### **MARCH 2019**



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The weight of ice on power lines and poles can cause them to snap. Electric cooperatives try to be prepared for weather events that could cause damage. While costly, long-term weather extremes can enter into electric rates even more so than short-term weather extremes.

### Weather and electricity:

### Weather influences more than just power outages

BY PATRICIA STOCKDILL

eather drives North
Dakota, including
people's day-to-day
conversations, the state's number
one economic driver – agriculture –
and even people's electric rates.

Its role isn't limited to short-term events like blizzards, ice storms or tornadoes.

Weather plays a role in both short-term and long-term operations for those in the energy industry, including McLean Electric Cooperative (MEC).

Cash flow is directly related to weather, regardless if it's scorching summer heat or numbing winter cold, explained McLean Electric General Manager/CEO Marty Dahl.

While McLean Electric certainly doesn't wish for brutal winters, the reality is "when we have a real nice winter, then our cash flow goes down," Dahl described.

Wet spring weather also means less cash flow because of less crop irrigation.

Hot, dry summer weather without rain means less grain drying. "On an average year, we're fine, but when extremes hit us, then the cash flow is more challenging," Dahl described.

McLean Electric's staff plans accordingly for the ebb and flow of electric usage and demand when developing the annual budgets. Staff looks at weather and electric usage history, trends and potential growth in the number of accounts.

However, because North Dakota is a land of extreme weather, it's difficult to factor in extreme events – whether lingering such as a drought or something sudden like a blizzard

or tornado.

Meteorologists aren't the only ones tracking weather. Dahl tracks weather models when developing McLean Electric's annual budget. "To try to find a conservative middle ground. ... What those models indicate influence what we bring to the board for our rate projections," he described. "Fortunately, we haven't had a rate increase for three years."

Like businesses and homeowners alike, McLean Electric has fixed costs, including wages and normal operating expenses it factors into its annual budget. "And we also have a power bill we have to pay that's variable, not fixed," he added.

That power bill isn't just to keep the lights on. It's the power McLean Electric purchases from its generation and transmission cooperative providers, Basin Electric Power Cooperative (BEPC) and Central Power Electric Cooperative (CP).

McLean Electric and other members of Central Power and BEPC provide projections for what their particular cooperative needs to supply electricity to its members. The data also includes anticipated electric heat use, which is significant because cooperatives pay a "peak demand."

When Central Power peaks at its highest monthly usage for all of its members, that is the rate McLean Electric and the other members pay Central Power for their wholesale cost. However, "being part of that group (Central Power) actually saves us money," Dahl continued.

Every November, McLean Electric and other member cooperatives notify Central Power and BEPC what they anticipate for electric demand in the coming year. As generation and transmission cooperatives, CP and BEPC then make their plans to meet the overall





Rick Gienger, lead lineworker, cuts trees out of the power line at the east side of Brush Lake from the 2018 summer storm.

electric demand.

Central Power takes data from its six member electric cooperatives to help determine its budget and calculate the wholesale rates it charges its members. Basin Electric Power Cooperative uses the data for its financial forecast, as well, along with a 10-year load demand forecast, Dahl added.

Ironically, what many North Dakotans appreciate the most when it comes to winter weather – mild temperatures – is what can affect electric providers like McLean Electric the most. Months of 30-degree, above-normal weather in December, January, February or March can crunch cash flow with less-than-projected revenue.

Yet it's a delicate balance, because too much electric usage demand means the wholesale providers need to be able to meet that demand and have it available when consumers are using electricity the most.

In the summer, extended drought conditions can also decrease electric demand for grain dryers unless it translates into increased irrigation demand.

Drought also enters into the electric generation picture from a hydropower perspective. McLean Electric receives a portion of its electricity from Western Area Power Administration (Western) through its wholesale providers, including electricity produced by the Missouri River System's six main stem dams.

If Western can't meet its contractual obligations in extended drought conditions to provide lower cost hydropower, it purchases electricity from other sources, which can be costlier. Sometimes, those increased costs are passed onto McLean Electric's wholesale providers.

In the short-term, weather

extremes can result in outages, which can create additional expenses. Cooperatives generally maintain enough cash flow cushion to absorb those costs without rate adjustments.

However, short-term extreme weather events can be extremely costly. A 2010 blizzard took down 158 McLean Electric poles, Dahl described. The cooperative received \$400,000 in Federal Emergency Management Agency (FEMA) funding to help offset the additional expenses.

Yet throughout it all, Dahl admitted McLean Electric was lucky in that storm. It hit neighboring Mor-Gran-Sou Electric Cooperative so hard its board of directors and management had to added a surcharge onto the members' billing for a few years to help recoup costs, even though Mor-Gran-Sou also received FEMA funding.





The sagging electric wires could bring power outages if wind starts the line to gallop and bounce so wires touch.

