



# 2023

# ANNUAL REPORT

## BOARD

- |   |  |
|---|--|
| <b>Ken Hedberg</b><br>Marquette, President    | <b>David Butler</b><br>Junction City, Director |
| <b>David Mueller</b><br>Tampa, Vice President | <b>James Christopher</b><br>Falun, Director    |
| <b>Sheila Hummel</b><br>Hope, Secretary       | <b>Mike Richards</b><br>Solomon, Director      |
| <b>Dean Allison</b><br>Delphos, Director      | <b>Bruce Spare</b><br>Assaria, Director        |
| <b>Kenneth Berry</b><br>Minneapolis, Director |  |

## STAFF

- Timothy J. Power** – CEO  
**Tracy Turner** – Operations Manager  
**Marla Marshall** – CFO  
**Derrick Rutherford** – Communications Manager

## OFFICE HOURS

8 a.m.-4:30 p.m., Monday-Friday



## PAYMENT LOCATIONS

- CENTRAL NATIONAL BANK IN WALMART SUPERCENTER**  
521 E. Chestnut St., Junction City, KS 66441  
**FARMERS STATE BANK**  
447 Harrison, Lindsborg, KS 67456

## OUTAGE INFORMATION

**IN CASE OF AN OUTAGE, CALL 800-376-3533.** After-hours calls will be answered by dispatch and forwarded to standby personnel.

## FIND OUT MORE

-  facebook.com/DSOElectricCooperative  
 @DSOElectricCoop

## BOARD PRESIDENT'S AND CEO'S REPORT

# Highlights From 2023

A recap of the noteworthy events at DSO in 2023

### DSO ADDED A THIRD SOLAR GENERATOR

In May 2023, DSO's third solar generator began operation, just south of Solomon. Like the other solar units in Junction City and near Lindsborg, the Solomon generator operates at 1 megawatt. All three solar generators are owned and operated by Today's Power (located in Arkansas) and DSO purchases all power generated by the units.

These generators are a big plus for DSO and its members, as the electricity from the units is cheaper than what DSO can get from its normal power supplier. In addition, the solar units provide



**Ken Hedberg**  
Board President



**Tim Power**  
CEO

power during peak demand summer times, which provides significant savings.

### REMEMBERING DANE CLARK

DSO sadly lost Director **DANE CLARK** who passed away in June 2023. Clark had served on the DSO Board of Directors for 10 years. Per DSO bylaws, his position on the board was left vacant for the remainder of the year.

*Continued on page 12C* ▶

In May 2023, DSO's third one-megawatt solar generator began operation just south of Solomon.



# Financial Report

All in all, 2023 was a solid financial year for DSO. The annual kilowatt-hour (kWh) sales for 2023 totaled 135 million, which was 3.1 million less than in 2022. Fewer kWh sales led to a drop in revenue. Revenue was \$1.6 million less than in 2023.

Decreased sales also led to a decreased cost of power. Cost of power for 2023 was \$1.3 million less than in 2022. The wholesale power cost is DSO's single largest expense. In 2023, it accounted for 52% of all of DSO's expenses.

Administrative and general expenses increased slightly in 2023, but other areas, such as depreciation, interest expense and operations and maintenance, stayed the same.

DSO had an operating margin of \$1.2 million and a total margin of \$1.75 million in 2023. Total margin includes equity allocations from organizations DSO is associated with, shown here as generation and transmission (G&T) and other capital credits.

DSO finished the year with \$74 million in assets and \$49 million in liabilities, which left \$25 million in equity.

Service availability was very high; it came in at just under 100%. DSO cannot guarantee that there will never be interruptions in power — no one can — but our crews work diligently to maintain the lines to minimize those outages.

