



CAPITAL ELECTRIC
COOPERATIVE

CAPITAL ELECTRIC COMMENTS

Capital Electric Cooperative • Bismarck, N.D.
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APRIL 2015

Brothers **Brody**, left, and **Chance Porsborg** work together to build a heavy-duty extension cord during a Burleigh County 4-H youth development program on electrical safety. These 4-H students can enter their exhibit and give an interview at the County Achievement Day event scheduled for July 7. In this month's local pages, learn why working and playing safely around electricity is so important to families living in the Capital Electric Cooperative service area.

PHOTO BY CARMEN DEVNEY



Brody and **Chance** are the sons of Capital Electric Cooperative members Mari Jo and Brian Swenson.

APRIL 2015 IN THIS ISSUE

- Youth make heavy-duty extension cords
- Thank a lineman
- Bucket truck for sale
- Capital Electric seeks candidates for board of directors
- Meeting minutes ... and more!



Savanna Freeman builds a heavy-duty extension cord under the watchful eye of her grandmother, **Terri Freeman**. Savanna is the daughter of Capital Electric Cooperative member Angela Freeman.

Burleigh County 4-H youth get hands-on lesson in electrical safety

STORY AND PHOTOS BY CARMEN DEVNEY

From sewing to photography, Burleigh County 4-H has hosted many information and educational youth development programs over the past few months, to give area students the opportunity to expand their interests and skills, and develop into tomorrow's leaders.

Jeri Fischer, with the Burleigh County/North Dakota State University (NDSU) Extension Service, says one of the most exciting and important programs offered to students this year has been electricity.

"Last fall, I had a conversation with a 4-H mom who said her boys were cutting corn and driving silage wagons. It really hit me that we should do some education about high-

voltage power lines and tie it together with the 4-H electricity project," she describes. Fischer talked to her husband Kent, who works for Border States. Border States was on board with the program and donated all the project materials. Then she contacted the safety department at the North Dakota Association of Rural Electric Cooperatives, which provides safety services to Capital Electric Cooperative. Together, they formed a program for youth.

On Thursday, Feb. 12, a large group of students of varying ages attended the electrical safety program. They learned basic terminology and safety measures, and made a heavy-duty extension cord with assistance from licensed electricians.



Theresa Horning handles a hot stick during the safety presentation. She is the daughter of Capital Electric Cooperative members Marie and Andy Horning.

Fischer says the project was designed to help youth learn and practice electrical skills, science process skills and life skills. During the presentation, the students:

- Developed knowledge of safe practices and procedures;
- Developed an understanding of the basic principles and theories of electricity; and
- Increased in knowledge and concern regarding the generation, transmission and distribution of electric energy.

While Fischer encourages all youth to become active in 4-H, students are not required to be members in order to attend the educational programs.

The goal of 4-H is to develop citizenship, leadership, responsibility and life skills of youth through experiential learning programs and a positive youth development approach. To learn more about 4-H or to see how you can be involved, contact Amelia Doll at 701-221-6865 or email Amelia.Doll@ndsu.edu. **CEC**

SAFETY CULTURE

Thank a lineman

4/13/15



**On National Lineman
Appreciation Day,
we thank our linemen
for their hard work and
commitment to safety.**

(Left) Lance Diebold, journeyman lineman
(Right) Brad Johnson, journeyman lineman

PHOTO BY KENT BRICK



Electric cooperative leaders and surge bill supporters attending the signing of SB 2103 included, from left: **Dennis Hill**, general manager of the North Dakota Association of Rural Electric Cooperatives (NDAREC); **Sen. John Warner**, Ryder, and board member, Verendrye Electric Cooperative; **Rep. Kenton Onstad**, Parshall, house minority leader, and key accounts representative, Mountrail-Williams Electric Cooperative; **Sheri Haugen-Hoffart**, Bismarck, board member, Capital Electric Cooperative, and deputy state treasurer, Office of State Treasurer; **Sen. David O'Connell**, Lansford, and board member, North Central Electric Cooperative; **Sen. Brad Bekkedahl**, Williston; and **Zac Smith**, director of communications and government relations, NDAREC.

Electric cooperative leaders support surge bill

Governor Jack Dalrymple signed Senate Bill 2103 into law on Tuesday, Feb. 24. Known as the “surge bill,” SB 2103 makes \$1.1 billion in state funding immediately available for infrastructure projects and other critical needs, primarily in the state’s oil-production region. The funding package includes \$972 million for oil country and another \$128 million for counties and townships outside the

state’s oil-production region.

