! ■



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SLOPE ELECTRIC COOPERATIVE OFFICERS AND DIRECTORS

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Steve Wegner, Vice President
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Jerome Caron, Treasurer
Angela Carlson, Director
HJ "Chip" Fischer, Director
Dale Hande, Director
Charlotte Meier, Director

MANAGEMENT

Donald A. Franklund
CO-GM/GEO

Travis Kupper
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