

COOPERATIVE CONNECTIONS



South Dakota 4-H Shooting

Shooters Prepare for
the State Competition
Pages 8-9

Wild Horses Roam at
Black Hills Sanctuary
Pages 12-13

Jackson Neprud, 4-H archer for Jones
County, poses next to his target.

Co-op Monitors Legislative Issues



Tim McCarthy
General Manager/
Chief Executive
Officer

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com

Rules, regulations, policies, and laws implemented on the local, state, and national levels impact your electric cooperative and in turn you. Historically, electric cooperatives have been involved in politics and today it is no different. It is more important than ever to be engaged in what is happening in our state and national capitols.

On the state level, Sioux Valley Energy – along with its state associations (the Minnesota and South Dakota Rural Electric Associations) – are monitoring several issues that impact electric cooperatives and their members. Nationally, as a new Administration and new Congress begin their work, we plan to continue being actively engaged through our national advocacy arm/association, the National Rural Electric Cooperative Association (NRECA).

There are a few legislative issues in Minnesota we wanted to let our members know about. The first being the lifting of the nuclear moratorium. There are several bills we are watching: House File (HF9) and Senate Files (SF) 350 and 468. In 2023, Minnesota passed the 100% carbon-free by 2040 legislation without a real plan on how we are going to achieve it. The reality is, there is no carbon-free resource that can provide baseload power, available 24-7, other than nuclear power. Minnesota is the only state in the nation that has an outright ban on new reactor construction. We need to start having conversations about nuclear energy as an option for baseload (24-7) power.

Nuclear is a very efficient fuel source. A typical home uses about 11 megawatt hours of energy in a year. It takes only 3.5 ounces of uranium to support the energy use of a typical home, but it takes 1.5 tons of coal. Nuclear also provides efficient use of land. It would only take 103 acres of land to produce 1 million megawatt hours of nuclear power. Other generating resources would take much more land to power the same amount of

energy – 17,800 acres for wind and 3,200 acres for solar. I know there is some concern about spent fuel, but currently ALL the spent fuel from U.S. nuclear reactors since the 1950s would fit into a single football field at a depth of less than 10 yards. This spent fuel has been safely stored and caused harm to exactly zero people throughout the life of the industry.

The second issue we are hoping will be addressed by the Minnesota legislature is net metering reform. As mentioned above, the state has a carbon free standard required by 2040. Given that law, we believe it is time to reform the state's costly and regressive solar subsidy. Why? Because net metering is outdated, expensive, and inequitable.

Minnesota's net metering policy was designed when solar technology was in its infancy and fails to address the modern energy landscape, including the carbon-free by 2040 requirements. As a co-op we are forced to pay retail rates for energy in Minnesota that we could potentially purchase at wholesale prices. This is not a sustainable business model and increases costs for most members. It costs about twice as much to get the same amount of electricity from small distributed solar systems as it does from larger utility connected solar systems – half the carbon reduction at the same price.

Finally, net metering shifts costs to those who can least afford it by subsidizing the cost for solar panels installed on homes of those who have more financial resources. Low-income households don't benefit from the net metering incentives but bear the costs passed down from those who can afford solar. We hope the Minnesota state legislature will consider a more balanced approach and work to reform current net metering laws.

In South Dakota, legislation regarding automated meters (sometimes referred to

In 2023, Minnesota passed the 100% carbon-free by **2040** legislation without a real plan on how we are going to achieve it.

It takes only **3.5 ounces** of uranium to support the energy use of a typical home.

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**COOPERATIVE
CONNECTIONS**

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(USPS No. 497-440)

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**Sioux Valley Energy is an
equal opportunity provider and employer.**

Manager's Column

Continued from Page 2

as smart meters) was introduced but did not advance out of the legislative committee it was assigned to. Sioux Valley Energy has been using various forms of automated metering for decades.

Prior to when automated meters were installed, members were required to either read their own analog meter and report their monthly usage for billing purposes, or a co-op employee would physically travel to every home, farm, or business in our large service territory to read usage data. Automated meters are the most cost-effective and efficient technology for our members. Other benefits include:

- Automated meters can be used to pinpoint exact locations of power outages more quickly by transmitting an “out of power” notification, meaning a faster response time to outages.
- Automated meters allow information to be shared with individual members about their energy usage – allowing them to find energy efficiency opportunities or potential problems in their home.
- Automated meters improve electric service reliability and power quality. Information obtained from the automated meters often identifies problems that can be repaired before they cause an outage.
- Information can be used by engineers to more effectively and appropriately size lines and transformers, saving the cooperative and members money.

We will be watching all of these issues carefully and will work to advocate on issues that are important – speaking up for solutions that benefit our membership as a whole.

In closing, I encourage you to attend our upcoming district meetings – you can find the schedule on Page 15 of the newsletter.

NOTICE:

Co-op Connections Card Program Discontinued March 1

On March 1, 2025, Sioux Valley Energy's Co-op Connections Card program will be discontinued. When the program first started over a decade ago, it was somewhat unique and provided local businesses the opportunity to provide SVE members with a small incentive to shop at their establishment. However, as the popularity of “rewards” cards and other “loyalty” programs has grown over the years, the Cooperative has determined that the Co-op Connections Card program has run its course. This is part of our continuous process of review and evaluation of programs and services we provide to our members.



Sioux Valley Energy appreciates the businesses and members who participated in the Co-op Connections Card program.

Falls Are Preventable

March is Ladder Safety Month. Whether working from a ladder, roof or scaffolding, it's important to plan ahead, assess the risk and use the right equipment. First, determine if working from a height is absolutely necessary or if there is another way to do the task safely.

- Discuss the task with coworkers and determine what safety equipment is needed.
- Make sure you are properly trained on how to use the equipment.
- Scan the work area for potential hazards before starting the job.
- Make sure you have level ground to set up the equipment.
- If working outside, check the weather forecast; never work in inclement weather.
- Use the correct tool for the job, and use it as intended.
- Ensure stepladders have a locking device to hold the front and back open.
- Always keep two hands and one foot, or two feet and one hand on the ladder.
- Place the ladder on a solid surface and never lean it against an unstable surface.
- A straight or extension ladder should be one foot away from the surface it rests on for every four feet of height and extend at least three feet over the top edge.
- Securely fasten straight and extension ladders to an upper support.
- Wear slip-resistant shoes and don't stand higher than the third rung from the top.
- Don't lean or reach while on a ladder, and have someone support the bottom.
- Never use old or damaged equipment; check thoroughly before use.



Fall Hazards at Home

Are you a weekend warrior or do-it-yourselfer? If you take on home improvement or other weekend projects, it's important to prepare yourself for physical exertion, especially if you've been sedentary through the winter months, and take extra precautions to prevent falls.

Risky projects, like installing siding, gutters or roofs, are best left to professionals. Saving money isn't worth risking a debilitating or fatal fall.

At home or at work, many of the same rules apply. When taking on a project, remember the following.

- Practice all of the ladder safety tips mentioned to the left.
- Keep the work area clear of hazards and immediately clean up spills.
- Read all instructions and safety precautions on your equipment.
- Don't wear loose clothing that can get caught in equipment.

Source: National Safety Council



“Don't cut trees near power lines.”

Remington Welsh, Age 11

Remington warns readers to not cut trees around power lines. Thank you for your picture, Remington! Remington's parents are Ryan and Rachel Welsh, members of Black Hills Electric Cooperative.

Kids, send your drawing with an electrical safety tip to your local electric cooperative (address found on Page 3). If your poster is published, you'll receive a prize. All entries must include your name, age, mailing address and the names of your parents. Colored drawings are encouraged.

Hearty FAMILY MEALS

EASY CREAMY HAMBURGER PASTA

Ingredients:

1 lb. ground hamburger
1 lb. cooked pasta
5 oz. spinach
1/4 cup butter
2 cups heavy cream
1 tbsp. minced garlic
1 cup grated parmesan cheese

Method

In a large pan, brown hamburger and minced garlic. Remove any excess grease. Turn heat to low and add the butter and heavy cream. Stir and simmer for a few minutes until the butter melts and it starts to boil. Stir in the spinach and cook for about three more minutes. Stir in the parmesan and cooked pasta. Enjoy!

Lyndell Todd
Rapid City, S.D.

MINI BBQ BACON CHEDDAR MEATLOAF

Ingredients:

2 lbs. ground beef
6 oz. chili sauce
4 slices bacon, cooked and crumbled
1 1/2 cups shredded sharp cheddar cheese
1/2 cup panko breadcrumbs
2 large eggs
1 tsp. onion powder
1 tsp. seasoned salt
1 tsp. garlic powder
2 tbsps. Worcestershire sauce
1 tsp. yellow mustard
1/2 cup BBQ sauce

Method

Preheat oven to 425°F. Cook and crumble bacon. In a mixing bowl, mix together all meatloaf ingredients except the BBQ sauce. Divide the mixture into eight round loaves. Press a small depression into the middle of the meatloaves. Brush BBQ sauce on top of the meatloaves. Bake for 25 minutes. Turn on broiler and brown the BBQ sauce for two to five minutes.

Kayla Beaner
Centerville, S.D.

SKILLET CHICKEN POT PIE

Ingredients:

1/4 cup butter
1 cup chopped onion
1/4 cup flour
2 cups chicken stock
1 cup milk
1/2 cup apple cider
1/2 tsp. garlic powder
1/2 tsp. ground cinnamon
1/2 tsp. whole thyme leaves
1/4 tsp. black pepper
2 cups cubed cooked chicken
1 large sweet potato, peeled and cut into 1/2-inch cubes (about 2 cups)
1 cup frozen peas
1 can (7.5 oz.) refrigerated biscuits, (10 biscuits)

Method

Preheat oven to 450°F. Melt butter in large ovenproof nonstick skillet on medium-high heat. Add onion; cook and stir five minutes or until softened. Sprinkle with flour. Stir with whisk until mixture is well blended. Add stock, milk, apple cider, garlic powder, cinnamon, thyme and pepper; whisk until mixture is smooth.

Stir in chicken, sweet potatoes and peas. Bring to boil. Reduce heat to medium; cook and stir 15 minutes or until sweet potatoes are tender.

Place biscuits on top of chicken mixture. Bake 10 minutes or until biscuits are golden brown.

McCormick.com

Please send your favorite recipes to your local electric cooperative (address found on Page 3). Each recipe printed will be entered into a drawing for a prize in December 2025. All entries must include your name, mailing address, phone number and cooperative name.

Understand Your Rates and Programs



Sheila Gross
Energy Services Specialist

For info on beneficial electrification programs, contact Sheila Gross at sheila.gross@siouxvalleyenergy.com to learn more. Check out our incentives and resources here:



Understanding your electric bill is important because it helps you manage your energy budget and create strategies to reduce energy usage. Don't forget to review your electric bill. Knowledge is power! Sioux Valley Energy offers many programs, incentives, and resources to assist members in improving efficiency and saving money. Take the time to investigate our alternative Time of Use (TOU) rate program. Members can put the power in their hands to take advantage of long-term savings by shifting energy use to off-peak times. Call to sign up for a three-month risk-free trial. Do you have a heat pump or electric heat? We offer a reduced electric heat rate from October through April billing cycles. Installation of a submeter is required. Contact 800-234-1960 for more information. A great way to analyze your usage is by downloading the SmartHub app, our online account management tool. You can review billing history, monitor energy usage, and much more.

