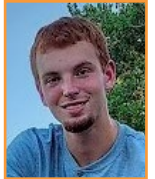




Congratulations to all scholarship recipients!

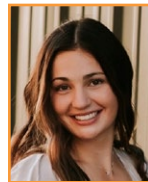
Traverse Electric \$500 Scholarship Recipients

Joseph Arens of Graceville, MN, is the son of Thomas & Mary Arens and attends Clinton Graceville Beardsley High School. Joseph plans to attend the University of South Dakota in Vermillion, SD and major in Biology with a specialization in Human Dynamics.



Ian Swedlund of Wheaton, MN is the son of Paul and Dorothy Swedlund and is a senior at Wheaton Area High School. Ian plans to attend the University of Minnesota in Minneapolis, MN and major in Human Resources and Industrial Relations.

Annika Estwick of Sisseton, SD is the daughter of Paul and Hanne-Marit Estwick and is a senior at Sisseton High School. After graduation, Annika plans to attend Grand Canyon University in Phoenix, AZ and major in Business Accounting.



Brylie Schultz of Wheaton, MN is the daughter of Levi and Angie Schultz and attends Wheaton Area High School. After graduation, Brylie plans to attend the University Nebraska Kearney in Kearney, NE and major in Special Education with minors in Psychology and Sports Management.

\$1,000 Basin Electric Scholarship Recipient

Derek Lupkes of Wheaton, MN is the son of Darin and Karen Lupkes and is a senior at Wheaton Area High School. After graduation, Derek plans to attend South Dakota State University in Brookings, SD and major in Electrical Engineering.



Emmy Anderson Selected to Attend the 2023 Washington DC Youth Tour

Emmy Anderson, daughter of Ben & Trisha Anderson of Graceville, MN, was selected to attend this year's Washington DC Youth Tour, June 13-18, 2023. Emmy is a student at Clinton-Graceville-Beardsley High School. Emmy wrote an essay on the topic "What moment in American history do you wish you had been a part of, and what would you have contributed?" Emmy's essay titled "A Time to Take a Stand" was written about the Civil Rights Movement.



This Issue

Manager's Column **p2**

District Vacancy **p3**

Mar. Board Report **p4**



Mark Your Calendar

May 15.....Electric Bills Due

May 30.....Board Meeting



Find Your Account Number & Win!

TEC has hidden an account number in this newsletter. If you find your account number, notify us by May 1st and you will get a **\$10 bill credit**.

Sustaining a Reliable Electric System

We've all heard the phrase, "Don't put all your eggs in one basket." This popular adage is often used in conversation or a story when someone is about to do something irrational or risky.

This strategy is how I describe Traverse, East River, & Basin Electric's common-sense approach to the current energy transition. We know that member interest in renewable energy continues to grow.

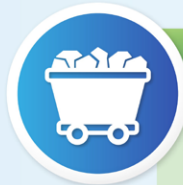
Recent innovations and advances in renewable energy technologies have led to sharp decreases in costs, making renewables more feasible, accessible and scalable. Over the last few years, Basin Electric Power Cooperative has adjusted our fuel mix by utilizing more renewables. Basin recently announced that they are adding 128 MW of solar in Pennington County, South Dakota.

Nationally, there is increasing reliance on renewable energy sources at the same time that we're seeing fossil fuel plants taken off-line, often ahead of schedule. Additionally, we're seeing more pressure on the electric grid due to the increasing frequency and intensity of severe weather events and rising electricity demand.

Competing Pressures

So how do we reconcile these challenges of grid pressure and a changing fuel mix? Solar and wind energy are certainly beneficial for the environment, but they are limited resources because the sun does not always shine, and the wind does not always blow. Our primary responsibility is to provide electricity 24/7 to you and our community. To do this, we need reliable sources of power that will meet all the peaks and valleys of on-demand energy in our

What is considered when power supply decisions are made?



LIGNITE COAL

Advantages

- Abundant, domestic fuel source
- Stable pricing
- Can reliably run 24 hours per day
- Technology has been developed to address emissions (exploration of Project Tundra)

Disadvantages

- Extraordinarily difficult to permit
- Cannot economically rail lignite coal due to high moisture content
- Can be difficult to ramp up and down to accommodate renewable production
- Releases CO₂. Anticipate CO₂ regulations, although CO₂ capture technology is rapidly advancing



NATURAL GAS

Advantages

- Lower CO₂ emission levels than coal
- Can be ran 24/7 or used during peak events
- Can respond rapidly to dispatch

Disadvantages

- Fuel costs can be volatile and impacted by events outside of the U.S.
- Pipeline infrastructure not adequate for projected demand
- Still releases CO₂ emissions

connected world.

So where are we netting out? That's where our familiar adage comes into play. While utilization of renewables is increasing, we still need to incorporate other forms of energy in the mix to ensure reliable service. Remember, solar and wind are intermittent power sources. This fact coupled with the growing demand for renewables creates its own challenges.

That's why we spread our eggs into multiple baskets. There is great value in maintaining a diverse mix of fuel sources—fossil fuels and renewables to ensure reliability, resiliency and meet the growing demand for electricity.

