FEATURES US

Member Newsletter ♦ Fergus Electric Cooperative, Inc., Lewistown, MT ♦ www.ferguselectric.coop

86TH ANNUAL MEETING RECAP



Fergus Electric's 86th Annual Meeting of the Members attracted more than 400 attendees. | FERGUS ELECTRIC PHOTO





From Carson Sweeney

THANK you to everyone who attended our 86th annual meeting of the membership. We could not have asked for a nicer day. Outdoors, it was sunny and beautiful, and inside the Trade Center the tables looked great, decorated with potted flowers and balloons.

The Montana Cattlewomen served an exceptional lunch to more than 400 attendees, which is about 100 more attendees than in recent years.

Each year we look forward to having the opportunity to spend a portion of an

afternoon with you. Our annual meetings are a time when we can meet face-toface with our members, visit, listen to your concerns and answer any questions you may have. We thank you for taking time out of your busy lives to attend. It is your attendance and participation that makes the annual meeting a success.

Service Awards

During the annual meeting we had the privilege of giving out service awards to Terry Frost, vice president, 15 years; Ryan d'Autremont, serviceman, 25 years; Tyson Ruff, foreman, 20 years; and three employees who each received service awards for five years: Scott Olson, staking engineer; and linemen Danyon Rice and Brock Pyrah. I thank them for their years of service. They are all hardworking, and I appreciate having each one of them on our team.

Projects update

In my report to the membership, I covered cooperative business matters

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Fergus Electric's 86th

annual meeting was

a beautiful success

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Fergus Electric Cooperative General Manager Carson Sweeney speaks in front of the members at the Annual Meeting. | FERGUS ELECTRIC PHOTO

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and provided updates on several of our large projects that we have completed, or are in the process of completing.

We have officially moved into our new building in Roundup and our team is enjoying the new facility. Contractors finished the new transmission line to Winifred in early June. For those members who were unable to attend, I provided a review of the work completed in 2023, which included the installation of 133 new services, 46 of which were in the Roundup area. In 2023, we also added 349 new poles, and retired 382 old poles.

Our team replaced 3,800 feet of vintage primary underground cable, and constructed 31 miles of new powerlines. Using drones for our aerial line inspection program we patrolled 683 miles of overhead powerlines, fixed 519 maintenance items, and completed 153 tree trimming tickets.

Our engineering team is working on plans to replace aged infrastructure



Fergus Electric Cooperative Foreman Tyson Ruff, his daughter Scottie Ann and their friend, Cassie Yaeger. | FERGUS ELECTRIC PHOTO

while also preparing for increases in electrical loads from new member growth. With that in mind our operations team tested 7,282 wood poles in 2023, as part of our 10-year pole-testing cycle.

The information gleaned from our pole-testing program helps our engineers develop a plan for an efficient and effective means of replacing poles. Our long-term strategic plan includes consistent maintenance and increased investment in the replacement of our existing infrastructure. Over the next several years we are expecting to increase our pole change-outs by several hundred wood poles each year.

Rate structure change

I also provided a thorough review of our recent rate structure change, which included a monthly breakdown of revenue year to date. For the first five months of the year, we have billed our members \$15,548 less using the new rate structure as compared to the previous rates, for a total difference of negative 0.29 percent. As communicated to the membership previously,

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the rate structure change is revenue neutral as intended.

Costs in every aspect of our business and our lives have increased significantly in the last several years. Our costs for transformers, wood poles, conductor, vehicles, garbage service, property taxes and lawn care has increased dramatically. We are not currently planning for a rate increase, but inevitably sometime down the road, a rate increase will be required.

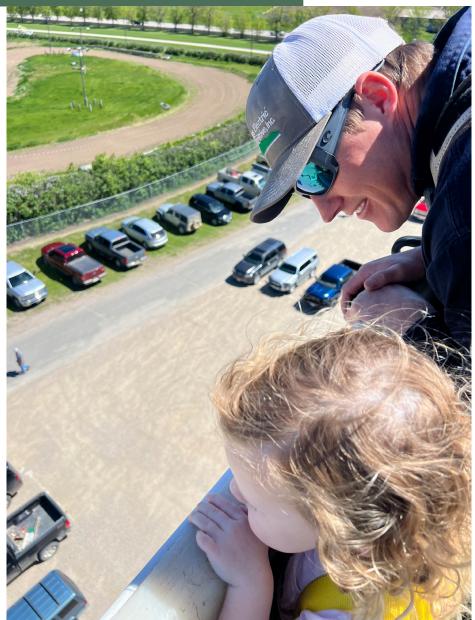
Future costs

I am nervous that future electric costs will increase based on ill-informed political whims after our industry is forced to spend hundreds of billions of dollars to transition to generation assets that are not as flexible or dependable as our existing fleet of dispatchable baseload generation. We are committed to providing proactive and transparent communication to the membership, and hope that when the time comes our members will support small regular increases as compared to larger and more abrupt rate changes.