For members who find it difficult to pay their utility bills in the winter, county assistance resources may be available. Visit our website at <https://www.sioxvalleyenergy.com/my-billing#assistance>.

- 1. Meter Detail:** Rate description, billing period, and meter information.
- 2. Account Activity:** Previous balance, payments, and adjustments.
- 3. Current Charges:** Information on all charges associated with the account.
- 4. Energy Charge:** The amount of usage (kWh) billed. You may notice more than one energy charge line and different rates if you participate in the electric heat or Time of Use Rate programs.
- 5. Demand Charge:** The highest average kW measured in half-hour intervals during the billing period. Demand measures a member's individual impact on the grid. Residential and general service classifications are not currently charged a fee for demand.
- 6. Basic Service Charge:** A monthly charge that covers the fixed costs associated with providing electricity to the location. Fixed costs include items such as meters, transformers, electric lines, and billing. These costs are independent of your electric usage. Basic Service applies to both active (energized) and disconnected (de-energized) accounts and varies by rate classification.
- 7. Operation Round Up®:** ORU is a voluntary charitable program that provides funding to schools, communities, and non-profit organizations throughout our service territory. For more information, go to: <https://www.sioxvalleyenergy.com/operation-round-up>
- 8. Usage Graph:** Monthly comparison graph with average temperatures.
- 9. Special Statements:** Those participating in the

TOU Rate will see a monthly notification of the time of use rate compared to the standard rate. An annual notice will also be given regarding your ORU contribution.

Special Statements: TOU rate comparison and ORU totals.

Account Number: 122333 Service Address: 1234 COOPERATIVE AVE Map Location: 001-2-003-04

Meter #	Rate Description	Billing Period		Readings			Diff	Meter Mult	Energy (kWh)	Demand (kW)
		From	To	Previous	Present					
99999	SD FARM/RURAL RES TOU ON	12/20/2024	01/21/2025	1078	1095	17	40	255	7.040	
99999	SD RES TIME OF USE-OFF	12/20/2024	01/21/2025	1078	1095	17	40	415	7.040	

Account Activity		
Previous Balance		\$130.00
Payment(s) Received		-\$130.00
Account Balance Before Current Charges		\$0.00
Current Charges		
Energy Charge	255 kWh @ 0.17010	\$43.38
Energy Charge	415 kWh @ 0.06620	\$27.47
Demand Charge	7.040 kW @ 0.000	\$0.00
Basic Service		\$65.00
Sub Total		\$135.85
Taxes		\$5.71
Operation Roundup		\$0.44
Total Current Charges Due		\$142.00
Total Amount Due		\$142.00

Kilowatt Hours Monthly Use

Avg Monthly Temp

You saved \$4.53 compared to the standard rate this month.

Accounts past due 10 days after the due date are subject to a late fee of \$5.00 or 1.5%, whichever is greater. A \$30.00 fee will be assessed for all returned checks. A security deposit may be applied to accounts not in good standing.

LAYKE WOLD NAMED SCHOLAR OF THE WEEK

Chester Area High School's Layke Wold was the Touchstone Energy® Scholar of the Week winner for the week of January 27, 2025.

"He definitely enjoys being hands-on with the younger kids, he's come full-circle looking up to those upper classmen that were in his elementary classrooms," said Kari Dosset in nominating Wold. She noted that he created and ran an individual/small group summer training program for younger kids wanting to improve their basketball skills.

In school, Wold has played varsity basketball for six years and was twice named the *Madison Daily Leader* Player of the Week. He has been a four-year member/participant on the football and golf teams, choir, and A Honor Roll. He has spent two years as a National Honor Society member and served twice as class vice president. He has also participated in Sacred Hoops and SD Identity. Additionally, he was a member of the Homecoming Royalty and taken dual credit courses.

He is the son of Lance and Sharee Wold of Chester.

The Scholar of the Week program is a partnership between Dakota News Now Television, Sioux Valley Energy, and other local Touchstone Energy Cooperatives that honors accomplished high school students. As a Scholar of the Week, Wold was featured the week of January 27 on Dakota News Now and will receive a scholarship from Sioux Valley Energy. He is also now eligible for a chance to win a scholarship that will be given away this spring at the annual Scholar of the Year banquet.



SVE to give out Bare Root Seedling Trees

Celebrate Earth Day 2025 by picking up a trio of small bare-root seedling trees (mix of Freeman Maple and Black Hills Spruce) at Sioux Valley Energy. In recognition of Sioux Valley Energy's commitment to community and caring for the environment objectives, the Cooperative will be providing 350 sets of bare root tree seedlings for members to plant. Members are eligible for three trees in total for as long as the trees last (no guarantees on species). The give-away event (which is dependent upon weather, shipment dates, and availability) will take place at each of the Co-op's service centers in Colman, Brandon, Hartford, and Pipestone. **Members can stop by one of the offices on Thursday, April 17 from 8 a.m. to 4 p.m.**

If there are any extra trees available after the Thursday give-away, those trees will be available Friday, April 18, during the hours of 8 a.m. and 3:30 p.m. **Trees will be given out on a "first-come, first-served" basis. So once the trees are gone; they are gone!** Check Facebook and www.siouxvalleyenergy.com for updates or call 800-234-1960 before you come to ensure there are still trees available!



TELL US WHO POWERS YOU!

We know our co-op community is filled with people making a difference. Let's celebrate them! Nominate a hero in your community who goes above and beyond. **They could win up to \$3,000!**

Nominate your local hero at WHOPOWERSYOUCONTEST.COM





West Central Electric CEO Jeff Birkeland, left, is the retired archery coach, and IT Coordinator Derek Wolf, right, is a first-year rifle coach for Jones County, South Dakota.

SOUTH DAKOTA 4-H SHOOTING

Shooters Prepare for the State Competition in April

Jocelyn Johnson
jocelyn.johnson@sdrea.coop

Dedicated practice is the price each marksman pays to qualify and compete at the South Dakota 4-H Shooting Sports state event.



Sophie Wolf takes aim during a weekly practice.

This year, hundreds of shooters will compete on April 25-27 to showcase marksmanship. Their hard work will be on display as every shot will impact the final score. Among these competitors is a dedicated group from Jones County, South Dakota. For the past two decades, employees from West Central Electric Cooperative in Murdo, S.D., have dedicated their time to coaching various 4-H shooting disciplines.

“It’s the cooperative giving back to the community and promoting our youth,” said Jeff Birkeland, CEO of West Central Electric. “A few years ago, we took 41 kids to state, and we brought home 43 state trophies. I’m proud of our kids.”

Birkeland coached archery for 15 years and happily recounted the experience with his two boys during that time.

“Kids want to shoot. We have the best participation in shooting sports

than we have in anything else.”

Birkeland’s son, Jacob, competed for 10 years in shooting sports among other 4-H competitions.

“While I explored many aspects of 4-H, shooting sports became my primary focus,” Jacob said. “I began my journey in shooting sports with BB gun and was introduced to archery. Archery quickly became my main area of competition, and it has been an incredibly rewarding and impactful part of my 4-H experience.”

This experience offered him a competitive edge as well as bonding memories that Jacob vouches as life shaping.

“One of the greatest highlights of my time in 4-H has been the lasting friendships and memories I’ve built along the way,” Jacob said. “Whether it was constructing a trophy shelf with my grandpa, having archery competitions against my dad to see who had to do the chores or representing South Dakota at the national shooting sports event – each experience has contributed to my personal and professional growth. I would not be where I am today without it.”



Matthew Birkeland, left, stands with Hayzen Sealey, right, at the spring state competition.

Derek Wolf, IT coordinator for West Central Electric and first-year coach for Jones County 4-H, said, “We begin practicing once a week in January. We work on safety first – getting the kids comfortable with their firearms. Then, we step into practicing for competition.”

Each county competes in three matches leading up the state competition, and every participant must make a qualifying score in at least one match to qualify for state.

“We encourage every kid to enter and compete in all three matches,” Birkeland said. “It’s better to practice at it instead of getting to state and having the wheels fall off.”

The art of practicing perfectly is what brings these competitors to state. Birkeland noted that those who practice, will win. And those who overcome a disappointment may come home with the trophy.

“It teaches those kids a lot about life,” Birkeland said. “You practice and practice, you put the time in and then one thing happens – one flinch,

one mistake and it’s over. Emotionally, hopefully it strengthens them a bit. Instead of breaking down and crying, you better be able to handle it...Limit your problems. Don’t increase them with a mental meltdown.”

Wolf agreed with this sentiment and described how overcoming a bad shot and being mentally tough is sometimes more important than being a skilled shooter.

“There are a lot of kids who find success in this, so I find it rewarding to be involved as a coach,” he said.

Wolf’s daughter, Sophie, competes in .22 rifle and archery and remarked that the highlight of the competition was that it challenged her and made her a stronger competitor. She trains twice per week for several hours while preparing for the state competition.

“I feel excitement when I compete,” Sophie said. “I love the challenge.”

In 2024, more than 1,600 participants competed in various disciplines at the spring state shooting event. These disciplines

are pistol, archery, rifle, hunting and western heritage. An additional 270 participants competed in the fall state shooting event for shotgun and muzzleloading. Each year, the top five shooters win trophies and this year’s winners may be chosen to represent at the 4-H Shooting Sports National Championships in Grand Island, Neb., on June 22-27. Last year, South Dakota tied for 2nd place with Missouri at the national event.

John Keimig, South Dakota State University Extension Youth Safety Field Specialist, emphasized that the shooting program is made great by the people who volunteer.

“One of the great things about small communities in South Dakota is people who give their time to volunteer,” said Keimig. “If it wasn’t for people who volunteer, we wouldn’t have this successful program – whether it be volunteers who work full-time for an electric cooperative or farmers and ranchers. They are the backbone of this program.”



Archers stand on the line at South Dakota’s spring state competition.

Investing

for Your Future

Co-op Work Plans to Meet Members' Needs in Coming Years

Positioning Sioux Valley Energy to meet the ongoing energy needs of its members requires preparation and planning. As part of this process, the Cooperative engages in yearly, four-year, and long-range planning to ensure its success.

“Our current four-year work plan totals \$83 million,” said Ted Smith, Vice President of Operations and Engineering. “The work that is included in this plan will prepare this Cooperative to meet growing energy needs and maintain our 99.989% reliability for Sioux Valley Energy members.”

“It lays the roadmap for all the projects we are going to do,” said Smith.

Growth in nearly all areas of the Cooperative’s service territory, along with an increasing demand for electricity, makes planning even more important.