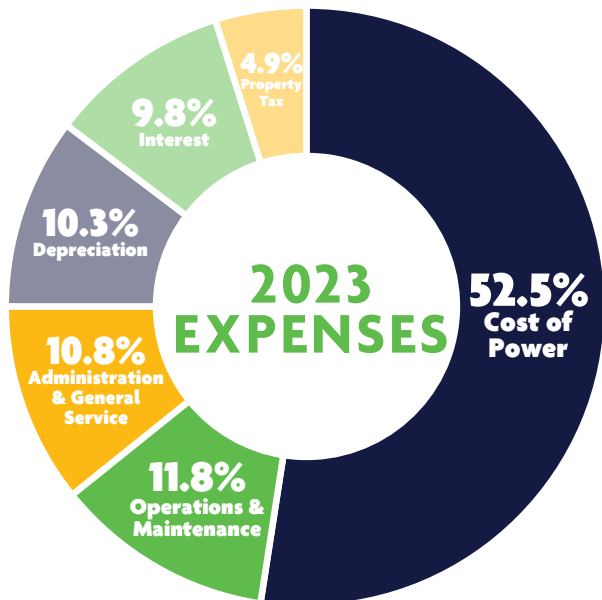
In December 2023, DSO retired over \$267,000 in capital credits. This money was refunded to members as bill credits or checks. Including estate and early retirements, DSO retired over \$300,000 in capital credits in 2023.

The DSO Board of Directors selected auditor Kelso and Lynch for the 2023 annual audit. The auditor gave DSO a clean report for the year.

If you have questions, please contact the DSO office at 800-376-3533.

BALANCE SHEET	
<b>WHAT WE OWN</b>	
Total Fixed Assets	\$58,100,000
Total Current Assets & Other Assets	\$15,900,000
<b>Total Assets</b>	<b>\$74,000,000</b>
<b>WHAT WE OWE</b>	
Total Liabilities	\$49,200,000
<b>OUR NET WORTH</b>	
Memberships & Equity	\$24,800,000
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$74,000,000</b>

OPERATING STATEMENT (ROUNDED)		
	2022	2023
<b>ELECTRIC REVENUE</b>	<b>\$23,200,000</b>	<b>\$21,600,000</b>
Cost of Power	\$12,000,000	\$10,700,000
Operations & Maintenance	\$2,400,000	\$2,400,000
Administration & General Service	\$2,100,000	\$2,200,000
Depreciation	\$2,100,000	\$2,100,000
Interest	\$2,000,000	\$2,000,000
Property Tax	\$1,000,000	\$1,000,000
<b>TOTAL EXPENSES</b>	<b>\$21,600,000</b>	<b>\$20,400,000</b>



Operating Margins	\$1,588,000	\$1,222,000
Non-Operating Margins	\$103,000	\$173,000
G&T Capital Credits	\$100,000	\$164,000
Other Capital Credits	\$197,000	\$191,000
Extraordinary Items	\$114,000	\$0
<b>TOTAL MARGINS</b>	<b>\$2,102,000</b>	<b>\$1,750,000</b>

SERVICE STATISTICS		
	2022	2023
Annual kWh Sales	138.1 million	135.0 million
Average Monthly kWh per Meter	1,365	1,328
Service Availability	99.94%	99.93%

# 2024 BOARD ELECTION RESULTS

All directors below are deemed elected, as there were no other members seeking the positions. Director nominees are NOT listed on the ballot per **BYLAWS SECTION 3.05 VOTING** — If the number of qualified candidates nominated by petition for election as a director in each district or at large is less than or equal to the number of vacancies in each district or at-large, then the election of directors shall automatically be dispensed with and the nominees shall be deemed elected.



**DAVID BUTLER**  
EAST DISTRICT



**RANDY COOPER**  
CENTRAL DISTRICT



**KEN HEDBERG**  
WEST DISTRICT

## Highlights From 2023 Continued from page 12A ▶

### **COST-OF-SERVICE STUDY UNDERWAY**

Approximately every five years, DSO engages a consultant to complete a cost-of-service study. This electric industry study calculates the costs for DSO to serve its members. The study usually takes about six months to complete and began in 2023.

The study looks at data to ensure all costs are accounted for. The study first determines if DSO is bringing in enough revenue to cover its costs and provide adequate margin to operate. Then the study allocates the costs to the various rate classes to determine if each rate class is bringing in enough revenue to cover the costs to serve that rate class. Finally, if there is a need to adjust rates,

the consultant will help with those adjustments. Results of the cost-of-service study were received in early 2024.

### **BYLAWS CHANGES**

In August, DSO's Board of Directors approved changing the bylaws to eliminate the at-large director position, as well as some other minor changes. The bylaws changes, along with a voting ballot, were printed in the November *Kansas Country Living*.

