



MOR-GRAN-SOU ELECTRIC COOPERATIVE INC.

CURRENT NEWS

Serving Morton, Grant and Sioux counties

A Touchstone Energy® Cooperative 

'Cooperative Enterprises Build a Better World'

The United Nations General Assembly has designated 2012 as International Year of Cooperatives. In this month's local pages, read about National Information Solutions Cooperative (NISC), a Mor-Gran-Sou business consumer, and learn about some products and services Mor-Gran-Sou uses which were developed by the information technology cooperative.



APRIL ISSUE:

- Celebrate the co-op business model
- Co-op participates at Home Show
- Attend your annual meeting
- Hurry, spring!
- Meeting minutes ... and more!

PHOTO COURTESY NISC



PHOTO BY CARMEN DEWNEY

Don Franklund, alliance co-manager of Innovative Energy Alliance, spoke at an NISC building dedication in June 2009. He said energy analysis is an important step in changing the way consumers view and use electricity. "Controlling our energy and being smarter in how we use it, this is the next generation. This is the future for North Dakota," he affirms.

CO-OPS BUILD A BETTER WORLD

Member spotlight: National Information Solutions Cooperative

All around the world, people are celebrating a business model that puts members first, uses innovation to continually improve, and provides local service while being part of a global network.

Cooperative enterprises build a better world – and co-ops are joining together to celebrate the International Year of Cooperatives in 2012, a designation given by the United Nations General Assembly.

The International Year of Cooperatives theme, "Cooperative Enterprises Build a Better World," resonates with co-ops in the electric, banking, food, retail, housing and marketing arenas.

"The cooperative movement balances both economic viability and social responsibility," remarked United Nations Deputy Secretary-General Dr. Asha-Rose Migiroy at the launch of the International Year of Cooperatives. "Cooperatives make enormous contributions not only to their members, but to their communities and societies. They help to reduce poverty and create jobs."

Not only does 2012 mark a global celebration of the cooperative business model, it also marks the 50th anniversary

of the National Rural Electric Cooperative Association's international programs.

Working together, more than 300 U.S. electric cooperatives have delivered the benefits of safe and reliable electric service to more than 100 million people in 40-plus countries since November 1962.

Building a better world takes experience, and no group has more experience in bringing low-cost power to remote areas than electric co-ops.

Mor-Gran-Sou introduces NISC CallCapture

This month, Mor-Gran-Sou Electric Cooperative is proud to highlight National Information Solutions Cooperative (NISC), a business consumer in Mandan. NISC is an information technology (IT) company that develops and supports software and hardware solutions for member-owners who are primarily utility cooperatives and telecommunications companies across the nation.



PHOTO COURTESY NISC

NISC staff including (from left to right) **Kari Reichert**, **Spencer Henke**, **Andrew Cooper**, **Esther Saylor**, **Christy Becker** and **Vern Dosch** accept the Bismarck-Mandan Young Professionals Network's Top 10 Young Professional Workplace Award. NISC has received the award every year since its inception in 2007.

Over the years, NISC has provided some necessary and innovative services to our co-op including:

- E-Bill, which allows our members to pay their bills online and access their account history;
- ABS (accounting and business solutions), which facilitates the financial aspects of our organization; and
- CIS (consumer information system), which handles the billing.

NISC CallCapture is another product that Mor-Gran-Sou will implement and introduce to the membership later this year. This many-faceted solution will allow Mor-Gran-Sou to offer options to you, the member-owners, including making payments over the telephone, hearing outstanding balances on electric bills, or providing a service-interruption report. Although this is an automated phone service, with the simple push of a button you will be able to reach an employee during office hours.

We will keep you updated on when NISC CallCapture will become available to you. For now, we want to reassure you that this does not replace the option of talking to a customer service representative here at the co-op. It's simply an additional option for members on the go!

NISC history

In 2008, NISC presented Mor-Gran-Sou with a "Visionary Award," to acknowledge our years as a dedicated member-owner. Just as NISC is a business consumer of Mor-Gran-Sou, Mor-Gran-Sou is a member-owner of NISC!

Mor-Gran-Sou was one of the original 13 electric cooperatives in North Dakota to help create NISC. NISC's predecessor organizations were formed by entities whose origins and success today are based on self-reliance. Cen-

tralizing the data processing services for rural electric and telecommunications companies was the result of a shared vision among industry leaders in the early 1960s. The goal was to help rural electric and telephone companies operate more efficiently and effectively by developing jointly owned IT support centers. The original plan was to create six regional centers, all providing the same software to the cooperatives. The regional structure and geographic proximity was to facilitate the most economical communications. This model was based on the premise that it was not economically feasible for each utility to invest a substantial sum of money in a mainframe computer, hire programmers and develop their own software.

