

BASIN ELECTRIC POWER COOPERATIVE

SUSTAINABILITY REPORT



PUBLISHED **NOVEMBER 2024**

ABOUT BASIN ELECTRIC POWER COOPERATIVE

MISSION STATEMENT

We are a safe, environmentally responsible cooperative that provides reliable, affordable power, products, and services to sustain the quality of life for our member-owners across rural America.

VALUES

COMMUNITY: Serving our neighbors.

INTEGRITY: Doing the right thing. Always.

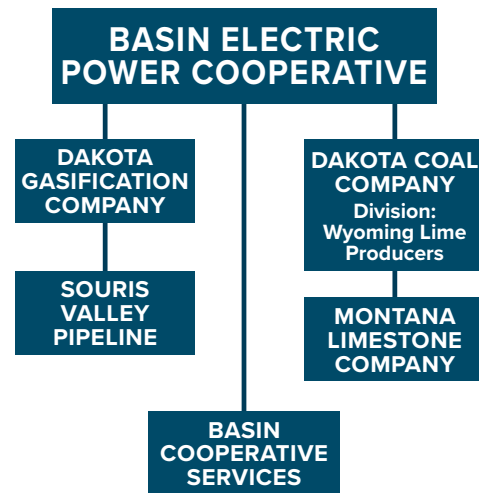
RELIABILITY: Keeping the lights on.

TEAMWORK: Working together for the success of our members.

SAFETY: Driving our culture.

ADAPTABILITY: Supporting our members, today and into the future.

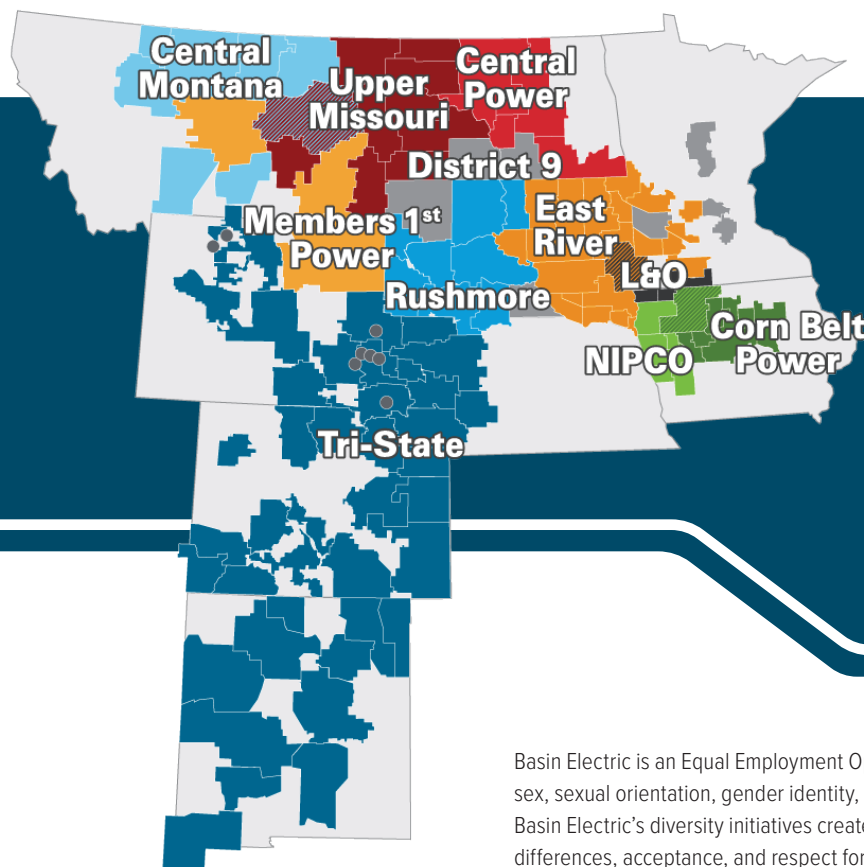
COOPERATIVE STRUCTURE




3 MILLION
MEMBER-OWNERS



1,800 EMPLOYEES



DISTRICT 1 KERMIT PEARSON	DISTRICT 7 MIKE MCQUISTION
DISTRICT 2 DAVID MESCHKE	DISTRICT 8 ANTHONY LARSON
DISTRICT 3 TROY PRESSER	DISTRICT 9 WAYNE PELTIER
DISTRICT 4 TOM WAGNER	DISTRICT 10 PAUL BAKER
DISTRICT 5 LEO BREKEL	DISTRICT 11 JERRY BECK
DISTRICT 6 DAN GLIKO	

Basin Electric is an Equal Employment Opportunity Employer regarding race, color, religion, sex, sexual orientation, gender identity, national origin, disability, and veteran status. Basin Electric's diversity initiatives create opportunities for cultural inclusion, respect for differences, acceptance, and respect for all workers.

BASIN ELECTRIC'S LEGACY OF SUSTAINABILITY



Basin Electric Power Cooperative has a long-standing commitment to the environment, the communities we serve, and the cooperative business model. Our membership deserves the reliable, affordable, and responsible electricity we provide that supports community resiliency and economic opportunity across rural America.

Our commitment to the environment began in the 1960s, long before it was required by law. From responsible reclamation practices to the latest in emissions control technology, Basin Electric and its membership support a clean environment and recognize the need to use energy efficiently to lower costs and conserve the planet's natural resources.

Our commitment to the communities where our employees and members live and work strengthens relationships by providing a strong workforce, essential services, and a sense of pride. Basin Electric is committed to education and youth development, health and human services, community development, culture, and the arts.

Our commitment to the cooperative business model serves as the foundation of our structure and governance and fosters a democratic decision-making process, emphasizes community-oriented goals, and promotes transparency and accountability, leading to a more sustainable and resilient organization that aligns closely with the needs and values of our member-owners.

This report highlights the essentiality of electricity, our commitment to environmental stewardship, the importance of putting people first in the communities we serve, and how we intend to build upon that legacy for the next generation.

We began and continue our sustainability journey because we're dedicated to creating a better future for our member-owners.

Handwritten signature of Wayne Peltier in black ink.

WAYNE PELTIER
President

Handwritten signature of Todd Brickhouse in black ink.

TODD BRICKHOUSE
CEO and general manager

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ESSENTIALITY OF ELECTRICITY

The service Basin Electric and its member electric cooperatives provide rural America is essential — reliable, affordable, and responsible electricity delivered to 3 million member-owners. Basin Electric serves homes, schools, businesses, and more across a nine-state region that stretches from the Canadian to Mexican borders through the middle of the United States. The Basin Electric family of electric cooperatives and its employees work hard every day, delivering on our commitment to maintain a safe and predictable flow of electricity to enrich lives.

Reliable electricity is more than just a convenience — it's essential for survival in many instances, especially in the Upper Great Plains. Basin Electric's members endure harsh weather conditions for more than half the year while continuing their routines of commuting to and from work or doing chores to keep livestock fed and watered, drying grain, sending children to school, operating machinery, running businesses, and more.

Basin Electric was founded to provide power to rural America, and its culture of stewardship, innovation, and adaptability has proven successful to keep the lights (and heat) on. For more than 60 years, generation and transmission assets have been the engines of commerce for a service territory that feeds and fuels the world.

Basin Electric will always honor its commitment to providing the membership with energy that is safely produced, reliable, economical, and environmentally responsible.

GENERATING QUALITY OF LIFE WHAT HAPPENS WHEN THE POWER GOES OUT?

Houses start to cool off immediately.

On a -20-degree F (Fahrenheit) day (which happens more often than you'd think), a house will be cold in 6 hours and virtually uninhabitable in 12-18 hours.

Uninsulated pipes can freeze in as little as 4-6 hours.

Even if a home's heat comes from natural gas or propane, electricity is still typically necessary for it to function.





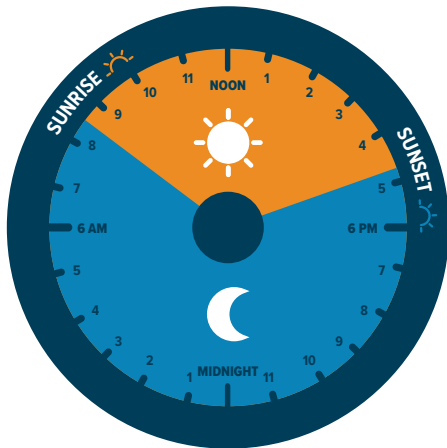
DAYS BELOW FREEZING

Basin Electric's Headquarters is in Bismarck, North Dakota, where it averages 182 days per year of below-freezing temperatures.

That's approximately half the year.

Data from National Weather Service

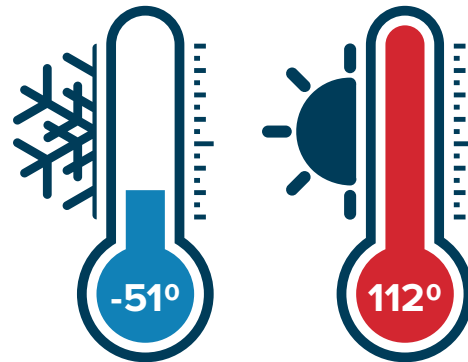
LIVING IN THE DARK



Sunrise 8:24 a.m., Sunset 4:51 p.m.
8 hours 27 minutes of daylight

Data from Bismarck, North Dakota, on Dec. 21, 2023, the shortest day of the year.