In November, the results of the member vote were tallied and the bylaws changes were approved. Beginning in April 2024, the at-large position will no longer exist. We want to thank all those members who voted. It was greatly appreciated!

**TO MEMBERS OF  
DSO ELECTRIC  
COOPERATIVE, INC.**

## **NOTICE OF BOARD MEETING**

The board of directors of DSO Electric Cooperative, Inc. (DSO) will meet on **APRIL 22, 2024, AT 5:30 P.M.** at the cooperative's office at 201 Dakota Drive in Solomon to discuss and vote upon revisions to several rates. You can find the proposed rates on DSO's website at [www.dsoelectric.com](http://www.dsoelectric.com).

This meeting is open to members. If you plan to attend, please contact the DSO office during business hours at 800-376-3533.

K.S.A. 66-104d(g) provides that members may petition the Kansas Corporation Commission (KCC) to review any rate change. DSO's rates are the responsibility of its board of directors, and DSO is not rate-regulated by the KCC.

## **ENERGY EFFICIENCY Tip of the Month**

A well-designed landscape can add beauty to your home and reduce home heating and cooling costs. Plant deciduous trees with high, spreading crowns to the south of your home to block sunlight in the summer and reduce the need for air conditioning. Deciduous trees lose their leaves in the winter, allowing sunlight to warm your home. Plant evergreen trees and shrubs to block winter winds. Dense evergreen trees and shrubs planted to the north and northwest are the most common type of windbreak and can help lower energy used for home heating. **SOURCE: ENERGY.GOV**



# 2024 Scholarship Recipients

DSO Electric Cooperative offers scholarships to its members or their dependents pursuing higher education in Kansas. At least one scholarship is awarded in each of our three voting districts, one to a current college student and one for a student entering or continuing education at a lineman or vocational school. This year, DSO is proud to award 10 individuals with \$1,000 scholarships. Below are this year's winners by the district they represent.

## CENTRAL DISTRICT



Spencer Coup

### SPENCER COUP

Spencer Coup is a senior at Solomon High School. He is the son of Justin and Kelly Coup. Spencer participates in golf, football, basketball and Future Business Leaders of America. He is a member of the Gorilla Honor Society, CEO Dickinson County, Solomon 4-H and Uncommon Leader Program. He has received the Solomon Citizenship Award. Spencer will study business at Kansas State University.



Shelby Lynn Davidson

### SHELBY LYNN DAVIDSON

Shelby Lynn Davidson is a senior at Minneapolis High School and the daughter of Lyle and Amanda Davidson. Shelby participates in volleyball, softball, drama club, book club, chess club, piano and choir, student council and National Honors Society. She is in Girls Group, FCA, dance team and Delphos Community Youth Group. After graduating, Shelby plans to study business administration or marketing at Kansas Wesleyan University. She wants to run her own business.



Alexa Jo Harlow

### ALEXA JO HARLOW

Alexa Jo Harlow is the daughter of Edie Ritter-Olson and wife of Collin Harlow. Alexa graduated from Solomon High School in 2015 and Fort Hays State University in 2019 — cum laude. Her experience includes training through the Kansas Naloxone Program, Kansas Society of Radiologic Technologists vice president, and American Society of Radiologic Technologists Student Leadership. She was a Presidential Scholar, Kansas Governors Scholar, and Board of Regents Scholar. She knows two languages and is a business owner of Wildest Dreams Weddings and Events LLC. She works for Salina Regional Health Center, Salina Surgical Hospital, and CrossMed Healthcare. She is a Solomon Pride Foundation representative and local organizer of the meal train. Alexa plans to get her master of physician associate at Wichita State University. She would like to open a clinic in Solomon.



Kolby Phipps

### KOLBY PHIPPS

Kolby Phipps is a senior at Minneapolis High School. He is the son of Waco and Amber Phipps. Kolby participates in band, football, baseball and FFA. He is a member of the National Honor Society and 4-H Solomon Valley and completed several community projects with both. He is a member in the Kansas Junior Charolais and Kansas Junior Simmental Groups. Kolby will study biochemistry at Tabor college. He plans to become a physician and serve his community.



