

KEM Country

KEM Electric Cooperative, Linton, N.D.

LINES

March 2010

TRIAL BY ICE AND WIND

With a little snow thrown in

First things first, introductions are in order. My name is John Knox and I am your new chief executive officer/general manager of KEM Electric Cooperative.

I'm originally from Michigan where I started my cooperative career at HomeWorks Tri-County Electric Cooperative. After eight years there, I moved on to my next cooperative experience at Clark Electric Cooperative in Greenwood, Wis., where I have been since accepting the opportunity here at KEM Electric.

I have a wonderful wife, Cindy; we've been married for 22 years and she has been by my side on every move. I also have two great kids; my son, John, is in his freshman year of college and my daughter, Carrie, is currently a sophomore in high school. Hopefully, all will be able to be here with me soon. Please say hi if you see me out and about. I enjoy meeting new friends and learning about the area and the membership.

But now to the things that matter most — the storm! Some said I came at the worst possible time. I guess that depends on how you look at things; is the glass half full or half empty? I could not be more proud and lucky to be moving to a cooperative with such a great staff. You, the members of KEM Electric, should also be very proud of them. The southern part of your distribution system received significant damage from ice and wind from the storm that started Jan. 21 until the evening of Feb. 2. Our lineworkers and office personnel worked many long hours dedicated to restoring power to those members who were without electricity during this period. Understand this was just the beginning phase of getting the distribution system back to where it was before the storm.

In restoration of electric service after a major storm such as this ice storm, we have two phases on how we get the job done. We use special guidelines when we know the event could be possibly declared as a national disaster by the president of the United States.

The first part of restoration is called Category B: This is where we get the life-critical services back on. We restore power to those members living in their houses (their main residence) back in service. This does not include getting power back to farms or pasture wells. The Federal Emergency Management Agency (FEMA) recognizes our Category B phase as starting the evening of Thursday, Jan. 21, and ending Tuesday, Feb. 2, for KEM Electric Cooperative. Between these dates, we energized 723 members and had reinstalled more than 900 poles. Once this happens, we move to the next phase.

The next phase is called Category F: This phase is where we

go back to reassess the distribution system for damages that need to be corrected and fixed, and restore power to those accounts such as farms and the pasture wells. We know as I'm writing this story we still have another 300-plus poles that need to be replaced, with lots of other repairs to be accomplished to get the distribution system to where it was before the storm.

Some of the most important work that will be done now is behind the scenes. Don't take me out of context here, the work being performed by our lineworkers is very important; and this is the work the membership sees. However, there is a tremendous amount of paperwork and accounting to be done now.

Very accurate records needed to be kept during the Category B portion of the storm restoration, and especially now during the Category F portion. It is very critical to get the proper documentation done so KEM Electric gets the correct reimbursement from the federal government (FEMA) and the state to cover the costs of the damages.

When a storm is declared a national disaster by the president, we are able to get reimbursement dollars from the government and the state in the following percentages. The assistance comes in this format: 75 percent from the federal government, 10 percent from the state of North Dakota, and 15 percent from KEM Electric Members. Without the assistance of the government, the members would be looking at restoration costs of \$3.5 million or more.

Now comes the most important part of this restoration process, the thank you's. First to you, the members, for being patient with the staff and the lineworkers. Many of you helped our crews in getting the power back on by moving snow or



John J. Knox
CEO/General Manager

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KEM Electric battles January ice storm

by Luann Dart

Kristi and Ordeen Ebel's household was awl with the morning's dash for the door when everything abruptly changed. It was 7:45 a.m. Friday, Jan. 22, when their vital link to power toppled to the ground.

And with power lines sagging two feet from the roadbed in one direction and poles littering the highway in another direction, Kristi soon discovered her five children couldn't get to school either.

"I called the school and said, 'I can't get to the school. ... We just can't get out of here because all the power lines are down.' That was the last phone call I made," she says.

After a week of dense fog and a day of rain, frost and ice gripped power lines across North Dakota. Lines soon sagged under the heavy burden, and the strain pulled new and old poles alike to the ground. It's estimated that a mile of single-phase line with an inch of ice hanging on it carries an additional 10 tons.