FROM ONE EXTREME TO THE OTHER

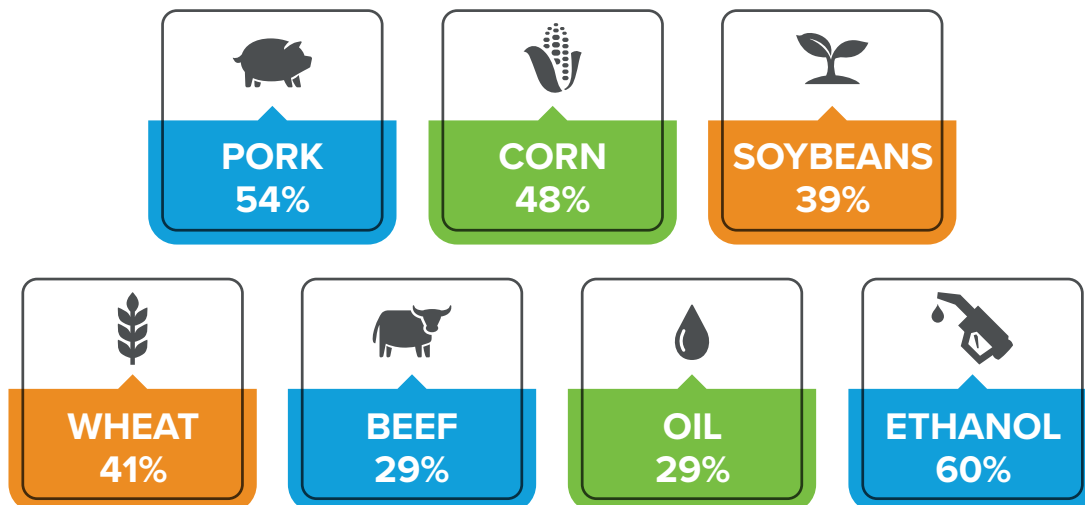


Basin Electric serves areas with extreme temperatures. In the past 20 years across North Dakota, the coldest temperature was -51° F and the highest was 112° F.

Data from National Weather Service

FEEDING AND FUELING THE WORLD

PERCENT OF TOTAL U.S. PRODUCTION IN STATES SERVED BY BASIN ELECTRIC



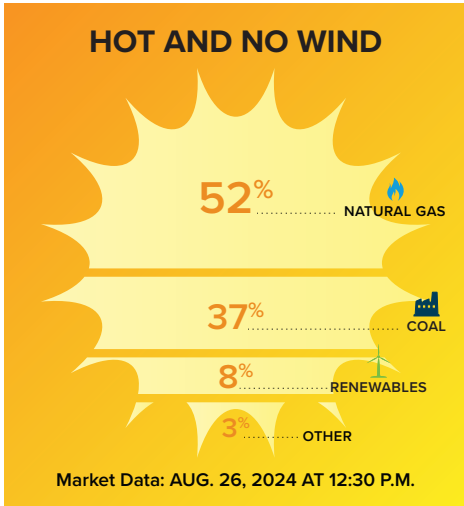
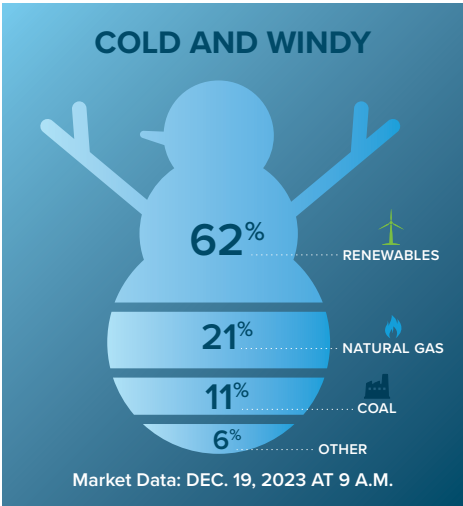
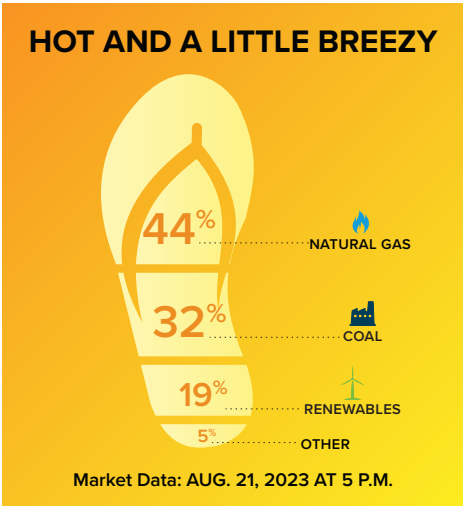
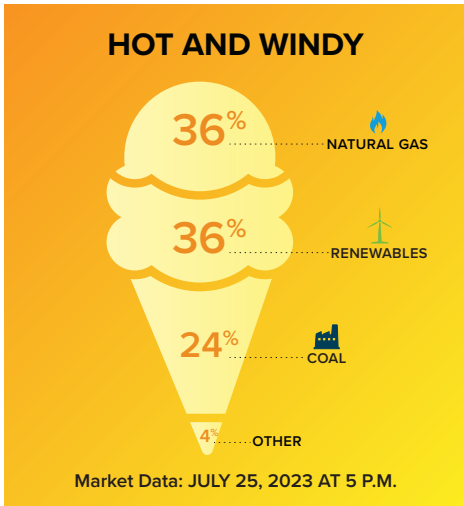
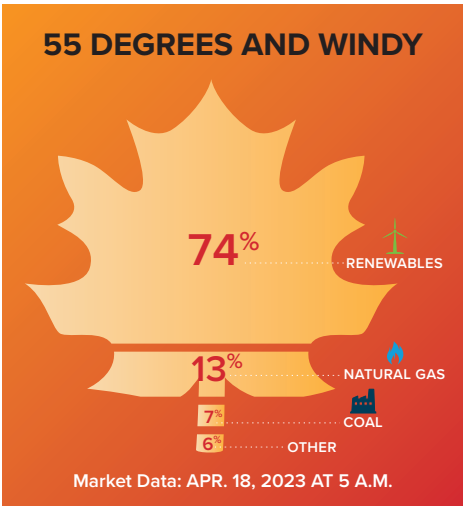
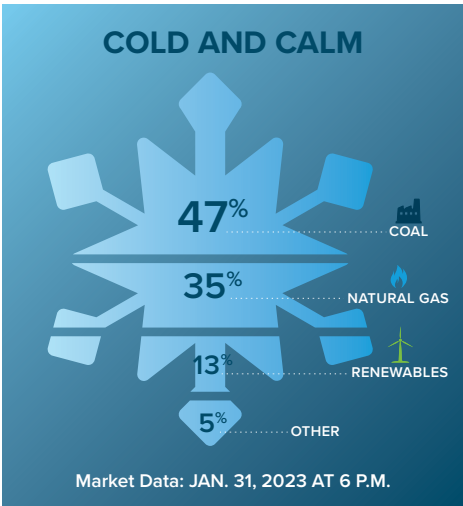
U.S. Energy Information Administration, Renewable Fuels Association, U.S. Department of Agriculture – 2023 End of Year

MEETING THE DEMAND FOR ELECTRICITY

Dispatchable generation refers to power sources that can be adjusted on demand to meet member electricity needs. These sources, such as natural gas and coal, can be turned on, off, or ramped up and down to match the fluctuating demand for electricity.

Non-dispatchable generation, which includes most renewables, encompasses power sources that cannot be controlled to the same extent because their output depends on external factors like weather. Solar and wind power are prime examples of non-dispatchable generation, as they produce electricity only when the sun is shining or the wind is blowing.

THE GRAPHICS BELOW SHOW HOW THE POWER MARKET MEETS MEMBER LOAD AND CONNECTS IT TO SOMETHING EVERYONE CAN RELATE TO – THE WEATHER.



IN 2024, FOR THE FIRST TIME IN ITS COOPERATIVE HISTORY, BASIN ELECTRIC STARTED PURCHASING UTILITY-SCALE SOLAR GENERATION.



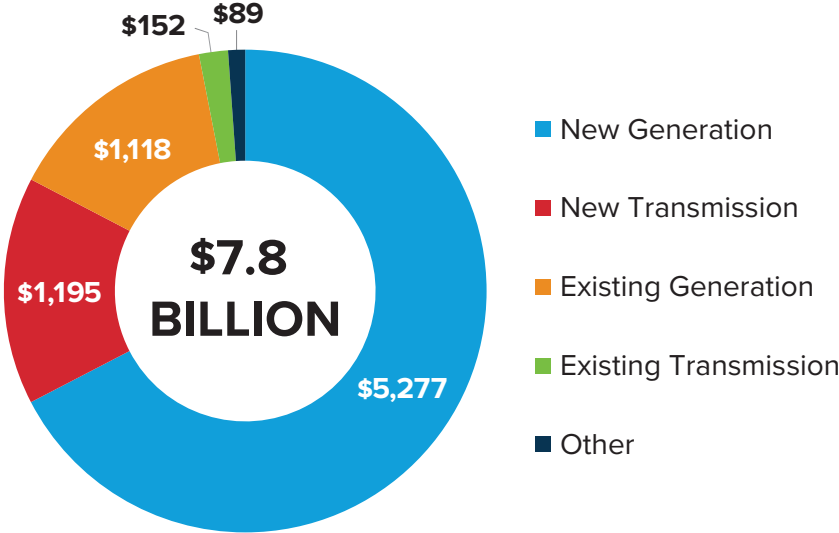
Dynamic Line Rating (DLR) devices are transforming how transmission capacity is managed by offering real-time data, including conductor temperature and wind dynamics. Basin Electric first installed DLR devices on Western Area Power Administration’s 75-mile-long Williston-to-Charlie Creek 230-kilovolt line in 2024.