Reliability also means repairing and replacing utility equipment to prevent wear-and-tear, ensuring our equipment can withstand severe weather. We are laser-focused on providing our Traverse Electric members with reliable, affordable energy. That's why fuel diversity—or placing our eggs in multiple baskets—is essential to reliability.

The Bottom Line

Lowering the overall carbon footprint in this country means we're going to electrify more and more of our economy. Solar and wind power are an important part of a broader energy portfolio, but they are not available 24/7. In today's ever-connected world, people need power around the clock.

As our nation increasingly depends on electricity to power the economy, Traverse is working to anticipate, plan and respond to market trends and policy shifts. That's how we can power your home and our economy, while continuing to serve as your local energy provider. ▀



MANAGER'S COLUMN

JEREMY HUHNSTOCK

General Manager

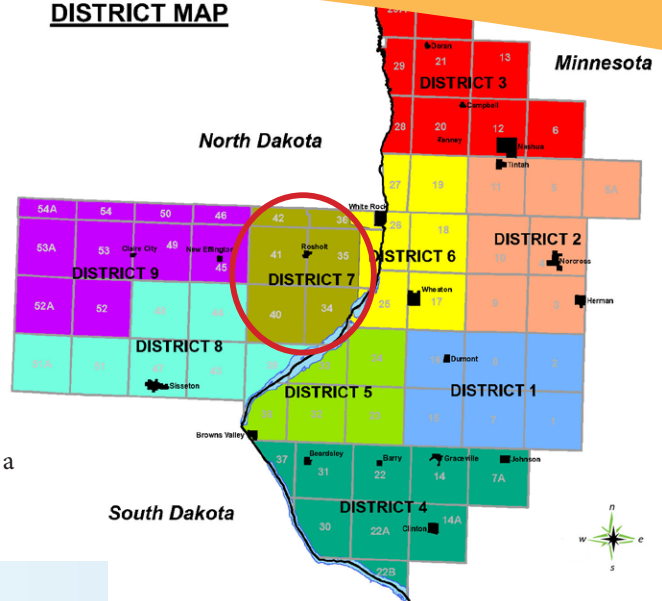
DIRECTOR CANDIDATES WANTED

DISTRICT 7 DIRECTOR VACANCY NOTICE:

We are looking for members who reside in **District 7** who are interested in serving on our board of directors to complete a three year term. To qualify you need to be a current member (electric account is in your name), and have your permanent residence in White Rock, Victor, or Harmon Townships in Roberts County, SD or live in Richland County, ND adjacent to and due north of White Rock Township.

If you are interested or would like more information on being a director please call our office at 800-927-5443 and ask for Jeremy. Please let us know by May 26, 2023 if you are interested.

DISTRICT MAP



NUCLEAR

Advantages

- No air emissions
- Can reliably run 24 hours per day
- Smaller, modular reactors are in development

Disadvantages

- High capital cost and increasingly expensive fuel
- Radioactive waste that must be properly disposed of and monitored
- Extraordinarily difficult to permit and build
- Cannot ramp up and down to accommodate renewable production



HYDRO

Advantages

- No fuel cost
- Low-cost energy to consumer
- No air emissions
- Can respond rapidly to dispatch

Disadvantages

- Nearly impossible to permit
- Affects fish and wildlife habitat
- Alters the natural flow of rivers
- Virtually no resources left to develop (some dams being removed)



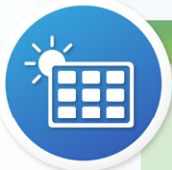
WIND

Advantages

- No fuel cost
- No air emissions
- Cost-competitive with other resources

Disadvantages

- Has intermittent production (produces about 45% of its potential on an annual basis)
- Requires investment in backup generation resources
- Grid-scale battery backup technology is still in its infancy
- Turbines take a larger footprint to produce the same energy as other resources and can impact bird and wildlife populations
- Cannot operate in extreme cold and ice conditions



SOLAR

Advantages

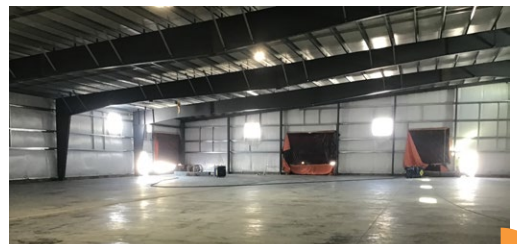
- No fuel cost
- No air emissions
- Costs are slightly higher than other resources, but are trending downward

Disadvantages

- Has intermittent production (produces about 15-19% of its potential on an annual basis)
- Requires investment in backup generation resources
- Grid-scale battery backup technology is still in its infancy
- Solar panels take a larger footprint to produce the same energy as other resources
- Production affected by clouds, snow and extreme cold temperatures
- Panel production degrades over time



FACILITY UPDATE



March 2023 Traverse Electric Board Meeting Highlights

The March regular board meeting was held on Tuesday, March 28, 2023 at 9 AM. Absent: None.

Staff members present were General Manager, Jeremy Huhnstock, Dale Schwagel and Karen Lupkes.