Adam Snowball

### ADAM SNOWBALL

Adam Snowball is a senior at Abilene High School. He is the son of Les and Michele Snowball. Adam participates in National Honor Society, German Honor Society, trapshooting, track, band, football, 4-H Holland Sunflowers, and FFA. Adam plans to study John Deere diesel technology and business at Southeast Community College in Beatrice, Nebraska. He plans to be a proficient technician at Prairie Land Partners.

## EAST DISTRICT



Karley Kramer

### KARLEY KRAMER

Karley Kramer is a senior at Junction City High School and the daughter of Kelly Kramer. Karley is active in swim team and cheerleading. She gained her CNA at 16 and has been working on her college credits. She donates her birthday gifts to Ronald McDonald House, the dog shelter and the food pantry. She volunteers for Wheels of Hope, Meals on Wheels, Magdalene Project and Breaking Bread. Karley plans to study medicine/human biology at University of Kansas. She plans to concentrate on women's health.



Carson Harrison Woodworth

### CARSON HARRISON WOODWORTH

Carson Harrison Woodworth is a senior at Abilene High School. He is the son of Jason and Brooke Woodworth. He participates in honor band, jazz band, cross country and track. He is also a member of the National Honor Society, 4-H Willowdale, student council, scholars bowl and church youth group. After graduating, he plans to attend Wichita State University to pursue a degree in aerospace engineering.

## WEST DISTRICT



Carson Fouard

### CARSON FOUARD

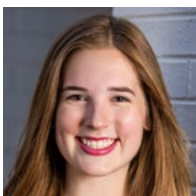
Carson Fouard, a senior at Ell-Saline High School, is the son of John Fouard and Amber Fouard. Carson participates in cross country, basketball, track, STUCO, Scholars Bowl, FFA and Business Professionals of America. He is a member of 4-H, Kansas State Youth Council, and Big Brother/Big Sisters of Salina. He was VYPE Magazine Runner of the Year. Carson plans to attend Butler College to study education. He plans to become a physical education teacher.



Mackenzie Heline

### MACKENZIE HELINE

Mackenzie Heline is a senior at Smoky Valley High School. She is the daughter of Erica and Greg Heline. Mackenzie participates in the National Honor Society, cross country, swim team and tennis. She volunteers in Kay Club, Pep Club, Swedish Folk Dancers and Viking Mentors. She also volunteers for Little Kingdom Preschool, Lindsborg Easter Egg Hunt, Winter Wonderland Dance, Tony's Pizza Event Center, SVHS Service Day and many more. She plans to attend the University of Kansas and major in medical imaging. She plans to be a physician's assistant.



Adia Peck

### ADIA PECK

Adia Peck is a senior at Salina Central High School and the daughter of Michelle and Aaron Peck. Adia participates in National Honor Society, student council, French club and the environment club. She is a Link Leader, active in FFA and volunteers to give back to her community. She works at The Garage, Long McArthur, and Bel Tree Farm. Adia will attend the University of Kansas and major in business management.

## 2024 Youth Tour Winner – Mackenzie Bradberry

Every year DSO awards a "once in a lifetime" trip to a high school juniors whose parents are members of the cooperative. This trip to Washington, D.C., takes place in mid-June. Electric cooperatives across the country select students for this trip and these students (roughly 1,800) get to experience a trip unlike any other. They visit Old Town Alexandria, attend a theater performance, tour the Holocaust Memorial Museum, Arlington National Cemetery, Tomb of the Unknown Soldier, and the Smithsonian Museum. They also have meetings with legislators and their staff on Capitol Hill.

This year, DSO selected **MACKENZIE BRADBERRY**, daughter of Johnathon Kemp and Tamera Newman. She attends Manhattan Virtual Academy USD 383. Congratulations Mackenzie!



# Energy Demand



Tim Power  
CEO

Last month, we discussed the difference between energy demand and energy consumption. This month, we want to provide a bit more information on energy demand.

The DSO Board of Directors plans to make a few changes to electric rates. More information regarding the rate changes can be found at [www.dsoelectric.com](http://www.dsoelectric.com). One change will be the addition of a demand charge to the residential and general service rates.

Over the past few years, DSO has included a demand line item on its residential bills, showing the highest demand in kilowatts (kW) for the month. Now, there will be a charge attached to that demand number, which will generate a demand cost. As of this writing, the demand charge will be \$1/kW for residential accounts and \$1.25/kW for general service accounts.