INVESTING IN RELIABILITY

Basin Electric is investing nearly \$8 billion in existing and new generation and transmission assets to meet anticipated growth in the coming decade. Planned investments include \$5.3 billion in new generation, \$1.2 billion in new transmission, and over \$1.3 billion in existing generation and transmission upgrades.

2025-2034 CAPITAL EXPENDITURES

In Millions



DIVERSIFYING THE PORTFOLIO

Basin Electric takes a responsible approach through a diverse energy supply portfolio that manages risks to its member-owners. The cooperative is focused on maintaining a resilient and reliable infrastructure that meets member needs while adapting to the challenges of a rapidly changing energy landscape.

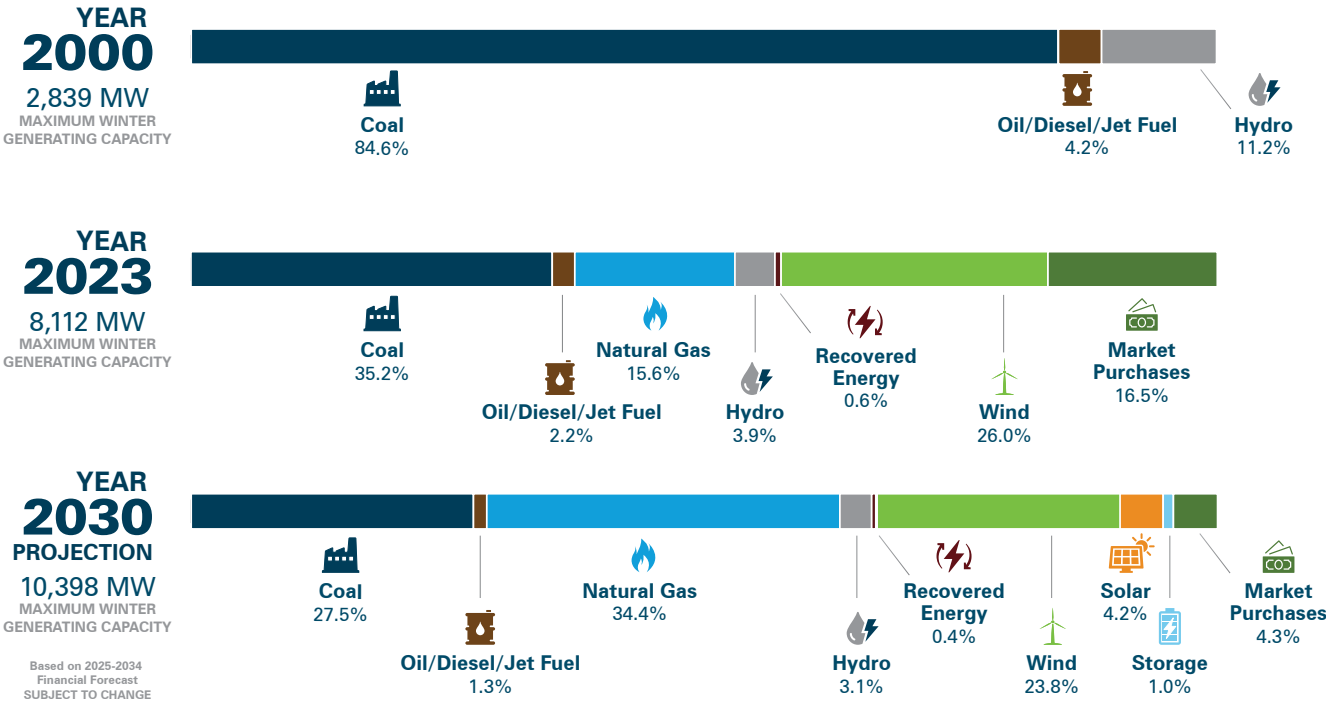
How do these generation types fit into Basin Electric’s all-of-the-above energy strategy? Basin Electric’s portfolio of power supply resources includes owned generation, long-term power purchase contracts, short-term agreements, and spot market energy purchases. Its generating resources are fueled by a diverse mix that includes natural gas, coal, wind, hydro, solar, waste heat, and fuel oil. By offering a diverse mix of resources, Basin Electric ensures reliable, affordable, and environmentally responsible energy for its members.

The capacity bar graphs below show Basin Electric’s investment in added fuel diversity over the past two decades, and what that diversity may look like in the future.



Basin Electric purchases 114 megawatts of output from Wild Springs Solar in Pennington County, South Dakota.

BASIN ELECTRIC'S ALL-OF-THE-ABOVE ENERGY STRATEGY IS DEPICTED BELOW.



Note: Megawatts based on winter season net generating capacity as of Dec. 31, 2023, across the entire service territory.

LARAMIE RIVER STATION, ANTELOPE VALLEY STATION, AND DRY FORK STATION ARE ZERO-DISCHARGE FACILITIES, MEANING WATER CAN ONLY LEAVE THROUGH EVAPORATION.

ENSURING RELIABILITY

The Southwest Power Pool (SPP) requires entities like Basin Electric to maintain accredited capacity equal to 100% of its summer peak load, losses, and a 15% reserve margin, to ensure reliability under variable and unpredictable conditions. Capacity accreditation is the measurement SPP assigns to each generation resource. Non-dispatchable generation such as wind and solar power plants, due to their intermittent nature, tend to have accredited capacity values far below that of their maximum generating capacity. Dispatchable generation resources like coal and natural gas on the other hand often hold accreditation levels closer to their maximum generating capacity. Recently, SPP has been re-evaluating their systems reliability and has indicated a need for increased reserve margins in the summer and winter seasons. The additional reserve margin, a safety buffer above the expected peak demand, is critical for managing uncertainties in demand and generation resource availability, ensuring grid stability and reliability. Basin Electric's all-of-the-above energy strategy also supports this requirement by diversifying generation resources, which reduces dependency on any single resource and strengthens reliability.



COAL



OIL/DIESEL/
JET FUEL



NATURAL
GAS



HYDRO



WIND



SOLAR

SUSTAINABLY SOURCED PRODUCTS

Basin Electric, through its for-profit subsidiary, Dakota Gas, owns and operates the Great Plains Synfuels Plant. The Synfuels Plant is the only commercial-scale coal gasification plant in the United States that was originally designed and operated to manufacture synthetic natural gas from lignite coal.

More than \$1.3 billion has been invested in the Synfuels Plant since 1988 to improve efficiency, diversify product offerings, and achieve environmental compliance. Most recently, investments have been made in major expansions to produce urea, liquid carbon dioxide, diesel exhaust fluid, and to sequester CO₂.

The Synfuels Plant is a shining example of product ingenuity. By utilizing by-products of natural gas production instead of discarding them, Dakota Gas can produce 13 products that provide new opportunities for growth in niche markets—six are highlighted below.



UREA: used as agricultural fertilizer and by power plants to reduce greenhouse gas emissions.



PHENOL: used as a resin in construction materials including housing frames, counter tops, and foam forms.



DIESEL EXHAUST FLUID (DEF): renders emissions from diesel vehicles harmless.



CRESYLIC ACID: used in wire enamel for motor vehicle engines and crown molding forms.



DAK SUL 45®: agricultural fertilizer benefiting crop production by capturing sulfur emissions in the soil.



KRYPTON/XENON: used in light bulbs, lasers, and inert gas for aerospace applications.

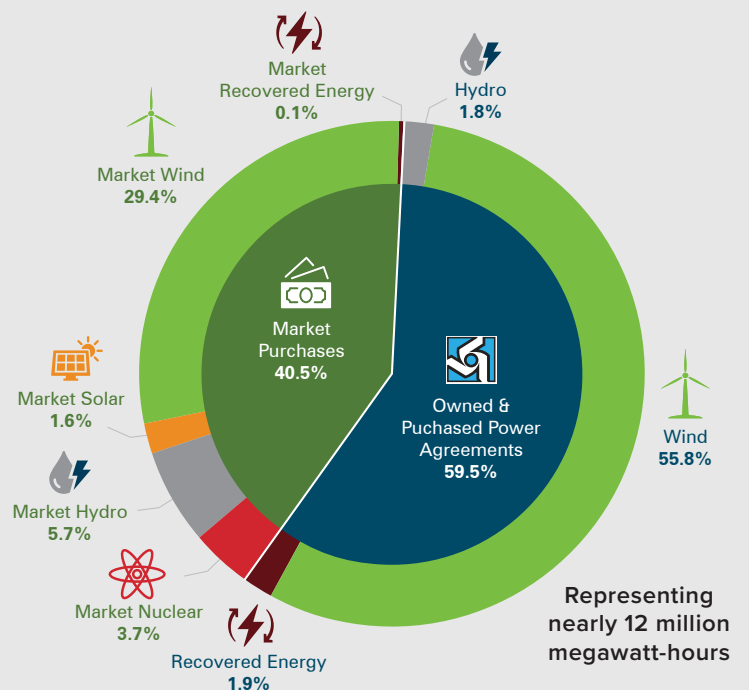
LEADERS IN ENVIRONMENTAL STEWARDSHIP

Basin Electric’s concern for the environment has been a guiding principle for decades. In the Statement of Ideals and Objectives adopted in 1967, Basin Electric members held that “a clean and healthy environment which we all need and enjoy must be maintained and that the energy industry must do all that is feasible to minimize the negative impacts on the environment.”

