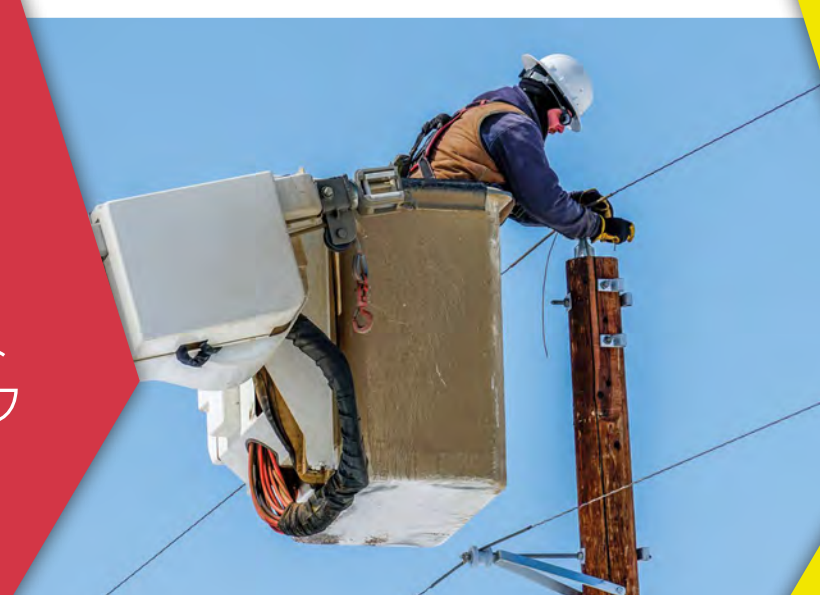


84TH ANNUAL MEETING  
JUNE 8, 2023

# ENERGIZING YOUR FUTURE



**Verendrye  
Electric  
Cooperative**  
Your Touchstone Energy® Cooperative 





A new substation was built to serve the new Trinity Medical Campus and surrounding area of southwest Minot. It features a 50,000-pound transformer with a rating of 10,000 Kilovolt-Amperes (KVA) and an upper rating of 14,000 KVA. The facility opened in April. Verendrye serves the new hospital and will benefit from growth expected in the area.

## ENERGIZING YOUR FUTURE

### Verendrye ends 2022 in good shape



**BLAINE BRUNER**  
Chairman of the Board



**RANDY HAUCK**  
Manager

Your electric cooperative ended 2022 in great financial shape. We ended the year with \$7.3 million in margins which included a \$3.8 million Generation & Transmission, G&T, allocation. We also ended the year with 588 million kilowatt-hours (kwhs) in sales which was up 34 million kwhs from 2021. It is great to see an increase in sales after several years of declining sales.

On the operational side of the business, it was an extremely busy year. January through March of 2022 seemed like very normal months to us all. Along came April and everything changed. We ended up with over three feet of snow over a 48-hour period in mid-April. At the end of April, we experienced an ice event along the southwestern part of our system resulting in 478 broken poles. At the peak of the outage, we had over 2,000

members out of power. Our 30 linemen along with 35 contractor linemen, working extremely long days, were able to restore power to all member homes in nine days. The restoration cost of this event was around \$2.3 million. It was declared a Presidential disaster making us eligible for FEMA reimbursement of 85% of the restoration cost.

Your Electric Cooperative continues to invest around \$8 million dollars into plant each year with a significant part of this going into replacing aging plant. Part of this aging plant replacement program involves converting overhead lines to underground which helps significantly with restoration of power from ice storms like last April. We are happy to report that today we have close to 50% of our miles of line underground. That makes your Electric Cooperative a leader in the percentage of underground line we have compared to other cooperatives.

The \$3.8 million in G&T allocations came from our transmission cooperative, Central Power Electric Cooperative. In 2022 Central Power had an operating margin and received an allocation from our generation cooperative, Basin Electric Power Cooperative. With high commodity prices in 2022 Basin Electric had a great financial year resulting in large allocations to its member cooperatives.

During 2022 Central Power energized a new substation for us called the Trinity sub. This substation is located



south of the new Trinity hospital in Minot and was built to serve the new hospital and the expected new load growth in that area. We now have 28 substations owned by Central Power to provide electrical services to our service territory which extends into 7 counties.

In 2022 we retired \$2.4 million in capital credits back to you the member which was a record amount. This year's total capital credit retirement amount will be close to \$2.3 million. These large capital credit retirements certainly demonstrate the great business model electric cooperatives have where you the member-owner receives cash back from the margins the cooperative generates. When you think of the Investor-Owned Utility model you have to be a stockholder to receive a cash dividend. We certainly believe our business model is the better one for you the member-owner.

Your Electric Cooperative has a very committed and engaged Board of Directors. Each year your board spends some time going through a strategic plan. Some of the topics from our last planning meeting included capital credit retirement amounts, buildings & grounds, financing with higher interest rates, system electrical capacity issues, electric vehicles, Minot Air Force Base and legislation. Your board continues to work hard to understand all the electric cooperative issues and makes sure your electric cooperative is going in the right direction.

This year your electric cooperative's annual meeting will be on Thursday, June 8th at the North Dakota State Fair Center in Minot. We hope to see you there.



Lineworkers install a new pole after the April 2022 ice storm that broke 478 poles, causing 2,000 members to lose power.



Enjoy meatballs, mashed potatoes with all the fixings, including ice cream at the annual meeting on June 8th at the State Fair Center in Minot.



# VERENDRYE ANNUAL MEETING JUNE 8

Mark your calendar for Verendrye Electric Cooperative's 84th Annual Meeting on June 8 in the State Fair Center in Minot. Registration begins at 4 p.m. and the meal is served from 4:30 to 6:30 p.m. Entertainment starts at 5 p.m. and the business meeting starts at 6:30 p.m.

This year's theme is Energizing Your Future. You'll learn

in the business meeting about how the cooperative is planning for a bright future, and of the improvements we've made to ensure your power remains reliable. You will also get to vote for candidates for the Verendrye Board of Directors. See page six for details on the election.



*The Heritage Singers will headline the annual meeting this year. They have wowed audiences for over 40 years with their vocal performances, which include a variety show each year in the Minot area. The group is comprised of some classically trained musicians, directors and singers, as well as people who just like to sing.*

## ENTERTAINMENT

We are pleased to have the Heritage Singers headline the event this year. The Heritage Singers have wowed audiences for over 40 years with their vocal performances, which include a variety show each year in the Minot area. The group is comprised of some classically trained musicians, directors and singers, as well as people who just like to sing.

You will enjoy a free meal of meatballs and mashed potatoes with all the fixings, and ice cream bars.



## PRIZES

Several prizes will be given away, including a chance to win \$3,000

cash or a consolation prize of \$840 cash. The cash prize is given to a member who has to be in attendance at the time of the drawing. The \$3,000 drawing is from all of the Verendrye members. If that person is not present the \$840 consolation drawing will occur from names of registered members and will be given away to a member who is present.

A number of other prizes will also be given away to members who register at the meeting, including passes to the Magic City Discovery Center. Registered members will also receive a free kitchen scissor.



## KIDS ACTIVITIES AND PRIZES

Kids will be entertained with bounce houses from Backyard Bounce Inflatables N' More. There will be a variety of bounce castles to appeal to all ages. Two bikes will be given away – one for a boy and one for a girl. Cotton candy will also be served.