Smith noted that it took the Cooperative 70 years to reach 500 megawatt hours (mWh) of annual sales, a milestone reached in the early 2000s. That volume doubled in the last 20 years. The Cooperative is poised to hit almost 1 million mWh sales in 2025 and foresees continued rapid growth in the next decade and a half.

“This is new growth and new members but also growth of existing members’ services,” Smith said. “We have diverse load growth with agriculture-heavy in some areas and suburban growth in others.”

“We are really growing all across our system,” said Chris Graff, Director of Operations, noting that ag growth tends to be in the northern reaches of the

Cooperative and residential growth is heavier in the Sioux Falls, Brandon, and Hartford areas.

Among the activities to maintain the Cooperative’s 6,100 miles of line are tree trimming, underground locates, and pole testing.

“This ensures integrity of our poles for years to come,” said Smith.

“On the capital side we do a yearly plan and then longer range as part of our four-year work plan. We are

New Podcast Episode Available



Inside the GRID
with Jay Buchholz

SIoux VALLEY ENERGY



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Ted S.
SVE Vice President of
Engineering and Operations



Chris G.
SVE Director of Operations

Learn more about Sioux Valley Energy’s 2025 Work Plan by listening to the Inside the Grid Podcast.

also looking out eight to 10 years and trying to address our current members' needs as well as new growth," said Graff.

Sioux Valley Energy meets regularly with various communities, including Sioux Falls, to increase understanding of how a community's growth plans will impact the Cooperative.

"They have a good plan of where development will be going as they open access to sewer, water, and such. That gives us time to get out ahead of it," Smith said, noting that the Cooperative typically brings power into a development once curb and gutter are in place.

Each year, the Cooperative seeks to rebuild 125 miles of line and typically adds 20 to 25 miles of line at a total cost of over \$20 million. Sioux Valley Energy implemented the ambitious 125-mile plan to rebuild existing line in 2018. The rebuild includes stretches that are original to the system and have been in place for nearly 80 years.

"We are cognizant of reliability," said Smith, noting that ensuring ongoing reliability is part of driving factors in the aggressive plan. "We have some of the best reliability of cooperatives in the nation. We think the things we are doing are impacting that."

Infrastructure investment extends beyond Sioux Valley Energy. Its power suppliers, East River Electric Power Cooperative, L&O Power Cooperative, and Basin Electric Power Cooperative, will also be investing significant dollars in transmission and generation resources.

"In total, the estimated 10-year investment for just Sioux Valley Energy members is approximately \$440 million. Those investments include generation, transmission, and distribution to support our Cooperative members," said Smith.



A glance at 2025 Work Plan Projects

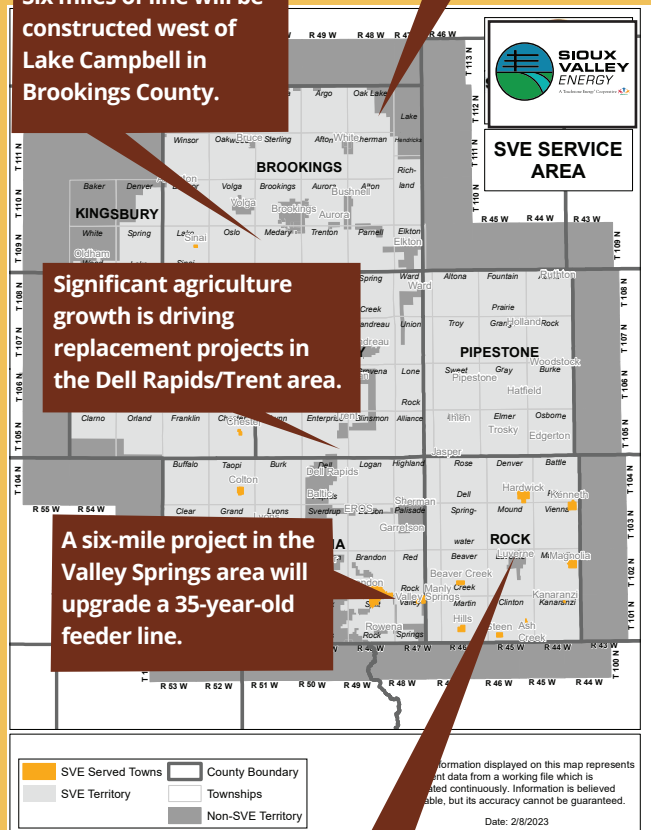
Here's a brief look at just a few of the projects included in Sioux Valley Energy's 2025 Work Plan.

Five miles of line will be built north of White providing redundancy between substations.

Six miles of line will be constructed west of Lake Campbell in Brookings County.

Significant agriculture growth is driving replacement projects in the Dell Rapids/Trent area.

A six-mile project in the Valley Springs area will upgrade a 35-year-old feeder line.



Minnesota facilities that were part of the 2015 Alliant Energy acquisition will be converted by August to fully connect with Sioux Valley Energy's system.



RUNNING FREE

Photos by Alvis Uptis

Wild Horses Roam at Black Hills Sanctuary

Jacob Boyko

jacob.boyko@sdrea.coop

In the southern Black Hills, a watchful eye will catch a rare and breathtaking sight: a herd of wild mustangs galloping freely across thousands of acres of grassland in the Cheyenne River Valley.

For the Black Hills Wild Horse Sanctuary staff and the hundreds of rescued horses they care for, it's just another day on the ranch.

The sanctuary operates like most working ranches, says Susan Watt, the president and CEO of the Institute of Range and the American Mustang. Staff regularly travel over 15 miles across the 10,000 acre ranch to fill water troughs and set out hay, mineral blocks and horse cake. It's a trek that takes them across picturesque grasslands, hills, bluffs and the muddy banks of the Cheyenne River. A bulwark against suburban sprawl, the land remains as nature intended.

"Wild horses have been part of North America since time immemorial," Watt explained. "We have a large population of American mustangs, Spanish mustangs, horses with blood lines that trace back to Spain and Portugal, and a small herd of Choctaw Indian ponies that were part of the Trail of Tears

– They are a very important part of American history we need to preserve."

The story of the sanctuary begins in the late 1930s with a young man named Dayton Hyde. At 13 years old, Hyde left his home in Michigan for his uncle's cattle ranch in Oregon after hearing captivating tales of the wild west's excitement and beauty.

Once he arrived, Hyde was completely enthralled by the western lifestyle. With each passing year, his connection to the land and the wildlife strengthened, shaping his identity as a cowboy, conservationist and writer.

Decades later in 1987, while on a trip to Nevada to purchase cattle, Hyde came across corrals of wild horses the federal government had rounded up using low-flying helicopters. Devastated by the idea of the free-roaming herds confined to pens, Hyde was inspired to create a refuge for wild horses where they could run free.

Hyde petitioned congress to allow him to take some of the captured horses and create a sanctuary. South Dakota Governor George Mickelson, who had learned of Hyde's ambitions and was supportive, invited Hyde to inspect a piece of land known as Chilson Canyon near Hot Springs, S.D.

For nearly 40 years now, that piece of land plus Hyde's hard work has given hundreds of wild horses another chance to roam wild. However, it's a luxury very few wild horses receive.

Since 2020, the Bureau of Land Management has reported

WILD HORSE SANCTUARY

rounding up over 40,000 wild horses to control herd populations, which can grow rapidly in the wild. Their fates vary; At government holding pens, they await auction where if sold they'll be rehomed with owners who agree not to sell them for slaughter outside of the U.S.

According to Watt and other wild horse advocacy groups, those assurances don't always matter.

"The horses are supposed to be protected from slaughter," she continued, "But unfortunately, you put them in a trailer and cross the border into Canada or Mexico and they don't always check to see what's in the trailer."

The horses that come to the sanctuary are generally in "emergency situations," Watt said, which means the horses are being sent to slaughter or their previous caretaker died or is unable to take care of the horses.

In addition to preserving the herds of wild horses, Hyde envisioned the sanctuary as a means to protect and preserve the land's natural beauty and rich historical legacy, which includes long-ago remnants of human activity.

"This particular tract of land was the location for ancient petroglyph writings that ancient man did on cliff walls," Watt explained. "And we're protecting the pioneer history of this land; Our buildings that we use are pioneer homesteads."

Though Dayton Hyde passed away in 2018, his legacy lives on. Today the sanctuary is home to several hundred wild horses, a herd of cattle, thousands of acres of pristine prairie

and the inextinguishable spirit of the wild west.

"He used to say every ache and pain he ever had was from a horse," Watt laughed. "What Dayton Hyde really wanted was to protect this land from subdivision, to let it be for wildlife and wild horses, and keep it safe and protected. I think South Dakota should be immensely proud of what Dayton Hyde has done."

For more information about the Black Hills Wild Horse Sanctuary, visit www.wildmustangs.com.



(Above) Dayton Hyde, founder of the sanctuary.
(Below) The sanctuary encompasses more than 10,000 acres of land along the Cheyenne River near Hot Springs, S.D.
Photos by Alvis Uptis



Two File for District 6 Board Seat

During the winter and early spring months, Sioux Valley Energy hosts meetings in each of its 10 districts. Elections for directors rotate every year. This year, elections will take place in Districts 2, 4, 6, and 10. Members are invited to attend any of the meetings listed on the next page but can only vote in their respective district. Incumbent director Gary Fish and challenger Lesa Jarding have both filed petitions to

seek the District 6 board seat. District 6 members will vote on their director at the March 20 meeting at Brandon Valley High School in Brandon, S.D. There are no other contested elections.

A complimentary meal consisting of a french dip sandwich, twice-baked mashed potatoes, green beans, and assorted cookies will be served at each meeting. Food will be available between 5:30 p.m. and 7:00 p.m. with the

meeting beginning at 7:00 p.m.

At the meeting, members will hear from both Manager/CEO Tim McCarthy and the director elected to represent the district. Topics of discussion will include: power supply rate pressures, growth and planning for the future, and the energy transition.

Information on the District 6 candidates can be found below and on Page 15.

Lesa Jarding - Brandon, South Dakota

WORK HISTORY:

My professional background is in community and economic development work. I serve as the Vice President, Community Reinvestment Officer for Minnwest Bank. In my role, I engage with bank management and community leaders to provide leadership and oversight of the bank's Community Reinvestment Act (CRA) strategic plan and ensure regulatory compliance. My prior experience includes similar roles at First Interstate Bank and Wells Fargo. In addition to my work in community and economic development, I served as a founding member of the Sioux Falls Young Professionals Network and in an operations leadership role with a statewide hunger relief organization. Away from the office, I volunteer on a community impact team with the Sioux Empire United Way and have served in board leadership roles with nonprofit organizations focused on affordable housing, support for small businesses, financial literacy, food insecurity, and more.

My educational background is in journalism and rural sociology with an emphasis in community development, earning both a bachelor's and master's degree from South Dakota State University. I obtained a Certified Public Manager certificate from the University of Nebraska Omaha and a certificate as a Community Reinvestment Act Certified Professional.