"It was incredible to see how thick they were and how low they were hanging," Kristi describes. "It was interesting to see the amount of devastation. You would look down one direction and there was not a single pole anymore."

The Ebels had an inkling of the impending disaster Thursday, Jan. 21, during a four-hour outage. But KEM Electric Cooperative's line crew worked diligently to restore power before finishing their day. That night, as everyone slept, poles toppled. "Overnight Thursday and early in the morning Friday is when everything went down," relates Brian Jacob, manager of member services for KEM Electric Cooperative.

By mid-February, KEM Electric Cooperative replaced 988 poles, the equivalent of 55 miles of line, and suffered millions of dollars in damages.

ON THE LINE

"When it started, the crews were out working and they could see poles falling over," says Line Superintendent Richard Ibach.



KEM Electric Cooperative Line Superintendent Richard Ibach and Plant Accountant Diane Grossman keep track of outages using a territory map in the headquarters office. Restoration of the system continues as power lines to pasture wells and vacant farms are repaired.

"We didn't know how many we had down. First we ordered 400 poles, then we talked about 600, finally we said 1,000."

With a blizzard looming, the co-op called suppliers in Minnesota and Bismarck, and poles were delivered by Sunday.

"That was the biggest thing is to get 1,000 poles here and to get the hardware for 1,000 poles," Jacob says. "They did an



The frost and ice gripping the line accumulated over several days.



A payloader from McIntosh County was also used to clear snow for crews.

Cooperative members cleared snow ahead of each crew of lineworkers throughout the restoration effort. "They moved a lot of snow for us; that was a lot of help," says Brian Jacob, manager of member services for KEM Electric Cooperative.

excellent job to get it here that fast."

Other calls summoned extra manpower from contractors based in Linton and also in the states of Washington and Wisconsin and lineworkers from Cass County Electric Cooperative in Kindred and Nodak Electric Cooperative in Grand Forks. A former KEM Electric Cooperative area foreman, David Heaton came out of retirement to lead one of the crews.

That cooperative effort was vital, explains KEM Electric Cooperative General Manager John Knox.

"Working for co-ops and being part of the co-op community is a step above everybody else and other groups because we all have the same values; we all want to help, we want to get the job done," he says. "It makes a world of difference to my crews and to me to know that the co-op people are coming to help. And they all know we'd be there for them."

By Wednesday morning, Jan. 27, 63 extra lineworkers had joined KEM Electric Cooperative's crew of seven, working from 6:30 a.m. to 9 p.m. until every member had power by Feb. 2. At the peak of the storm, 723 of KEM Electric's 2,118 members were without power, with the heaviest damage concentrated in the southern part of the service territory.

Area motels and restaurants responded to a call for help, too, often expanding hours to accommodate the lineworkers.

"They all cooperated really well," Ibach says. "They stayed open a little later for them. You sure want a warm meal at night. ... They fed them well."

And members helped, too, by clearing snow so lineworkers



Sixty-three lineworkers from outside of the area arrived to assist with restoring power, including lineworkers from Cass County Electric Cooperative in Kindred and Nodak Electric Cooperative in Grand Forks.



Lines began sagging from the weight of frost and ice on the lines, eventually bringing poles down.

could access power lines.

"They stuck with us every day," Ibach says "That part went excellent. They always stayed ahead."

LIVING WITHOUT

As power restoration continued, the Ebels brought their 35-kilowatt PTO-powered generator out of storage.

"We had to decide what you wanted," Kristi describes. Electricity needed to be focused on either hot showers or heat or mealtime. But on Tuesday, the tractor gave out. Another tractor was substituted, but was unhooked from the generator for two hours to feed cattle that day. By nightfall, the cattle were bawling. Their water tanks had frozen while



KEM Electric Cooperative replaced 988 poles during the restoration.

the generator wasn't operating. So the family began operating the generator 24 hours a day to keep the cows watered and their family warm and fed.

"The kids got used to the hum of the tractor," Kristi says. When fuel started running low, a neighbor traveled to Ashley to purchase fuel for himself and neighbors.