In testimony provided by the North Dakota Association of Rural Electric Cooperatives (NDAREC) in support of the bill, NDAREC noted that the RECs providing electric power in the oil-producing region rely heavily on the state, county and township road network. In all, the five RECs serving the primary load in the Bakken oil patch own and maintain some 19,000 miles of electric transmission

and distribution power lines. In addition, the surge funding will help communities improve infrastructure and quality of life so that electric cooperatives are better able to attract and retain employees.

“I applaud our legislative leaders for making this funding bill a priority and all legislators who helped make this funding immediately available,” Dalrymple said. **CEC**

TRUCK FOR SALE: 1998 Chevrolet C-7500

Co-op now accepting sealed bids

Truck Specs

Serial number 1GBL7H1M4WJ111165
GVWR 30,000 Weighs approximately 19,000 pounds
7.0 LITER 427 CI Gas engine
5-speed manual transmission with HI or LO axle
Micro Brake
New tires 11R-22.5
78,700 miles

Boom Specs

Pitman Pelican PL-40
40-foot lift
2-speed throttle
Winch
auxiliary tool outlets at basket

Capital Electric Cooperative will accept sealed bids until Monday, May 4. For more information, call Rick Dressler, operations supervisor, at 701-223-1513 or email rickd@capitalelec.com. To submit a sealed bid, drop off at headquarters in north Bismarck or mail to:
Capital Electric Cooperative
Attn: Rick Dressler
P.O. Box 730
Bismarck, ND 58502-0730



PHOTO BY CARMEN DEVNEY

Real prize, real drawing, real winners!

Capital Electric Cooperative members Esther and Pius Roehrich of Menoken attended the 38th-annual KFYZ Radio Agri-International trade show held Feb. 10 and 11 at the Bismarck Civic Center. According to www.kfyz.com, this year's show was the largest to-date, featuring a toy show and variety of educational and informational seminars in the newly remodeled and expanded event center.

While touring the trade show, Esther stopped by the Touchstone Energy® booth that is sponsored by area cooperatives including Capital Electric. She registered for the door

prize — an electric grill that can also be used as a smoker and steamer. Much to her disbelief, her name was drawn out of the hundreds received.

When she and Pius picked up the grill at Capital Electric after the drawing, Esther said she was surprised to receive the call because she never wins anything. The couple shared that they would be using the grill to make hamburgers and pork chops this spring.

Congratulations, Esther and Pius, from Capital Electric, the North Dakota Association of Rural Electric Cooperatives and *North Dakota Living!* **CE**



PHOTOS BY CARMEN DEVNEY

Josh Schaffner, member service assistant, presents members **Esther and Pius Roehrich** with the grill Esther won in a drawing following the KFYZ Radio Agri-International trade show.

Member Advisory Committee provides feedback

BY WES ENGBRECHT

Member feedback and support is vital in keeping Capital Electric Cooperative running efficiently. Every February a meeting is held at co-op headquarters to update members and get their feedback on a variety of issues. This year's Member Advisory Committee (MAC) meeting was held on Tuesday, Feb. 17. It was attended by 14 cooperative members, some of whom were first-time attendees. The members listened to updates on the Legislature, Central

Power Electric Cooperative consolidation progress, year-end statistics, wholesale electric rates and other issues. MAC members discussed various other topics relating to the service we provide to members. During the meeting, Barb Handy-Marchello of Bismarck and Jim McCullough of Regan were elected to serve three-year terms on the Capital Electric Charitable Trust board of directors. **CE**



From left: Capital Electric Cooperative employees **Beau Townsend, Paul Fitterer** and **Brad Johnson** had their heads shaved to show their support of children who are suffering from cancer. Due to commitments, **Ron Lipp** and **Braden Martin** (not pictured) were unable to attend the event; they also got clipped, but at co-op headquarters.

Bald and beautiful

On March 13, five Capital Electric Cooperative employees "Braved the Shave" to raise awareness about childhood cancer. According to the St. Baldrick's Foundation, more children are lost to cancer in the United States than any other disease.

Paul Fitterer, business manager, Brad Johnson, journeyman lineman, Ron Lipp, manager of engineering and operations, Braden Martin, journeyman lineman, and

Beau Townsend, assistant staking engineer, took part in the annual hair-shaving event that was held at the Missouri Valley Family YMCA in Bismarck. Fitterer says the Capital Electric team raised \$5,000 for the St. Baldrick's Foundation. The money will be used by researchers who are working to find cures and focus on the prevention of the lifelong damage that results from surgeries, radiation and chemotherapies given while young bodies and brains are developing.

