



Bruce Carlson
General Manager




Martin Dahl
Minot Manager



Randy Hauck
Member Services Mgr

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New growth strengthens agriculture regionally

by Candi Helseth

Minot is the first city in North Dakota to build an intermodal facility - known as the Port of North Dakota™ - and the first city in the United States to be selected as a location for MG Grain. Both are located in the Minot Value-Added Agriculture Complex south of Minot in Verendrye Electric Cooperative territory.

"The ag complex has been a vision of the Minot Area Development Corporation, and its development has set the stage for agricultural growth in our area," said Marty Dahl, VEC Minot service area manager and a member of the MADC board of directors. "The Port of North Dakota™ is the cornerstone of the ag complex, and its completion will encourage more businesses to locate in the complex."

The ag complex contains parcels of land with easy access to rail, water and sewer. With the completion of The Port of North Dakota™ this fall, businesses will be able to strategically move bulk products to world markets via rail and by containers. Minot is an ideal location for an intermodal facility because of the city's proximity to Burlington Northern Santa Fe's (BNSF) main line route and two major four-lane highways.

Minot businessman and local agricultural leader Greg Johnson will manage The Port of North Dakota™. As the founder and owner of Minot's Premier Pulses International, Inc., Johnson has extensive experience in movement of international commodities.

Premier Pulses, also in VEC territory, has become one of the largest processing plants for dry peas, lentils

and chickpeas in the United States. Johnson's primary role will be to work with various transportation providers to ensure smooth service for shippers, said MADC President Jerry Chavez. A Minot State University graduate, Johnson was involved in a family farming operation and was the sole proprietor for Johnson Seed Conditioning until leaving those enterprises in 2001 to found Premier Pulses International.

MG Grain, to open late this fall on 40 acres in the ag complex, has established international markets in Egypt, Europe, Asia, and Africa. MG Grain will produce and export commodities, such as peas and lentils, to international markets where the company already has established relationships. The Minot operation will produce 600 tons of agricultural commodities for transport per day, and is expected to employ about 20 people.

The first tenant in the Agriculture Park was Minot Milling, which opened in 1998. The seven-story, \$25 million plant increased capabilities in 2004 with a \$7.9 million expansion and in 2005 with another \$2 million expansion. The mill operates seven days a week, 24 hours a day, and employs 32 people.



▶ MADC President Jerry Chavez welcomes MG Grain to Minot. Flanking Chavez are Minot Mayor Curt Zimelman, North Central Research Extension Center Director Jay Fisher, and Gov. John Hoeven.

Farstad Oil rebuilds with all-electric system that improves safety and comfort

“From the ashes we shall rise,” are the words on a plaque in the newly risen, all-electric Farstad Oil shop and warehouse that opened in March this year after being destroyed by fire in January 2006.

That January night, Safety Manager John Klungtvedt and Fleet Manager Wayne Hoelscher stood watching, unable to do any more, as fiery, lava-like oil cascaded from the burning building. Behind them were about a dozen trucks and trailers they’d managed to move away from the shop’s south side after the fire had started on the north in the administrative offices. Everything else was lost. Despite the loss, Farstad’s trucks were back on the road the following day. While the shop was being rebuilt, operations continued out of temporary quarters, owned by Farstad and empty at the time.

“There was a lot of bad that day, but a lot of good has come out of it,” Klungtvedt said. “Our new building has more space and it’s much more efficient, comfortable and safe.”

Much of the efficiency, comfort and safety improvements can be attributed to the switch to all-electric heat complete with an electric boiler system and floor heat. A used oil waste heater with the electric boiler system qualifies the building for dual heat savings, and off peak rates also decrease electric costs.

“We wanted to use our waste oil like we had in the past so the architects and engineers came up with this plan for us,” Klungtvedt explained. “We store our waste oil from our trucks when we do oil changes and service work, and we keep the oil in tanks to use it for heat in the winter. Everything is electric now. Even our pressure washers are all-electric.”

Recycling the oil is environmentally friendly. With the electric boiler system, there is no flame - not even a pilot light - which increases safety because trucks full of gasoline and diesel oil sit inside the shop when they are being serviced. The expanded shop interior can accommodate two trucks at one time; doors couldn’t be closed in the old shop when a truck was inside because the trucks were too big.

“We had a lot of heat loss in the winter, and it could get pretty cold with the doors open all the time,” Hoelscher said. “Now we have floor heat too, and that’s pretty nice. I don’t know how many miles of tubing Verendrye put in, but it’s a lot more comfortable working out there. And when you pull in a truck covered with snow or ice, it melts off and within 10 minutes, the concrete is dry again.”

To ensure adequate air circulation, air handlers suck in fresh air and preheat it to keep the shop warm. A carbon monoxide alarm system automatically monitors the air, turning on an exhaust fan to move bad air outside the building. Diesel fuel doesn’t generate carbon monoxide, Hoelscher said, so they can manually turn on exhaust fans if diesel smoke accumulates.

Loading is more comfortable too because bulk storage tanks, previously outside, were moved inside. They are heated internally, and sunk four feet into the floor so leaks would be contained if a spill occurred.