WHY DO YOU WANT TO BE A SVE DIRECTOR?

District 6 includes a significant portion of Minnehaha County. The county continues to experience a population growth of 1.5 percent on average annually. With the continued growth comes a need to continue to invest in infrastructure to ensure affordable and equitable access is

available to all consumers within the Sioux Valley Energy service territory. I am interested in serving as a Sioux Valley Energy Director because I care deeply about the community and economic development opportunities for our area and believe that utility companies like Sioux Valley Energy have an opportunity to contribute to strengthening the communities in which it serves. I believe my background in community and economic development work will provide strategic guidance to the organization's management team and provide the support the team needs as it continues to lead efforts to invest in infrastructure and access to services for all throughout its service area.



Lesa Jarding
District 6
Candidate

WHAT SKILLS/ASSETS WOULD YOU BRING TO THE BOARD OF DIRECTORS?

My skills include effective communication, designing community credit needs assessments, influencing stakeholders, designing and implementing strategic plans, developing programs and services responsive to the needs of various communities, collaborating with others to create access to programs and services, understanding regulatory compliance and articulating said regulations to various centers of influence, and most importantly, the ability to listen to learn and understand.

ADDITIONAL INFORMATION:

I would appreciate your consideration of my experience as you elect a District 6 Director in March.

Gary R. Fish – Brandon, South Dakota

WORK HISTORY:

1. CPA practicing with national CPA firm for six years.
2. Controller and Development Executive – Black Hills Power & Light for 15 years, serving 60,000 customers.
3. Vice President-Treasurer for Dakota Minnesota & Eastern Railroad (DM&E) for eight years – largest regional railroad in North America.
4. Founding shareholder and CFO of RENEW Energy Maintenance, which became one of the largest independent wind energy service companies in North America – 12 years.
5. Owner of Parkview Energy Partners LLC – energy advisory and asset management firm – five years.
6. Founding Shareholder, Board Member, and CFO-COAXIS Energy – micro liquefied natural gas distributor for four years.

WHY DO YOU WANT TO BE A SVE DIRECTOR?

I believe in giving back to my community, and serving on the Sioux Valley Energy Board is the best way I can do that. With over 40 years of experience in the power and utility sector – including leadership roles at BHP&L in Rapid City, DM&E Railroad in Sioux Falls, and as the founder of a wind service company that employed over 250 people – I bring the expertise needed to guide Sioux Valley Energy into the future.

For the past 22 years, I've called Brandon home. I've served on the SVE Board for 10 years, including three years as Board Chairman. I was recently elected to the East River Electric Power Cooperative Board, Sioux

Valley's primary power supplier, where I help navigate the challenges of an evolving energy market – from grid reliability to rising costs. My goal is to ensure that our co-op remains strong, affordable, and ready for the future.

I am committed to balancing the interests of employees, member-owners, and customers while ensuring Sioux Valley Energy remains financially stable, operationally sound, and forward-thinking in an ever-changing energy landscape. I'd be honored to continue serving you as your District 6 Director.



Gary Fish
District 6
Candidate

WHAT SKILLS/ASSETS WOULD YOU BRING TO THE BOARD OF DIRECTORS?

1. CPA – financial skill set.
2. 40 years of energy industry-related experience.
3. Board leadership experience with organizations of similar size to SVE.
4. Utility rate setting experience including filing testimony at the South Dakota PUC, the Wyoming PUC, and the Federal Energy Regulatory Commission (FERC).

ADDITIONAL INFORMATION:

1. Current Board Chairman of South Dakota Renewable Energy Association.
2. Current Board Member of East River Electric – power provider to Sioux Valley Energy.

2025 DISTRICT MEETINGS SET

Members who attend their district meeting will receive a \$25 bill credit at the end of the meeting. Members need to bring the registration postcard which is mailed out prior to their district meeting. Only one credit allowed per membership. Members can also register for a chance to win a trip to North Dakota to tour power generating facilities and a smart watch.

Date	District	Director	Location
Tuesday, February 25	8	Leuthold	Generations (Grand Prairie Event Center), Luverne, MN
Thursday, March 13	9	Johnson	Pipestone Area High School Pipestone, MN
Monday, March 17	1	DeGreef	McKnight Hall, White, SD
Tuesday, March 18	5	Weinacht	Taopi Hall, Colton, SD
Thursday, March 20*	6	Fish* & Rogen <i>(Election)</i>	Brandon Valley High School Brandon, SD
Monday, March 24*	2	Vostad* <i>(Election)</i>	Sioux Valley School, Volga, SD
Tuesday, March 25*	4	Daniel* <i>(Election)</i>	Dakota Prairie Playhouse Madison, SD
Monday, March 31*	10	Roskamp* <i>(Election)</i>	Edgerton Public School Edgerton, MN
Monday, April 7	3	Heinemann	William J Janklow Comm. Center Flandreau, SD
Monday, April 21	7	DeMent	West Central School, Hartford, SD



MARCH 14-15
St. Patrick's Day
Weekened
Fri. 5 p.m., Sat. 9 a.m.
 Deadwood, SD
 605-578-1876

*Photo courtesy of
 Travel South Dakota*

To have your event listed on this page, send complete information, including date, event, place and contact to your local electric cooperative. Include your name, address and daytime telephone number. Information must be submitted at least eight weeks prior to your event. Please call ahead to confirm date, time and location of event.

FEB. 28-MARCH 1
Mardi Gras Weekend
 8 p.m. Fri.-10 p.m. Sat.
 Main Street
 Deadwood, SD
 605-578-1876

MARCH 6
SD Jazz Festival Concert
 Aberdeen Community Concert
 Association
 7:30 p.m.
 NSU Johnson Fine Arts Center
 Aberdeen, SD
 Tickets Available at Concert

MARCH 8-9
Philip Area Annual Gun Show
 Sat. 9 a.m.-5 p.m.
 Sun. 9 a.m.-3 p.m.
 American Legion Hall
 Philip, SD
 605-859-2135

MARCH 8
Epiphany Sausage Sale
 10 a.m. until gone
 Parish Hall
 Epiphany, SD

MARCH 8
Minnehaha County
Pheasants Forever Banquet
 5 p.m.
 El Riad Shrine
 Sioux Falls, SD
 605-376-8219

MARCH 14-15
Badlands Quilter Weekend
Getaway
 Fri. 5 p.m.
 Sat. 8 a.m.
 Community Center
 Wall, SD
 605-685-5718

MARCH 15
VFW Teener Baseball Bingo
Benefit
 5 p.m.
 Tyndall Auditorium
 Tyndall, SD

MARCH 22
Annual Banquet & Bash
 Britton Area Chamber of
 Commerce
 5:30 p.m.
 Britton, SD
 605-448-8130

MARCH 26
Hill City Garden Club
Trip to Central Asia
 1 p.m.
 Kathryn Cleveland
 Hill City Super 8
 Hill City, SD

MARCH 29
Ready. Set. Grow!
 9 a.m.-12 p.m.
 Couteau Prairie Master Gardeners
 Codrington CTY Extension Complex
 Watertown, SD
 605-838-7098

APRIL 4
Mitchell Technical College
2025 Alumni Gathering
Cornhole Tournament
 5 p.m. Social
 6:30 p.m. Tournament
 The World's Only Corn Palace
 Mitchell, SD
 605-995-7342

APRIL 4-5
Annual Schmeckfest
 German Heritage Celebration
 748 S Main St.
 Freeman, SD
 605-925-4237

APRIL 4-6, 11-13
Women Playing Hamlet
 April 4-5, 11-12: 7:30 p.m.
 April 6, 13: 2:30 p.m.
 Mighty Corson Art Players
 Corson, SD
 www.mightycorson.com

APRIL 5-6
Youth & Family Kids Fair
 Sat. 8:30 a.m.-4 p.m.
 Sun. 12-4p.m.
 The Monument
 Rapid City, SD
 605-342-4195

APRIL 11-12
Junkin' Market Days Spring
Market
 Fri. 4-7 p.m.
 Sat. 9 a.m.-4 p.m.
 W.H. Lyon Fairgrounds
 Sioux Falls, SD
 www.junkinmarketdays.com

**Note: Please make sure
 to call ahead to verify the
 event is still being held.**



SIoux VALLEY
ENERGY A Touchstone Energy® Cooperative 

BYLAWS & ARTICLES OF INCORPORATION

Sioux Valley-Southwestern Electric Cooperative, Inc.

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ARTICLE I. MEMBERSHIP

SECTION 1. Qualifications and Obligations. Any person, firm, association, corporation, limited liability company, trust, or local, regional, state, federal, or national government, including an agency or division of government, (hereinafter referred to as “Patron”) shall become a member of Sioux Valley-Southwestern Electric Cooperative, Inc. (hereinafter called the “Cooperative”) by purchasing electric energy furnished by this Cooperative. As a condition for receiving service, such member agrees to:

- (a) Make a request for electric service prior to being furnished with the same, and
- (b) Comply with and be bound by the Articles of Incorporation, Bylaws, policies, rules, regulations, general terms and conditions for electric service as adopted by the Board of Directors (hereinafter referred to as “Board”);
- (c) Submit a security deposit, a supplemental electric service contract, contribution in aid of construction, facilities extension fees, or electric service contracts in such form as may be required by the Cooperative; and
- (d) Grant of property rights as required by the Cooperative for Cooperative purpose, a Member shall: (1) provide the Cooperative safe and reliable access to or use of Member property; and (2) pursuant to terms and conditions specified by the Cooperative, grant or convey to the Cooperative easement, right-of-way, license, or other right or interest in Member property.

A “Cooperative Purpose” is the installing, constructing, inspecting, measuring, providing, monitoring, operating, maintaining, removing, relocating, upgrading, or replacing Cooperative Equipment or Cooperative Service to one or more of its Members or Customers.

- (e) Cause all premises covered by the membership to be wired according to applicable City, State and Federal specifications and the specifications of the Cooperative. Each member shall be responsible for, and shall indemnify the Cooperative, or any other person against injury, loss or damage resulting from the defective or improper use or maintenance of the member’s premises, wiring and any apparatus connected thereto.

No membership certificate shall be issued, and subject to Article I, Section 2 of these Bylaws, all memberships shall be automatically effective upon receipt of electric service from the Cooperative as evidenced from the books and records of the Cooperative. No member may hold more than one (1) membership in the Cooperative, and no membership in the Cooperative shall be transferable, except as provided in these Bylaws.

In the event a patron wants electric service but does not desire to be a member of the Cooperative, said patron may file a written election of non-membership with the Cooperative and shall thereafter be considered a non-member patron not entitled to the rights and privileges of membership, but shall continue to be bound by contractual conditions of service.

SECTION 2. Membership Record. Membership in the Cooperative shall be evidenced by enrolling the name of a member upon the membership record kept and maintained in the

office of the Cooperative, which record shall be available for inspection by any authorized person as established by Board policy.