Basin Electric’s leadership in environmental stewardship and the innovation necessary to serve electricity in a reliable, affordable, and responsible manner is evident in many ways. Its members’ sales has grown more than 375% in the last 20 years, and 41.6% of that load growth was met with wind and natural gas. The cooperative has 20 years of experience and knowledge gained in carbon dioxide capture through its subsidiary, Dakota Gas, and its Great Plains Synfuels Plant. In renewables, Basin Electric built and operates the largest wind project owned solely by a cooperative in the nation and has supported large-scale development of renewables through over 2,100 megawatts (MW) of wind generation in both owned wind projects and power purchase agreements. Looking ahead, Basin Electric is planning to add nearly 700 MW of renewables across the Upper Great Plains. The first solar project within Basin Electric’s portfolio came online in March 2024.

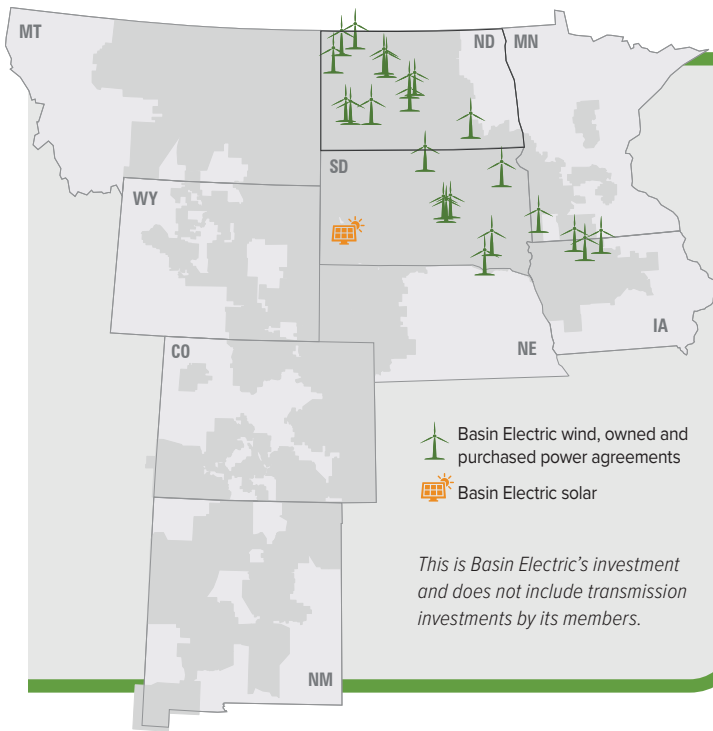
GENERATING AND PURCHASING RENEWABLE ENERGY

This chart shows Basin Electric’s renewable resources, both owned and purchased. In addition to renewable resources, the chart includes non-emitting resources such as hydroelectricity and nuclear. Energy produced from the cooperative’s owned resources and long-term purchased power agreements make up 59.5% of the total non-emitting resources, while 40.5% comes from short-term energy purchases from the market.



Data is from 2023 and is based on energy, not generating capacity. Energy mix of market purchases includes data received from the two regional transmission organizations we participate in, Southwest Power Pool and Midcontinent Independent System Operator.

Data for 2024 was not available at the time of publication.

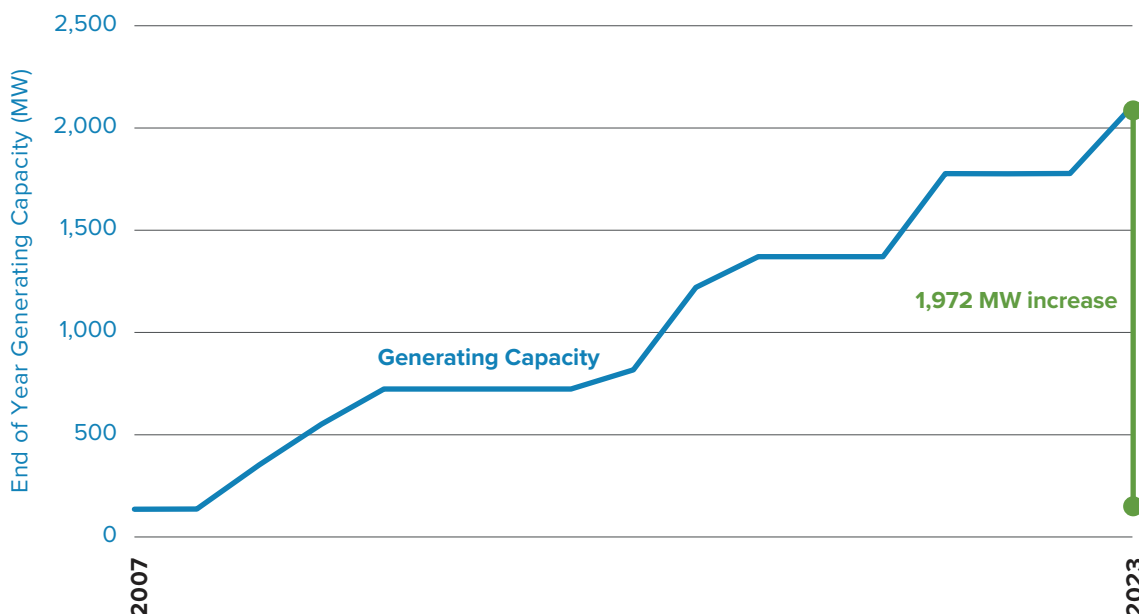


INVESTING IN RENEWABLES

For renewable energy in Basin Electric's service area to grow, transmission must be available to move the electricity to the people and businesses who will use it. Basin Electric has invested nearly \$1.4 billion in high-voltage transmission and will invest another \$1.3 billion in new and existing transmission over the next 10 years. Basin Electric also has over 2,100 megawatts (MW) of wind generation and 114 MW of solar power to support an all-of-the-above energy strategy.

INCREASING WIND GENERATION IN BASIN ELECTRIC'S PORTFOLIO

Basin Electric's commitment to adding renewable generation dates back over 20 years, with the construction and commissioning of its first wind project. Since then, the cooperative has constructed numerous wind projects of its own, including the largest wind project in the nation that is solely owned and operated by a cooperative. Basin Electric has also secured purchased power agreements for a large amount of wind-generated power, doubling its wind capacity from 2015 to 2023, and expects it to continue growing into the future.



INTEGRATING NON-DISPATCHABLE GENERATION

Basin Electric has invested in and committed to more than \$7 billion in renewable resources through direct investments and annual payments under purchased power agreements.

As of year-end 2023, Basin Electric has nearly 2,500 megawatts (MW) of renewable generating capacity, including over 2,100 MW of wind generation, 45 MW of recovered energy generation, and more than 300 MW of hydroelectricity through winter-peaking power purchased from the Western Area Power Administration.

Crow Lake Wind, near White Lake, South Dakota, was commissioned by Basin Electric in 2011. It is the largest wind project owned solely by a cooperative in the United States. Crow Lake Wind also featured a unique community wind investment partnership, and its turbines are used to educate future wind technicians at the Mitchell Technical College in Mitchell, South Dakota.

Basin Electric purchases the output from recovered energy generation sites along the Northern Border Pipeline: Culbertson, Montana; Manning, St. Anthony, and Zeeland, North Dakota; Wetonka, Clark, and Estelline, South Dakota; and Garvin, Minnesota. Each site generates 5.5 MW of renewable energy from exhaust heat produced by the pipeline’s compressor stations. Basin Electric also purchases from a smaller site in Iowa that generates 1.1 MW. These sites produce power with virtually no incremental emissions and are considered carbon-free generation.

HELPING MEMBERS AND OTHERS MEET THEIR RENEWABLE ENERGY GOALS

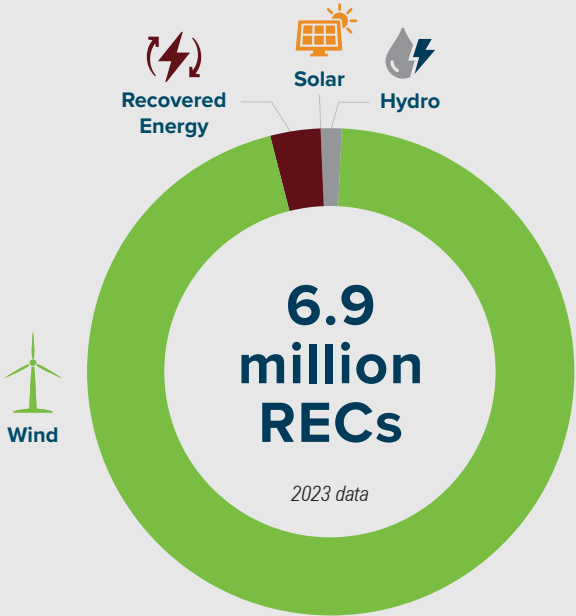
Renewable energy credits (RECs) represent the non-power environmental attributes of renewable generation and is separate and distinct from the energy that is produced to serve member needs.