Additional space and improved equipment have contributed to efficiencies in several other areas, too. A computer system controls the building’s heating and cooling. Klungtvedt said they can go on line and adjust alarms, coding, temperatures, and other controls for anywhere in the building. “We can even see details like what the outside air temperature is and what our slab temperature is, and be able to adjust them accordingly,” Klungtvedt noted.

The system automatically shuts down after hours and weekends for added cost savings. Servers are located in two different buildings, so if there were another disaster, a computer back-up would still exist at one of the locations.

The full service shop, which handles about 20 trucks routinely, is among three Farstad Oil terminals. The others are located in Billings, Mont., and Fargo. A third-generation, family-operated business, Farstad Oil is a wholesale petroleum products distributor. The company, which serves North Dakota and Montana, as well as parts of South Dakota, Wyoming, and Minnesota, moves about 230 million gallons of gas and fuel, 28 million gallons of propane and 2 million gallons of lubricants every year.



▶ John Klungtvedt likes the added comfort and safety provided by an electric boiler system while still recycling waste oil for heat. The new Farstad Oil shop is all-electric.



▶ Safety Manager John Klungtvedt and Fleet Manager Wayne Hoelscher appreciate the new Farstad Oil full-service shop that replaced the earlier building destroyed by fire.

ADM biodiesel plant opens in VEC territory

Farmers are bringing their canola to Velva where another use for it has been added this year - as the primary feed-stock for the production of biodiesel. In July, Archer Daniels Midland Company (ADM) opened its first wholly owned biodiesel production facility in the United States. The plant joins the ADM crushing plant and refinery near Velva in Verendrye Electric Cooperative (VEC) territory.

“Congratulations to ADM,” said VEC General Manager Bruce Carlson. “This addition is good news for everyone in the region. We estimate kilowatt hour usage at six million KWH a year. The expansion called for many construction-related jobs, and ADM has also hired more employees. More jobs for the region are always good news.”

ADM Merchandising Manager Eric Mack said ADM is up to 85 employees, an increase of 22 employees since they began the expansion process. The 85-million gallon biodiesel production plant is currently operating at near capacity.

ADM officials have said that ADM is positioned to use the synergies between its extensive grain origination, transportation and processing capability to bring biodiesel to the United States market, helping extend oil reserves, creating new markets for farmers, and contributing to a better environment.

Two VEC employees played key roles in the ADM expansion into biodiesel

production. VEC Member Services Manager Randy Hauck, a member of the Velva Development Corporation and McHenry County Job Development Authority, and VEC Credit Manager Cindy Shattuck, Velva mayor, both were actively involved in efforts to make the facility a reality. ADM is Verendrye’s second largest business consumer.



▶ *ADM has added an 85-million gallon biodiesel production facility to its crushing plant and refinery near Velva.*

Changes underway at MAFB

Minot Air Force Base, Verendrye Electric Cooperative’s largest business account, has had a busy summer with the arrival of a new commander and the completion of a vehicle facility on the grounds.

Colonel Bruce C. Emig has assumed duties as the 5th Bomb Wing Commander at Minot Air Force Base.

“We welcome Colonel Emig, and appreciate the enthusiasm and expertise he brings to MAFB and to our community as a whole,” said VEC Minot Service Area Manager Martin Dahl, chairman of the Minot Area Chamber of Commerce Military Affairs Committee.

Colonel Emig has a wide range of responsibilities that include providing combat-ready B-52H aircraft, crews and associated combat support for deterrence, crisis response, global power projection, major theater war and maritime operations, and Air and Space Expeditionary Force deployments. A 1985 graduate of the Air Force Academy, he previously served at Ellsworth Air Force Base in South



Colonel Bruce C. Emig

Dakota as vice commander of the 28th Bomb Wing.

In August, the MAFB 91st Space Wing Security Forces Group opened a \$7.8 million vehicle facility that provides protected parking for up to 114 vehicles, three enclosed wash bays, equipment storage, dispatch operations, support offices and a training room.

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Pat Bachmeier: new VEC board member

Pat Bachmeier completed a second term on the VEC Member Advisory Board just in time to step into his new position in July as a member of the VEC board of directors. Bachmeier served two terms on the VEC Member Advisory Board, and four years as vice chairman with one year as chairman of the VE Trust Board that distributes Operation Round Up funding.

“Being on those boards, I learned a lot about cooperatives and I've always been a strong cooperative supporter,” said Bachmeier, who replaced Burdette Kittelson in VEC's Central District. “I've lived in Verendrye

territory all my life, and I take an active interest in everything I do.”

Bachmeier is also employed by fellow cooperative, SRT Communications.

A wireless technician with SRT since 1996, Bachmeier installs and maintains the wireless equipment and networks at more than 50 SRT locations. He has an associate degree in applied science from Bismarck State College.



Pat Bachmeier

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Fall is a good time to think about installing an electric shop heater to heat garages, warehouses, or other smaller buildings associated with your business. VEC stocks compact, 5,000-watt, energy-efficient, two-speed shop heaters that can be easily installed on a wall or ceiling. Businesses qualify for special rates, too. Call VEC member services at 852-0406 or 800-472-2141 to learn more.



VEC General Manager Bruce Carlson, left, and Minot Service Area Manager Marty Dahl, right, were on hand to congratulate Jason and Peter Zimmerman on the opening of the Holiday Inn Express in VEC territory south of Minot.

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