SECTION 3. Joint Membership and the Effect of Death, Legal Separation or Divorce Upon Same. A legally married couple may apply for a joint membership and, subject to their compliance with the requirements set forth in Section 1 of this Article, may be accepted for such membership. The term “member” as used in these Bylaws shall be deemed to include a legally married couple holding a joint membership and any provisions relating to the rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect of the holders of a joint membership shall be as follows:

- (a) The presence at a meeting of either or both shall be regarded as the presence of one member, and of constituting a joint waiver of notice of the meeting;
- (b) The vote of either separately or both jointly shall constitute one joint vote;
- (c) A waiver of notice signed by either or both shall constitute a joint waiver;
- (d) Notice to either shall constitute notice of both;
- (e) Expulsion of either shall terminate the joint membership;
- (f) Withdrawal of either shall terminate the joint membership;
- (g) Either but not both may be elected or appointed as an officer or director, provided that the one being elected or appointed as an officer or director meet the qualifications for such office as set forth in Article IV, Section 5, which shall apply only to the candidate.
- (h) The signature of either separately or both jointly on a director petition shall constitute one joint signature.

Upon the death of either spouse of a joint membership, such membership shall continue to be held solely by the survivor in the same manner and to the same effect as though such membership had never been joint; provided, that the Estate of the Deceased shall not be released from any debts due the Cooperative. Upon the legal separation or divorce of the holders of a joint membership, such membership shall continue to be held solely by the one who continues directly to occupy or use the premise covered by such membership, in the same manner and to the same effect as though such membership had never been joint; PROVIDED, that the other spouse shall not be released from any debts due the Cooperative.

SECTION 4. Conversion of Membership. A membership may be converted to a joint membership upon written request of the holder thereof and the Agreement by such holder and his or her spouse to comply with the Articles of Incorporation, Bylaws and rules and regulations adopted by the Board.

SECTION 5. Purchase of Electric Energy. Each patron shall, as soon as energy shall be available, purchase from the Cooperative all purchased electric energy required on the premises specified in that patron’s Request for Service and shall pay therefore at

rates which shall, from time to time, be fixed by the Board. It is expressly understood that amounts paid for electric energy in excess of the cost of service are furnished by patrons as capital and each patron shall be credited with the capital so furnished, as provided in these Bylaws. Each patron shall pay to the Cooperative such minimum amount, regardless of the amount of electric energy consumed, as shall be fixed by the Board from time to time. Each patron shall also pay all amounts owed by him or her to the Cooperative as and when the same shall become due and payable. When the patron has more than one (1) service connection from the Cooperative, any payment to the Cooperative shall be deemed to be allocated and credited to his or her outstanding accounts for all such service connections in such manner as the Board of Directors shall determine from time to time. Further, when a patron makes an undesignated payment to the Cooperative for multiple services being billed by the Cooperative, the Cooperative may apply any and all amounts paid by such patron to any and all of the accounts for which patron is being billed in such manner as determined by the Board in its sole discretion.

As required or allowed by law, and as determined by the Board; if a patron substantially reduces or ceases the patron's use, receipt or purchase of Cooperative services, either singly or in combination, then the Cooperative may charge the patron and the patron shall pay the Cooperative the costs and expenses incurred by the Cooperative in relying upon the patron's pre-reduction or pre-ceasing use, receipt or purchase of the Cooperative's services. The Cooperative shall provide Cooperative services to Members in a reasonable manner. The Cooperative, however, does not insure, guarantee, or warrant that it will provide adequate, continuous, or non-fluctuating electric energy or other Cooperative service. The Cooperative is not liable for damages, costs, or expenses, including attorney fees or legal expenses, caused by the Cooperative providing inadequate, non-continuous, or fluctuating electric energy or other Cooperative service, unless the damages, costs, or expenses are caused by the Cooperative's gross negligence or willful misconduct. The Cooperative's responsibility and liability for providing a Cooperative service terminates upon delivery of the Cooperative service to a Member.

In the event such facilities of the patron are interfered with, impaired in their operation or damaged by the patron, or by any other person when the patron's reasonable care and surveillance should have prevented such, the patron shall indemnify the Cooperative and its employees, agents and independent contractors against death, injury, loss or damage resulting therefrom, including, but not limited to, the Cooperative's costs of repairing or relocating any such facilities and its loss, if any, of revenues resulting from the failure or defective functioning of its metering equipment. In no event shall the responsibility of the Cooperative extend beyond the point of delivery.

SECTION 6. Termination of Membership. Any member may withdraw from membership upon compliance with such uniform terms and conditions as the Board may prescribe. The membership of a member who has ceased to purchase energy from the Cooperative shall be canceled under such terms and conditions as prescribed by the Board. The Board of the Cooperative may, by the affirmative vote of not less than two-thirds (2/3) of all the Directors, expel any member who fails to comply with any of the provisions of the Articles of Incorporation, Bylaws or rules or regulations adopted by the Board, but only if such member shall have been given written notice by the Cooperative that such failure makes him/her liable to expulsion and such failure shall have continued for at least ten (10)

days after such notice was given. Any expelled member may be reinstated by vote of the Board or by vote of the members at any annual or special meeting.

Upon the withdrawal, death, cessation of existence or expulsion of a member, the membership of such member shall thereupon terminate. Termination of membership in any manner shall not release a member or his/her estate from any debts due the Cooperative.

SECTION 7. Electronic Notice, Documents and Actions. With the consent of a member, notice, dissemination of documents and actions may be completed by electronic means as determined by the Board and as allowed by Law. A document electronically sent or transmitted to a Member or former Member at the Member or former Member's last known electronic address is considered sent, received, transmitted, and effective on the date sent by the Cooperative. A document electronically received or transmitted from a Member or former Member is considered sent, received, transmitted, and effective on the date received by the Cooperative. If electronically delivered, such notice shall be deemed to be delivered when sent to the last known electronic address of the member for which no nondelivery notice is returned.

If addressed to an address shown in the Membership List, then a written or electronic notice, communication, or report delivered or transmitted as part of a newsletter, magazine, or other publication regularly sent to Members constitutes a notice, communication, or report to all Members: (1) residing at the address; or (2) having the same address shown in the Cooperative records. If a Member has reasonable access to appropriate hardware and software, then under such terms and conditions as the Board, acting under policies of general application determines, and as allowed by law, the Member consents and agrees to (A) use, accept, send, receive, and transmit an electronic signature, contract, record, notice, vote, communication, comment, and other document regarding an action, transaction, business, meeting, or activity with, for, or involving the Cooperative; (B) electronically conduct an action, transaction, business, meeting, or activity with, for, or involving the Cooperative; and (C) electronically give or confirm this consent and agreement.

ARTICLE II. RIGHTS AND LIABILITIES OF MEMBERS

SECTION 1. Property Interest of Members. Upon dissolution, after all debts and liabilities of the Cooperative shall have been paid, and all capital furnished through patronage shall have been retired as provided in these Bylaws, the remaining property and assets of the Cooperative shall be distributed among the members and former members in the proportion in which aggregate patronage of each bears to the total patronage of all members during the ten (10) years next preceding the date of the filing of the certificate of dissolution.

SECTION 2. Non-Liability for Debts of the Cooperative. The private property of the members shall be exempt from execution or other liability for the debts of the Cooperative and no member shall be liable or responsible for any debts or liabilities of the Cooperative.

SECTION 3. Publication and Subscription Fees. The Board is hereby authorized to assess and collect from the revenues from each patron each year the amount necessary to pay the subscription fee for the Cooperative's official publication, which is a newsletter or periodical published either by the Cooperative alone or in cooperation with others for the purpose of providing information and notice to the patrons.

ARTICLE III. MEETINGS OF MEMBERS

SECTION 1. Annual Meeting. An Annual Meeting of the members of this Cooperative may be held at the principal place of business of this Cooperative, or such other place conveniently located in the general service area served by it, and at such date and hour as may be determined by the Board and designated in the notice of the meeting. It shall be the responsibility of the Board to make adequate plans and preparations for the Annual Meeting. Failure to hold the Annual Meeting at the designated time shall not work a forfeiture or dissolution of the Cooperative. Meetings of the members are permitted to be held through remote or electronic communication. In case of emergency, meetings of the members may be cancelled or postponed.

SECTION 2. Special Meetings. Special Meetings of the members may be called by Resolution of the Board or upon the written request signed by any three (3) Directors, by the President or by ten (10%) percent or more of the members and it shall thereupon be the duty of the Secretary to cause Notice of such meeting to be given as hereinafter provided. Special meetings shall be held at the principal place of business of this Cooperative or such other place conveniently located in the general service area at such date and hour as may be determined by the Board. Meetings of the members are permitted to be held through remote or electronic communication. In case of emergency, meetings of the members may be cancelled or postponed.

SECTION 3. Notice of Members' Meetings. Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting or an annual meeting at which business requiring special notice is to be transacted, the purpose or purposes for which the meeting is called, shall be delivered to each member not less than ten (10) days nor more than twenty-five (25) days before the date of the meeting, either personally or by mail, by or at the direction of the Secretary, or, upon a default in duty by the Secretary, by the persons calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his/her address as it appears on the records of the Cooperative with postage thereon prepaid. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action that may be taken by the members at any such meeting.

SECTION 4. Quorum. A quorum necessary to the transaction of business at any meeting of the members shall be at least fifty (50) members, except for the election of directors at district meetings. In determining a quorum on a question submitted to a vote by mail, members present in person, or represented by mail votes, shall be counted. Registration shall be verified by the President and Secretary and shall be reported in the Minutes of the meeting.

SECTION 5. Voting. Each member of the Cooperative shall be entitled to one (1) vote on each matter submitted to a vote at each meeting of the members. The spouse of a member may vote on behalf of the member unless the member has indicated otherwise. All questions shall be decided by a vote of a majority of the members voting thereon in person, except as otherwise provided by law, the Articles of Conversion or these Bylaws. Voting by proxy shall not be permitted. Any member who is absent from any Annual or Special Meeting of the members may vote by mail at such meeting upon any motion or resolution as allowed by state law. The Secretary shall enclose with the notice of such meeting an exact copy

of such motion or resolution to be acted upon and such absent member shall express his/her vote thereon by placing a cross (x) in the space provided therefore opposite each such motion or resolution. Such absent member shall enclose each such copy so marked in a sealed envelope bearing his/her name and address to the Secretary at Colman, South Dakota. When such written vote so enclosed is received by mail from any absent member, it shall be counted as a vote of such member at such meeting. If spouses hold a joint membership and are absent from any meeting of the members, they shall jointly be entitled to vote by mail as allowed by state law. The failure of any absent member to receive a copy of any such motion or resolution shall not invalidate any action which may be taken by the members at any such meeting. Voting by members other than members who are natural persons shall be allowed upon the presentation to the Cooperative, prior to or upon registration at each member meeting, of satisfactory evidence, entitling the person presenting the same to vote.