1 REC = 1 MWh
OF RENEWABLE ENERGY

As of 2023, Basin Electric has a portfolio of more than 2,100 MW of nameplate renewable generation capacity that generates RECs.

RECs are another avenue for Basin Electric’s membership to glean value from the renewable energy that the cooperative both generates and purchases.

On a megawatt basis, resources that generate RECs represent nearly 27% of the net generating capacity of Basin Electric’s total resource portfolio.



Basin Electric annually allocates 6.9 million RECs to our members as a result of renewable energy generation.

PLANNING FOR RENEWABLE RESOURCES

The U.S. Department of Agriculture Rural Utilities Service Empowering Rural America (New ERA) Program is a \$9.7 billion program intended to develop and implement renewable energy solutions. Basin Electric will allocate funds towards this effort to enhance existing cooperative-owned renewable assets, which are expected to total over 1,500 megawatts across Montana, North Dakota, and South Dakota. These projects will create short and long-term jobs, reduce carbon emissions, and provide estimated benefits in excess of \$400 million to Basin Electric members over the life of the New ERA program.



WIND
973 MW



SOLAR
464 MW



STORAGE
100 MW



HYDRO
7.5 MW

In conjunction with the New ERA program, Basin Electric will implement a Community Benefits Program focusing on workforce development, agricultural sustainability, and community safety. With this funding, Basin Electric will be able to accelerate the development of renewable energy sources, benefiting communities both economically and environmentally.

POWERING ENERGY NEEDS WITH WATER



IN TOTAL, BASIN ELECTRIC AND ITS MEMBERS RECEIVE APPROXIMATELY **2.9 MILLION MWh** OF ENERGY, ALMOST 10% OF MEMBER DEMAND AND ENERGY NEEDS, FROM THE WESTERN AREA POWER ADMINISTRATION'S HYDROELECTRIC FACILITIES.

Data for 2023 was not available at the time of publication.

DEER CREEK STATION FEATURES TWO TURBINES: A NATURAL GAS-FUELED TURBINE AND A STEAM TURBINE THAT USES STEAM CREATED BY THE GAS TURBINE.

LEADING THE WAY IN DECARBONIZATION

Basin Electric has been leading the way in carbon capture, utilization, and storage for over two decades. Looking to the future, Basin Electric is at the forefront of research and development for new technologies that will allow for continued decarbonization of the nation's electric generation portfolio.

Basin Electric hosts the Wyoming Integrated Test Center (Wyoming ITC) at its Dry Fork Station near Gillette, Wyoming.

The Wyoming ITC is a research facility that tests carbon capture technologies on flue gas from an operating power plant (Dry Fork Station). The Wyoming ITC has received more than \$100 million in research and development funding, including funds from the U.S. Department of Energy (DOE). It was the site of the NRG COSIA Carbon XPRIZE, as well as being the current site of a pilot project for novel membrane technology developed by Membrane Technology and Research to remove the carbon dioxide (CO₂) from an operating power plant. The JCOAL-KHI project broke ground at the Wyoming ITC in May 2023 and is intended to demonstrate a novel CO₂ separation and recovery technology using solid absorbents.

Basin Electric is part of the CarbonSAFE project (Carbon Storage Assurance Facility Enterprise) being facilitated by the University of Wyoming. The project is assessing the feasibility of large-scale carbon storage. Wyoming CarbonSAFE was launched in 2016, and the DOE determined the project had the merit and support to move to Phase II in 2018 and Phase III in 2020.

CAPTURING AND SEQUESTERING CARBON DIOXIDE

Dakota Gas is a leader in capturing CO₂ from the Great Plains Synfuels Plant, and a new project is taking that leadership to another level. Since 2000, the Synfuels Plant has captured 46 million metric tons of CO₂ for enhanced oil recovery as of May 2024. Additionally, the Synfuels Plant is home to one of the largest carbon capture and storage projects in the world. The new Great Plains CO₂ Sequestration Project captures and sequesters additional CO₂ via a permanent geologic storage reservoir adjacent to the facility.

Through 2023, Basin Electric and its subsidiaries have invested \$185 million in capital expenditures and in-kind services on carbon capture equipment and research and development.

The Great Plains CO₂ Sequestration Project went into service in mid-February 2024, and by August 2024 the project sequestered

1 MILLION METRIC TONS of CO₂.

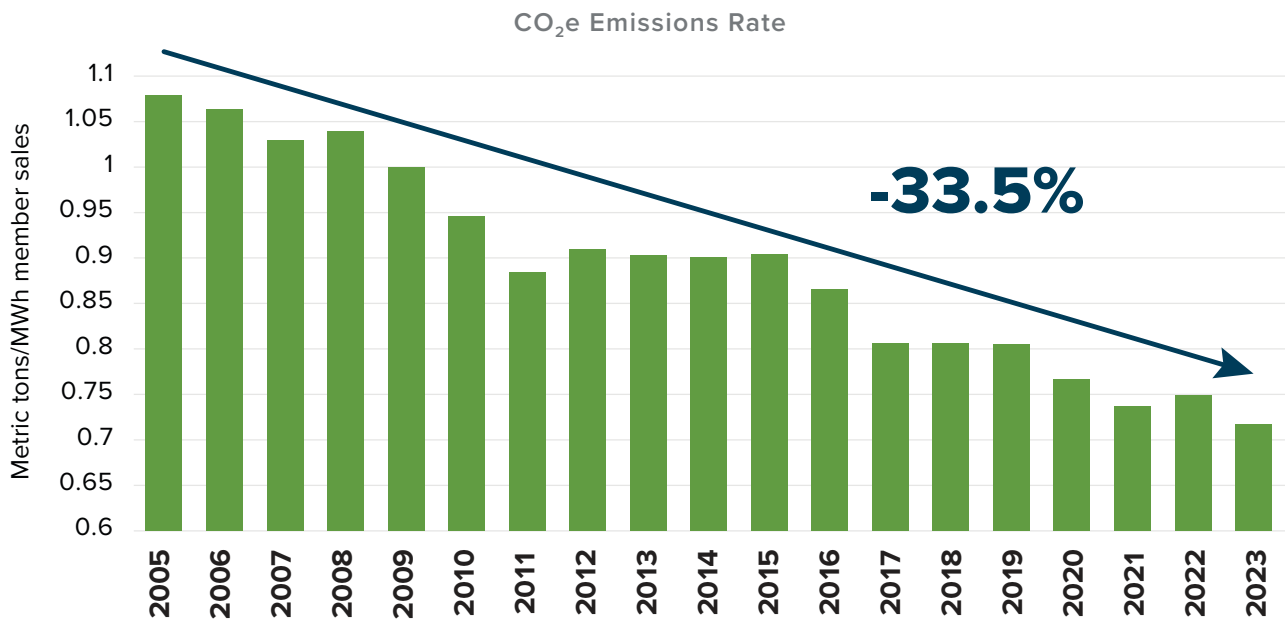
OVER 46 MILLION METRIC TONS OF CO₂ FROM THE GREAT PLAINS SYNFUELS PLANT HAS BEEN SUCCESSFULLY CAPTURED.



Tanner Boe, station operator at Dry Fork Station, adjusts a water injection nozzle on the scrubber equipment. Scrubbers help to clean exhaust before emissions are released.

DECLINING CARBON INTENSITY

Today, coal represents less than 40% of Basin Electric's generation portfolio. The chart below shows how the cooperative's carbon intensity has declined over time as new generation was added.



Data for 2024 was not available at the time of publication.



Luke Parker, auxiliary operator at Laramie River Station, and the team of auxiliary operators across Basin Electric help ensure environmental control systems operate effectively, ultimately reducing emissions.

RAMPING DOWN EMISSIONS

Through 2023, Basin Electric and its subsidiaries have invested more than \$2 billion of member capital in environmental control technology, and more than \$200 million was spent in 2023 alone to operate and maintain those controls.

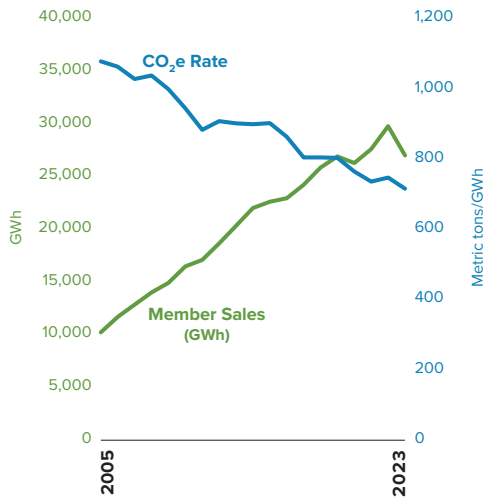
Basin Electric has more than 20 years of experience and knowledge gained in carbon dioxide (CO₂) capture at the Great Plains Synfuels Plant. The CO₂ from that facility is captured and sent via pipeline to Canada for enhanced oil recovery. Since 2000, The Synfuels Plant has captured 46 million metric tons of CO₂, or about 2 million metric tons per year. In 2010, Basin Electric became the first utility in the nation to issue a request for proposal from providers of CO₂ removal technology.