"It was a combined effort of the neighborhood. We all kept track of each other on cell phones," Kristi describes.

THEN THERE WAS LIGHT

As Ibach kept an eye on the service territory map's dwindling number of pins indicating outages, line crews braved blowing snow and 40-below wind chills to rebuild the lines. Their job



As a blizzard moved into the area, conditions worsened for several days.



Crews rebuilt the equivalent of 55 miles of line to restore power to members.

became somewhat more complicated when a communications tower near Napoleon was damaged. When Ibach telephoned a crew member to eyeball the tower, the reply came, "How tall is that tower supposed to be?"

"It was just another wrinkle," Ibach says wryly.

With her camera in hand, Kristi Ebel greeted a Cass County Electric crew working near her home.

"They had such a good attitude considering the working conditions they had," she says. "It was amazing to watch how fast they could get those poles up. It was a little village as they came moving through the area."

A video she produced later includes photos of the crew working, set to music by Montgomery Gentry.

"That's something to be proud of. That's a life you can hang your hat on," the lyrics play as photos show the crews restoring the farm's power.

Other members showed their appreciation in different ways.

Lois Vander Wal's Westfield kitchen may have been darkened without power, but she still managed to fill a bucket with her "Grandma's Kuchen" for the line crews in that area.

"I was happy to keep them supplied," she says with a laugh.

KEM Electric Cooperative's new general manager arrived at work Feb. 1, in the midst of the pressure-filled storm repairs.

"I am so proud of how they handled it," Knox says. "I couldn't have walked into a better crew of people here, between the office and the linemen. What they did and how they did it. I'm just proud of them. I couldn't have gotten a better group of people to work with because of what was accomplished here."

About 500 more poles leading to pasture wells and vacant farms still need to be replaced over the next month.

Camera in hand, Kristi Ebel caught the moment power was restored at her family's farmstead at 10:30 a.m. Saturday, when the meter lit up once again. Then the family had a power party, watching a movie and baking.

"With my parents, it was always the blizzard of '66. So someday, we can talk about the ice storm of 2010," she says.

The ice storm of 2010 will indeed go into the records. "Since I've been here, this is the worst it's been," says Ibach, a 29-year employee.

"It feels good," Ibach says, pulling the last outage off the office map.

As the music fades on Kristi's video, words pop on the screen: "And the lights were on again!"



KEM Electric Cooperative suffered approximately \$3.5 million in storm damages.



Poles near the Ebel farm near Zeeland were shattered from the weight of frost and ice on the lines.



KEM Electric Cooperative employees were pleasantly surprised Feb. 12 when a group of students from Linton High School, along with Jackie Wald and Fran Serr, brought Valentine Day cookies. The cookies were delivered along with a thank you for the staff's hard work in restoring power as quickly as possible following the January ice storm.

What to do in a power outage

KEM Electric Cooperative strives to provide you with reliable, uninterrupted service every day of the year. While your electric cooperative uses sound engineering practices and preventative maintenance, it is impossible to completely protect the distribution system from nature's wrath. Sometimes Mother Nature creates unavoidable power outages. KEM Electric wants you to remain safe during severe winter weather, so consider preparing now for the possibility of power outages this winter. Follow these important steps if an outage does occur:

1 Confirm the outage. Check your own fuses and circuit breakers first.

2 Check with a neighbor to confirm if he or she is also experiencing an outage before you call the cooperative. This will help your cooperative determine the extent of the outage.

Call the cooperative. If the outage is widespread, the phone lines may be busy, but keep trying. Keep KEM Electric's numbers on or near your telephone: (701) 254-4666 or (800) 472-2673. The customer service representative may ask for the following information:

- Meter number
- Correct spelling of the name on your account
- Telephone number for the account and a callback number
- Time the electricity went out

4 Turn off major appliances. To prevent an overload on the system while power is being restored, take these steps:

- Turn off every inside light except one. Leave a light switch on so you know when electric service has been restored.
- Turn down your thermostat.
- If the outage lasts more than 60 minutes, turn off your electric water heater.
- Make sure your kitchen range is off, both the surface and the oven.
- Turn off all unnecessary appliances and unplug sensitive electronic equipment.
- When power comes back on, slowly switch your appliances and lights back on and gradually return your thermostat to its normal setting.