We are proud of these men for helping kids and families in our communities and beyond. Thank you for your generosity and leadership, and for showing us the true meaning of the Touchstone Energy® value commitment to community. **CE**

Directors represent your interests

Capital Electric Cooperative is overseen by a board of directors elected by the member-owners of our co-op. Each director represents the members on the board and each director is a co-op member.

Directors represent the members' interests. They learn and internalize concerns, expectations and ideas, and take the information into the board room. During board meetings, directors exchange information and strategize for the co-op's progressive growth.

Directors have a fiduciary responsibility to the cooperative. They exercise care, time and responsibility in reviewing co-op matters. Because they are also owners of the cooperative, they treat the business like their own.

Directors devote a certain amount of time to the cooperative. At a minimum, directors attend a monthly board meeting. To learn about the industry and understand critical issues, directors also read and research, and attend state and national meetings.

To help directors with their responsibilities, training is offered through the North Dakota Association of Rural Electric Cooperatives. If directors choose to pursue certification, they must take and complete five courses that cover director duties and liabilities, understanding the electric business board roles and relationships, strategic planning and financial decision-making.

Serving Capital Electric Cooperative and your community can be a rewarding experience! For more information, contact a member of the Nominating Committee (see C7) or call the co-op at 701-223-1513. **CEC**

Save
THE DATE | JUNE
02 | 2015

WHAT: Capital Electric annual meeting

WHERE: Ramkota Hotel, Bismarck

WHY: To learn about co-op issues; to cast your vote and elect three members to serve on the board of directors; to collect a capital credit check if you qualify; and to enjoy entertainment and eat a free meal.



PHOTO BY CARMEN DEVENEY

Be a part of the team

Bill Patrie was elected to the Capital Electric Cooperative board of directors in June 2014. A co-op member with his wife Marcia since 1992, Bill works as the executive director of the Common Enterprise Development Corporation. A founding chairman of the Rural Development Finance Corporation, which is owned by electric and telephone cooperatives, and the past rural development director for the North Dakota Association of Rural Electric Cooperatives, Bill knows cooperatives — and he brings a tremendous amount of knowledge and wisdom to the Capital Electric board room.

Bill says he believes in the power of good ideas to transform organizations. “I love being a part of a well-performing team where the outcome of our mutual effort is greater than the individual parts. Being part of a great team makes each player better,” he says. “There is great potential at Capital Electric Cooperative. I see the co-op’s membership as a vast untapped resource, waiting to be used for the common good of all of us. We, as directors, have to articulate that common good and utilize our members as the resources to achieve it.”

Now’s the time to consider running for a position on Capital Electric Cooperative’s board of directors. Bill and the other eight directors encourage you to join them in the board room, and understand how the power of human cooperation changes lives — and makes cooperatives and communities stronger. **CEC**

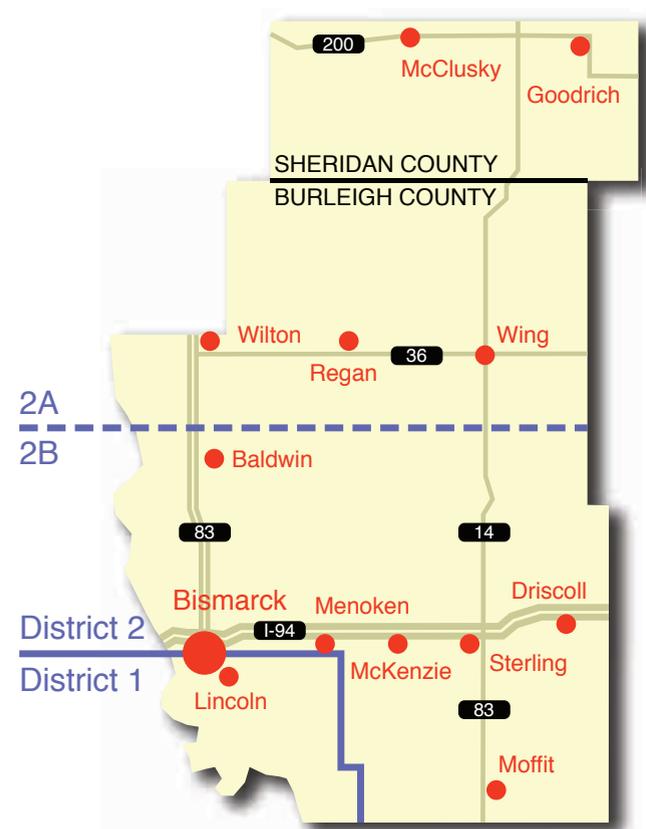
Are you interested in serving as a director for Capital Electric? Place **YOUR** name on the ballot today!