Today, the cooperative is partnering with federal and state governments, research centers, scientists, private companies, and universities to tackle the challenge of decarbonization in the power sector.

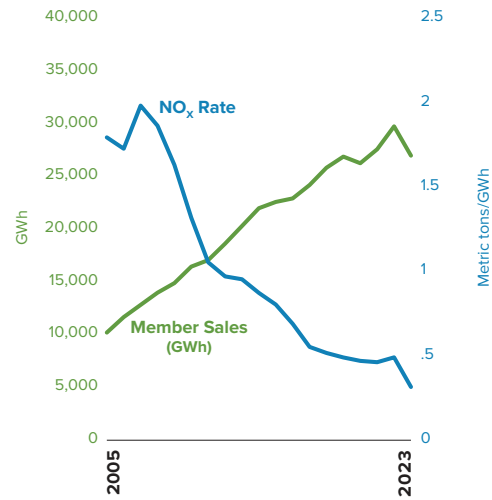
From 2005-2023, Basin Electric emissions intensity has been reduced by 33.5% for carbon dioxide equivalent, 82.2% for nitrogen oxides, 88.2% for sulfur dioxide, and for mercury, a 79.5% reduction since 2015 when monitoring began.

GROWING LOAD WHILE LOWERING EMISSIONS INTENSITY

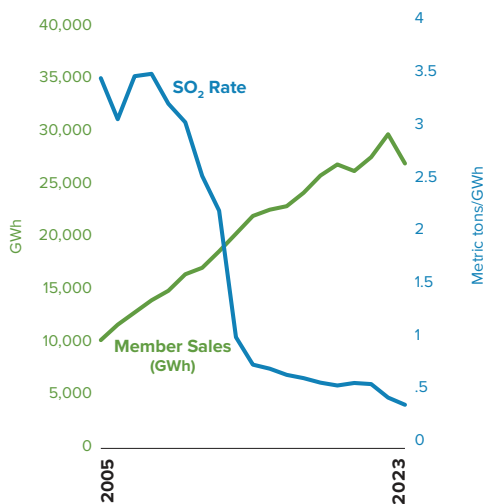
Carbon Dioxide Equivalent (CO₂e) Emissions vs Member Sales



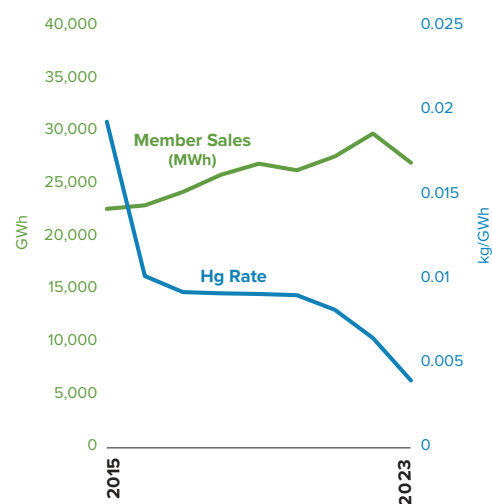
Nitrogen Oxides (NO_x) Emissions vs Member Sales



Sulfur Dioxide (SO₂) Emissions vs Member Sales



Mercury (Hg) Emissions vs Member Sales



Emissions were not recorded prior to 2015.

Basin Electric sales and emission data through end of 2023.

Through 2023, Basin Electric and its subsidiaries have invested more than

\$2 BILLION

in environmental control technology,

and more than **\$200 MILLION**

was spent in 2023 alone to operate and maintain those controls.

RESPONSIBLE CARE AND AWARD-WINNING STEWARDSHIP

The Great Plains Synfuels Plant is a member of the American Chemistry Council's Responsible Care® program, a voluntary program to achieve improvements in environmental, health, and safety performance beyond levels required by the U.S. government. The program has resulted in industry-wide environmental improvements, major improvements in workplace and community safety, and expanded programs to research and test chemicals for potential health and environmental impacts.

Locally, Dakota Gas plays an active role in its Local Emergency Planning Committee (LEPC), and a Dakota Gas employee serves as a member of the LEPC board.

Dakota Gas has received awards for safe product shipments: the BNSF Railway Stewardship Award and the Canadian National Railway Safe Handling Award. These awards are given to companies who ship products by railcar with a record of zero non-accident releases.



Robin Braun, senior section engineer at Dakota Gas, is part of a team that monitors the carbon sequestration process, helping to lower Basin Electric's overall carbon emissions.



A lone moose wades in the water of reclaimed land northwest of Beulah, North Dakota. This landscape, once mined for fuel, has now been restored to its natural state.

Photo credit: The Coteau Properties Company

RESTORING THE LAND

Basin Electric was the first utility in the nation to require that the land mined for coal be returned to its natural state. That requirement was written into Basin Electric's first coal contract long before laws and regulations required this, simply because it was the right thing to do.

Basin Electric's commitment to the environment remains unwavering. The reclamation process includes resurfacing top soil, seeding the land, and maintaining wetlands for wildlife. Local farmers and ranchers utilize over 16,200 acres of reclaimed land for grazing cattle and raising crops. In addition, more than 5,900 acres of land have been returned to individual ownership – a testament to Basin Electric's longstanding environmental stewardship.

Basin Electric and the Missouri Basin Power Project established a multi-million-dollar fund to help **PROTECT** and **PRESERVE** whooping crane and other migratory waterfowl habitat along the Platte River in Nebraska.

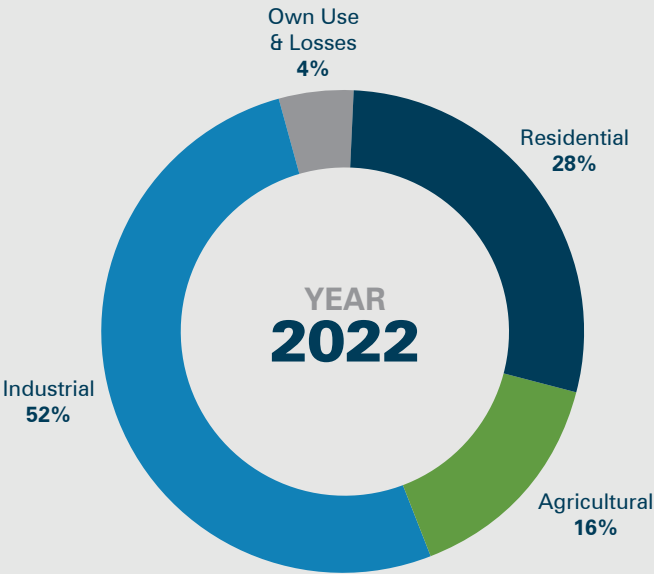
PUTTING PEOPLE FIRST

Basin Electric was founded by rural Americans with the objective of bringing reliable, affordable, and responsible energy to the people of the Great Plains. It accomplishes this objective through the efforts of dedicated teammates who operate, maintain, and manage our generation and transmission facilities. Basin Electric continues to put people first by having a laser focus on the needs of the member-owners who continue to require reliable and affordable energy produced in a safe and environmentally responsible manner.

The winter climate in the Upper Great Plains can be life-threatening for a considerable portion of the year. During periods of extreme temperatures, when electricity usage is at its highest, Basin Electric wants members to heat and cool their homes, keep their livestock fed and watered, and operate their businesses with confidence that their electricity will be reliable and affordable.



Clayton Miller farms near Draper, South Dakota, and is a member of West Central Electric Cooperative.

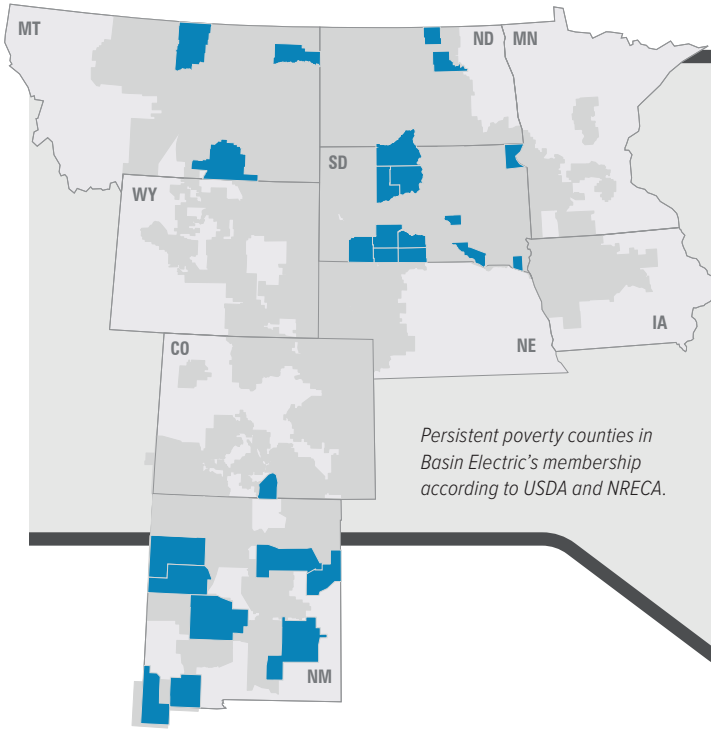


Data for 2023 was not available at the time of publication.

