ENERGY SERVICES: Taking member services to the next level

Schaffner and Nygaard serve a membership with changing needs

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ENERGY SERVICES:
Taking member services to the next level
Schaffner and Nygaard serve a membership with changing needs
BY WES ENGBRECHT

We are entering a new era in the world of energy. Technological changes are bringing added complexity to members when it comes to understanding their energy needs. What’s a smart thermostat? How does geothermal heating and cooling work? What’s the best type and size of water heater for my particular home? Why is my bill higher this year than last year during the same month?

These are common questions for Energy Services Supervisor Josh Schaffner, who has been answering them and providing knowledgeable up-to-date information to Capital Electric members for more than 11 years. With the retirement of longtime Member Services Manager Doug Mork in February, the face and the name of the member services department has changed. Jared Nygaard joined the newly named energy services department in March, bringing with him years of experience in the heating/cooling industry. Together, he and Josh will make up this new department, providing the same great service to our members that they have always expected.

So why the new name? “Member services” has always been used as the name for the department that is dedicated to helping members with their questions on heating/cooling, electricity usage, energy efficiency, load control and much more. All of those areas will still be covered by the energy services department. Now they will move into some new areas, such as smart thermostats, private generation, LED lighting, electric vehicles and energy storage.

“By changing the name to “energy services,” we hope it reminds our members that they can contact us for all their energy questions and ideas,” Schaffner explains. “We’re going to be spending more time and resources on continuing to stay up-to-date on new products and programs that our cooperative and our membership can utilize to cut their energy costs or grow their businesses. We will continue to advise on and implement our current programs that members may already be familiar with.”

As always, Josh and Jared will focus on keeping our members as our top priority. As the energy industry is moving toward efficiency and new technologies, they will be ready to answer the call.

If you have energy-related questions, please feel free to call Josh or Jared at 701-223-1513 or email at joshs@capitalelec.com or jaredn@capitalelec.com.
A word from the general manager
BY PAUL FITTERER

As Capital Electric Cooperative’s (CEC) annual meeting is quickly approaching, I want to take a moment to talk about our cooperative governance and introduce some of the programs we are implementing to combat rising power costs.

Your cooperative annual meeting: June 6

There are seven cooperative principles that guide decisions of CEC every day. The upcoming annual meeting is a great time to focus on two of these principles: 1) Democratic member control and 2) Autonomy and independence.

Democratic member control means you receive electric service from a democratic organization controlled by members of the cooperative who actively participate in setting policies and making decisions. All members have equal voting rights (one member, one vote) and each member can run for election to the board of directors at CEC’s annual meeting.

Autonomy and independence means that we are a self-governing, self-help cooperative which is made up of nine active board members who must reside in CEC’s service area. They are individuals who live and work in our communities and are elected by our members at the annual meeting each year. Though CEC may be like some of the other 800 electric distribution cooperatives in the United States, we are independent, controlling our own destiny by shaping our policies and procedures that represent our local needs and the culture of our membership.

I feel strongly that as North Dakotans, we understand the value of being part of a cooperative because of who we are. We are the type to roll up our sleeves and “get the job done.” We value local organizations that put our needs first and treat us fairly. We want to be heard and represented well. We understand that it is important to be active in our communities. Capital Electric is your cooperative and strives to serve your energy needs following these values. I look forward to seeing you on June 6 as you join us at CEC’s annual meeting for a great meal, director elections, and other co-op business.

Controlling power costs

No doubt it was a shock to many of you to receive a letter last year from CEC notifying you of a 12 percent rate increase beginning Oct 1, 2016. I’ll tell you it was certainly a tough letter to send as well. The most significant portion of the rate increase was necessary due to an unexpected mid-year wholesale power cost increase.

With more than 70 percent of CEC’s total expenses relating to purchasing wholesale power, one of our top priorities has been to find ways to reduce these power costs. As mentioned in my last column in March, more than 60 percent of the power bill that Capital Electric receives each month is based simply on the single point in time during the month where we as a cooperative collectively use the most power. The example I used was a very hot summer day where most of us go home after work, turn on the air conditioning, cook supper, wash clothes, run the dishwasher, and generally use more power at the same time. This creates a massive system peak. If we as a membership can shift some of our usage to times of the day that are outside of the peak hours, we can collectively make a big difference!