From left are Verendrye Board Attorney **Scott Knudsvig**, and directors **Jon Hansen** (Ryder), **Karen Hennessy**, vice chairwoman (Des Lacs), **Bob Wolf**, (Minot), **Shawn Kaylor**, secretary-treasurer (Velva), **Maxine Rognlien**, assistant secretary-treasurer (Towner), **Ken Schild** (Harvey), **Blaine Bruner**, chairman (Drake) and **Clint Gjellstad** (Velva).

## MEET YOUR BOARD

There are 9 directors on the Verendrye Board and they each serve terms of three years. The terms are staggered so that there is one seat up for election each year in each district. There are three directors serving in each district – West, Central and East. You can find a map of the districts on our website ([www.verendrye.com](http://www.verendrye.com)). Directors have to be members of Verendrye Electric Co-op.

Directors are responsible for setting policy, hiring the manager and selecting legal, accounting and other consultants. The manager implements board policies and selects staff to perform duties and is accountable to the board. A list of all of the current board members and staff

can be found on Verendrye's website.

Caucus meetings are held each year for the purpose of nominating candidates that will be voted on at the annual meeting. Information about the caucus meetings is mailed and sent electronically to members and is published in North Dakota Living and on our website in the spring. If you cannot attend a caucus meeting, you can also submit a petition with signatures of members in your district. Petition forms are made available when caucus meetings are announced.

See the next page for this year's candidate information.



# VOTE FOR DIRECTORS

Voting for directors in each of Verendrye Electric's three districts occurs at the annual meeting. Candidates were nominated at caucus meetings held in April and there were no candidates nominated by petition. This year there will not be a contest since only one director from each district was nominated. However, there will be a voice vote to officially elect the candidates.

If you want to vote, plan to be in the FFA Hall at 6:30 p.m. The meeting will start with a short report and then move into voting. You need to register before the business meeting and receive your voting sticker in order to vote. All members vote for all districts.

In addition to a member's personal vote, a member may carry one additional non-personal vote (church, township hall, business) if the member is authorized to do so and has the appropriate registration card for the organization.

The candidates' bios are listed in the order they were nominated.



MAXINE ROGNLIEN

## EASTERN DISTRICT

### MAXINE ROGNLIEN

Maxine Rognlien has served on the board since 2011. She grew up on a farm near Buffalo, N.D., which was served by Cass County Electric Co-op. She attended North Dakota State University and graduated with a major in Home Economics Education in 1979 and began her 32-year teaching career in Towner.

A few years after moving to Towner, Maxine met and married a Towner cowboy (John). They have four children: James and his wife, Alli; Jared and his wife Shayna; Elliot, and his wife Ashley; and Emma. They have 12 grandchildren.

Maxine was elected McHenry County Superintendent of Schools in 1989, retiring from that position in 2020. She does prom and wedding alterations and designs and makes little dresses. She enjoys summer yard work, funky junk, golfing, cheering on the Bison and taking care of and cheering on her grandchildren.

She previously served on Verendrye Electric's Member Advisory Committee. The Verendrye Electric director position appeals to Maxine because she enjoys being around fun people, lending a helping hand, investing in the communities served by the cooperative and learning something new every day. She continues to learn and gain appreciation of electric cooperatives, having

completed several classes to achieve her Director Gold Certificate. She was recently re-elected treasurer of the North Dakota Association of Rural Electric Cooperatives.



BOB WOLF

## CENTRAL DISTRICT

### BOB WOLF

Bob Wolf has served on the board since 2008. He is a Credentialed Cooperative Director and has completed the Board Leadership Training. Bob currently represents Verendrye Electric's members on the Central Power Board of Directors. Bob is employed with Local 714 and is a licensed electrician in North Dakota. He still occasionally teaches apprenticeship classes and keeps very involved in the electrical construction industry. Bob has lived in the Minot area most of his life and is married to Lisa, a business education teacher at Minot High School Central Campus. They have three children and two grandchildren. Bob enjoys hunting, fishing and spending time with his family including the Labrador dogs. "I appreciate being given the opportunity to represent the members of Verendrye Electric and will do just that to the very best of my ability. I am honored to be a board member of a cooperative like Verendrye, they truly are one of the best, and that is a reflection of its members."



ROBERT HARGRAVE

## WESTERN DISTRICT

### ROBERT HARGRAVE

Robert (Bob) Hargrave was raised in the Minot area and his family has ties to the Drake and Anamoose area. His family moved to the west side of Logan in 1968 and that's when they became part of the Verendrye family. He attended the Bell School and Minot Public School system and graduated from Magic City Campus. He attended the North Dakota State College of Science in Wahpeton for refrigeration and electrical and he met his wife Marlene while attending school. They made their home in the Minot and Rice Lake area and are currently residing at Rice Lake. He worked as a Journeyman electrician at Coal Creek Power station while it was being built and from there spent 34 years working as an electrician/ appliance service tech and project manager for the housing maintenance on the Minot Air Force Base. He spent 10 years working for Food Services of America as the plant services supervisor. He recently retired from Shock's Safe and Lock. He and his wife have one daughter Jill who is married to Jon. They live in rural Minot.

# VERENDRYE ANNOUNCES SCHOLARSHIPS WINNERS

Each year, VEC awards three high school students with \$1,000 scholarships. We also provide \$1,000 to each of the six Dollars for Scholars Chapters in our service area.

The following are the three Verendrye Scholarship winners.



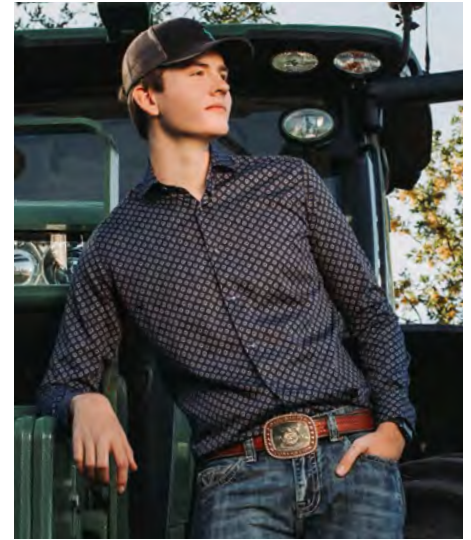
## **EASTERN DISTRICT:**

**Eric Martin** is a student at Drake-Anamoose High School. He plans on attending North Dakota State College of Science to study Electrical Construction. His future plans are to become an electrician and also farm. Some of his activities include football, track and field and Voice of Democracy. His parents are Jason and Carol Martin.



## **CENTRAL DISTRICT:**

**Emily Fannik** is a student at Max High School. She plans on attending North Dakota State University to study Equine Science. After college she plans on completing at least one internship in livestock and/or equine production and then obtain a career in the equine or livestock industry. Some of her activities include the National Honor Society, basketball, high school rodeo, student council, 4-H and FFA. Her parents are Delvin and Kristi Fannik.



## **WESTERN DISTRICT:**

**Layne Novak** is a student at South Prairie High School. He plans on attending North Dakota State University to study Mechanical Engineering. His plans involve a career in Aerospace with Boeing or Lockheed Martin. Some of his activities include trapshooting, 4-H and FFA. His parents are Ronald and Tania Novak.

# VERENDRYE ANNOUNCES YOUTH TOUR WINNER



The 2023 Youth Tour winner is David Abel, a sophomore at Abel Academy Homeschool. He is the son of Brad and Andrea Abel from Minot.