SECTORS SERVED

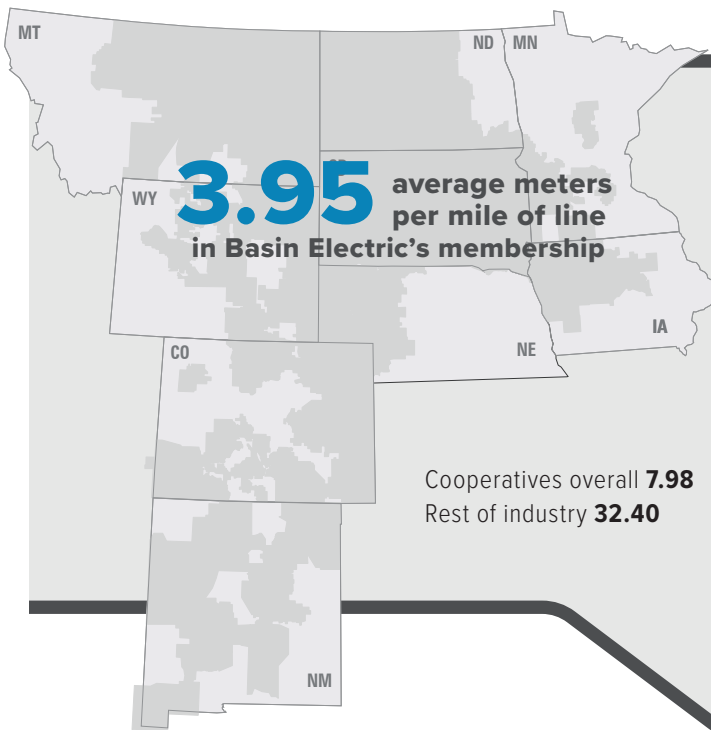
For 60 years, Basin Electric has maintained a commitment to the member at the end of the line. The infrastructure built serves members and supports their quality of life, and affordable rates help spur commerce in rural America.

EACH YEAR, FULL-TIME EMPLOYEES ARE ENCOURAGED TO USE UP TO 16 HOURS OF PAID TIME OFF VOLUNTEERING IN THEIR COMMUNITIES.



KEEPING RATES AFFORDABLE

Persistent poverty is a challenge in a number of the counties served by Basin Electric members. Basin Electric does not want to exacerbate the economic burdens of lower-income consumers with unaffordable electricity rates. Affordable rates help prevent energy poverty for the most vulnerable consumers in these communities.



BASIN ELECTRIC MEMBERS SERVE AREAS OTHERS WOULDN'T

Rural electric cooperatives were created during the New Deal era of the 1930s. At the time, investor-owned utilities refused to serve most of rural America because areas with low population density were less profitable to serve. When farmers and other rural Americans formed electric cooperatives, it enabled modern conveniences and enhanced their quality of life.

BASIN ELECTRIC AWARDS COLLEGE SCHOLARSHIPS EACH YEAR AND HAS AWARDED \$5.8 MILLION SINCE 1991.



Jena Gray, Basin Electric senior staff writer/editor, and Kaitlyn Hayward, Basin Electric business analyst I, work together to pack lunch bags for the community on Giving Hearts Day.

FOCUSING ON COMMUNITY

Basin Electric is committed to the communities its members serve and where its employees live and work. These communities have supported the cooperative throughout the years by providing a strong workforce, essential services, and a sense of pride in a “stronger together” approach. In appreciation for that support, Basin Electric expresses its cooperative spirit by extending a helping hand to these communities by donating time and funds to a wide variety of charitable and non-profit organizations.

The cooperative’s Charitable Giving Program disburses funds through stand-alone donations as well as member-matching donations.

Community growth and sustainability are vital to Basin Electric’s mission, and financial contributions are important to helping service organizations grow and thrive. As a responsible cooperative citizen, Basin Electric is dedicated to supporting service organizations across its service area.



SUPPORTING COMMUNITIES

Through the end of 2023, nearly

**\$22 MILLION
DONATED**

through Basin Electric’s Charitable Giving Program, which began in 2001.

LEADING THROUGH EMPLOYEE SERVICE

Because of its dedication to community, Basin Electric works hard to equip its employees with leadership and community-minded opportunities and values. A few of the ways this is done includes:

- Offering employee training programs that provide learning and networking opportunities.
- Employee-led campaigns help Basin Electric bring manpower to various community-focused charity events.
- Education-based programs such as paid internships for college students, partnerships with technical colleges that offer industry-specific coursework, and tuition assistance for employees seeking to further their education.

These actions demonstrate that Basin Electric is also committed to its workforce. Investing in employees has proven to enhance leadership skills, create fresh and forward-thinking ideas, and serves as a commitment to doing the right thing for the Basin Electric membership and its employees.



**LINDSEY
SCHUTT**

"At the end of the day, we are going to be able to provide power for rural areas. It makes you proud to be a part of that, even if it's a small part."



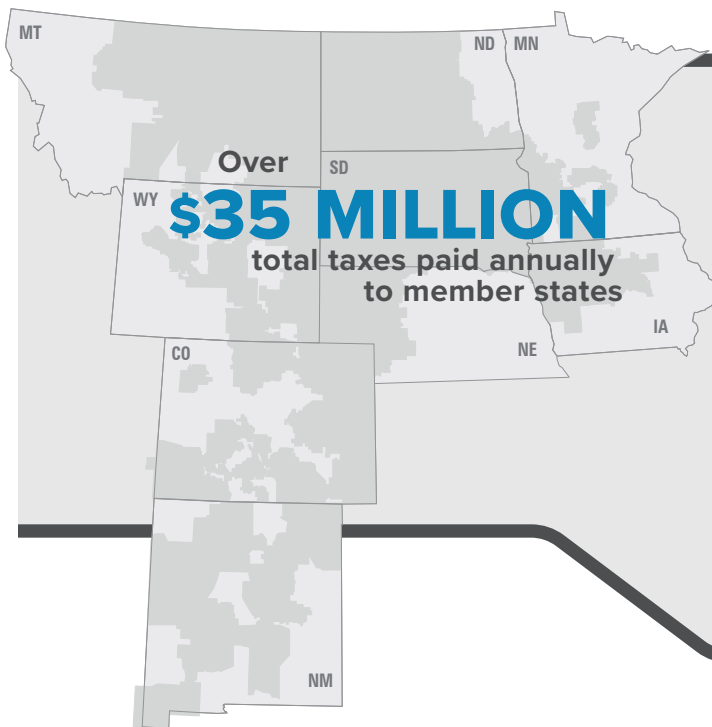
**BRIAN
HEINERT**

"Because Basin invests so heavily in our workplace safety, I think that says a lot about how important it is to go home to your family."



**ASHLEY
FRASER**

"It's been great to work at Basin Electric and to have co-workers involved in our community efforts. It's awesome to see us all work together to make Gillette a greater place."



CONTRIBUTING TO LOCAL ECONOMIES

Basin Electric provides significant economic benefits to the communities it serves. In addition to bringing jobs with competitive wages, Basin Electric also contributes millions of tax dollars to the areas it serves. This graphic shows the property and sales taxes Basin Electric and subsidiaries pay in its service area (payroll taxes are not included). The data shown is from 2023 and does not include tax compensation paid through purchased power agreements. In addition to contributing to local tax bases, Basin Electric has also returned nearly \$800 million to members via retiring patronage capital credits and bill credits since 2000.

PRIORITIZING EMPLOYEE SAFETY

Basin Electric’s people are the reason it is successful, and it takes their well-being seriously. A safe work environment, an active safety awareness program, and hands-on safety training are integral parts of Basin Electric because it values its people.

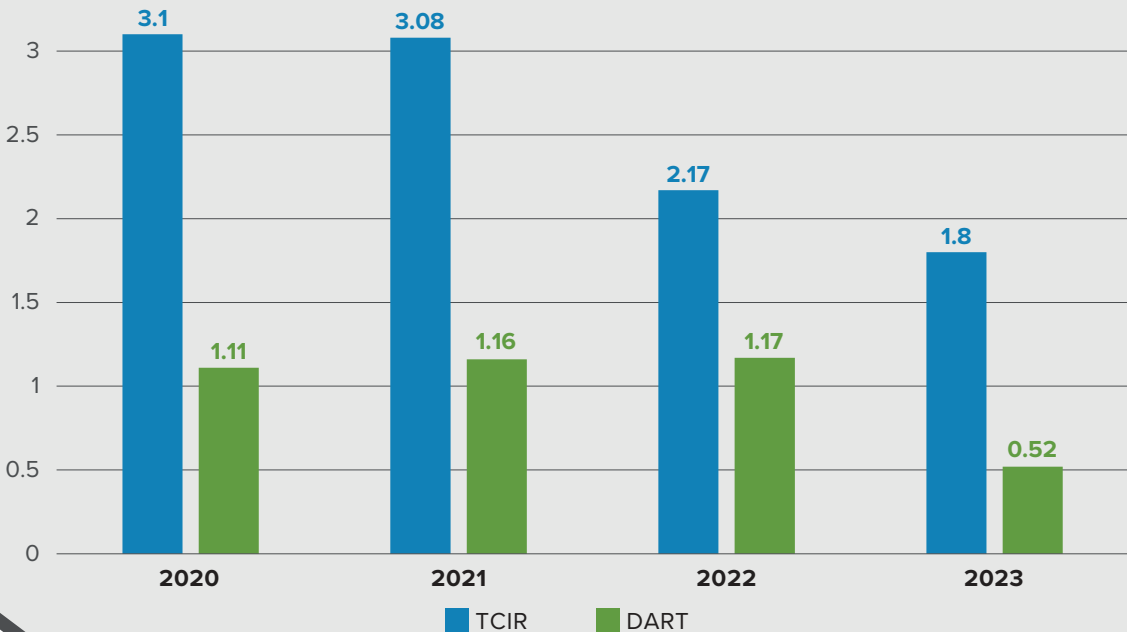
DISASTER RECOVERY: Basin Electric and its subsidiary facilities have designated Disaster Recovery committees, response teams, and procedures that address different types of disaster scenarios. Some of these teams include special hazardous materials (HAZ-MAT) and firefighters who are trained to respond to specific situations involving HAZ-MAT. Other disaster recovery efforts include first alert and first-responder procedures, notification and coordination with local and state emergency agencies, and training and education in conjunction with facility safety committees. All employees participate in periodic fire, tornado, and other emergency drills.

