May your Christmas be light and bright!
A food cooperative is coming to Bismarck in the spring of 2016, thanks in part to significant community and cooperative support.

Located at 711 Sweet Ave. in Bismarck, the BisMan Community Food Co-op will be a year-round, full-scale retail grocery store that will offer a variety of fresh, local and organic foods, in addition to bulk items, produce, deli, health and home products, dairy, meat, bakery goods, frozen foods, and a coffee and juice bar.

The cooperative will also feature an educational center with classroom space, where members, their families, and the general public can attend cooking classes and experiment with food.

To create a vibrant local-foods system, the cooperative will purchase as much produce locally as possible from area farmers and ranchers, including grass-fed beef, eggs from free-range chickens, honey, fruit and much more. The cooperative currently has a growing database of more than 50 area producers who are being evaluated and approved to supply food.

“We are different. As a cooperative, we want to know how the food is produced and grown. There’s a connection with the grower and the food, and how it’s produced. People will know where it comes from,” says Heidi Demars, outreach coordinator.

“When someone sells to us, we’ve established an in-store marketing plan where they will have some type of labeling that notes where the food came from, to show people the broad selection we have in North Dakota.”

Fresh, local food will be always be sold when possible. To fill the gaps out-of-season, the cooperative’s primary food vendor will be United Natural Foods Incorporated, or UNFI.

Anyone will be able to shop at the food cooperative. Members will receive exclusive emails on deals, discounts on food, free or discounted admission to cooking classes, and additional cooperative benefits including patronage dividends in profitable years. Demars says pricing will be comparable to area grocery stores, although consumers

In the cooperative’s educational center, organizers will hold a variety of cooking classes such as a Taste of India or Cooking Thai Food. They also want to have cooking classes for kids, to teach them how to prepare healthy after-school snacks.
can expect to pay slightly more for organic products. “That’s what our community space is all about. We want to educate people on food, and the process of it and why organic is a little more expensive,” Demars says. “We want people to have options. That’s why we’ll offer conventional foods in addition to organic; that way consumers can determine their food values and choose how to spend their dollars.”

Cooperatives are a tradition — and one of the best-kept secrets — in America. From electric cooperatives, telecommunications cooperatives, credit unions, Farm Credit Services, Farmers Union and other organizations, cooperatives are businesses organized by people to provide goods and services. Some of the benefits include:

• The consumers are member-owners;
• Cooperatives are governed by a member-elected board of directors;
• Cooperatives are not-for-profit entities that return profits back to their member-owners as the financial condition of the cooperative permits, and as bylaw provisions are met;
• Cooperatives are committed to community and enhancing the quality of life in the areas in which they serve.

Food cooperatives have been innovators in the marketplace in the areas of unit pricing, consumer protection and nutritional labeling. As of 2013, there were about 350 retail food co-ops in the United States. There are also 120 new start-up food co-ops currently in development in the United States.

The BisMan Community Food Co-op is one of the fastest-growing cooperatives in the nation, as far as its membership. A couple months ago, the cooperative’s board of directors took a hard look at finances and determined the co-op may need to dissolve if additional funding wasn’t received quickly. The cooperative contacted area media and reached out to the public, and then hosted a cookout at headquarters to explain what a food cooperative is, and how it could benefit local consumers and producers.

“We said, join us for (grass-fed beef) burgers. Come and learn about the co-op. Come taste the co-op. Come ask questions,” Demars says. “It’s what people needed to get comfortable with the actual store. Education about cooperatives was huge, and the foods we are going to carry are important. Being transparent with people was a big deal.”

The cookout generated 70 new members in one day, and the cooperative went on to build its...
The Rural Development Finance Corporation

Electric and telecommunications cooperatives are helping to revitalize Main Streets across rural North Dakota, in partnership with the North Dakota Association of Rural Electric Cooperatives (NDAREC). There is no shortage of project ideas — and thankfully, there is no shortage of money available. Is someone in the Capital Electric Cooperative service area interested in starting or expanding a business and could use a financial boost? RDFC is here to help.

