

Milestones in the History of Your Cooperative

The 1940s - The Years of Organization and Construction

As rural electric cooperatives began springing up in South Dakota, the rural population in Faulk, Edmunds, and McPherson Counties realized that they, too, could get electricity to their farms and homes, but someone was needed to spearhead the project. The County Agents of the three counties, Douglas Barrows, Oscar Prestegard, and Walter Lassen, took this responsibility and began by organizing meetings to see if there was enough interest. These men are given much of the credit for getting rural electrification to the area. FEM Electric Association, Inc. was officially launched as a business enterprise on December 10, 1945 when the articles of incorporation were filed with the Secretary of the State of South Dakota and certificates were issued granting the association the authority to do business in the State. The only members and shareholders of FEM Electric at this time were the original incorporators. The first official meeting of the original incorporators and shareholders was held January 5, 1946. The original incorporators and shareholders were Mathew Bachman, Edwin E. Hubbard, Victor Holsing, Michael P. Bowar, Wendell Miller, Theodore T. Martel, Paul Hausauer, Albert C. Hauffe, and Robert Schurr.

The State of South Dakota passed the Electric Cooperative Act of 1947 which allowed rural electric organizations to convert to cooperative, nonprofit, membership corporations and on June 7, 1948 the original incorporators of FEM Electric voted and passed the Articles of Conversion which converted FEM Electric to its current membership cooperative status in which every member has a vote in the cooperative. A number of farmers and directors volunteered to visit area farms selling \$5.00 memberships in the cooperative. Membership certificates were issued and director districts established. Members elect representatives to the board from these districts.

A tremendous amount of work was accomplished during the three years after its official organization and on August 9, 1948, the directors voted to join Dakotas Electric Cooperative, Inc. of Beulah, ND, from which FEM Electric would purchase energy to sell to its members upon completion of the substations and distribution lines. The Hillsvie Substation was energized on November 30, 1948, and the Ipswich Substation on December 12, 1948. By Christmas Eve of that year, electricity was available to slightly over 200 members.

FEM Electric was the first utility in South Dakota to receive power from the Missouri River dams, and on May 25, 1949, a small group of officials journeyed to the Ipswich substation, where meters were read and a small ceremony marked the official entrance of the Bureau of Reclamation's low cost power into the State of South Dakota.

The office space that had been rented on the second floor of the Ipswich Bank was becoming too small for the growing business and office space in the Taylor Building (which later became the Fireside Lounge) was rented. This temporarily alleviated the space problem; however, the need for permanent office space and warehouse storage facilities was apparent and building plans and a building site were researched.

On June 5, 1949, the first annual membership meeting was held in conjunction with Ipswich's "Trail Day". A conservative estimate of over 5,000 interested people were on hand that day and over 3,700 people were served a lunch before the food ran out. Many people registered in the electrical exhibit booths and obtained firsthand information on the many items of electrical equipment becoming available.

A substation was needed to provide electric service to western Faulk County and southwestern Edmunds. REA would not make a loan for transmission line, so FEM built the substation outside its service territory along the current MDU transmission line then built the distribution line to the members. On a cold and frosty December 19, 1949, the Tolstoy Substation was energized.



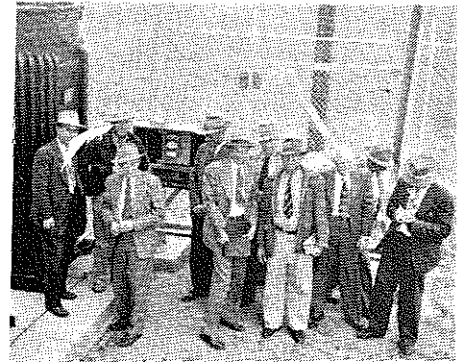
The first annual meeting was held June 5, 1949, in conjunction with Ipswich's "Trail Day". Over 3,700 people were served a lunch, and many visited the electrical merchandise booths and registered for prizes.



Albert C. Hauffe served the FEM Electric Board of Directors as President from 1946 through 1976.



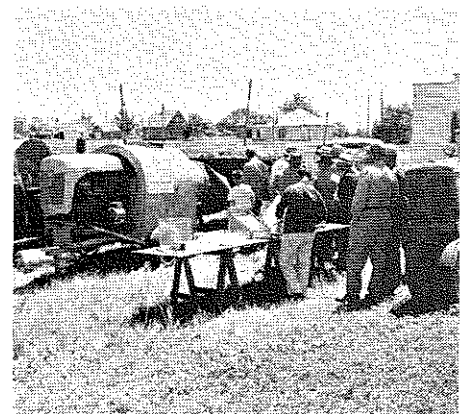
During the early years, poles were shipped by rail and stored near the tracks. FEM employees Dick Bosanko, Walter Koth, Glen Brown, and Allie Grage take a break from loading poles.



On May 25, 1949, at the Ipswich Substation, a small group of officials read meters marking the official entrance of Bureau of Reclamation power into South Dakota.



When the last of the three initial substations, the Tolstoy Substation, was energized on December 19, 1949, service was provided in all three counties, thus establishing the back bone of FEM's distribution system.



Demonstrations, including a crop drying demonstration, are shown at an annual meeting in Cresbard.