Be patient. Once you or your neighbor have reported an outage, please do not continue to call for information about when the power will be restored.

5 Crews will work quickly to restore your power as soon as possible. If the outage is widespread, use a battery-operated radio to monitor the situation.



What happens during a power outage?

Restoring your electricity after a storm involves much more than just flipping a switch at a substation or pulling a tree off a downed power line. If KEM Electric Cooperative's distribution system is affected by a severe storm, listed below are the steps your cooperative's line crews follow to restore your electricity. At each step, the primary goal is getting the greatest number of member-owners back in service in the shortest time possible, safely.

• Check the substations

Your cooperative has several distribution substations that serve hundreds of member-owners. When a major outage takes place, these substations are checked first to see if the problem is in the transmission lines that feed the substation or in the substation's equipment.

• Check the distribution lines

If the problem cannot be isolated at the local distribution substation, the next step is to check the distribution lines that carry electricity from the substation to member-owners' location.

• Check the supply lines

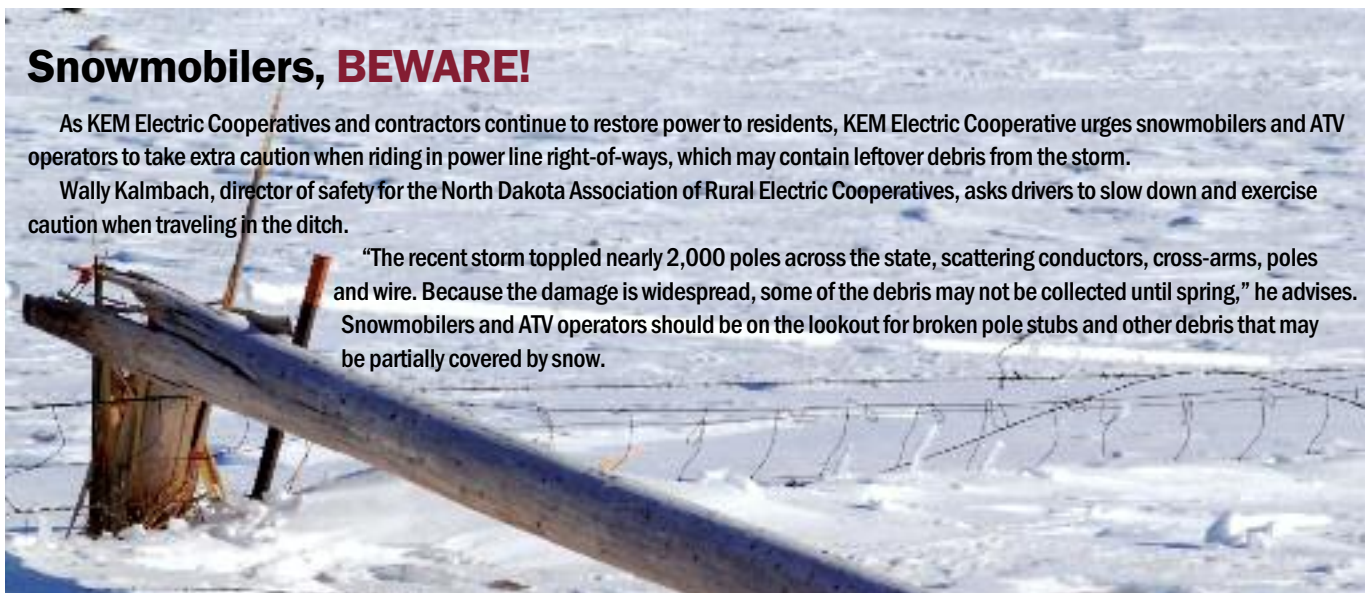
Line crews work on outages that are more isolated or localized by inspecting the distribution lines that carry electricity to utility poles outside member-owner homes, farms and businesses.

Snowmobilers, BEWARE!