RDFC, or the Rural Development Finance Corporation, is a non-profit corporation owned by North Dakota’s electric and telecommunications cooperatives and NDAREC. Created with the goal of assisting local development organizations and political subdivisions to leverage additional capital to finance business and community economic development activities, RDFC utilizes a revolving loan fund totaling nearly $3.5 million that can bring affordability to North Dakota-based projects.

The purpose of RDFC is:
1. To promote rural economic development, primarily focusing on creating new jobs and enhancing essential community services and facilities, and
2. To develop a sustainable revolving loan pool for rural development and provide technical assistance to rural development.

Any local development group or political subdivision that demonstrates the capacity to use the capital productively and consistent with the RDFC mission may apply for a loan.

Potential uses of funds could be construction costs, renovations, or facility acquisition of new or expanding businesses; the establishment of revolving loan funds; infrastructure; essential services and more. The funds can be used as matching funds for state, federal or other sources of funding. The RDFC funds must be matched dollar-for-dollar and must be repaid over 10 years or less.

For loan guidelines, applications or more information on RDFC and the revolving loan fund program, visit www.ndarec.com and click on Rural Development and RDFC, or contact Lori Capouch, NDAREC rural development director, at 701-667-6444 or lcapouch@ndarec.com.

The BisMan Community Food Co-op continues to grow and welcome new member-owners.

To learn more about the cooperative and become a member, or to inquire about becoming a producer, visit http://bismanfoodcoop.com/ or call 701-203-3167.
Co-op looks to hire new general manager
BY WES ENGBRECHT

As members learned at the Capital Electric Cooperative annual meeting in June, Ordean “Lars” Nygren, the co-op’s general manager since 1983, will be retiring in the spring of 2016. The time has come to choose a successor, and the process has begun. Applications have been received from candidates who are interested in serving Capital Electric members as their next general manager.

Capital Electric’s board of directors has been evaluating applications and conducting interviews. According to Board President Dwight Wrangham, “The application process has gone very well, and has yielded a healthy regional interest in the position.” Wrangham is comfortable that the board’s procedure to select the next general manager will result in a bright future for the co-op. “The focus of the process is to find a general manager who will continue to serve our membership at a high level and consider their needs as a top priority,” he concludes.

More information will be available as the process continues over the upcoming months.

Another utility scam has been reported. This time, perpetrators targeted an electric cooperative in Missouri, and used its recorded phone message to try and trick consumers.

Affected members reported receiving calls demanding payment or they’d be disconnected within minutes. They were given a callback number, which played the real co-op recording that thanked them for calling their electric cooperative. It was a poor-quality reproduction, but good enough to sound legitimate.

When asked to choose an option, members were greeted by a person with a foreign accent, who claimed to be an employee with the cooperative.

You can imagine this person’s surprise when an actual employee of the cooperative called and stated who he represented, demanded the phone scam end immediately, and that he had contacted the attorney general’s office and filed a report.

The statement was followed by a curse-filled response and hang-up.

Members, to the best of our knowledge, this particular scam has not targeted consumers in the Capital Electric Cooperative service area. It could though, or another one like it. Please be aware that scams can occur anywhere, and take great care in providing personal information. If you have concerns or questions about making payments on your utility bills, please contact our business department at 701-223-1513. We are a Touchstone Energy® Cooperative that is always happy to hear from you and work with you, our member-owners.

www.capitalelec.com
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INVESTING IN YOUTH AND OUR FUTURE

Capital Electric offers student scholarship

To help develop future leaders and support families in our service area, Capital Electric Cooperative is offering a $1,000 student scholarship for the 2016-2017 school year, in partnership with Basin Electric Power Cooperative.

To qualify for the scholarship, seniors must be enrolled or planning to enroll in a full-time undergraduate or graduate course of study at an accredited two-year or four-year college, university or vocational/technical school. Their parents or guardians must be members of Capital Electric.