FACILITY SAFETY COMMITTEES: The majority of the sites have a safety committee that meets either monthly or quarterly. Their mission is to address safety and health issues, perform safety audits, and review safety and health procedures. Locally, Dakota Gas plays an active role in its Local Emergency Planning Committee (LEPC), and a Dakota Gas employee serves as a member of the LEPC board.

FACILITY SAFETY MEETINGS: Because Basin Electric values each employee and his or her contributions toward making clean, affordable energy for rural America, it continues its tradition of upholding a corporate commitment to ensure employee safety and promote health and wellness at all facilities.

COOPERATIVE INCIDENT RATES

Total Case Incident Rate (TCIR) and Days Away, Restricted or Transferred (DART) show a downward trend over the past four years as Basin Electric continues to put safety first.





Mark Scheele, Basin Electric chief pilot; Steven Schaffner, Basin Electric senior pilot and member of the National Guard; and Todd Brickhouse, Basin Electric CEO and general manager, attended the Employer Support of the Guard and Reserve 'Lunch with the Boss' event in support of those who serve in the National Guard and Reserve.

SUPPORTING MILITARY

Basin Electric has received two distinguished awards for support of employees serving their country: the Extraordinary Employer Support Award, presented by the U.S. Department of Defense, and the Secretary of Defense Employer Support Freedom Award.

Thousands of nominations are submitted each year, but only several dozen employers have received these awards since their inception.

These awards are given to employers for outstanding support of its employees who serve in the National Guard and Reserve. Basin Electric's support includes providing full salary, continuation of benefits, care packages, and family support to employees fulfilling their military-ordered obligations.



Basin Electric currently has
165 EMPLOYEES
who are veterans or are currently
serving in the armed forces.

BASIN ELECTRIC HAS LONG BEEN A MILITARY SUPPORTER
AND HAS SEVERAL ACTIVE-DUTY EMPLOYEES AT THE COOPERATIVE.

OWNED BY THOSE WE SERVE

Basin Electric operates within a three-tiered, member-owned electric cooperative system. There are many characteristics that strengthen Basin Electric’s governance model, but two are especially noteworthy. First, the board of directors are democratically elected at each level so they are well aligned with the opportunities and challenges in the cooperative’s service area. Second, each board member must be an end-use consumer, so they feel the impact of Basin Electric’s strategic and operational decisions.

The top tier, or Class C cooperatives, includes 121 distribution cooperatives and municipal utilities. Serving the “last mile of line,” they deliver electricity to approximately 3 million people across Basin Electric’s nine-state service area. These cooperatives are owned by their end-use members, who democratically elect their boards.

The second tier, or Class A cooperatives, consists of 11 districts. Ten are intermediate power supply cooperatives whose members are distribution cooperatives and municipal utilities. The remaining district—District 9—includes both distribution cooperatives and a municipal utility but is not a transmission cooperative itself. Each Class A district is member-owned, with boards elected by their members, and all 11 districts are represented on Basin Electric’s board of directors.

Basin Electric represents the third tier of this cooperative system. Founded in 1961, it provides power generation, power procurement, and bulk transmission services to support the entire cooperative network.

OPEN AND TRANSPARENT COMMUNICATION

Basin Electric prides itself on open and transparent communication. Given the size and diversity of its service area, effective communication is essential. The table below details the engagement channels utilized to communicate with various stakeholders.

OUR STAKEHOLDERS INCLUDE	ENGAGEMENT CHANNELS	
Member directors, managers, and staff	<ul style="list-style-type: none"> • Websites • Basin Today magazine • Newsletter • Monthly board meetings & reports • Quarterly Class A district meetings • Member manager conferences 	<ul style="list-style-type: none"> • Annual member CFO update • Annual members-only meeting • Annual Meeting • Member services programs • Resolutions & Bylaws Committees • Facility tours
Communities	<ul style="list-style-type: none"> • Direct communication • Support of community events and programs • Charitable giving programs 	<ul style="list-style-type: none"> • First responder training • Volunteerism • Social media channels
Employees	<ul style="list-style-type: none"> • Intranet • Basin Today magazine • Newsletter • Monthly board meetings & reports 	<ul style="list-style-type: none"> • All-Employee Meeting • Team meetings • Training events
Regulators	<ul style="list-style-type: none"> • Direct communication • Routine outreach 	<ul style="list-style-type: none"> • Filing applications
Local, state, and federal government	<ul style="list-style-type: none"> • Public meetings/hearings 	<ul style="list-style-type: none"> • Education for policymakers
Unions	<ul style="list-style-type: none"> • Labor relations personnel • Benefits meetings 	<ul style="list-style-type: none"> • Annual meetings
Banks, rating agencies, and investors	<ul style="list-style-type: none"> • Quarterly updates • Annual in-person visits 	<ul style="list-style-type: none"> • Facility tours • Ongoing dialogue
Insurance companies	<ul style="list-style-type: none"> • Annual in-person visits 	<ul style="list-style-type: none"> • Ongoing dialogue

COOPERATIVE PRINCIPLES



OPEN AND VOLUNTARY
MEMBERSHIP



DEMOCRATIC
MEMBER CONTROL



MEMBER
ECONOMIC PARTICIPATION



AUTONOMY AND
INDEPENDENCE



EDUCATION,
TRAINING & INFORMATION

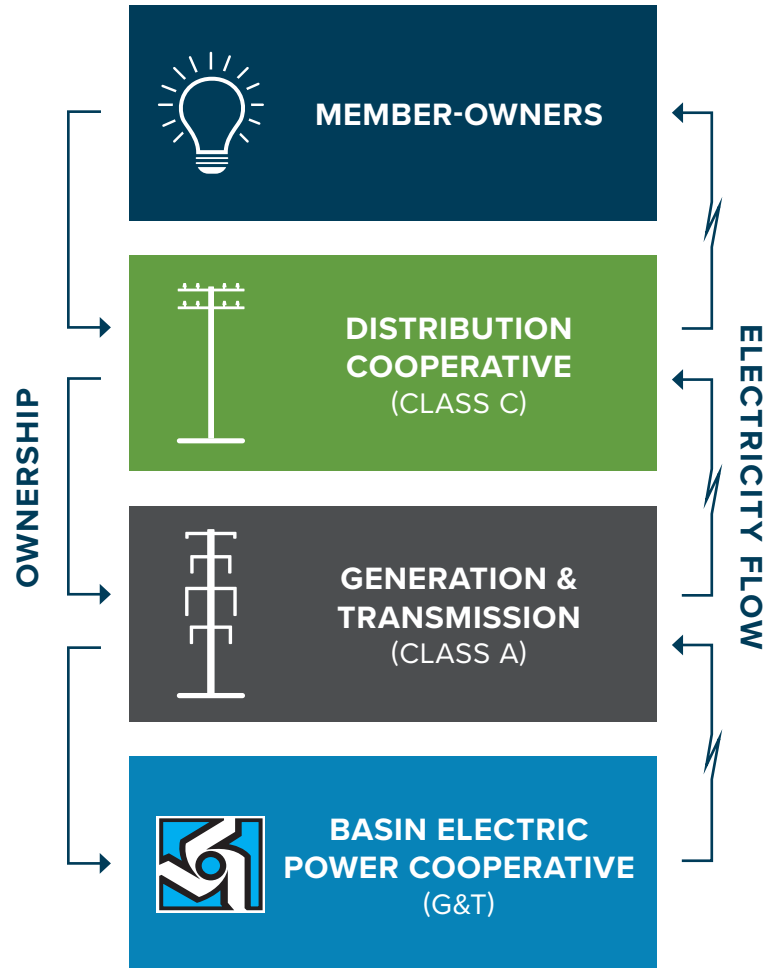


COOPERATION
AMONG COOPERATIVES



CONCERN FOR
COMMUNITY

MEMBERSHIP STRUCTURE



IN CONCLUSION

This Sustainability Report conveys Basin Electric's past and ongoing commitment to being a good cooperative citizen. These efforts were in place long before ESG (environmental, social, and governance) became a buzzword. Basin Electric will continue to build and improve upon these efforts as it strives to provide its members with affordable and reliable power produced in a safe and environmentally responsible manner.



BASIN ELECTRIC POWER COOPERATIVE

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