Each year, Verendrye Electric selects one area student to take an all-expense paid trip to Washington D.C. where they will see their nation's capital up close, learn about the political process and interact with their elected officials. Students submit an essay that is judged, and a winner is selected.

"I am looking forward to seeing the memorials, museums and the White House," said David when asked about the upcoming trip.

David competes on the South Prairie School Trap Team and the National Archery in the Schools Program (NASP). He also enjoys rock climbing, running, outdoor activities and traveling.

## WHO WOULD HAVE THOUGHT?



**CHRISTEL LASKOWSKI**  
Business Manager

A year ago when I was preparing for the annual meeting report, I was reflecting on the difficulty preparing the budget has been with not fully understanding the aftermath of the pandemic along with the impacts of the Russian-Ukraine war. I had no idea that one year later we would have seen nine interest rate hikes from the Federal Reserve totaling 4.75% along with some of our material's cost tripling in

price. I am very thankful that our industry sector is one that has long-range planning and diversity which helps us weather the storm so you don't immediately feel the squeeze on your pocket books.

We experienced a rebound in sales from 2021 due to the ag-sector picking up along with heating sales. We were extremely fortunate to receive power bill credits from Central Power Electric Cooperative (CPEC), our power

supplier, totaling \$239,000. In addition to the bill credits, we received \$1.15 million from CPEC in capital credit retirements. After assessing your cooperative's financial condition at the end of the year, ensuring we have met all our loan covenants and are prepared for the high inflationary periods to come, we are able to return \$2.3 million back to you in capital credits. Watch for a check in your mailbox the first week of June.

As a reminder, you earn patronage in Verendrye through your purchases of electricity. The operating margin that is generated during the year, revenues less expenses, is allocated (non-cash) to you based on the ratio of your purchases of electricity to the total membership purchases. This is how you gain "ownership" in the Cooperative. Capital credits returned to you is the portion of your ownership the Cooperative can afford to pay back in cash without causing any financial distress. As always, our goal is balancing affordability with reliability. Thank you for being a member-owner of Verendrye Electric Cooperative!

## SAVE \$24 ON YOUR BILL!

### Credits increased for going paperless and using Auto Pay from bank account

Verendrye members can now save \$24 a year thanks to an increase in the monthly bill credits for going paperless and using Auto Pay from a checking or savings account.

The credit for each program increased from 50 cents a month each to \$1 a month each this year. That's a credit of \$2 each month! If you are already enrolled in the programs, you will automatically start receiving the increased credits.

You can choose to enroll in one or both of the programs. If you are not currently enrolled in the programs, here's how you can start saving:

**Go Paperless:** Create an online account through SmartHub or verendrye.com and choose the paperless option. You will receive a \$1 credit per month for the paperless option.

**Sign up for Auto Pay:** Join Auto Pay with a checking or savings account to receive the \$1 credit per month. Sign up through our SmartHub app, verendrye.com or fill out the form found on the stub of your monthly statement. Call our Billing department at 800-472-2141 if you need help with either of these programs.

**smart hub**

# SMART ENVIRONMENT

Verendrye Electric  
Report an Outage

ACCOUNT OVERVIEW  
\$121.30  
Bill due on 5/15/23 (42 days)  
PAID: 05/15/23 09:00 AM PST

Energy production  
Your average 2023 kWh (kilo-watt-hour) production:

**Save a tree (and time).**  
Going paperless with SmartHub is easy. And with convenient access to your bill anytime, anywhere, doing your part to save the planet just got easier.  
...all in the palm of your hand and online.

**SMART MANAGEMENT. SMART LIFE. SMARTHUB.**



# FINANCIAL REPORT



## VERENDRYE ELECTRIC COOPERATIVE, INC. FINANCIAL STATISTICS

### BALANCE SHEETS

ASSETS	2022	2021
Utility Plant	\$146,086,388	\$138,432,995
Less: Accumulated Depreciation	39,773,643	37,880,307
<b>Total Net Utility Plant</b>	<b>106,312,745</b>	<b>100,552,688</b>
Cash	425,978	1,407,865
Patronage Investments	34,296,842	31,679,480
Accounts & Notes Receivable	9,357,223	7,934,829
Other Investments	10,114,939	13,009,146
Special Funds	5,276,925	5,259,354
Materials & Supplies	4,787,820	3,628,650
Prepayments	161,514	224,221
Deferred Debits	-	341,884
<b>Total Assets</b>	<b>\$170,733,986</b>	<b>\$164,038,117</b>
<b>LIABILITIES</b>		
Long Term Debt	\$81,881,595	\$81,354,639
Accounts Payable	4,268,715	3,746,334
Member Deposits	748,935	560,446
Noncurrent Liabilities	548,660	569,823
Current Liabilities	2,211,450	2,206,030
Deferred Credits	12,523,118	11,534,216
Deferred Revenue	5,000,000	5,000,000
<b>Total Liabilities</b>	<b>107,182,473</b>	<b>104,971,488</b>
<b>EQUITIES</b>		
Patronage Capital	45,374,756	42,169,515
Other Equities	18,176,757	16,897,114
<b>Total Equities</b>	<b>63,551,513</b>	<b>59,066,629</b>
<b>TOTAL EQUITIES &amp; LIABILITIES</b>	<b>\$170,733,986</b>	<b>\$164,038,117</b>

### STATEMENTS OF OPERATIONS

REVENUES	2022	2021
Residential Sales	\$24,007,384	\$22,236,739
Irrigation Sales	499,702	588,059
Commercial Sales	12,400,739	11,729,455
Industrial Sales	12,268,808	11,792,870
US Air Force	3,408,570	3,483,790
Other Sales	144,118	147,665
<b>Total Revenues</b>	<b>52,729,321</b>	<b>49,978,578</b>
<b>EXPENSES</b>		
Power Cost	35,754,801	33,335,782
Operations & Maintenance	4,855,449	4,716,177
Billing & Member Service	1,617,922	1,688,439
Administrative & General	2,545,112	2,296,206
Depreciation	3,477,370	3,298,032
Taxes	456,908	427,694
Interest	2,268,853	2,200,783
<b>Total Operating Expenses</b>	<b>50,976,415</b>	<b>47,963,113</b>
<b>OPERATING MARGINS</b>	<b>1,752,906</b>	<b>2,015,465</b>
<b>ALLOCATIONS</b>		
G&T Allocations	3,791,109	1,671,078
Other Allocations	297,014	327,282
<b>Total Allocations</b>	<b>4,088,123</b>	<b>1,998,360</b>
<b>NON-OPERATING MARGINS</b>	<b>1,435,909</b>	<b>2,021,457</b>
<b>NET MARGINS</b>	<b>\$7,276,938</b>	<b>\$6,035,282</b>

# ENGINEERING REPORT



**BRAD DOLL, PE**  
Engineering Manager

On April 23rd of 2022 we had a severe snow and ice storm. During this storm we had approximately 2,200 members out at the peak, 478 poles were broken or damaged, and countless miles of power lines on the ground mainly on the Western side of our system. In recent years it has been challenging to maintain material inventory; fortunately Verendrye had an adequate supply of materials on

hand that did not hamper the reconstruction process. We brought in 34 outside linemen. These linemen were able to work with our crews and the last resident had power restored on May 2nd.