To keep your demand costs as low as possible, DSO encourages members to avoid using multiple appliances or electric items at any one time. For example, try not to run your electric dryer, dishwasher and air conditioner at the same time. These three items could add 7-10 kW to your

**We just ask that members be aware that the more items you use at the same time can lead to higher demand costs on your electric bill.**

demand, which would add \$7-\$10 to your monthly electric bill.

We understand, of course, that you can't completely avoid using electricity, so there will always be some demand. We just ask that members be aware that the more items you use at the same time can lead to higher demand costs on your electric bill.

While these demand costs will represent less than 10% of your average electric bill, they do make up about 50% of what DSO pays its power supplier. This is why DSO asks members to reduce power usage during specific times to avoid what we call the "Red Zone."



**ENERGY DEMAND** is the speed at which you use electricity measured in kilowatts (kW). Similar to how the speedometer in your vehicle measures how fast you are traveling, the electric meter measures how fast you are using electricity.

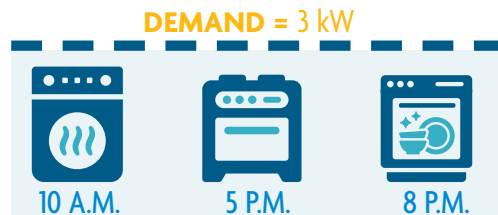
**ENERGY CONSUMPTION** is the amount of electricity you use during a billing period measured in kilowatt-hours (kWh). Just like your vehicle odometer keeps track of every mile traveled, your electric meter tracks every kWh consumed.

## WHEN IN DOUBT, SMOOTH IT OUT

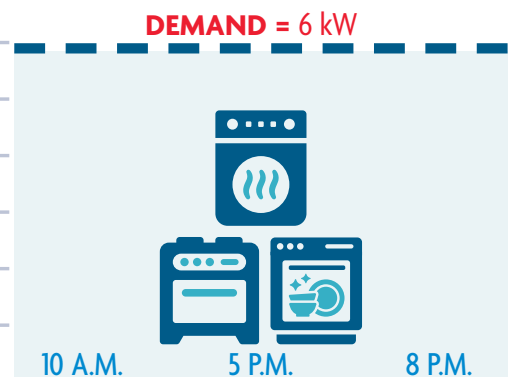
**AVOID MULTITASKING:** using multiple appliances at the same time will increase your demand usage and thereby increase any potential demand charges on your monthly bill.



**DO**  
SMOOTH IT OUT



**DON'T**  
STACK IT UP



# Thank a Lineworker on Lineworker Appreciation Day

Electric lineworkers provide an essential service: They install and maintain overhead and underground power lines that keep electricity flowing. These specialized workers are on call 24/7 in case severe storms or other circumstances cause power outages.

Lineworkers work with high-voltage electricity, often at great heights, in all kinds of weather conditions. Maintaining the power grid is physically demanding. To become proficient, most lineworkers complete a technical training program and first learn on the job as apprentices under the careful eye of seasoned lineworkers who have earned journeyman status.

Electric power line installers and repairers held approximately 122,400 jobs in 2022, according to the U.S. Bureau of Labor Statistics (BLS). Nearly half of these employees worked for electric power generation, transmission and distribution utilities.

## SAFETY COMES FIRST

Lineworkers spend numerous hours in safety training each year and must understand and apply crucial safety regulations.

Protective clothing is required to shield lineworkers since they work around high voltages. Collectively, gear components can weigh up to 45 pounds. According to the U.S. BLS, electric power lineworkers typically:

- ▶ Install, maintain or repair the power lines that move electricity.
- ▶ Identify defective devices, voltage regulators, transformers and switches.
- ▶ Inspect and test power lines and auxiliary equipment.
- ▶ Install power lines between poles, towers and buildings.
- ▶ Climb poles and transmission towers and use truck-mounted buckets to access equipment.
- ▶ Operate power equipment when installing and repairing poles, towers and lines.
- ▶ Know and implement safety standards and procedures.