Capital Electric Cooperative's 69th annual meeting will be held June 2 at the Ramkota Hotel in Bismarck.

This year, three seats on the co-op's board of directors will need to be filled. Directors whose three-year terms will expire this June include Josh Kramer and Deon Vilhauer, both from District 2, and Dwight Wrangham from District 1.

The nine members who make up the Capital Electric board of directors set policies and make decisions that will guide the cooperative into the future. With the annual meeting just a few short months away, now is the time for members to start thinking about whether they have the time and desire to serve their electric cooperative.

In accordance with Article 4, Section 3 of the co-op bylaws, current members of Capital Electric can have their names placed on the ballot to be voted upon for the open board positions in one of three ways: accepting a nomination by the Capital Electric Nominating Committee; submitting a petition signed by at least 15 current members of the cooperative, not less than 30 days prior to the annual meeting; and having your name placed in nomination from the floor at the annual meeting prior to the board of director election. **CEC**



The following members have been appointed by the board of directors to serve on the Nominating Committee:

Brian Bitner
751 80th St. S.E.
Bismarck, ND 58501
701-224-8281

Warren Larson
4618 Feldspar Dr.
Bismarck, ND 58503
701-751-2329

Kristi Schlosser Carlson
2810 Powder Ridge Dr.
Bismarck, ND 58503
701-251-8027

Gary Hansen
5230 Boulder Ridge Rd.
Bismarck, ND 58503
701-471-3558

Ann Reich
4401 Lookout Trail
Bismarck, ND 58504
701-255-4406

Lois Sundquist
10450 318th Ave. N.E.
Wilton, ND 58579
701-425-7789

LeAna Hug
13451 52nd St. N.E.
Baldwin, ND 58521
701-223-5152

Julie Roswick
4315 England St.
Bismarck, ND 58504
701-255-3626

Sanford Williams
26900 331st Ave. N.E.
Wing, ND 58494
701-943-2474

If you are interested in becoming a candidate for the Capital Electric Cooperative board of directors or wish to have a member considered for nomination, please contact a member of the Nominating Committee listed above prior to **April 14**. Committee members will have information on the requirements a member must meet in order to serve on the co-op's board of directors. Pursuant to the bylaws, the Nominating Committee must post a list of nominations at least 35 days prior to the annual meeting. Current board members whose terms will expire in 2015 are:

- District 1: Dwight Wrangham
- District 2: Josh Kramer and Deon Vilhauer

Official notice of Capital Electric's 69th annual meeting will be mailed to members in May.

**Board minute excerpts
Feb. 20, 2015**

The regular meeting of the Board of Directors of Capital Electric Cooperative, Inc., was held Friday, Feb. 20, 2015, at co-op headquarters in Bismarck.

Financial review: Prior to the Board meeting, Directors Patrie and Vilhauer reviewed the January 2015 check register and expenditures. Patrie reported all checks were in order. It was moved, seconded and carried to approve January expenditures in the amount of \$2,754,492.23.

Business department report: Fitterer reviewed the January financial and statistical report with the Board. The total kilowatt-hour (KWH) sales for January 2015 was below budget by 3.6 percent. The actual monthly electric revenue is below budget by 4.9 percent. The financial margin for January is \$57,367 versus the budgeted margin of \$163,584, below budget by \$106,217.

When comparing year-to-date to last year-to-date, the months of January through November for last year will reflect the special entries for the consolidation. However, the bottom line for operating margins on line 21 and overall margins on line 29 will both reflect an apples-to-apples comparison, and the special entries net each other out.

In January, 35 new services were billed, bringing active services to 18,527 versus 17,709 at this time last year. This is a net increase of 818 accounts over the last 12 months.

Central Power Electric Cooperative consolidation: We are waiting for copies of final paperwork as it relates to the final consolidation agreement.

Tim Bohan, Rural Utilities Service (RUS) field representative, is working with RUS to obtain final confirmation from RUS on the consolidation.

All entries related to the consolidation have been made in our accounting system.

Customer Care Specialist: Kacey Galster has accepted the position of Customer Care Specialist.

Financial projection: Our year-to-date operating margins are -\$274,939 and year-to-date overall margins are \$1,535,507. We will need to bring in approximately \$380,000 from existing \$2,375,000 in deferred revenue to meet minimum ratio requirements under the RUS method of accounting.