For Central Area Data Processing (CADP), a 1967 feasibility study was completed advocating the development of a regional data processing company that was centrally located. Cooperatives from the 14 states that surround Missouri encouraged completion of the feasibility study. It was a founding principal that the company would be a not-for-profit cooperative with its services developed to be a "total management information center." CADP was incorporated in 1967. Its first 13 members joined in 1968; 12 of which are members of NISC today.

North Central Data Cooperative (NCDC) was incorporated in 1966. In 1964, the North Dakota Association of Telephone Cooperatives (NDATC) and North Dakota Association of Rural Electric Cooperatives (NDAREC) appointed a joint committee to study the feasibility of developing a data processing center. Proving feasible, in 1965, a committee was appointed to develop bylaws for the financing and operations of a statewide data processing center which would be a division of the NDAREC. The center was to serve telephone and electric utilities in North Dakota and cooperatives in Arizona, South Dakota, Wisconsin, Illinois, Montana, Oregon, Idaho, Nebraska and Wyoming. NCDC was

incorporated in 1968, becoming the largest data processing center in the United States. NCDC's initial three members joined in 1966 and they are also still members of NISC today.

NISC is the resulting organization created by the July 1, 2000 consolidation between CADP and NCDC. The March 2000 membership votes resulted in nearly 100 percent (386 out of 391 votes) approval of the consolidation.

There were three major reasons for the consolidation of CADP and NCDC: to bring greater economies of scale to the design, development, installation and support of the software applications; to create a national IT cooperative; and to leverage the experience and expertise of over 500 IT professionals working at the two organizations.

NISC today

NISC continues to provide quality services through unlimited phone support, online user documentation and knowledge bases, hands-on learning opportunities and site visits. More than five million consumers in 47 states, American Samoa and Canada receive utility or telecommunications services from companies utilizing NISC's advanced information technology systems.

NISC employs more than 900 individuals in Mandan, Lake Saint Louis, Mo., Shawano, Wis., and Cedar Rapids, Iowa.

Mor-Gran-Sou thanks NISC for contributing to this article.





NISC's most familiar product with the Mor-Gran-Sou membership is E-Bill. For members who have signed up for this voluntary service, E-Bill gives them access to their electronic billing history, which contains the current billing statement, billing history details, kilowatt usage, monthly comparisons and information including their newsletter.

Home Show draws steady crowd

Story and photos by Carmen Devney

The warm weather inspired parents to bring their kids to the annual Bismarck-Mandan Home Builders Association Home Show March 9 to 11 at the Bismarck Civic Center. Whether they were riding the segway at the Touchstone Energy® booth or climbing on tractors across the aisle, kids seemed to enjoy the show as much as their parents.

A steady crowd filtered by the Touchstone Energy booth. Manned by employees of Capital Electric Cooperative, McLean Electric Cooperative, Mor-Gran-Sou Electric Cooperative, Roughrider Electric Cooperative, Basin Electric Power Cooperative and the North Dakota Association of Rural Electric Cooperatives, the booth showcased electric heat products and services. Mark Kennedy, representative of GeoSystems, LLC, was also on-hand to answer questions about geothermal systems.

The Home Show gives the co-ops' member services employees the opportunity to answer questions about technology, and to meet members and strengthen relationships through the "power of the human connections."

Julie Armijo, Mor-Gran-Sou's member services clerk, was hired by the co-op in January. She says working the Home Show was a great way to meet some of Mor-Gran-Sou's members and give her an opportunity to talk to them about the energy efficiency of their homes.

"It was interesting for me to learn which electric heat products are popular in this area, and what folks are thinking about in terms of efficiency — both now, and in the future. Electric cooperatives will always strive to provide affordable and reliable electric service — but we want to partner with our members, and encourage them to find ways to make their homes more efficient as well," she says.



This young man is eager to do some serious farming.



Every farm hand needs a big hat, to hold the blustery North Dakota winds at bay.



Top: Jackie Miller, member services manager for Mor-Gran-Sou, offers a tasty treat. Left: Michael Riedman, electric technologies coordinator for Basin Electric Power Cooperative, helps this little lady balance on the segway.

Save the date!

WHAT: Mor-Gran-Sou Electric Cooperative's annual meeting

WHEN: Friday, July 20

WHERE: Prairie Knights Casino and Resort, Fort Yates

WHY: To learn about co-op issues; to cast your vote and elect three members to serve on the board of directors; and eat a hearty meal.



You have a voice in your cooperative

Cooperatives are owned and controlled by those they serve. Each person has a voice and a vote in the co-op's activities. The cooperative way of doing business is a true example of grass-roots involvement and democracy in action.

You vote for the directors who represent you on the cooperative's board of directors. You also cast a ballot for any bylaw amendments proposed by the cooperative's board of directors.

The power of the people is exemplified in the seven

principles that guide all types of cooperatives. One of those principles addresses voting rights, and states:

“Democratic member control: Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. The elected representatives are accountable to the membership. In primary cooperatives, members have equal voting rights (one member, one vote).”