SECTION 6. Order of Business. The Board shall determine the agenda and order of business for member meetings.

SECTION 7. Resolutions. Any member may introduce a Resolution at an Annual Meeting of the Cooperative or at any special meeting of the Cooperative, so long as said Resolution is submitted in written form. Any such Resolution that is approved by the members at any such meeting shall not be binding upon the Cooperative and shall be advisory only.

ARTICLE IV. DIRECTORS

SECTION 1. General Powers and Duties. The business and affairs of the Cooperative shall be managed by a Board of Directors consisting of eleven (11) Directors, which Board shall exercise all of the powers of the Cooperative, except such as are by law, the Articles of Incorporation, Conversion or Merger or these Bylaws conferred upon or reserved to the members. It shall be the duty of each Director to participate in such activities as are deemed necessary to enhance the prestige of the Cooperative, broaden its operation and fulfill its public obligations as a member of the community and the Rural Electrification Program, and in furtherance thereof to devote reasonable time and attendance at meetings of affiliated organizations and at training sessions designed to assist Directors and Officers in carrying out their duties.

SECTION 2. Election and Tenure of Office. The Cooperative shall be comprised of ten (10) director districts. The members from within each district shall nominate and elect a qualified Director from within their district. The Directors are elected for three (3) year terms on a staggered term basis. The existing staggered terms shall remain in effect unless it shall appear to the Board that additional modifications will be necessary to maintain the staggered term concept, at which time the Board may make such adjustments as they deem necessary and appropriate. The normal three-year term of office of a newly elected Director shall commence immediately following the Annual Meeting of the members following the District Meeting in which the new Director was elected. The term of the Director shall continue until the Annual Meeting following the District Meeting in which his or her successor is elected. If the Annual Meeting is postponed or cancelled due to an emergency situation, the term of the Director shall continue until such time a successor has been elected and seated.

SECTION 3. Nomination and Election of Directors District Meetings. The Board shall fix the date, hour and place of a meeting of the members in each district for which a Director is to be nominated and elected. If, in the opinion of the Board, a suitable place for the conduct of the meeting is not available in such district, then the Board shall designate a suitable meeting place reasonably near the district. Meetings of the members are permitted to be held through remote or electronic communication. In case of emergency, meetings of the members may be cancelled or postponed. The Notice of such meeting shall be given by publication of Notice thereof in the Cooperative's monthly publication in the issue published next prior to the date of such meeting or by delivery to each member located in such district as provided for in Article III, Section 3 hereof. The Notice shall include the names of all nominees and notify members that a Director will be elected at the meeting. The meeting shall, however, be open for discussion of any other matters pertaining to the business of the Cooperative, regardless of whether or not such matters were listed in the Notice of the meeting.

Whenever a vacancy in a Director's position shall exist by virtue of a Director's term expiring, any person who meets the Director qualifications as set forth in these By-Laws, may become a candidate for the office of Director for such vacancy by filing at the Corporate Headquarters or a Sioux Valley Energy Service Center at least sixty (60) days prior to the date of the District Meeting, a Nominating Petition setting forth the name of the person so nominated for the office of Director, which Petition must be signed by at least ten (10) members who also reside within the District in which the vacancy exists. The spouse of a member may sign a petition on behalf of the member unless the member has indicated otherwise. Individuals seeking signatures to satisfy the requirements of the Nominating Petition are allowed to gather digital signatures and submit to the Cooperative via email or other electronic means. If no Petitions are timely received, nominations shall be received from the floor at the District Meeting. If one (1) or more Nominating Petitions are timely received, no nominations shall be received from the floor at the District Meeting. At said District Meeting, the members present and voting shall select by secret written ballot a Director to fill the expired term in that District. Mail or electronic voting may also be allowed if permissible by state law. Each member present and voting shall be entitled to vote for one (1) Director Nominee. The Director candidate receiving the most votes shall be declared to be the elected Director of the Corporation from the particular District. In the event there are no more Director nominees than there are vacancies, the Director candidate may be elected by voice vote at the District Meeting.

The meeting shall be called to order by the Director residing within the district or, in his or her absence or refusal to act, by any other Director of the Cooperative. In the absence of a Director, any member residing within the district may call the meeting to order.

The Director or person calling the meeting to order shall appoint a Chairperson to preside at said meeting. The Chairperson shall be someone other than the Director. The Chairperson shall appoint a Secretary to act for the duration of the meeting. A quorum of twenty-five (25) members present and who reside within the District shall be necessary to conduct the election portion of said meeting.

Following the balloting, the name of the persons nominated and the number of votes received by each candidate shall be set forth in the Minutes, which shall specify the duly

elected Director, following the vote. A copy of the Minutes signed by the Secretary and Chairperson of the District Meeting shall be delivered to the Cooperative within five (5) days of such District Meeting.

In the event of a tie vote between candidates receiving the highest number of votes, none of the candidates shall be elected and a run-off election shall be held between the candidates who tied in receiving the highest number of votes, said election to be held at the same meeting. If the tie is not resolved by the re-balloting, the winner shall be resolved by the flip of a coin.

SECTION 4. Director Districts. The territories served by the Cooperative shall be divided into ten (10) districts. Each district, other than District No. 6, shall be represented by one Director. The ten (10) districts shall be as follows:

District No. 1 shall be made up of those Townships in Brookings County, South Dakota, which lie within Ranges 47, 48 and 49 and Townships 109, 110, 111 and 112; and Range 50 and Townships 111 and 112.

District No. 2 shall be made up of those Townships in Brookings County, South Dakota, which lie within Ranges 51 and 52 and all that part of Kingsbury County, South Dakota, served by the Cooperative.

District No. 3 shall be made up of all Townships in Moody County, South Dakota.

District No. 4 shall be made up of all Townships in Lake County, South Dakota.

District No. 5 shall be made up of those Townships in Minnehaha County, South Dakota, which lie within Ranges 50, 51 and 52 and Townships 103 and 104.

District No. 6 shall be made up of those Townships in Minnehaha County, South Dakota, which lie within Range 47, 48, 49 and Townships 101, 102, 103 and 104. Two "at large" Directors will represent District No. 6.

District No. 7 shall be made up of those Townships in Minnehaha County, South Dakota, which lie within Ranges 50, 51 and 52 and Townships 101 and 102.

District No. 8 shall be made up of those Townships in Rock County, Minnesota, which lie within Range 44, 45, 46 and 47 and Townships 101 and 102.

District No. 9 shall be made up of those Townships in Pipestone County, Minnesota, which lie within Range 44, 45, 46 and 47 and Townships 106, 107 and 108.

District No. 10 shall be made up of those Townships in Pipestone County, Minnesota and Rock County, Minnesota, which lie within Range 44, 45, 46 and 47 and Townships 103, 104 and 105.

The District make up shall be reviewed by the Board of Directors at least every five (5) years to evaluate the equitable allocation of Directorships and Director Districts considering capital investment requirements, meters installed and members served, quantities of energy and service consumed, geographic considerations and other factors rationally focused on a broad and fair representation of the members and their interests. Any proposed alteration of Bylaws setting out district territories recommended by the Board will be submitted to the membership for consideration with voting to take place as

allowed by state law. A District revision may not increase an existing Director's term or shorten an existing Director's term unless the affected Director consents in writing.

SECTION 5. Qualifications. Any member shall be eligible to be nominated or elected or to remain a Director, provided that:

- (a) They are a natural person receiving electric service from the Cooperative at their primary residence or meet the qualifications for corporate representation;
- (b) They have the capacity to enter legally binding contracts;
- (c) They have been and shall remain a resident of the district for which they are or were nominated or elected for at least one (1) year prior to nomination, and continue to reside therein during their entire term as Director;
- (d) While a Director and during the five (5) years immediately prior to becoming a Director, they have not been convicted of a felony;
- (e) They or their spouse are not employed by, materially affiliated with or have a material financial interest in any individual or entity which either is:
 - (i) Directly and substantially competing with the Cooperative, or any of its subsidiaries; or
 - (ii) Selling goods and services in substantial quantity to the Cooperative or its subsidiaries; or having sold goods or services in substantial quantity to the Cooperative or its subsidiaries within three (3) years of seeking nomination.
 - (iii) Possessing a substantial conflict of interest with the Cooperative or any of its subsidiaries; or
 - (iv) They are not in any way employed by the Cooperative or any of its subsidiaries nor have they been employed by the Cooperative or its subsidiaries within three (3) years of the directors nomination, and
 - (v) They are not a close relative of any existing Director or existing employee of the Cooperative or its subsidiaries. For the purpose of this section only "close relative" shall mean a person who is either a child, grandchild, stepchild, parent, grandparent, stepparent, brother or sister, by blood or in-law, of the principal.
- (f) A designated representative of any non-human member such as a corporation, shall, notwithstanding that he or she does not receive service from the Cooperative at their primary residential abode, be eligible to become a Director, if:
 - 1) He or she is an officer of said non-human member; and
 - 2) He or she is in substantial permanent occupancy, direction or use of the premises served by the Cooperative; and
 - 3) He or she is a permanent year round resident within the district for which the Corporation or non-human member is receiving service, and
 - 4) Otherwise meets the qualifications set forth herein, provided, however, that no more than one (1) such person as the designated representative may serve

on the Board at the same time and in the event that he or she should resign or is unwilling to so act, the directorship shall become vacant.

SECTION 6. Removal of Directors by Members. Any member who resides within a district may bring charges against a Director from within that District by filing at the Corporate headquarters such charges in writing, together with a Petition signed by at least ten (10%) percent of the members residing within said district, or three hundred (300) whichever is lesser, requesting the removal of such Director by reason thereof. In the event charges are filed in the above manner, the Board of Directors shall schedule a special meeting of the members of said District, to be held within 90 days of the date of such charges; to consider the charges filed against said Director. Such Director shall be informed in writing of the charges at least ten (10) days prior to the special meeting of the members at which the charges are to be considered. He or she shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect of the charges; and the person or persons bringing the charges against him or her shall have the same opportunity. The question of the removal of such director shall be considered and voted upon at the meeting of the district members and any vote to remove said Director from office shall require a two-thirds (2/3) majority vote of the members present at said meeting.

SECTION 7. Removal of Directors by the Board of Directors. Any Director may be removed from the Board by a vote of three-fourths (3/4) of the Directors at a duly constituted and conducted Meeting of the Board. Such removal must be for cause and the persons subject to such removal shall be informed in writing of the charges at least twenty-five (25) days prior to the Meeting of the Board in which the charges are to be considered, and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence with respect to the charges. The Directors bringing the charges against the Board Members shall have the same opportunity.

SECTION 8. Resignation or Death. Any Director may resign his or her position at any time. Such resignation shall be made in writing, shall be submitted to the Board and shall take effect at such time as specified therein. Any Director who is absent from three (3) out of twelve (12) consecutive Regular Meetings of the Board or who is certified by a medical doctor to be unable to physically or mentally perform his or her duties as a member of the Board of Directors shall be deemed to have so tendered his or her resignation from the Board, but such resignation shall not be considered effective unless and until a three-fourths (3/4) majority of the remaining Board accepts such resignation and declares that Board seat vacant.