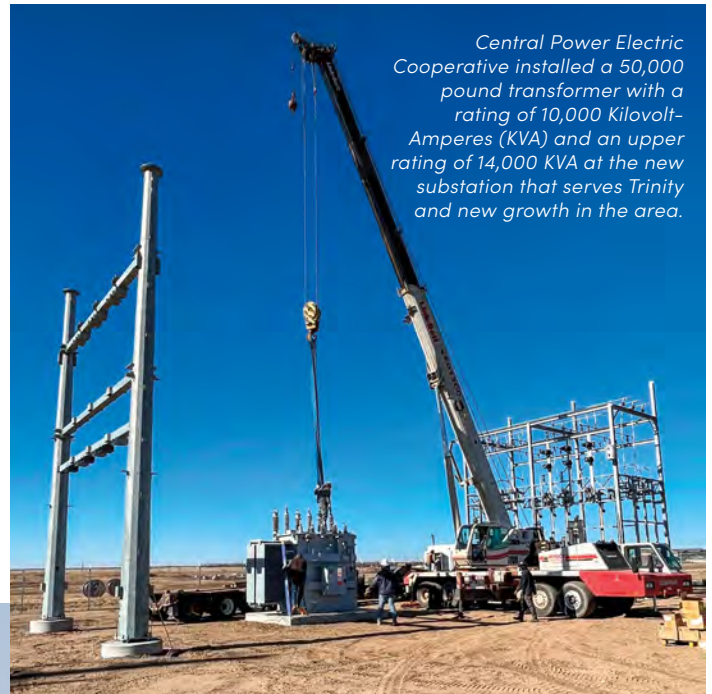
Despite the storm we were able to complete all significant projects that were scheduled for 2022. Seventy two miles of new underground cable were installed. This consisted mainly of overhead to underground conversions as well as aged cable replacements. The Trinity substation was completed and energized, and four feeders were installed, two for rural use and two for Trinity hospital.

This year is expected to be another busy year. Central Power Electric Cooperative plans on completing the rebuilding of the Harvey substation. Verendrye will install 5 new exits out of the substation along with replacing all older, failing underground cable adjacent to those circuits. We will continue converting overhead lines to underground as well as aggressively replacing older failing underground cable.

In late 2022 we completed our 2023-2026 construction work plan and are awaiting final approval. This

plan encompasses over \$41 million dollars of system improvements, cable replacements, overhead to underground conversions, tie lines, distribution equipment, and new services. The work plan will serve as a template for new construction, maintenance, and system improvements for the next several years.

How you can help. Each year several thousand maintenance jobs are completed to improve our reliability. You can help us out by reporting power problems such as outages, blinking, bright or dim lights etc., as soon as possible. Also please let us know of anything that looks wrong with our equipment such as downed wires, leaning poles, trees in the line, damaged pad mounted equipment, etc. We want to fix those issues before they become problems. If you have any large new loads or additions please contact us, we can assist. This can prevent future problems down the road.



*Central Power Electric Cooperative installed a 50,000 pound transformer with a rating of 10,000 Kilovolt-Amperes (KVA) and an upper rating of 14,000 KVA at the new substation that serves Trinity and new growth in the area.*



*Crews replace one of the nearly 500 poles that were broken due to an April 2022 storm that caused widespread damage.*



# OPERATIONS REPORT



**TIM KRUMWIEDE**  
Operations Manager

The outage time for 2022 was .79 hours per meter (47 minutes). For record keeping purposes we excluded the April ice storm which was 6.74 hours per meter. The 2022 outage time would have been excellent if not for the April Ice Storm that put many members in the dark for about a week. We had 478 damaged poles.

In 2021 we had converted many miles of overhead to underground in the area hardest hit by this ice storm, so there could have been potential for close to double the poles on the ground. The pie chart below excludes the extreme storm category.

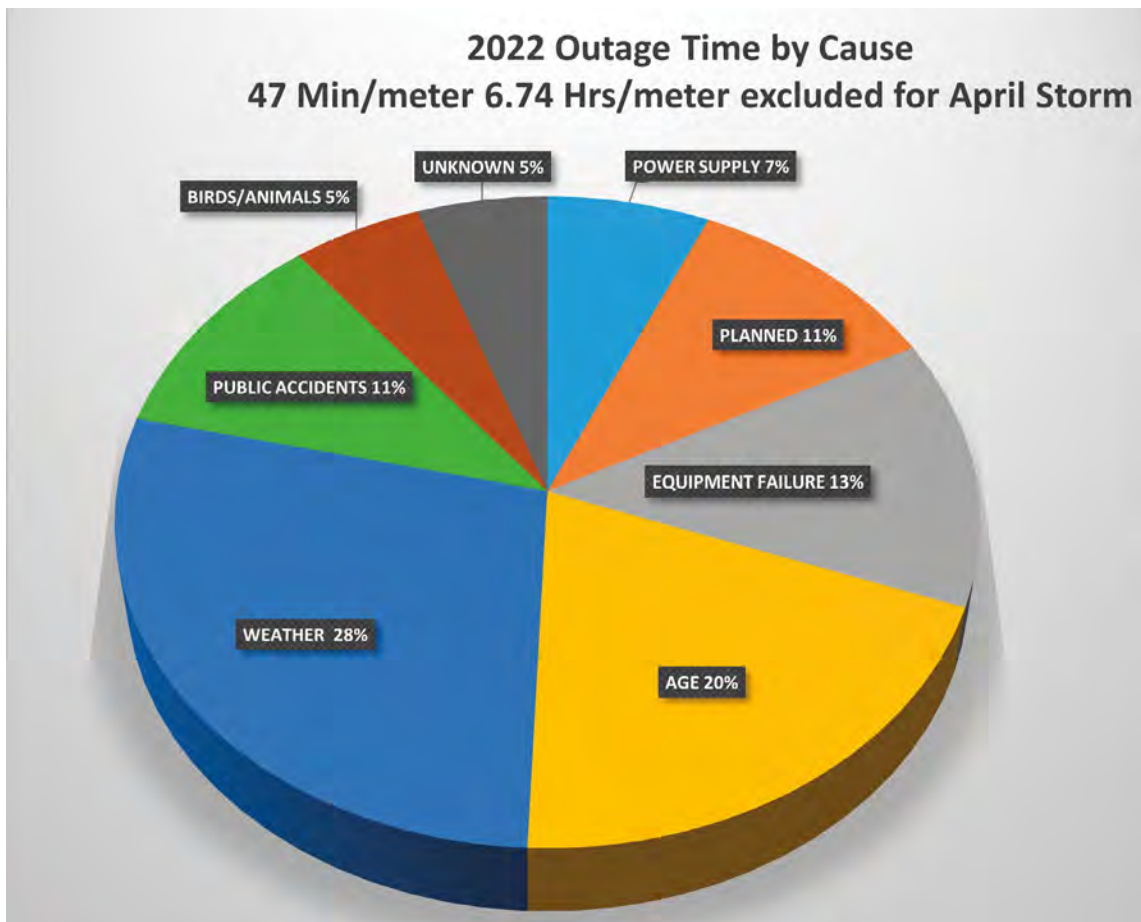
Our maintenance program, inspection cycles, as well as our advanced replacement program regarding older underground cable are the reasons for our success regarding our excellent outage times.