So, be an active member of your cooperative. Attend your annual meeting. *It's the cooperative way.*

Hurry, spring!

Thanks to the mild weather over the winter and the downright warm temperatures in March, most people have spring fever.

Kennedi Michlitsch, daughter of Mor-Gran-Sou Electric Cooperative members Lindi and Tony Michlitsch, Mandan, is ready to shed her thick hat and jacket for a sun hat and swim suit.

Kennedi received the relic hat from her mom, who wore the cap as a child. Lindi's parents, Gene and Carleen Ensign, Scranton, are members of Slope Electric Cooperative, New England. The hat was given to Lindi's grandfather at a co-op annual meeting.

“I always remember the hat being in the closet, and my brothers and I would fight over who could wear it since it was so warm,” Lindi shares.

Kennedi must think the hat is warm, too. Lindi tells us her daughter is a fearless, outgoing little girl who loves to spend time outdoors.

“When this picture was taken, we had just gotten back from pheasant hunting and Kennedi wanted to hold the birds. When getting her jacket on to go outside, she saw that yellow hat and insisted on wearing it, even though it was way too big,” Lindi concludes.

Thanks, Lindi, for sharing your photo and memories.



Kennedi Michlitsch grabbed her mom's old REC cap so she could dress warm, go outside and hold a pheasant.

How to buy an **ENERGY-EFFICIENT APPLIANCE**

You go shopping for a new refrigerator, and you're on a budget. The best buy is the fridge with the lowest sales price, right?

Not necessarily. If you buy the lowest-priced refrigerator, you may actually spend more than if you buy a more expensive one. The reason? The cost of owning a home appliance has three components: the initial purchase price, the cost of repairs and maintenance, and the cost to operate it.

To estimate how much you'll spend over the lifetime of the appliance, you have to look at all these factors. The appliance with the lowest initial purchase price, or even the one with the best repair record, isn't necessarily the one that costs the least to operate. Here's an example of how an appliance's energy consumption can affect your out-of-pocket costs.

Suppose you're in the market for a new refrigerator-freezer. Different models of refrigerators with the same capacity can vary dramatically in the amount of electricity they use. A \$20 difference in annual operating costs might not sound like much. But remember, you will pocket these savings year after year for the life of the appliance. As a result, you may actually save money by buying the more expensive, more energy-efficient model.

You can learn about the energy efficiency of an appliance by reading the yellow-and-black EnergyGuide label. The Federal Trade Commission requires appliance manufacturers to put these labels on:

- Refrigerators, freezers, dishwashers, clothes washers
- Water heaters, furnaces, boilers
- Central air conditioners, room air conditioners, heat pumps
- Pool heaters



Look for the EnergyGuide label on your next appliance purchase to make sure you are getting the most energy-efficient model.

When you shop, you should find the labels hanging on the inside of an appliance or secured to the outside.

The law requires that labels specify:

- The capacity of the particular model
- For refrigerators, freezers, dishwashers, clothes washers and water heaters, the estimated annual energy consumption of the model
- For air conditioners, heat pumps, furnaces, boilers and pool heaters, the energy efficiency rating

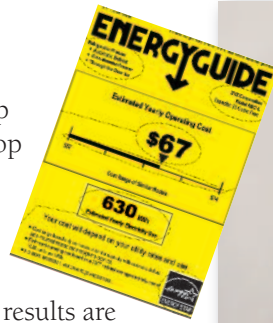
- The range of estimated annual energy consumption, or energy efficiency ratings, of comparable appliances

Some appliances also may feature the Energy Star logo, which means that the appliance is significantly more energy efficient than the average comparable model. To compare how updating appliances and making other changes around your home can impact your electric bill, visit www.TogetherWeSave.com.

Look for the EnergyGuide label

If you've shopped for appliances, you've seen the bright yellow EnergyGuide label. The EnergyGuide label can help you compare the energy use of different models as you shop for an appliance. So, where do you begin?

All major home appliances must meet standards set by the U.S. Department of Energy (DOE). Manufacturers must use standard test procedures developed by DOE to prove the energy use and efficiency of their products. Test results are printed on the yellow EnergyGuide label, which manufacturers are required to display on many appliances. This label estimates how much energy the appliance uses, compares energy use of similar products, and lists approximate annual operating costs.



When shopping for a new appliance, look for the EnergyGuide label.

Q. Do all appliances have EnergyGuide labels?

A. These do: clothes washers, dishwashers, refrigerators, freezers, water heaters, window air conditioners, central air conditioners, furnaces, boilers, heat pumps and pool heaters. These don't: ranges, ovens, clothes dryers, humidifiers and dehumidifiers.