Scholarships

Thirty-three students in attendance at our annual meeting each received a \$1,000 scholarship. This is always a favorite part of the annual meeting, when we hear their plans and goals for their futures. To be eligible to win, a student must have a home address in a residence served by Fergus Electric, or be the child of a current Fergus Electric member. In addition to the 33 "Luck of the Draw" scholarships, we acknowledged the recipient of the \$1,000 scholarship offered by our power supplier, Basin Electric Power Cooperative, and the recipient of Fergus Electric's \$6,000 lineman scholarship. Scholarships are funded by unclaimed capital credits, and by the personal representative of the Charlie Guinn/Susan Knedler estate, who generously donated their

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ABOVE: Fergus Electric Lineman Darek Dygert and his daughter Sadie look out of the bucket at the annual meeting. | **PHOTO COURTESY OF MELISSA DYGERT. BELOW:** Darek, Sadie and his wife Melissa. | **FERGUS ELECTRIC PHOTO**





Montana Electric Cooperatives' Association Director of Government Relations Mark Lambrecht addresses the members at the annual meeting. **| FERGUS ELECTRIC PHOTO**

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capital credits to be used to fund scholarships.

Trustee election

During member registration, members were handed ballots for the election by a member of the Election and Credentials Committee. Prior to members casting their vote, I explained the proposed bylaw changes included in the Fergus Features section of the June 2024 Rural Montana magazine, and allowed time for questions. We were pleased that the members voted in favor of amending Section 3.1 of article III of the bylaws as reflected in the proposed amendment to the bylaws, and Section 4.15 of article IV of the bylaws as reflected in the proposed amendment to the bylaws.

Bryan Gatz, Election and Credentials Committee chair announced the Board of Directors election results. The membership re-elected incumbent Brad Arntzen, district 3; incumbent Terry Frost, district 5; and incumbent Bob Evans, district 7. Directors are elected for three-year terms.

MECA

I want to thank Mark Lambrecht, director of government relations with the Montana Electric Cooperatives' Association (MECA), for updating the membership on industry-related happenings in Montana, and across the nation. If you are interested, I hope you had an opportunity to meet with Mark and join the grassroots team to stay up to date on issues that impact Montana's electric cooperatives.

Thank you

Thank you again and, as always, if you were unable to attend the annual meeting and would like more information on all the projects we have been working on, please contact me at our office. I hope you enjoy your summer.



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WIN A \$32.50 CREDIT

If one of the following account numbers is yours, call Fergus Electric (406-538-3465) and identify yourself and your account number and you will receive a \$32.50 credit on next month's statement.

Account 13510, Account 13531 Account 31200, Account 55701 Account 60000, Account 82810

No winner to report for last month.

*NUMBERS ARE DRAWN MONTHLY



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 First: Check the fuses or breakers in the building in which the electricity is off.

 Second: Check the breaker below the meter.

 Third: If electricity is still out, call a neighbor to see if they have electricity.

 Fourth: Call 406-538-3465 day or night or:

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 Bret Ophus
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 Bret Nellermoe (Roundup)
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 Melanie Foran
 406-462-6650

 Scott Olson
 406-366-3822

 Dan Balster
 406-366-0975

FERGUS ELECTRIC COOPERATIVE, INC.

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| Carson Sweeney | General Manager |
|--------------------|----------------------|
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| Sally Horacek | Office Manager |
| Janine Rife Didier | Editor |
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| provider a | nd employer. |

BOARD OF DIRECTORS

| District 1: | Paul Descheemaeker, |
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| Diotriot II | President, Lewistown, 428-2417 |
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| | 538-9002 |
| District 3: | Brad Arntzen, Hilger, 462-5555 |
| District 4: | Cathy Kombol, Roundup, |
| | 428-2202 |
| District 5: | Terry Frost, Vice President, |
| | Roundup, 323-3415 |
| District 6: | Jason Swanz, Sec./Treas., |
| | Judith Gap, 473-2462 |
| District 7: | Bob Evans, Ir., Gevser, 735-4476 |

Fergus Features is an award-winning newsletter.