

Federated Focus

Jake Soderholm promoted



Federated promoted Jacob "Jake" Soderholm to Jackson County Line Foreperson, effective October 1.

"We are pleased to offer this position to Jake and I know he will do well," stated Scott Reimer, Federated's general manager. "Federated is blessed with having a great team and it's even more satisfying when the promotions come from within. We welcome Jake to the leadership team and look forward to the great things he will do for our membership."

The Jackson County line foreperson works with the operations manager, along with the rest of the operations team, on directing the Jackson line crews' work, designs and stakes projects, along with final close out, ensures safety is paramount and interacts with co-op member-owners on project needs. He will also help with training, monitor hazards, plus be knowledgeable on construction specs, codes and policies.

Jake started at Federated as an apprentice lineman June 14, 2007. He became a journey lineworker May 11, 2011.

This Lakefield native joined the military in 2001 after graduating from high school and served in Iraq from January 2004 to January 2005. He attended the lineworker program at Minnesota West in Jackson, while working for a local electrician. (E)



Scott Reimer

Manager's Message

Basin plans January 1 wholesale power rate increase

In September the Basin Electric Cooperative Board authorized a rate increase around \$6 per megawatt-hour or 10 percent, beginning January 1, 2026. Basin Electric provides 75 percent of our wholesale power and is working to balance our goals of reliability, financial performance and affordable rates. 80 cents of every \$1 spent on your electric bill goes to wholesale power supply, which, unfortunately, we have input, but don't have control over.

Let's look at the causes. The primary drivers behind the Basin rate increase are: growth in traditional load and commodity price variability. While large loads (data centers, crypto mining, AI, etc..) are a hot topic across the nation, they are not behind the 2026 rate increase. Basin Electric developed a Large Load Program to insulate our existing members from the costs and risks associated with serving new large electric loads.

Rising costs from inflation make it more expensive for Basin to build and maintain infrastructure. Our current fleet of power (coal, gas, wind, solar, etc...) has an average cost on our books around \$800/kW, with future costs predicted to be \$2,700/kW. Likewise, our current transmission has an average cost on our books of approximately \$400,000/mile of line with future costs predicted to be \$2 million/mile of line.

Basin Electric is also growing and part of the money for new projects must come directly from the co-ops' member-owners who buy this electricity. This is similar to homeowner's equity where a homeowner must provide a certain level of equity in their home to secure a mortgage with reasonable interest rates.

Basin Electric facts and figures:

- Basin Electric's load growth is projected to increase at 2.5 percent per year for the next 10 years — well above the national average.
- Basin Electric will invest \$11 billion in capital expenditure projects over the next 10 years.
- Basin Electric will more than double its balance sheet, increasing dispatchable generation by 5 percent and expanding transmission mileage by more than 30 percent.
- Through 2024 Basin Electric and its subsidiaries have invested more than \$2 billion of member capital in environmental control technology and more than \$190 million was spent in 2024 alone to operate/maintain those controls.

The cooperative difference:

- Basin Electric manages rates responsibly through careful planning and our all-of-the-above energy strategy.
- Basin Electric is a not-for-profit, meaning excess margins are reinvested in the cooperative or returned to members.
- With the cooperative model members work together to share the costs, ensuring no one bears the burden alone.
- Decisions are made by the Basin Board of Directors elected by our members. Each Basin Electric director is a member of their local distribution cooperative.
- Basin invests back into our communities through its charitable-giving program.
- Every dollar is reinvested into building and strengthening Basin Electric's infrastructure and updating technologies to meet future load growth.

Recent and future Basin power supply projects include:

- Pioneer Generation Station Phase IV: Approximately 580 MW in new natural gas-fired generation. The facility started up August 18, 2025.
- Leland Olds Station to Tande transmission project: This project is necessary for system reliability running 160 miles; it will be completed in 2026.
- Bison Generation Station: About 1,490 MW in new natural gas-fired generation. This is one of the largest projects in the Basin's history to be completed in 2030. (E)