SECTION 9. Vacancies. The unexpired remainder of any vacant Director’s term on the Board shall be filled by the vote of the members of the district in which the vacancy exists at the next regular district meeting. If the next district meeting is more than ninety days from the time a vacancy occurs, the petition, nomination and election process described in Article IV, Section 3, will be employed. If the next district meeting is ninety days or fewer from the time a vacancy occurs, nominations shall be received from the floor at the district meeting and the election shall proceed as described in Article IV, Section 3. The director elected to fill the unexpired portion of a term shall be seated immediately.

SECTION 10. Compensation. Directors shall be authorized, by resolution of the Board to establish compensation and other benefits for Cooperative employees and for

their services as Directors of the Cooperative. No Director shall receive compensation for serving the Cooperative in any other capacity, nor shall any close relative of a Director receive compensation for serving the Cooperative, unless the payment and amount of compensation shall be specifically authorized by vote of the Board or the service by such Director or close relative shall have been certified by the Board as an emergency measure.

ARTICLE V. MEETINGS OF DIRECTORS

SECTION 1. Regular Meetings. A Regular Meeting of the Board may be held without notice, immediately after the adjournment of the Annual Meeting of the members, or as soon thereafter as convenient. A Regular Meeting of the Board shall also be held monthly at such date, time and place as the Board may provide by resolution. Such Regular Monthly Meeting may be held without notice other than such resolution fixing the time and place thereof; provided, however, that any Board Member absent from any meeting of the Board at which such a resolution initially determines or makes any change in the date, time or place of a Regular Meeting shall be entitled to receive written notice of such determination or change at least five (5) days prior to the next meeting of the Board.

SECTION 2. Special Meetings. Special Meetings of the Board may be called by the President or by any three (3) Directors and it shall thereupon be the duty of the Secretary to cause such notice of said meeting to be given as hereinbefore provided. The President or the Directors calling the meeting shall fix the time and place for the holding of the meeting.

SECTION 3. Meetings by Teleconference. Regular or Special Meetings of the Board may be by teleconference if conducted in accordance with State Law pertaining thereto.

SECTION 4. Notice of Directors' Meetings. Written notice of the time, place and purpose of any Special Meeting of the Board shall be delivered to each Director not less than five (5) days previous thereto, either personally or by mail, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the President or the Directors calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Director at his/her address as it appears on the records of the Cooperative, with postage thereon prepaid. Written notice may also be made by electronic mail (E-mail), provided that the Director has provided the Cooperative in advance with his or her E-mail address and consents to said notice by electronic mail.

SECTION 5. Quorum. A majority of the Board shall constitute a quorum, provided that, if less than such majority of the Directors is present at said meeting, a majority of the Directors present may adjourn the meeting from time to time; and further, that the Secretary shall notify any absent Directors of the time and place of such adjourned meeting. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board, except as otherwise provided in the Bylaws.

ARTICLE VI. OFFICERS

SECTION 1. Number. The officers of the Cooperative shall be a President, Vice President, Secretary, Treasurer and such other officers as may be determined by the Board from time to time. The offices of Secretary and Treasurer may be held by the same person.

SECTION 2. Election and Term of Office. The officers shall be elected by ballot annually, by and from the Board, said election to be held at the next regularly scheduled

Board Meeting following the Annual Meeting, or as soon thereafter as may conveniently be scheduled. Each officer shall hold office until the first meeting of the Board following the next Annual Meeting of the members or until his or her successor shall have been elected and shall have qualified. A vacancy in any office shall be filled by the Board for the unexpired portion of the term.

SECTION 3. Removal of Officers and Agents by Directors. Any officer or agent elected or appointed by the Board may be removed by the Board whenever in its judgment the best interests of the Cooperative will be served thereby. The officer against whom such charges have been brought shall be informed in writing of the charges at least ten (10) days prior to the Board Meeting at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect to the charges; and the members of the Board bringing the charges against him/her shall have the same opportunity.

SECTION 4. President.

The President shall:

- (a) Be the principal executive officer of the Cooperative and, unless otherwise determined by the members or the Board, shall preside at all meetings of the members and the Board;
- (b) Sign, with the Secretary, any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Board to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer or agent of the Cooperative or shall be required by law to be otherwise signed or executed; and
- (c) In general, perform all duties incident to the office of President and such other duties as may be prescribed by the Board from time to time.

SECTION 5. Vice President. In the absence of the President, or in the event of his/her inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall also perform such other duties as from time to time may be assigned to him/her by the Board.

SECTION 6. Secretary. Except as otherwise provided by the Board or these Bylaws, the Secretary shall be responsible for:

- (a) Preparing Minutes of Board and Member meetings;
- (b) Authenticating the Cooperative’s records; and
- (c) Affixing the Cooperative’s seal to a document authorized and approved by Board members
- (d) In general, performing all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him/her by the Board.

SECTION 7. Treasurer. Except as otherwise provided for by the Board or these Bylaws, the Treasurer shall perform all duties and have all responsibilities; and may exercise all authority prescribed by the Board.

SECTION 8. Manager/Chief Executive Officer. The Board shall retain a Manager who may be, but who shall not be required to be, a member of the Cooperative. This individual may also be designated as a Chief Executive Officer or Executive Vice President. The person so retained shall perform such duties and shall exercise such authority as the Board may, from time to time, vest in him/her.

SECTION 9. Bonds or Insurance of Officers. The Treasurer and any other officer or agent of the Cooperative charged with responsibility for the custody of any of its funds or property shall be bonded or insured in such sums and with such surety as the Board shall determine. The Board, in its discretion, may also require any other officer, agent or employee of the Cooperative to be bonded or insured in such amount and with such surety as it shall determine.

SECTION 10. Compensation. The powers, duties, and compensation of officers and agents of the Board shall be fixed by the Board.

SECTION 11. Reports. The officers of the Cooperative shall submit at each Annual Meeting of the members reports covering the business of the Cooperative for the previous fiscal year. Such reports shall set forth the condition of the Cooperative at the close of such fiscal year.

ARTICLE VII. NON-PROFIT OPERATIONS

SECTION 1. Interest or Dividends on Capital Prohibited. The Cooperative shall at all times be operated on a cooperative non-profit basis for the mutual benefit of its patrons. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its patrons.

SECTION 2. Patronage Capital in Connection With Furnishing Electric Energy. In the furnishing of electric energy, the Cooperative's operations shall be conducted that all patrons will, through their patronage, furnish capital for the Cooperative. In order to induce patronage and to assure that the Cooperative will operate on a non-profit basis, the Cooperative is obligated to account on a patronage basis to all its patrons, members and non-members alike, for all amounts received and receivable from the furnishing of electric energy in excess of operating costs and expenses properly chargeable against the furnishing of electric energy. All such amounts in excess of operating costs and expenses at the moment of receipt by the Cooperative are received with the understanding that they are furnished by the patrons, members and non-members alike, as capital. The Cooperative is obligated to pay by credits to a capital account for each patron all such amounts in excess of operating costs and expenses. The books and records of the Cooperative shall be set up and kept in such a manner that at the end of the fiscal year, the amount of capital, if any, so furnished by each patron is clearly reflected and credited in an appropriate record to the capital account of each patron, and the Cooperative shall, within a reasonable time after the close of the fiscal year, notify each patron of the amount of capital so credited to patron's account. All such amounts credited to the capital account of any patron shall have the same status as though they had been paid to the patron in cash in pursuant of a legal obligation to do so and the patron had then furnished the Cooperative corresponding amounts for capital.

Notwithstanding anything contained herein to the contrary, the Board may divide the

business of the Cooperative into one (1) or more various and different departments or pools using rules of reasonable application so that amounts received and receivable from the operation of the Cooperative's business will be considered proceeds to one (1) or more various departments or pools and each of such departments or pools shall have operating costs and other expenses or deductions properly chargeable to the total proceeds of said department or pool.

All other amounts received by the Cooperative from its operations in excess of costs and expenses shall, insofar as permitted by law, be (a) used to offset any losses incurred during the current or any prior fiscal year and (b) to the extent not needed for that purpose, allocated to its patrons on a patronage basis and any amount so allocated shall be included as a part of the capital credited to the accounts of patrons, as herein provided.

SECTION 3. Retirement of Capital Credits. In the event of dissolution or liquidation of the Cooperative, after all outstanding indebtedness of the Cooperative shall have been paid, outstanding capital credits shall be retired without priority on a pro-rated basis before any payments are made on account of property rights of members. If, at any time prior to dissolution or liquidation, the Board shall determine that the financial condition of the Cooperative will not be impaired thereby, the capital then credited to patrons' accounts may be retired in full or in part. The Board shall determine the method basis, priority and order of retirement, if any, for all amounts heretofore and hereafter furnished as capital.

Further, the Board shall have the power to adopt rules providing for the separate retirement of that portion of capital credited to the accounts of patrons that corresponds to capital credited to the account of the Cooperative by organizations in which the Cooperative is a member. Such rules shall (a) establish a method for determining the particular portion of capital credited to each patron for each applicable fiscal year, (b) provide for separate identification on the Cooperative books of the separate portion or portions of capital credited to the Cooperatives' patrons, (c) provide for appropriate notification to patrons with respect to the separate portions of capital credited to their accounts and (d) preclude a general retirement of these separate portions of capital credited to patrons for any fiscal year prior to the general retirement of other capital credited to patrons for the same year or of any capital credited to patrons for any prior fiscal year.

The retirement of capital credits of any patron may be applied to any obligation that the patron may owe the Cooperative for any services or products purchased from or through the Cooperative.

Notwithstanding any other provisions of these Bylaws, the Board, at its discretion, shall have the power at any time upon the death of any patron, who was a natural person, if the legal representatives of his/her estate shall request in writing that the capital credited to any such patron be retired prior to the time such capital would otherwise be retired under the provisions of these Bylaws, to retire capital credited to such patron immediately upon such terms and conditions as the Board, acting under policies of general application and the legal representatives of such patron's estate shall agree upon; provided, however, that the financial condition of the Cooperative will not be impaired thereby. The death of either spouse who is a party to a joint membership shall constitute a termination of said membership and shall be treated in all manners as the death of any other patron for early retirement of patronage capital as provided for in these Bylaws.

When a patron is no longer receiving electric service from the Cooperative, the Board, in its sole discretion, is authorized to apply any capital credits of the former patron, discounted at the rate established for other authorized early retirement of capital credits, against any obligations that the patron may owe the Cooperative for any services or products purchased from or through the Cooperative.

SECTION 4. Assignment of Capital Credits. Capital Credits to the account of each patron shall be assignable only on the books of the Cooperative pursuant to written instructions from the assignor and only to successors in interest or successors in occupancy in all or a part of such patron's premises served by the Cooperative unless the Board, acting under policies of general application, shall determine otherwise.