Fortunately for North Dakotans, those events don't happen often, even though during Dahl's 10-year tenure he can readily click off some recent weather events that created major outages. For example, a 2017 tornado in western McLean County in the White Shield vicinity resulted

in \$300,000 in damages. Last year, a major thunderstorm hit the southern and eastern parts of the county. "We had issues from Wilton all the way up to Butte," Dahl described, costly approximately another \$300,000 in damages. "We had 50-some poles down in that one."

Short-term or long-term, no matter how a person looks at it, weather plays a major role in the lives of all North Dakotans.

Even when it comes to keeping the lights on. ■

### **Drought monitor tracks conditions**

Drought does more than destroy crop yields and parch lawns.

Extended drought conditions can play a role in electric usage, which equates to revenue for electric cooperatives such as McLean Electric, explained McLean Electric Cooperative General Manager/CEO Marty Dahl.

Under more normal or wet conditions, agricultural producers often need to use grain dryers. While irrigation units run more during dry – and drought – conditions, it's not always enough to offset the lack of electrical usage from grain dryers.

One tool that helps track drought conditions is the United States Drought Monitor.

It's more than an earth-toned map of yellow-andorange hues garnering publicity when regions are in severe, extreme or exceptional drought categories.

The National Drought Mitigation Center at the University of Nebraska-Lincoln, U.S. Department of Agriculture (USDA) and the National Oceanic and Atmospheric Administration jointly produce the drought monitor. The five drought categories range from abnormally dry to exceptional drought:

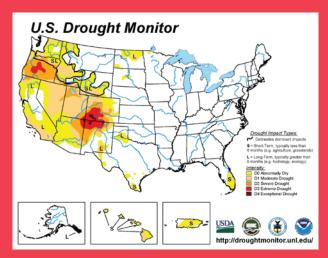
• **D0:** Abnormally dry. Going into a drought, there could be short-term dryness slowing planting and plant or pasture growth. Coming out of a drought, there could be lingering water deficits with pastures and crops not fully recovered.

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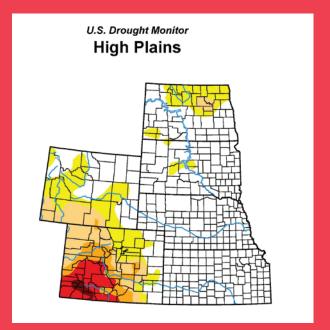
The drought monitor, which is updated weekly, is used by several agencies to determine drought response. Drought also plays an important role in electric usages and, ultimately, sometimes in electric rates. This map was issued Jan. 31, 2019.

The U.S. Drought Monitor is jointly produced by the National Drought Mitigation Center at the University of Nebraska-Lincoln, the U.S. Department of Agriculture and the National Oceanic and Atmospheric Administration. Map courtesy of NDMC.

- **D1:** Moderate drought. Some crop and pasture damage, low water elevations in water sources, and potentially developing water shortages.
- D2: Severe drought: Crop or pasture losses likely with water shortages and water restrictions.
- D3: Extreme drought: Major crop and pasture losses and widespread water shortages or restrictions.
- **D4:** Exceptional drought: Widespread crop and pasture losses and water shortages in reservoirs, streams and wells, creating water emergencies.

The drought monitor isn't a forecast nor is it a statistical model. Instead, it looks backward.

Data is collected by Tuesday each week, jointly analyzed and updated maps are issued at 7:30 a.m. CT every Thursday. Ground-truthing from 450 observers, including state climatologists, National Weather Service staff, Extension agents and hydrologists also factors into the information analyzed.



Only a small portion of North Dakota had any drought ranking in late January 2019. The map is a joint effort of the National Drought Mitigation Center at the University of Nebraska-Lincoln, the U.S. Department of Agriculture and the National Oceanic and Atmospheric Administration.

Several agencies use the drought monitor:

- USDA uses it to trigger disaster declarations and low-interest loan eligibility.
- USDA Farm Services Agency uses it to help determine livestock forage program eligibility.
- Internal Revenue Service uses it for tax deferral on forced livestock sales due to drought.
- State, local and basin-level entities use it to trigger drought responses on local and regional levels.

Droughts are slow moving, but economic and environmental damages can be as extensive as fastmoving events such as hurricanes or tornadoes.

In addition, because drought is yet another aspect of North Dakota weather, it could influence electric usage and demand.

The U.S. Drought Monitor website – and other drought-related information – is available at https://droughtmonitor.unl.edu/. ■

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### Apply now for Operation Round Up grants

BY PATRICIA STOCKDILL

April 15 is the deadline for nonprofit organizations to submit applications for the first of two rounds of 2019 Operation Round Up grants.

peration Round Up is a voluntary program in which McLean Electric Cooperative (MEC) consumers round up their monthly electric bills to the nearest dollar. The money goes into a trust fund, with grants awarded by a seven-member volunteer board.