Our cooperative will assemble a panel of impartial judges to review all applications. The judges will select the winning application based on academic performance, potential to succeed, leadership and participation in school and community activities, honors, a statement of education and career goals, work experience and an outside referral. The scholarship will be awarded without regard to other awards, loans or financial assistance the applicant may have obtained.

Application forms may be downloaded at www.capitalelec.com or picked up at co-op headquarters at 4111 State St. N. in Bismarck. Applications need to be completed and returned to Capital Electric on or before Friday, Feb. 12, 2016.

“Applying for scholarships is one of the simplest ways students can start college off right. A little bit of effort and time can save yourself a lot of money,” advises Christopher Kraft. He knows from personal experience.

A freshman at the University of Mary, Christopher applied for and received last year’s $1,000 scholarship from Capital Electric and Basin Electric. He is seeking a double major of healthcare administration and pre-med, playing football — and learning the challenge of balance.

“College has been going really well, and I am excited for my future,” he says.

The son of Capital Electric members Michael and Jean Kraft, Christopher says scholarships have helped him immensely.

“I have been able to more thoroughly enjoy the college experience, without worrying too much about financing my education,” he says. 

Christopher Kraft earned last year’s Capital Electric Cooperative’s $1,000 scholarship.

LIHEAP provides energy assistance to eligible low-income households

If you need assistance paying your utility bill this winter, you might qualify for energy assistance through the Low Income Home Energy Assistance Program (LIHEAP). Federally funded and administered by the N.D. Department of Human Services and county social services, LIHEAP provides the following services for eligible individuals and families:

- heating assistance
- making your home energy efficient
- furnace and chimney cleaning
- emergency assistance
- furnace replacements
- minor repairs, and
- energy cost reduction devices

To date, more than 12,600 low-income households in North Dakota are participating in the state program. Shari Vetter, billing coordinator for Capital Electric Cooperative, says a number of co-op members utilize the program.

Applications are accepted from October through May of each heating season. For information related to application for benefits, program eligibility or an existing case, contact your local County Social Services office. There is no cost to apply, but consumers will have to pay a percentage of some services based on their income.

To read more about the LIHEAP program, view frequently asked questions and apply for energy assistance, visit www.nd.gov/dhs/services/financialhelp/energyassist.html or www.nd.gov/dhs/ and click on “Services and Help,” “Public Assistance” and the “Low Income Home Energy Assistance Program.”

To ask questions about the LIHEAP program, call 701-328-2065 or email dhseap@nd.gov.
JUNE 11 to 17, 2016

TOP 3 REASONS TO ENTER THE ESSAY-WRITING CONTEST
1. All-expense-paid trip to Washington, D.C., compliments of Capital Electric Cooperative.
2. A whole week to visit unforgettable historic monuments, museums and the U.S. Capitol.
3. A learning experience you’ll never forget.

CHECK OUT THE ESSAY-CONTEST GUIDELINES AT www.ndyouthtour.com and www.youthtour.coop
Board minute excerpts
Oct. 23, 2015

The regular meeting of the Board of Directors of Capital Electric Cooperative, Inc., was held Friday, Oct. 23, 2015, at co-op headquarters in Bismarck.

Financial review: Prior to the board meeting, Directors Wrangham and Eckroth reviewed the September 2015 check register and expenditures. Eckroth reported all checks were in order. It was moved, seconded and carried to approve September expenditures in the amount of $4,532,598.92.

Business department report: The Manager reviewed the September financial and statistical report with the Board. The total kilowatt-hour (KWH) sales for September 2015 was above budget by 4.3 percent. The actual monthly electric revenue is above budget by 4.4 percent. Year-to-date KWH sales are below budget by -.1 percent and electric revenue is over budget by .6 percent.

The year-end income statement for 2015 has been projected using actual through September and budgeted thereafter. Assuming we meet budget the rest of the way, Capital Electric would meet lender requirements.