If the member ceases to receive electric service from the Cooperative and two (2) or more names appear on the membership record, the Capital Credits shall be assigned in the first name mentioned unless otherwise arranged and stated in writing between or among them.

In the event of the death of one of the joint members, patronage shall be assigned and vested in the name of the surviving joint member. If any married couple as members are divorced or legally separated, the Capital Credits shall be assigned and vested in the name of the member who continues to directly occupy or use the premises covered by the membership unless informed by a Court having jurisdiction over the matter to the contrary.

Notwithstanding any other provisions of the Bylaws, if any patron or former patron fails to claim any cash retirement of Capital Credits or other payment from the Cooperative, then such failure shall be and constitutes an irrevocable assignment and gift by such patron of such capital credit or other payments to the Cooperative.

Failure to claim any such payment within the meaning of this section shall include the failure of such patron or former patrons to cash any check mailed to patron by the Cooperative at the last address furnished by patron to the Cooperative.

The assignment, gift or forfeiture of Capital Credits shall become effective only upon the expiration of the time and in the matter and under the conditions provided by the state law applicable to the Member's capital credit allocation.

The Notice shall be distributed by the Cooperative to such patron or former patron at the last known physical address or email address. If Notice by publication is given, such publication shall be one insertion in a newspaper or the Cooperative newsletter circulated in the service area of the Cooperative.

The sixty (60) day period following the giving of such Notice, either by mail or publication, shall be deemed to terminate sixty (60) days after the mailing or publication of such Notice.

SECTION 5. Other Patronage Allocations. In the event that the Cooperative should engage in the business of furnishing goods or services other than the delivery of electric energy, all amounts received and receivable therefrom which are in excess of costs and expenses, properly chargeable against the furnishing of such goods or services, may be allocated annually and returned to the patrons of this Cooperative, or may be used by the Cooperative as permanent, non-allocated capital. In addition, all amounts allocated to the Cooperative from other organizations that furnish services, supplies or products to the

Cooperative may be allocated annually and returned to the patrons of this Cooperative, or may be used by the Cooperative as permanent, non-allocated capital. The Board of Directors shall determine the method, basis, priority and order of retirement, if any, for all such amounts heretofore or hereafter allocated to the patrons of this Cooperative.

**ARTICLE VIII.
ENCUMBERING OR DISPOSING OF PROPERTY**

SECTION 1. Encumbering Cooperative Property. The Board shall have full power to authorize the execution and delivery of a mortgage or mortgages, or a deed or deeds of trust of, or the pledging or encumbering of any or all of the property, assets, rights, privileges, licenses, franchises and permits of the Cooperative, whether acquired, or to be acquired, and wherever situated, as well as the revenues therefrom, all upon such terms and conditions as the Board shall determine, to secure any indebtedness of the Cooperative to the United States of America or any agency or instrumentalities thereof, or any other lender.

SECTION 2. Other Disposition. Except as provided in Section 1 of this Article, the Cooperative may not sell, lease, or otherwise dispose of all or a substantial portion of its property, unless such sale, lease, or other disposition is authorized by the affirmative vote of not less than a majority of all members of the Cooperative; members voting thereon may do so as allowed by state law; provided, however, that notwithstanding any other provisions of this Article, or any other provisions of law, the Board may, upon the authorization of a majority of all members of the Cooperative at a meeting of members thereof, called for that purpose, sell, lease or otherwise dispose of all or a substantial portion of its property to another cooperative or to the holder or holders of any notes, bonds or other evidences of indebtedness issued to the United States of America or any agency or instrumentality thereof or any other lender.

ARTICLE IX. SEAL

The Corporate Seal of the Cooperative shall be in the form of a circle and shall have inscribed thereon the name of the Cooperative and the words “Corporate Seal.”

ARTICLE X. FINANCIAL TRANSACTIONS

SECTION 1. Contracts. Except as otherwise provided in these Bylaws, the Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Cooperative, and such authority may be general or confined to specific instances.

SECTION 2. Checks, Drafts, etc. All checks, drafts and other orders for the payment of money, and all notes, bonds or other evidences of indebtedness issued in the name of the Cooperative shall be signed, and/or countersigned by such officer or officers, agent or agents, employee or employees of the Cooperative and in such a manner as shall from time to time be determined by resolution of the Board.

SECTION 3. Deposits. All funds except petty cash of the Cooperative shall be deposited from time to time to the credit of the Cooperative in such banks, governmental entities or other institutions as the Board may select.

SECTION 4. Fiscal Year. The fiscal year of the Cooperative shall begin on the first day of January of each year and shall end on the thirty-first day of December in the same year.

ARTICLE XI. MISCELLANEOUS

SECTION 1. Membership in Other Cooperatives. The Cooperative shall not become a member of or purchase stock in any other organization without an affirmative vote of the members at a duly held meeting, the notice of which shall specify that action is to be taken upon such proposed membership or stock purchase; provided, however, that the Cooperative may upon the authorization of the Board, purchase stock in or become a member of any corporation or organization organized on a non-profit basis for the purpose of engaging in or furthering the cause of rural electrification, or of any other organization, when in the opinion of the Board such membership will promote the interest of the Cooperative.

SECTION 2. Waiver of Notice. Any member or Director may waive in writing any notice of a meeting required to be given by these Bylaws, either before or after such meeting. The attendance of a member or Director at any meeting shall constitute a waiver of notice of such meeting by such member or Director, except in case a member or Director shall attend a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting has not been lawfully called or convened.

SECTION 3. Policies, Rules and Regulations. The Board shall have the power to make and adopt such policies, rules and regulations, not inconsistent with law, the Articles of Conversion or these Bylaws, as it may deem advisable for the management of the business and affairs of the Cooperative.

SECTION 4. Accounting System and Reports. The Board shall cause to be established and maintained a complete accounting system which, among other things, and subject to applicable laws and rules and regulations of any regulatory body, shall conform to generally accepted accounting standards. The Board shall also after the close of each fiscal year cause to be made by a certified public accountant a full and complete audit of the accounts, books and financial condition of the Cooperative at the end of such fiscal year. A report of such audit shall be submitted to the members at the next following Annual Meeting.

SECTION 5. Area Coverage. The Board shall make diligent effort to see that electric service is extended to all unserved persons within the Cooperative's service area who (a) desire such service, and (b) meet all reasonable requirements established by the Cooperative as a condition of such service.

SECTION 6. Rules of Procedure. Unless otherwise provided in these Bylaws, the rules of parliamentary procedure as provided in "Roberts Rules of Order" shall govern the conduct of all meetings of the Board and meetings of members of the Cooperative.

SECTION 7. Credentials and Election Committee. The Board shall, at least ten (10) days before any meeting of the members, appoint a Credentials and Election Committee consisting of not less than five (5) nor more than eleven (11) members who are not close relatives or members of the same household of a Director. In appointing the Committee, the Board shall have regard for equitable representation of the several areas served by the Cooperative. It shall be the responsibility of the Committee to pass upon all questions that may arise with respect to the registration of members, to count all ballots cast in any ballot

vote taken, and to rule upon the effect of any ballots irregularly marked. The Committee’s decisions on all such matters shall be final.

SECTION 8. Capital Reserve. The Cooperative may establish and maintain a capital reserve for the purpose of providing a reserve against which this Cooperative may charge losses and other charges.

SECTION 9. Indemnification. The Cooperative shall indemnify a director, officer, agent or employee who is a party to a proceeding by reason of being a director, officer, agent or employee to the extent permitted under law.

ARTICLE XII. AMENDMENTS

SECTION 1. Standard Amending Procedure. These Bylaws may be altered, amended or repealed by the members at any Annual or Special Meeting by the affirmative vote of a majority of those members voting thereon may do so as allowed by state law. A copy of the proposed alteration, amendment, or repeal, or a statement specifying the nature of the proposed alteration, amendment, or repeal shall be provided to all members in the same manner and time as is provided for Notice of the Annual Meeting. Any amendment which is germane to the proposed alteration or amendment specified in the notice and submitted at such meeting may be acted upon at said meeting with the same force and effect as though it had been contained in the notice of the meeting.

SECTION 2. Initiated Amendments. Proposed alterations, amendments, or repeals to the Bylaws may be initiated by the members by filing with the Cooperative at least sixty (60) days prior to the date of such Special or Annual Membership Meeting, a petition signed by at least ten (10) percent of the members of the Cooperative, setting forth the proposed alterations, amendments or repeals and requesting that same be submitted to the membership for approval or rejection. Upon receipt of such a petition, the Cooperative shall give notice of said proposed alterations, amendments or repeals as provided herein and submit same to the membership for rejection or approval at the next Annual or Special Meeting thereof.

**ARTICLES OF AMENDMENT TO ARTICLES OF CONSOLIDATION,
ARTICLES OF CONVERSION AND ARTICLES OF MERGER OF
SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.**

ARTICLE I.

The name of the Corporation is SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.

ARTICLE II.

The address of the principal office of the Corporation is Box 216, Colman, South Dakota 57017.

ARTICLE III.

The Cooperative was converted to a rural electric cooperative from a consolidated corporation pursuant to the Electric Cooperative Act of South Dakota, Chapter 33 of the Laws of 1947. The Directors of the converted Cooperative were HARVEY J. BLY of Brandon, South Dakota; WARNER BOYD of Madison, South Dakota; LUTHER EGAN of Chester, South Dakota; L.W. ELLEFSON of Sherman, South Dakota; WILLIAM HASVOLD of Flandreau, South Dakota; W.C. KOBALL of Hartford, South Dakota; FLOYD LEE of Colman, South Dakota; LOUIS LORENTSON of Egan, South Dakota; ADOLPH QUAIL of Volga, South Dakota; E.G. SANDERSON of Aurora, South Dakota; and LEROY ULLMAN of Brookings, South Dakota.

ARTICLE IV.

The names and addresses of the existing Directors of SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC., are HENNING HANSEN of Elkton, South Dakota; EUNICE BARTELS of Jasper, Minnesota; JAN BOBENDRIER of Pipestone, Minnesota; MARK ROGEN of Sherman, South Dakota; GARY DROST of Luverne, Minnesota; DIAN HOVEN of Colton, South Dakota; ERNEST KROEGER of Hartford, South Dakota; DAVID LARSEN of Sinai, South Dakota; BRUCE MARTINSON of Jasper, Minnesota; CURTISS NELSON of Wentworth, South Dakota; and CLIFF NOCK of Valley Springs, South Dakota.

ARTICLE V.

To the fullest extent permitted by South Dakota Codified Laws, as the same may exist or may hereafter be amended, a Director of this Corporation shall not be personally liable to the Corporation or its members for monetary damages for breach of fiduciary duty as a Director.

ARTICLE VI.

The Cooperative shall have such powers as are authorized for rural electric cooperatives, pursuant to Chapter 47-21 South Dakota Compiled Laws, as amended from time to time.

Sioux Valley Energy is an equal opportunity provider and employer.