Q. Is it safe to assume the estimated operating cost is close to what I'll actually pay each year?

A. No, it really is just an estimate. The cost on the label is based on a national average price for electricity, while your rate depends on where you live. And how much electricity the appliance uses depends on how you use the appliance.

Q. What if there's no EnergyGuide label on an appliance?

A. Check to see if it's hanging inside. If a label is missing and the retailer can't help you, visit the manufacturer's Web site.

Q. Are all EnergyGuide labels the same?

A. No, EnergyGuide labels are a bit different for some appliances. For example, furnace labels don't have operating costs, and dishwasher labels have two costs – one for consumers who use an electric water heater, and one for those who use a natural gas water heater. Still, all EnergyGuide labels give you a way to compare the energy use of similar appliances.

FINDING THE VALUE OF ELECTRICITY



Nowadays, cell phones and personal digital devices are a part of our culture.

Everyone, it seems, is connected – whether they're just making phone calls, text messaging or checking e-mail. Such communication freedom is a luxury we pay for, generally without grumbling.

Electricity, on the other hand, is a necessity in our modern world. Yet many of us grumble and complain when the electric bill comes every month. We expect electricity to be there at the flip of the switch, and when it's not, we get angry or frustrated.

When compared to other commodities, electricity remains a great value.

For example, over the past 10 years, gasoline has shot up 10.9 percent on average every single year, according to the U.S. Bureau of Labor Statistics. A loaf of white bread has increased 4.2 percent annually, and a dozen

eggs 6.5 percent per year.

In comparison, electricity has increased just 3.7 percent a year nationally for the past decade. When you consider how reliable electricity is, the value goes up even more.

And those cell phones? Nearly a third of all U.S. households have four electronic devices, such as cell phones, plugged in and charging, according to the Residential Energy Consumption Survey by the U.S. Energy Information Administration.

In the past 30 years, the amount of residential electricity used by appliances and electronics has increased from 17 percent to 31 percent. More homes than ever use major appliances and central air conditioning. Digital video recorders, computers and multiple televisions have become ever-present.

Clearly, our appetite for electricity shows no signs of slowing down. So the next time you flip a switch, use your toaster, or run your washing machine, remember the value electricity holds. And know that Mor-Gran-Sou Electric Cooperative is looking out for you by working together to keep electric bills affordable, controlling costs through innovation, and putting you, our members, first.

MOR-GRAN-SOU ELECTRIC COOPERATIVE

board meeting highlights



Meeting date: Feb. 29

- Approved the Jan. 20 Board meeting minutes
- Approved the Feb. 7 special Board meeting minutes
- Approved one special equipment and one work order inventory
- Approved retirement applications for capital credits to estates and those age 80 and over
- Approved material inventory adjustment
- Approved bad debt write-off
- Heard update on 3C Construction, LLC
- Heard update on IEA, LLC (Alliance)
- Heard update on refinancing of loan debt
- Approved and completed documentation for loan refinance with CFC
- Approved support of Statewide and the Keep It Local North Dakota Coalition
- Elected a Mor-Gran-Sou representative as a Statewide director, and two alternates
- Appointed voting delegates and alternates for upcoming Statewide meeting
- Approved resolution for the Discovery Benefits Cafeteria Plan
- Heard report from second 2012 Nominating Committee meeting
- Heard department updates
- Heard reports on meetings attended

Upcoming regular board meeting dates:

April 25 in Mandan in the NDAREC Board Room at 9 a.m. CT

May 30 in Mandan in the NDAREC Board Room at 9 a.m. CT

Members are welcome to attend the board meetings at any time. Please contact Mor-Gran-Sou at cternes@morgransou.com; or call 1-800-750-8212 or 597-3301, to confirm the meeting date and location if you wish to attend.

To place an item on the agenda, please contact Board Chairman Dave Archambault II or Alliance Co-Manager Donald Franklund at least one week in advance. Members may obtain a copy of approved board minutes by completing and returning the "Request for Information or Data" form.



Is your standby generator STANDING BY?

If your standby electricity generator has been in storage since last winter, now is the time to make sure it is still operating properly—before an outage occurs.

Test your generator now to make sure it's working; then operate it at intervals throughout the year.

The fuel should be fresh, battery charged, electrical connections good, filters clean and cooling system well-maintained. Always follow the manufacturer's instructions on engine maintenance.



ALWAYS
CALL
BEFORE YOU
DIG

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Vice Chairman.....Leland "Judge" Barth
Secretary-TreasurerPam Geiger
DirectorsMark Doll, Joe Dunn,
Vernard Frederick, Robert Gaebe,
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Alliance Co-Mgr.Clayton O. Hoffman
Mgr. of Admin. Serv.....Cindy G. Ternes
Mgr. of Member Serv.....Jackie Miller
Mgr. of Operations.....Randy Ressler
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Alliance Chief Info. OfficerCharlie Dunbar
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