General Manager Huhnstock called the meeting to order to facilitate the reorganization of the board.

Board officer election results: President-Diekmann, Vice President-Frisch, Secretary-Glynn, Treasurer-Marks

The agenda was approved.

The minutes of the February regular board meeting were approved.

The February check register was approved. Monson reported on the NRECA PowerXchange Meeting.

Discussed the East River and Basin video reports.

Diekmann gave an East River Board Report. Huhnstock presented the General Manager's Report, which included:

- Provided a Basin Electric update.
- Provided an East River update.
- REED Fund review.
- NRECA update.
- MREA and MN legislative update.
- SDREA and SD legislative update.

Lupkes gave the Office Manager's Report, which included:

- February 28, 2023 accounts receivable balances were reviewed.
- A list of new members was reviewed.
- Update on Electrical Dept. and Generator Program.
- Summer office hours begin

May 1, 7 AM-3:30 PM

- East River power bill and Basin's financial reports reviewed.

Reviewed and approved the February 2023 Financial Report.

Schwagel gave the Operations Report. Items discussed included:

- Provided a crew update.
- Reviewed upcoming and completed projects.
- Reviewed our Safety Program.
- Outages were reviewed.

Received an update on the new facility and construction progress.

Discussed the advance on our RUS loan.

Reviewed annual meeting held on March 23. Discussed the District 7 vacancy on the board.

Approved the 2023 Cogeneration Report & Rate Schedule Q.

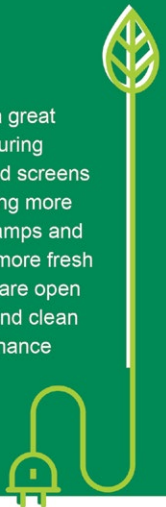
Reviewed Policy 109.

Reviewed upcoming meetings and attendees. Meeting adjourned.

Energy Efficiency Tip of the Month

Washing windows and screens is a great way to practice energy efficiency during spring cleaning. Clean windows and screens make your home brighter by allowing more sunlight in, reducing the need for lamps and fixtures. Clean screens also allow more fresh air in the home when the windows are open to recycle indoor air. Natural light and clean air are energy savers, and they enhance overall health and productivity.

Source: energy.gov



TEC March Financials

	Mar. 2022	Mar. 2023	YTD 2023
Total Revenue	\$1,021,951.45 . . .	\$1,055,905.60 . . .	\$3,161,126.01
Cost of Power	\$649,447.81	\$616,847.73	\$1,703,175.01
Total Cost of Service	\$988,360.25	\$967,798.59	\$2,712,770.13
Operating Margins	\$33,591.20	\$88,107.01	\$448,355.88
Total Margins	\$43,463.98	\$124,106.97	\$479,296.77
Kilowatt-Hours (kWh) Purchased	11,673,235	11,484,532	34,987,889
Kilowatt-Hours (kWh) Sales	11,130,986	10,914,046	33,281,271
Line Loss	4%	4%	4%

BOARD OF DIRECTORS

President: Doug Diekmann, Beardsley, MN
Vice-President: Tom Frisch, Dumont, MN
Secretary: Matthew Glynn Sisseton, SD
Treasurer: Michael Marks, Norcross, MN
Michael Gaulrapp, Breckenridge, MN
Terry Monson, Veblen, SD
Bradley Rudolph, Dumont, MN
Stacy Ehlers, Wheaton, MN

OFFICE PERSONNEL

Jeremy Huhnstock – General Manager
Karen Lupkes – Office Manager
Dale Schwagel – Operations Manager
Melissa Przymus – Accountant
Stacie Johannsen – Billing Clerk

OPERATIONS PERSONNEL

Richard Davis – Foreman
Lonnie Tekrony – Journeyman Lineworker
Joe Gahlon – Journeyman Lineworker
Austin Reinke – Journeyman Lineworker
Justin Lundblad – Apprentice Lineworker
Chris Falk – Facility/Staking Technician

GENERAL MANAGER'S CONTACT INFORMATION

Jeremy Huhnstock
Cell: 320-349-9901 | Direct: 320-563-1055
jhuhnstock@traverseelectric.com

MEMBER SERVICE REP/ MASTER ELECTRICIAN

Steve Powers 320-808-9104
Connor Bartz 320-287-0009
– Journeyman Electrician

ELECTRICAL INSPECTORS MINNESOTA

Brandon Lennox 320-808-5309
Big Stone County Grant County
Stevens County Traverse County
Rodney Schaffer 701-235-2840
Wilkin County

NORTH DAKOTA

Mark Moderow 701-226-3779
Richland County

SOUTH DAKOTA

Dan Urban 605-222-0143
Marshall County Roberts County

In case of a power outage, call
(800) 927-5443

1618 Broadway
P.O. Box 66
Wheaton, MN 56296 USA
Toll-free phone: (800) 927-5443
Local phone: (320) 563-8616

Hours of Operation

Monday through Friday, 7 a.m.–3 :30 p.m.

Web site: www.traverseelectric.com

This institution is an equal opportunity provider and employer.

Our Mission: To provide dependable service at the lowest possible rates, consistent with sound business principles.