Capital Electric began billing 52 new services in September, bringing our active services to 19,014 versus 18,271 at this time last year, or a net increase of 743 accounts over the last 12 months.

The Manager reviewed the comparison of actual-to-budgeted expenses for the month of September and year-to-date through September 2015.

Health care trust: Health care rates from the National Rural Electric Cooperative Association (NRECA) and the ND REC Benefits Trust (Blue Cross Blue Shield of North Dakota) were reviewed with the Capital Electric employee health care group. Rate differences are similar to last year under the same plans. The consensus was that the 2016 NRECA plan has better premiums for Capital Electric employees as a whole. The overall increase to Capital Electric will be 2.8 percent in 2016. We will continue to evaluate NRECA versus the REC trust in future years to see how rates and coverage compare.

PCI compliance: We are near compliance with the Payment Card Industry (PCI) rules and will meet the Oct. 31, 2015 deadline with the adoption of some additional language to policy I-12, use of Company Computers. The PCI rules focus on cyber security and require network segregation of devices where credit card information is entered.

Following review and recommendation by management, it was moved, seconded and carried to adopt Policy I-12, Use of Company Computers, attached as “Minute Exhibit 1.”

Load forecast: Basin Electric Power Cooperative has prepared the 2016 update of the 2014 load forecast. The most recent summer and winter peaks and our expected 2016 KWH sales were utilized. Adjustments were made to properly reflect the lower line losses under the Central Power Electric Cooperative rate structure.

It was moved, seconded and carried to approve the Basin Electric updated load forecast.

2016 budget: The 2016 budget is nearing completion. We expect significant cost increases to our purchased power; partially from rate increases from Central Power, and also due to decreases in overall estimated load factors that we have experienced thus far since consolidating.

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:

- Syvilla J. Peterson $1,218.80
- Edna Selmer $653.85
- Maynard Jenner $504.76
- Thomas W. Brown $1,178.54
- Lorraine Volland $278.27
- Elise Haykel $29.06

TOTAL $3,863.28

Engineering and operations report: The Manager reviewed the written report from the engineering and operations department. We completed 62 work orders this month, adding 85 new customers to the system.

Fisher, 3rd Generation and Gieser Utility Contracting continue to trench in new services, and VIP continues to work on our overhead rural rebuild.

Crews have been working with Central Power as they changed out substation transformers in the Grandview Pines and Circle K substations, plus put up new conductor on two segments of their transmission line.

The control buildings at the Moffit and Christiana substations are complete, and we are in the process of wiring the RTUs and putting the controls to the OCRs inside the buildings.

On Oct. 20 we moved the old TWACS server machine to the virtual machine that was configured to make the system more dynamic. Both hardware and software were moved to our new system.

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

Water heater pricing/manufacturing: We have a full inventory of Westinghouse units at present, and RESCO is working to remedy our concerns with Marathon.

Contractor’s geothermal seminar: Our geothermal heat pump supplier, Enertec, will hold a contractor’s seminar, for installation and troubleshooting of geothermal, next week at Capital Electric. We have approximately 12 contractors signed up for the class.

ERC loan: There are no loans before the Board for approval.

The Capital Electric preliminary 2016 budget was reviewed, including sales and purchases, construction budget and capital budget. The budget assumptions were outlined.

Communications and public relations department: The Manager reviewed the written report from the communications and public relations department.

Safety report: There was no lost-time accidents this month. Without objection, the safety report was approved.

Public Service Commission: Appellant’s Brief has been filed.

Central Power: Work continues on the budget. Troy Presser was elected the Central Power representative to the Basin Electric Board of Directors.

Director districts: The service territory map with members by township were reviewed, as well as a proposed redistrict plan.

Basin Electric: Nygren reported on the Basin Electric Member Advisory Committee meeting. Year-end margins were estimated at 67 million. Minnkota’s membership application is still under due diligence review.

The North Dakota Association of Rural Electric Cooperatives: Liuska reported on Statewide matters. The 2016 budget was reviewed.

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