As KEM Electric Cooperatives and contractors continue to restore power to residents, KEM Electric Cooperative urges snowmobilers and ATV operators to take extra caution when riding in power line right-of-ways, which may contain leftover debris from the storm.

Wally Kalmbach, director of safety for the North Dakota Association of Rural Electric Cooperatives, asks drivers to slow down and exercise caution when traveling in the ditch.

"The recent storm toppled nearly 2,000 poles across the state, scattering conductors, cross-arms, poles and wire. Because the damage is widespread, some of the debris may not be collected until spring," he advises. Snowmobilers and ATV operators should be on the lookout for broken pole stubs and other debris that may be partially covered by snow.



Now is the time to think about becoming a director!

If you are interested in becoming a director for KEM Electric Cooperative, you must understand the process for filing a petition.

KEM Electric Cooperative's 2010 annual meeting will be held June 17 at Linton. This year, the director seats up for election are those of Milton Brandner in District 3, Dean Hummel in the District at Large, and to fulfill the remaining term in District 4, which was vacated when Willie Piatz retired.

Below is the section of the bylaw pertaining to filing a petition for a director seat:

404. Member Petition-Form

(a) Each petition shall contain the following:

1. The name of the member nominee.
2. The director position for which the member nominee shall run.
3. The printed names, addresses, and telephone numbers, date of signature, and original signatures of each member signing the petition.
4. At least 25 signatures of the members of the respective district, or members at-large, as the case may be.

(b) In the case of joint members, the signature of one or more than one joint member shall constitute one joint signature.

(c) Firms, associations, corporations or body politics shall have the right to place one signature on a petition, the same as other members, by the signature of a duly appointed representative.

(d) Petitions may not be circulated or signed more than 90 days before the date when petitions must be filed pursuant to this bylaw. Any signature to a nominating petition obtained more than 90 days before that date may not be counted.

(e) All petitions must be filed at the principal offices of the cooperative not less than 45 days prior to the date of the meeting of the members, as fixed by the board of directors.

(f) After verifying that a petition complies with this bylaw, the secretary of the board of directors shall post a list of nominations for directors at the principal office of the cooperative at least 30 days before the meeting of the members.

Piatz retires from board

Serving on the KEM Electric Cooperative board of directors since 1996, Director Willie Piatz has retired from a board which he holds close to his heart.

"I enjoyed the monthly meetings and the statewide meetings and visiting with all the people from the other co-ops," he said. "I kind of miss it."

Piatz retired from the board in November after moving from his farm near Napoleon to a home in town.

Elected to the board in 1996, Piatz's original intentions were quite simple.

"I just wanted to help the local co-op out," he says. "I was involved in co-ops before." He has also served on the board of directors of Cenex and has been involved with the school board and emergency services.

Piatz, a small grains farmer and backgrounds feeder cattle, had been farming for more than 50 years. He and his wife, Ottilia, retired to Napoleon, while their son, Randy, takes over the farm operation.

"I've served the community for quite a while," Willie says. "It's been an interesting part of my life."



Piatz

Directors represent your interests

KEM Electric Cooperative is overseen by a board of directors which is elected by you—the members and owners of the electric cooperative. Each director represents the members of the cooperative on the board; and each director is a cooperative member.

If you are interested in serving on the board of directors of your local electric cooperative, but aren't sure exactly what that duty includes, here are some pointers:

Cooperatives are different than most businesses because they are owned by those they serve. Directors have a unique duty. They represent the consumers' interests. Directors should know what consumers expect from their cooperative, and directors should know what consumers' expectations will be in the future so they can help the cooperative progressively work toward the future.

Directors also have a fiduciary responsibility to the cooperative. They must exercise care, time and responsibility in reviewing cooperative matters. Directors must treat cooperative business as if the business is their own.

Directors must also be willing to devote a certain amount of time to the cooperative. At a minimum, a director should try to attend each monthly board meeting. It is necessary to review materials sent to each director prior to the board meeting also. Directors must learn about the industry as a whole by reading other materials and by attending state and national meetings. An understanding of the issues facing the industry is vital.