Many outage causes are uncontrollable, with weather-related outages being the leading cause year after year. The second leading cause has been the age of our

electrical facilities. While we can't do much to control the weather related outages we have started to replace large areas of our older underground cable that is nearing the end of its life and has been giving us problems. We have also been converting some of the overhead lines to underground in some of our higher problem areas. We anticipate in a few years we will start seeing a downward trend on age-related outages as well as extreme storm outages.

Public accidents are another cause that can be controlled. The majority of those outages are caused by contractors and home owners failing to request a cable locate or not being careful while digging. Please call 811 (North Dakota One Call) and request to have underground facilities located.

Our investments in technology over the years have helped dramatically with the troubleshooting and restoration of outages. Our dispatchers know when something is not right with our electrical system and the smart meters assist us in finding the outage or problem areas due to the information that we are able to extract from the meters.



## EDUCATION IS A COOPERATIVE PRINCIPLE



**TOM RAFFERTY**  
Member Services  
Manager

As I enter my 14th year working at Verendrye Electric Cooperative there is one thing that has not changed. That is the continuous education needed to stay on top of all the developments that affect our cooperative.

Education is so important to electric cooperatives that it is actually one of the seven cooperative principles. When we talk about education at Verendrye

Electric, it is not just for employees and directors. We want to educate our members on various programs, technologies and conservation that can help them.

Education is one reason we have an electric vehicle in our fleet. Earlier this year we turned back our Chevy Bolt after a three-year lease and we started leasing an all-electric Ford Lightning pickup. Because of our experiences with the vehicles we can give you an honest assessment of them. For example, we can tell you that half or more of your range can be lost because of cold weather, or that the Bolt is about twice as efficient as the Lightning in terms of miles per kilowatt-hour (kWh).

In the past three years we have given presentations about electric vehicles to various groups, including bringing the Bolt to teach students at Minot High School's automotive

classes and to the State Fire School so firefighters could get familiar and learn about how to extinguish fires in EVs.

As a result of our experiences with EVs we were able to set up a special rate that if you charge them at night between 10 p.m. and 6 a.m. you get a reduced rate. This works well for us because the demand for energy across our system is low at night.

There are many ways to learn about your electric cooperative and what we have to offer. Our education channels include North Dakota Living magazine, this annual report, our website, Facebook and most importantly, our employees.

Whether it is questions about EVs or wanting to know more about our energy programs, please call us and ask. With the recent legislation passed in Congress like the Inflation Reduction Act, there could be many opportunities for members to save money with rebates and other incentives. We will be closely monitoring those developments and will use the information to help our members.

We are also happy to conduct safety demonstrations in schools and for youth groups. We can also do presentations about EVs for schools, service clubs or other organizations. We encourage you to get engaged with your cooperative. A good start would be to go to your Annual Meeting on June 8. See you there!



Verendrye added an all-electric Ford F-150 Lightning to its fleet this winter. It is seen here charging at the new Pinnacle station near the new Trinity Hospital Campus.



# OPERATION ROUND UP MAKES A DIFFERENCE

Verendrye Electric members continue to make an impact by participating in Operation Round Up. Members voluntarily round their bills to the nearest dollar each month and the money collected is used for charitable causes. Members gave back \$65,562 over the past year to dozens of worthwhile causes in several communities.

The Operation Round Up program is controlled by the Verendrye Electric Trust Board. The board has five members who are elected from within Verendrye Electric's Member Advisory Committee. Members can serve a maximum of two terms, each consisting of three years. There is one member for each Verendrye district – east, west and central – and also two members elected at large.

Current members are Vice President Ashley Bruner, Drake; Secretary Kristi Howe; Treasurer Laurie Dannewitz, Minot, and board member Sandy Hanretty. David Norton of Minot was the President until he passed away in January. We thank David and his family for all he has done for the cooperative and its members.

For more information, go to [www.verendrye.com](http://www.verendrye.com).

The following table lists all of the Operation Round Up Grants from May 1, 2022 through May 1, 2023.



Operation Round Up Secretary **Kristi Howe** presents a check to **Jaimie Gjellstad** to help fund murals in Velva.

Dakota Boys and Girls Ranch .....	Lights in horse arena .....	\$2,500
Kiddie Korral .....	Expand play area .....	\$2,500
McClusky Park District .....	Pool repair .....	\$2,500
ND Strong .....	Film editing laptop .....	\$1,500
Northern Plains Children's Advocacy Center .....	Comfort items for children .....	\$600
Our Lady of Grace Food Pantry .....	Food .....	\$2,500
Project BEE .....	Cleaning equipment .....	\$1,500
Scandinavian Heritage Association .....	Park repairs .....	\$2,500
St. Aloisius Medical Center .....	Building updates .....	\$1,500
TGU Towner School Backpack Buddies .....	School garden .....	\$2,500
City of Velva .....	Murals .....	\$2,500
Desour Valley EDC .....	Community Picnic Shelter .....	\$2,500
Lillian and Coleman Taube Museum .....	Art restoration supplies .....	\$1,681
Minot Community Foundation .....	Plant trees .....	\$2,500
Minot Quilt Guild .....	Youth sewing program .....	\$2,500
Souris Valley United Way .....	Mobile payment station .....	\$575
The Village Family Service Center .....	Expanding services .....	\$1,984
Anamoose Rural Fire Protection District .....	Fire truck improvements .....	\$2,500
Burlington Fire Department .....	Fire helmets .....	\$2,500
Central Cinema Theatre .....	Cinema audio processor .....	\$2,000
Douglas Fire Protection District .....	Water pump .....	\$2,500
Energy Share .....	Low Income Heating Assistance .....	\$2,500
First Lutheran Church of Harvey .....	Elevator repair .....	\$2,500
McClusky Public School PTO .....	Support PTO .....	\$300
Minot Commission of Aging .....	Equipment for senior meals .....	\$2,500
Prairie Grit Adaptive Sports .....	Specialized hockey sticks .....	\$1,500
Union Silos .....	Art mural .....	\$2,500
Youthworks .....	Renovate Youthworks Center .....	\$2,500
Young Men's Christian Association .....	Handicap accessible bathroom doors .....	\$2,500
ND State Fair Foundation .....	ADA accessible bleachers .....	\$2,500
Drake Fire Department .....	Nozzles and hose .....	\$2,422
<b>Total .....</b>		<b>\$65,562</b>

# CALL BEFORE YOU DIG!

Planting a tree? Planning construction work?  
Remember to contact North Dakota One Call first!  
The first step to any project is safety, and damaging  
an underground facility while you dig can cause  
injury or even death.

Numerous utility lines may be buried on your property, ranging from electric and telephone lines to water and sewer lines, but North Dakota One Call will help you locate these lines before your project begins.

Contact North Dakota One Call and utility line owners will locate and mark their lines. These locates do not include any lines you may have installed to your private facilities, such as detached garages, wells or yard lights.






Go online at [www.ndonecall.com](http://www.ndonecall.com) or call 800-795-0555 or 811.

It's free, it's simple and it's the law.