It was moved, seconded and carried to approve bringing in \$380,000 of deferred revenue for 2014 to meet our ratio requirements.

Health care: On Feb. 5, 2015, the delegates to the North Dakota REC self-funded planning group met with the health and legal consultants to prepare recommendations for the formation of the health care trust. Key recommendations

were reviewed.

It was moved, seconded and carried to designate Nygren as trustee and Fitterer as alternate trustee, and to execute the Trustee Affidavit.

Inventory of work orders: It was moved, seconded and carried to approve work order inventories numbered 479, 480, 48A, 480B and 482, totaling \$5,363,507.14 and submit for payment.

Refinance of "AD61" loan study: Following review and discussion of RUS prepayment considerations, it is the consensus of the Board to not pursue prepayment of our RUS loans at this time.

National Information Solutions Cooperative (NISC) summary: We received our allocation of \$15,257.97 from NISC for 2014 patronage; of that, \$4,577.39 has been retired and paid to us.

Estate retirements: Following review of the financial condition of the cooperative and recommendation by management, it was moved, seconded and carried to authorize payment of capital credits to the following deceased members' estates:

Archie McCullough	\$905.24
Mike Fischer	\$841.56
TOTAL	\$1,746.80

Engineering and operations report: The Manager reviewed the written report from the engineering and operations departments. We completed 18 work orders this month, adding 10 new consumers to the system.

Fisher continues to trench in new services for us and VIP continues to work on our overhead rural rebuild.

Our line crews continue to hook up temporary and permanent meters, and are doing annual line inspection.

Following review and recommendation by management, it was moved, seconded and carried to approve the 2015 contractor pricing.

A meeting with HDR and Central Power was held Feb. 12, 2015 concerning our substation projects that will take place this summer.

Rick ordered our truck and boom assembly for the replacement of unit number 85. It should be here in August. We will advertise the old number 85 in our center pages to see if our members are interested in purchasing the unit "as is."

We are now purchasing FR (flame resistant) pants for linemen.

Member services department: The Manager reviewed the member service written report.

Safety report: There were no lost-time accidents this month.

Jerry Nielsen, safety instructor from the North Dakota Association of Rural Electric Cooperatives (NDAREC), was at our shop Feb. 11, 2015 to conduct a safety meeting on office hazards, hazard recognition, chain saw procedures and tail-gate sessions.

The Manager and attorney reported

on the appeal to District Court on the Menards/Montana-Dakota Utilities (MDU) case. Briefs have been filed and oral argument requested.

After discussion, it was moved, seconded and carried to appoint the following to the Capital Electric Nominating Committee: Brian Bitner, Gary Hansen, LeAna Hug, Warren Larson, Ann Reich, Julie Roswick, Kristi Schlosser Carlson, Lois Sundquist and Sanford Williams.

Central Power/Basin Electric Power Cooperative: Haugen-Hoffart reported on Central Power and Basin Electric matters.

Central Power director: Hilken was elected as Capital Electric director to Central Power. Haugen-Hoffart was elected as alternate.

Strategic planning: The strategic planning meeting is scheduled for March 20 and 21, 2015. Each board member is asked to submit items of interest for the strategic planning session for agenda consideration by March 2, 2015.

Member Advisory Committee meeting: The Member Advisory Committee Meeting was held Feb. 17, 2015. Legislative bills of interest to the cooperative were discussed. Two new members to the Operation Round Up Board were elected. The Menard's Public Service Commission Appeal was also discussed.

Adjournment: There being no further business to come before the meeting, without objection, the regular meeting was adjourned. **CEC**

**CAPITAL ELECTRIC
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4111 State St. N.**

Bismarck, ND 58503

Website: www.capitalelec.com

BOARD OF DIRECTORS:

Dwight Wrangham, Pres. Bismarck
Arlene Olson, V. Pres. Wing
David Liuska, Sec.-Treas. Wing
Sheri Haugen-Hoffart,

Asst. Sec.-Treas. Bismarck
Rodney Eckroth Bismarck
Kyle Hilken Wilton
Josh Kramer Bismarck
William Patrie Bismarck
Deon Vilhauer Bismarck
Ordean "Lars" Nygren, Mgr. Bismarck

OFFICE HOURS:

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Toll-free: 888-223-1513

Pay-By-Phone: 1-877-853-5928

DAY-NIGHT-WEEKEND

TROUBLE CALL: 223-1513

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