Nine organizations received grants when MEC consumers "rounded up" through the program in 2018: Turtle Lake Chamber of Commerce (Bike Festival), Community Cupboard of Underwood, Turtle Lake summer recreation program, Guardian and Protective Services (people with disabilities event), McLean Family Resource Center, Great Plains Food Bank, Turtle Lake's Tiny Turtles Daycare and the North Dakota Association for the Disabled.

A total of \$16,200 in two grant rounds was awarded in 2018, while 2017 recipients received a total of \$21,850.

Operation Round Up funds support qualifying individuals, families or organizations in need of financial assistance. It assists with personal or family emergencies and community-based education, health, charitable, scientific or safety programs or projects. Recipients must live within McLean Electric's service area, but don't have to be MEC members.

The groundwork to establish Operation Round Up began in 2012. Since awarding its first grants in 2013, MEC members contributed \$83,600 to the program – \$67,000 in total grants to 43 recipients.

The most a McLean Electric account could contribute annually is \$11.88. For most MEC consumers, contributions average about \$6 annually when each month's bill is rounded up to the nearest dollar.

McLean Electric's seven-member board of directors each appoints three people to the cooperative's advisory committee. The advisory committee, in turn, elects the Operation Round Up board of directors from among its membership.

In addition to President Jude Iverson, Garrison, other Operation Round Up board of directors include Secretary-Treasurer Jill Denning-Gackle, Garrison; Mark Jennings, Washburn; Debbie Boe, Turtle Lake; Steven Haakenson, Roseglen; Lena Volochenko, Butte; and Karen Hanson, Turtle Lake.

The Operation Round Up board focuses on the organization's goals and mission in its ranking process as it reviews applications. Serving on the Operation Round Up board of directors is a voluntary, non-paying position.

No McLean Electric Cooperative employees or board of director members are involved with the Operation Round Up board or its decision-making, McLean Electric General Manager Marty Dahl explained. The cooperative's role is advisory and it helps administer the program. Dahl's role as an advisor to the Operation Round Up board is to ensure bylaws and IRS 501(c)(3) regulations are followed.

Recipients can apply more than one time and must be an Internal Revenue Service 501(c)(3) federal tax-exempt organization. Individuals with medical or emergency financial needs can receive grants through nonprofit organizations' grant requests.

More information is available on McLean Electric's website, www.mcleanelectric.com, clicking "Community" on the homepage and scrolling down to "Operation Round Up" or calling its Garrison office, 701-463-6700 or toll-free 800-263-4922. ■



## Switch I to Safety



If your lighting control points are characterized by any of the above, have your home's electrical system inspected by a qualified electrician as soon as possible.



Cracked, broken or missing cover plates should be replaced immediately to prevent accidental contact with wiring.



Switches and lighting equipment should bear the mark of a nationally recognized testing laboratory such as UL, Intertek, or CSA.

### Keep heating pads, electric blankets safe, too

If you are keeping warm with an electric blanket or using a heating pad for comfort, follow these tips:

- Look for dark, charred or frayed spots or an electric cord that is cracked or frayed. Replace any worn or old heating pad or electric blanket.
- Do not allow anything on top of a heating pad or electric blanket when it is in use. When covered by anything, including other blankets or pets, electric blankets may overheat.
- Never fold electric blankets when in use. Folded or tucked in blankets could overheat and cause a fire.
- Heating pads or electric blankets should never be left unattended or used while sleeping.

Safety tips from McLean Electric Cooperative. Because we care.







# Safety tips for renters

If you rent an apartment or a home,
McLean Electric Cooperative wants you to know
and follow electricity safety measures.

- Never use extension cords as permanent wiring. Remember that all extension cords need to be in good condition without splices, deterioration or damage. Use three-pronged extension cords and outlets for appliances with threepronged plugs.
- Older wiring in apartments and homes may not be able
  to handle the increased electrical demand of modern
  appliances and electronics. If use of an appliance frequently
  causes power to trip off, or if the power cord or the outlet
  feels hot, the appliance should be disconnected immediately.
  Make sure that this condition is reported to your landlord as
  soon as possible so that it may be properly repaired.
- Pull electrical plugs out of the wall socket only by the plug and never by the cord.
- Make sure cords are in good condition, that they are not frayed or cracked.
- Cords should not have any furniture resting on them.
- If an outlet has loose-fitting plugs, contact the landlord/ superintendent to have it replaced. Outlets with bad contact can overheat, leading to fires.
- Have any broken wall plates replaced.
- Never cut the third prong (safety/ground connection) off of electric plugs. That third prong is to protect you if the outlets are properly grounded.
- Use light bulbs with the correct wattage for lamps. If no indication is on the product, do not use a bulb with more than 60 watts.
- Make sure outlets around sinks and tubs are equipped with ground-fault circuit interrupters before use.

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