## PRIVATE FACILITIES: WHAT DOES NOT GET MARKED?

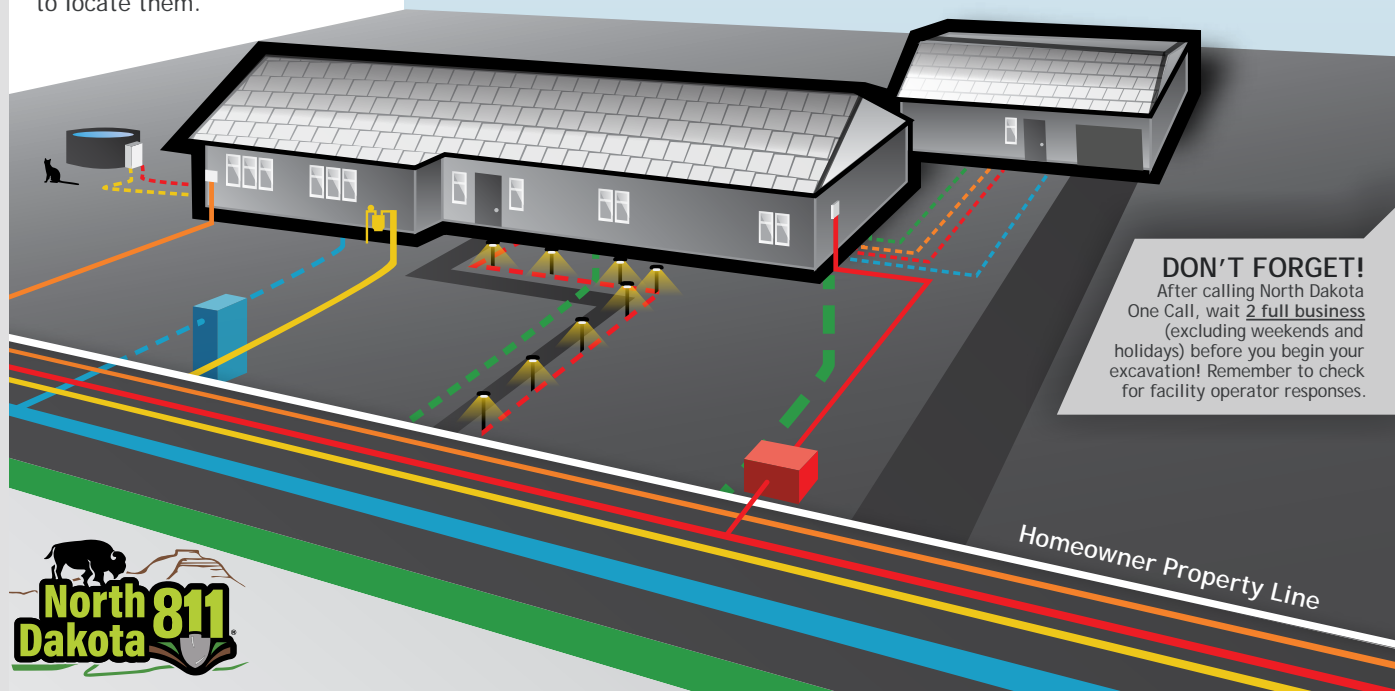
Private underground facilities, such as private utility lines and private distribution networks, do not get marked by facility operators. When a property owner or tenant has any type of private underground facility, they are responsible to locate those facilities or hire someone to locate them.

-  ELECTRIC
-  GAS, OIL, AND PROPANE
-  PHONE AND CABLE
-  WATER
-  SEWER

Customer-owned lines usually include any that serve outbuildings, hot tubs, security lighting, pools, and natural gas grills.

The free locating service available through North Dakota One Call (NDOC) applies **ONLY** to public facility operators. The diagram below shows a variety of utilities, some owned by the utility and some by the homeowner.

Those utilities marked by dotted lines are typically owned by the property owner. Those lines will NOT be marked by contacting NDOC. Private locating services will mark these for a fee.



**DON'T FORGET!**

After calling North Dakota  
One Call, wait **2 full business**  
(excluding weekends and  
holidays) before you begin your  
excavation! Remember to check  
for facility operator responses.



# MINUTES OF THE ANNUAL MEETING OF VERENDRYE ELECTRIC COOPERATIVE, INC.

## JUNE 9, 2022

The 83rd Annual Meeting of the members of Verendrye Electric Cooperative, Inc., was held at the North Dakota State Fair Center in Minot, North Dakota, on June 9, 2022.

## REGISTRATION AND CALL TO ORDER

President Blaine Bruner called the meeting to order at 6:30 p.m. After the presentation of colors and singing of the National Anthem by Cyrus Allen and Samuel Super from Minot High's Change of Pace Singers, he announced that a quorum was present. President Bruner appointed Attorney Scott M. Knudsvig of the law firm of Pringle & Herigstad, P.C., as Parliamentarian and Recording Secretary.

## NOTICE OF MEETING/MINUTES

It was moved, seconded, and carried to dispense with the reading of the formal notice of meeting, the proof of mailing to the members, and to approve the June 10, 2021 Annual Meeting Minutes.

## DOOR PRIZES

Manager Randy Hauck described how the door prizes would be selected and that the \$3,000 grand prize would be drawn from the total membership list.

## INTRODUCTIONS

President Bruner recognized those serving as Sergeant of Arms and the Resolutions Committee.

## INTRODUCTION OF DIRECTORS

Manager Hauck introduced the members of the Board of Directors and their spouses:

Chairman Blaine Bruner and his wife, Kim, Drake  
Vice President Karen Hennessy and her husband, Jay, Des Lacs  
Secretary-Treasurer Shawn Kaylor, Velva  
Maxine Rognlien and her husband, John, Towner  
Ken Schild and his wife, Julie, Harvey  
Bob Wolf and his wife, Lisa, Minot  
Jon Hansen and his wife, Debbie, Ryder  
Howard "Bucky" Anderson and his wife, Linda, Minot, who recently retired from the board of directors  
Clint Gjellstad and his wife, Jamie, Velva

## DIRECTOR ELECTIONS

Bruner reported on the caucus and petition board nominations that Karen Hennessy was nominated at the Western District caucus, Clint Gjellstad was nominated at the Central District caucus and Blaine Bruner was nominated at the Eastern District caucus. Bruner also reported that there were no nominations by petition.

It was moved, seconded, and carried to authorize the Secretary to cast a unanimous ballot for the unopposed candidate in the Western, Central and Eastern Districts. A unanimous ballot was cast and Karen Hennessy, Clint Gjellstad, and Blaine Bruner were re-elected to the Board of Directors for a three year term.

## INTRODUCTION OF GUESTS

Manager Hauck extended greetings received from several VIPs who were unable to attend the meeting, including Senators Hoeven and Cramer and Congressman Kelly Armstrong. He also reported that several guests from neighboring rural electric cooperatives, other area cooperatives, former directors, and the City of Minot as well as other elected officials were in attendance. Elected officials were recognized by name on the overhead screen. Manager Hauck recognized members of the Minot Air Force Base and all veterans.

## FINANCIAL REPORTS

Hauck introduced Christel Laskowski, VEC Business Manager, to give the financial report for the year 2021.

Laskowski reported that Eide Bailly completed an audit of the VEC books and records and issued a clean audit opinion on the financial statements, on compliance with rules and regulations and on internal controls of the cooperative. Eide Bailly found the financial records of the cooperative to be in good order.

Laskowski noted revenue for 2021 totaled \$50 million, which is a slight decrease from 2020. Operating expenses for 2021 totaled \$48 million. Our largest expense is power cost totaling \$33 million, which represents 70% of total expenses.

Operating margin was \$2 million. Margins allocated by Central Power Electric Cooperative, VEC's power supplier, and others totaled \$2 million. These are non-cash allocations. Non-operating income totaled \$2 million. Our 2021 net margins are \$6 million, meeting all RUS mortgage requirements.