When a problem is reported, lineworkers must identify the cause and fix it. This usually involves diagnostic testing using specialized equipment and repair work. To work on poles, they usually use bucket trucks to raise themselves to the top of the structure, although all lineworkers must be adept at climbing poles and towers when necessary. Workers use specialized safety equipment to keep from falling when climbing utility poles and towers.

Storms and other natural disasters can cause extensive damage to power lines. When power is lost, line repairers must work safely and efficiently to restore service. We salute our lineworkers who work around the clock to keep the power on. Their safety, as well as yours, is our top priority.



## How long will it take to RESTORE POWER?

Depending on the reason(s) for a power outage, power can be restored relatively quickly, or it can take a few hours or more. Restoring power safely and efficiently is always the goal.

The length of time to get the power restored depends on several factors including:

- ▶ The extent of a storm's destruction.
- ▶ The number of outages.
- ▶ How much time it takes to troubleshoot the issue(s).
- ▶ The exact cause(s) of the outages.
- ▶ Whether it is safe for utility crews to get to the damaged areas.



## According to the Energy Information Administration, in 2021 Power Outages in the U.S.:

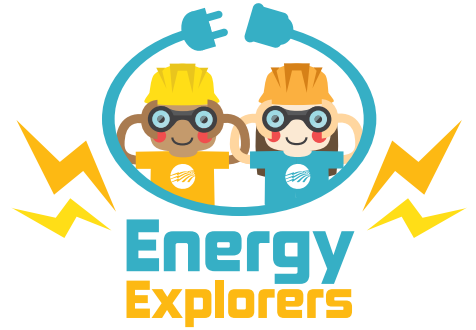
- ▶ Lasted an average of two hours, excluding major storm events.
- ▶ Were resolved after a little more than seven hours, including major storm events.
- ▶ Equaled 1.42 events per consumer per year.

### To Stay Safe:

- ▶ If you are already inside, stay inside until the power is restored.
- ▶ Never approach a downed power line as it could be energized and deadly.
- ▶ Do not enter a flooded basement since the water could be energized.
- ▶ Keep a portable generator at least 20 feet away from all doors and windows.
- ▶ Do not turn off the power or flip a switch if you are standing in water.
- ▶ When cleaning up storm damage, look up and look out for overhead power lines.

SOURCE: WWW.SAFELECTRICITY.ORG

# LINEWORKER SAFETY GEAR WORD SEARCH



Lineworkers use a variety of gear to stay safe while working near power lines and other electrical equipment.

Read about their safety gear below, then find and circle the **BLUE** words in the puzzle.

- ▶ Safety **GOGGLES** keep debris out of a lineworker's eyes while they work.
- ▶ Rubber **GLOVES** are insulated and protect lineworkers from electric shock.
- ▶ Steel toe **BOOTS** provide extra protection when lineworkers lift heavy objects.
- ▶ **HARD HATS** protect lineworkers from potential head injuries.
- ▶ Lineworkers wear a safety **HARNESS** to prevent falls while climbing poles or working in a bucket.
- ▶ Lineworkers use a **HOT STICK**, an insulated tool made from fiberglass, when working on energized lines.

I	O	Y	L	L	F	S	O	F	W	D	L	S	S	G
G	J	H	U	P	M	K	T	P	E	U	Q	T	W	C
H	U	N	A	P	B	I	Y	O	Q	Q	Z	A	W	B
M	W	F	R	Z	P	L	V	L	O	W	B	H	E	Y
F	F	S	E	V	O	L	G	S	R	B	N	D	G	D
I	E	N	Z	D	Q	R	S	M	Z	F	G	R	A	Y
A	F	K	X	R	Q	E	Z	V	Z	O	K	A	I	B
N	J	Y	G	H	N	H	U	Q	G	Q	N	H	J	E
T	C	X	C	R	L	H	G	G	J	S	U	W	H	H
S	Q	X	A	R	O	M	L	M	G	O	B	S	Z	U
R	F	H	R	T	Y	E	Y	A	E	O	Q	A	X	Z
O	O	F	Y	G	S	C	G	M	P	F	J	Q	R	S
H	O	T	S	T	I	C	K	R	J	T	C	F	U	V
A	P	X	F	P	N	Z	Y	A	R	A	G	U	N	W
P	T	S	Z	L	S	B	E	Y	T	E	Y	T	T	O