To help directors with their responsibilities, training is offered through the electric cooperative's statewide association. Five courses must be completed to earn a certificate. Those courses cover director duties and liabilities, understanding the electric business, board roles and relationships, strategic planning and financial decision-making.

Most directors currently serving their cooperative find the duty extremely rewarding. Directors are able to help their cooperative and community remain strong.

Not only that, but many have found new friends along the way.

Interested in becoming a director for your local electric cooperative? Prior to the annual meeting, information is shared regarding director elections. If you are interested and would like more information on how you can become involved, contact us. We'll be glad to answer your questions.

BOARD MEETING HIGHLIGHTS

KEM Electric Cooperative Inc. Board meeting highlights Jan. 21



- Heard reports on various meetings
- Reviewed report from the Voucher Review Committee
- Reviewed monthly financial reports
- Approved the special equipment summary
- Reviewed Policy Bulletin No. 10-5 (Safety and Job Training)
- Authorized the retirement of capital credit estates
- Adopted the North Dakota Association of Rural Electric Cooperatives safe work procedures as the minimum safety standards for KEM



Every 3-1/2 minutes a child is diagnosed with cancer.

St. Baldrick's is the world's largest volunteer-driven fundraising event for childhood cancer research. Thousands of volunteers shave their heads in solidarity with children fight cancer.

The St. Baldrick's Foundation funds more in childhood cancer research grants than any organization, except the U.S. government, more than \$12 million in 2009 alone.

St. Baldrick's events have raised more than \$6 million, providing research grants to enable doctors and scientists over 200 institutions to pursue the most promising new cures for childhood cancer and to help make clinical trials available to more children than ever. Since 2000, the Foundation has hosted more than 2,400 head-shaving events, shaving more than 107,000 heads in 24 countries and 50 U.S. States. In the five years since St. Baldrick's became an independent charity, it has funded over \$41.7 million in life-saving childhood cancer research.

KEM Electric is proud to present our new General Manager/CEO John Knox. He has volunteered to take part in this fundraiser. We would like you to help us welcome Knox to our wonderful cooperative family by donating to the St. Baldrick's Foundation. Knox will be joining others on March 17 at Basin Electric in Bismarck to show their sponsorship for childhood cancer research, by shaving his head. You can make a donation by sending the form below or go on our website, www.kemelectric.com, and follow the steps.

PLEASE SUBMIT THIS FORM WITH YOUR DONATION

AMOUNT _____

Name of Business/Individual _____ Anonymous _____

Address _____ City _____ State _____

Please mail form and donation to: KEM Electric Cooperative, PO Box 790, Linton, ND 58552

MANAGER'S MESSAGE...

Continued from page C1

storing supplies and equipment. This was a big help.

We had many local contractors who operated tractors and front-end loaders to move snow and cleared right-a-ways so the crews could get in to fix the distribution system. To Cass Electric and Nodak Electric cooperatives who sent crews and equipment to help; their help was so appreciated, we couldn't have done such a quick restoration without these guys. We also had several contractors who came in to assist in getting the power back on: Great Lakes Line Builders, JB Construction and Michels Power, we appreciate your help also; good job guys. And to the gas stations in the area, your help in keeping trucks and equipment fueled was appreciated. Thank you.

Now, when you bring in 63 lineworkers to work a storm, you need a few essentials — food and lodging. These lineworkers work long hours in some horrible conditions, so a warm meal and a nice bed is important because they get up the next day and do it all over again. I want to thank all those restaurants and motels who provided the food and beds. All I heard from our crews and the crews that came in to help is how good they were treated, so thank you to all that helped to take care of our guests.

As I said earlier, the job is just beginning; we have a lot of work to get the system back to where it was before the storm. You can still help us; if you see something damaged or you're not sure, or if we have missed restoring electricity to a pasture well, please call us and let us know. Together, we will get the job done. Again, I look forward to meeting as many members as I can in the months and years to come.

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**Call KEM Electric Cooperative
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**Report outages to the following
toll-free number: (800) 472-2673**

**Hazleton, Linton and Strasburg exchanges'
phone number: (701) 254-4666**

OFFICE HOURS:

Monday through Friday,
8 a.m. to 4:30 p.m.

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