Total assets for 2021 are \$164 million. Our distribution plant is the cooperative's largest asset totaling \$100 million, which comprise 61% of total assets. Ownership in Basin Electric and Central Power Electric Cooperative totals \$32 million, which comprises 20% of total assets. The remaining 19% of our assets are comprised of accounts receivable, materials and other, totals \$32 million. Total liabilities for 2021 are \$105 million. Total equity is \$59 million.

## MANAGEMENT REPORTS

President Bruner and Manager Hauck provided separate president/manager reports.

VEC's theme this year is "Building for the Future". VEC has been investing \$8 million per year into plan with approximately 75% going into replacing aging plant and the balance into new construction.

Bruner reported the cooperative was in good financial condition and met all of our financial ratios by RUS.

VEC is retiring capital credits in a record amount of \$2.40 million. The capital credit checks were mailed the end of May. Nearly \$8 million in capital credits have been retired in the last four years.

Bruner extended a thank you to employees for their hard work, to Cindy Shattuck and Val Heisler on their retirements, and to Director Bucky Anderson for his eight years of service on the VEC Board of Directors.

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Hauck discussed cooperative operational details and how VEC dealt with the April ice storm. At one point, approximately 2,200 meters were without power. The last meter was energized by May 3rd. All of this work was done safely.

Hauck stated that in the last five years VEC has converted over 200 miles of overhead line to underground.

Hauck discussed the importance of ACRE and encouraged members to join ACRE.



See displays, including our large bucket truck at the annual meeting.

## OPERATION ROUNDUP

The Operation Roundup report was reviewed. Since last year's annual meeting \$75,019 in grants have been distributed to worthy organizations and individuals.

## SCHOLARSHIP AWARDS

Manager Hauck announced that three \$1,000 scholarships provided by VEC and BEPC were awarded to area students, one from each director district.

From the Western District, Anne Schauer, received the scholarship. Anne graduated from Berthold High School and plans to attend Bismarck State College. Her parents are Amy and Tadd Schauer.

From the Central District, Annika Henjum, daughter of Jennifer and Isaac Henjum, received the scholarship. Annika graduated from Bishop Ryan High School and plans to attend MSU.

From the Eastern District, Mason Lemer, son of Candice and Mitch Lemer, received the scholarship. Mason graduated from Drake-Anamoose High School and plans to attend MSU.

## YOUTH TOUR WINNER

Manager Hauck announced Annaliese Rauschenberger as the Youth Tour Winner to receive a trip to Washington, DC.

## EMPLOYEE RECOGNITION

Manager Hauck recognized the following employees on their years of service awards:

### 5 Years

Brent Vollmer – Mechanic

### 10 Years

Jon Hauf – Fleet Supervisor

Kevin Vollmer – Journeyman Lineman

Jill Hystad – Receptionist

Ron Holte – Journeyman Lineman

Aaron Roberts – Warehouse

Becky Svangstu – Receptionist/CSR

### 15 Years

Byron Schiele – Staking Engineer

### 20 Years

Rick Erickson – Area Foreman

Damon Finley – Area Foreman

Tim Krumwiede – Operations Manager

Travis Leier – Staking Engineer

### 25 Years

Spencer Danielson – Journeyman Lineman

Cody Hartung – Warehouse Supervisor

Cindy Shattuck and Val Heisler retired in January and were recognized for their combined 80 years of service.



Board members will be elected at the annual meeting and resolutions will be voted on.

## RESOLUTIONS

President Bruner called on Jim English, Chairman of the Resolutions Committee. English introduced the other members of the committee: Karen Hennessy, Ashley Bruner, Fred Beuchler, Erin Anderson, David Martin, and Brenda Schmitt.

On behalf of the committee, English moved for the adoption of Continuing Resolutions 1 through 8 as printed and distributed to the members:

1. Rural Economic Community Development
2. Support for Power Marketing Administration Retention
3. North Dakota Territorial Law
4. Rural Utilities Services Loan Support
5. E.P.A. Regulatory Concerns
6. Support for Ground Based Strategic Deterrent Initiative
7. Net Metering
8. Electric Vehicles

The motion was seconded and carried.

English then read Current Resolution Number 1, Supporting "All of the Above" Energy Strategy. English moved the adoption of Current Resolution 1, which was seconded and carried.

English then read Current Resolution Number 2, Support



Investment Reliability from the Infrastructure Bill. English then moved the adoption of Current Resolution Number 2, which was seconded and carried.

English then ready Courtesy Resolution Recognizing the service of former director Howard “Bucky” Anderson on his 8 years of service to VEC and service to his community. English then moved the adoption of the Courtesy Resolution, which was seconded and carried.

## OLD BUSINESS

President Bruner called for old business. There was none.

## NEW BUSINESS

President Bruner called for new business. There was none.

## MEMBER QUESTIONS

The chairman asked the membership for any questions. There were none.

## PRIZE DRAWINGS

President Bruner outlined requirements for the member to be present and registered to win the \$3,000 grand prize. Ronnie Gregoire was drawn. She was not in attendance. A consolation drawing was made from the members registered for a \$830 cash prize. The first name drawn was Bennie Bachmeier, Granville, who was in attendance and the winner.

## ADJOURNMENT

There being no further business, without objection, President Bruner adjourned the annual meeting at 7:30 p.m.

Scott M. Knudsvig, Recording Secretary

Shawn Kaylor, Secretary

ATTEST:

Blaine Bruner, President

# PROPOSED RESOLUTIONS 2023

## CONTINUING RESOLUTIONS

### 1) RURAL ECONOMIC COMMUNITY DEVELOPMENT

Keeping farm families on their land will benefit Verendrye Electric Cooperative and all of North Dakota. We support North Dakota’s long tradition of keeping production agriculture in the hands of family farms. Therefore, we urge continued funding of those Rural Development programs, which will help the family farm. Priority should be placed on loan programs that will help family farms diversify by investing in ways to process and market their products. We continue to support other rural economic development activities including rural housing, energy development, energy efficiency and renewable energy programs. We encourage Congress to continue to fund the Rural Economic Development Loan and Grant Program (REDLG) and the Rural Cooperative Development Grant Program (RCDG) that are administered by the USDA.

We encourage the Administration and Congress to work to improve the business economy through rural renaissance zones and other applicable incentives to stimulate growth. Verendrye Electric Cooperative reaffirms our long-time



*A group of airmen and civilian employees at the Minot Air Force Base took a tour of the Coteau Freedom mine in 2022.*

support for reasonable economic development efforts for the City of Minot and the surrounding region.

We support efforts to expand value-added agriculture and other ag-related industries in the area, including the Logistics Park of North Dakota

### 2) SUPPORT FOR POWER MARKETING ADMINISTRATION RETENTION

We strongly oppose changing from a cost base to a market base rate for hydro-generation. At market rates the costs for power would dramatically increase and the incentive to use this environmentally friendly power source would diminish.

We strongly oppose the sale of the power marketing administrations (PMAs), which include Western Area Power Administration’s (WAPA) generation and transmission facilities, which supply Verendrye Electric Co-op reasonably priced power. We support the continued current management of the PMAs by their respective federal agencies, i.e. WAPA.

### 3) NORTH DAKOTA TERRITORIAL LAW

We are strongly opposed to either weakening or repealing the ND Territorial Law of 1965. We urge continued vigilance in this area of potentially recurring legislation.

### 4) RURAL UTILITIES SERVICES LOAN SUPPORT

We believe that there is continued need for a distribution and transmission loan program for those Rural Utilities Services (RUS) Program systems serving areas with low consumer density per mile of line. We strongly encourage Congress to fully fund the insured RUS loan program and the guaranteed loan program. This financing is crucial to the rural way of life.

### 5) E.P.A. REGULATORY CONCERNS

Verendrye Electric Cooperative believes that climate change concerns should be addressed by the U.S. Congress through legislation, rather than by the Environmental Protection Agency (EPA) through administrative rulemaking. The Clean Air Act of 1970 was never intended to address greenhouse gases

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or climate change and EPA should not have jurisdiction to limit greenhouse gas emissions under the Clean Air Act. We encourage all government officials to visit our coal-fired power plants, which are some of the cleanest in the world.

## 6) SUPPORT FOR GROUND BASED STRATEGIC DETERRENT (GBSD) INITIATIVE

The Minot Air Force Base plays a crucial role protecting U.S. citizens and helping keep peace in the world with its nuclear deterrent that consists of 150 Minuteman III missiles and a fleet of B-52 Bombers. The base is an economic engine for our region, providing more than \$600 million in economic impacts to the area. Verendrye Electric Cooperative serves the base and 40 of its 150 missile sites, while four other electric cooperative serve the remaining missile sites.

The military has begun making plans for replacing the aging missiles under the Ground Based Strategic Deterrent (GBSD) plan. The missiles and associated infrastructure are decades old. Verendrye Electric supports GBSD and encourages the Administration and Congress to fund the program to include upgrading the missiles and associated infrastructure controlled by the Minot Air Force Base. We urge the Administration and Congress to include electrical infrastructure as part of the infrastructure to be improved under the GBSD plan.

## 7) NET METERING

Verendrye Electric Cooperative opposes any net metering laws or rules that result in some members subsidizing electric service of others. Proposals requiring cooperatives to pay retail rates to members generating their own power do not take into consideration the costs of distribution and transmission infrastructure and backup services supplied by the cooperative. Net metering proposals must take into consideration there are times of the year and even times of the day when power costs are higher. Power generated from net metering facilities often cannot be dispatched during periods of higher costs when it is most needed. Decisions on net metering policies are best made by each individual electric cooperative. Proposals for any net metering laws or rules should include input from electric cooperatives.

## 8) ELECTRIC VEHICLES

Electric vehicles (EVs) are becoming more common, more affordable and with increased range. Charging stations for EVs are also becoming more widely available.

Verendrye Electric recognizes the potential of EVs to benefit the cooperative and its members. We are educating members about EVs by using one for our business operations, and by installing EV chargers, including a fast charging station.

Verendrye Electric supports policies and investments that encourage the use of electric vehicles and charging infrastructure to support them, including state and federal grants to help increase the amount of charging stations across the country.

## 9) SUPPORTING "ALL OF THE ABOVE" ENERGY STRATEGY

Verendrye Electric Cooperative supports an "All of the Above" approach to electricity generation resources. This strategy is also supported by the National Rural Electric Cooperative Association (NRECA) and many other cooperatives. While new renewable energy projects are on the rise, our baseload coal generation remains a vital source of reliable energy, as well as



Verendrye Director **Jon Hansen** (grey shirt), presents a \$9,000 check to **Jody Reinisch**, president of the Ryder-Makoti Fire Protection District. On the far right is Verendrye Manager **Randy Hauck** and on the far left is Verendrye Member Services Manager **Tom Rafferty**.

gas generation and other sources that are currently part of the cooperative family's energy portfolio. A diversified portfolio will help maintain affordable and reliable electricity. Having an "All of the Above" approach also improves our national security when geopolitical events happening around the world disrupt energy availability and prices. We discourage policies that prevent renewable or baseload energy plants from being constructed in North Dakota.

# CURRENT RESOLUTIONS

## 1) SUPPORT INVESTMENT IN RELIABILITY AND EFFICIENCY FROM FEDERAL BILLS

The Infrastructure Investment and Jobs Act was signed into law in November 2021 to provide \$1 trillion for infrastructure nationwide. The Act specifically identifies opportunities for cooperatives, including funding for grid resiliency and modernization, physical and cybersecurity, clean energy programs and electric vehicle infrastructure. The Inflation Reduction Act became law in 2022 to promote clean energy and efficiency. Verendrye Electric Cooperative urges the federal government and state governments to include opportunities specifically for cooperatives as they develop the programs and application process. Improving infrastructure of cooperatives and programs for its members will benefit the communities served by cooperatives and help create jobs.

## 2) U.S. HWY. 52 SAFETY CONCERNS

Highway 52 is heavily used for commerce, agriculture and commuting. Data from the N.D. Department of Transportation show it is among the worst N.D. highways in terms of crashes, many of which have caused serious injuries and fatalities. Verendrye strongly supports the 4-laning of the highway, especially between Minot and Velva, and we urge the Legislature to fund the project.



# OFFICIAL NOTICE

**DETACH** this registration card  
for a **QUICKER** REGISTRATION  
at your annual meeting June 8, 2023.

If you **bring this card** to your annual meeting, **registration will be a breeze**.  
All **we** have to **do** is **scan the barcode** on the back and you'll be registered.

## NOTICE TO THE MEMBERS OF VERENDRYE ELECTRIC COOPERATIVE, INC.

The annual meeting of the members of Verendrye Electric Cooperative Inc. will be held June 8th in the State Fair Center, Minot, county of Ward, state of North Dakota, for the purpose of electing three (3) directors, one (1) for each district and each for a term of three (3) years, passing upon reports covering the previous fiscal year and transacting other business that may come before the meeting.

Registration begins at 4 p.m. with the call to order at 6:30 p.m. The following names have been submitted by the various district caucuses as candidates for directors and they have accepted the nominations:

Eastern District  
**Maxine Rognlien**, Towner

Central District  
**Bob Wolf**, Minot

Western District  
**Bob Hargrave**, Rice Lake

Bring registration card for a **CHANCE TO WIN \$100!**

**DO YOU WANT  
A CHANCE TO WIN A  
\$100 BILL CREDIT?**

All you have to do is detach the card above and use it to register at the annual meeting. There's a barcode on the back that will be scanned when you arrive and that's all you need to do to be registered!

**Registering at the Verendrye Electric  
annual meeting has never been quicker  
or easier!**



## PLEASE BRING THIS CARD TO THE MEETING

Detach this registration card and bring it to your annual meeting June 8, 2023.

This is your official registration card for Verendrye Electric Cooperative's annual membership meeting.

### 84TH ANNUAL MEETING AGENDA

- 4 p.m. Registration Begins
- 4:30 p.m. Supper is served by Homesteaders in the Magic Room
- 5 p.m. Heritage Singers Perform
- 6:30 p.m. Call to order – 4-H Hall  
Welcome and introduction of guests
- 6:45 p.m. Report of caucus meetings and voting for directors (you must be  
in the 4-H Hall with voting stickers to vote)
- 7 p.m. Reports  
Secretary-Treasurer  
Board President and General Manager  
Resolution – old and new business

### DRAWINGS

**\$3,000** grand prize or **\$840** second place prize.

All Verendrye members will be in the drawing to win the \$3,000. If the person whose name is drawn is not registered and not in attendance at the time of the drawing, a second cash drawing of \$840 will be drawn from the members who registered. You must also be in attendance at the time of the drawing to win the \$840.