I’m pleased to announce a few initiatives that we will be making available later in 2017 that will help CEC reduce our system peak. For those who are able to shift some of their usage to off-peak hours, we look to provide credit back to you to offset part of your personal electric bill.

In addition to the popular electric water heater load-control program in which many members participate today, we will soon be introducing two new peak load-control programs for residential members.

The first is a called a “peak time rebate” program. Participating in this program will be as simple as signing up for peak time alert notifications that will notify you, by text or email, of expected upcoming monthly system peaks. When the peak time arrives, you will earn a rebate based on the amount of your energy reduction during the peak period. This can often be painlessly accomplished by shifting your usage outside the peak time period. For example, if a peak alert is called from 4:30 p.m. to 6:30 p.m. on a particular day, it can be as simple as scheduling your dishwasher to run at 7 p.m. The more you reduce your usage during the peak period, the more you will earn in rebates. The best part is that there are no costs to get started and if you decide not to participate in an event, you will not be penalized, but simply may not earn any rebate for that called peak event.

The second program is an air conditioning load-control pilot program. This program includes a device that is installed on your air conditioner to cycle it on and off a few times each hour during the control periods. With cycling, the right size air conditioner can provide enough cooling to keep the temperature comfortable, but will reduce the overall system peak. In turn, a bill credit will be applied monthly on your electric bill.

The third program is at the cooperative level and is an initiative to switch out CEC-owned security lights with LED bulbs. LED technology is impressive, bringing significantly longer lifespans to the bulbs and photocells and running more efficiently than non-LED lights. Though changing out one light will not have a material effect on our operational costs, changing out the thousands of security lights owned by CEC should result in significant savings in the long run.

Stay tuned for more information that will be communicated to you in the coming months as we roll these programs out. Thank you for being engaged members in your electric cooperative!
Candidates seek co-op board of director positions

Elected to serve three-year terms, the nine co-op members who make up the Capital Electric Cooperative board of directors set policies and make decisions that provide the membership with safe, affordable and reliable electric service.

At this year’s annual meeting on June 6, members will elect four people to serve and carry on the traditions of Capital Electric while planning for the future. The open board seats include one currently held by Rod Eckroth in District 1, one held by Richard Koski in District 2, and two held by Kyle Hilken and Bill Patrie in District 3. Directors Koski, Hilken and Patrie are seeking re-election to their respective board seats. Director Eckroth has decided not to run for another term on the board and we thank him for his time and service to the cooperative.

The Nominating Committee recruited candidates and met on April 18 to review the list of potential candidates. Three people were nominated from District 1, one person was nominated from District 2, and five were nominated from District 3. In addition, interested candidates can have their names added to the ballot by petition at least 30 days prior to the annual meeting or from the floor at the meeting.

Capital Electric is pleased to announce that the following candidates have met eligibility requirements and will have their names placed on the ballot at the annual meeting:

DISTRICT 1:
- Terry Alveshere
- Dave Charles
- Kayla Pulvermacher

DISTRICT 2:
- Richard Koski

DISTRICT 3:
- Brent Bogar
- Tim Geiger
- Kyle Hilken
- Glenn Mitzel
- Bill Patrie

Note: The candidate in District 3 with the most votes will serve a 3-year term and the runner-up will serve a 2-year term

Candidates will be given a brief time allotment at the annual meeting to introduce themselves and explain their qualifications. Members will then vote for one candidate from District 1, one candidate from District 2, and two candidates from District 3. Official notice of Capital Electric’s 71st annual meeting will be mailed to members later this month.
Who can vote at the annual meeting?

With June 6 quickly approaching, we often receive questions as to who can and who cannot vote for director positions and ballot issues during this meeting. To clarify: Only members of the cooperative are eligible to vote, and they can cast only one vote for their membership, regardless of the number of accounts that member has with the cooperative. For example, if the membership is in the husband’s name only, only the husband is eligible to vote; he cannot transfer that ability to vote to his spouse or another person.

If the membership is a joint membership, in the name of both the husband and wife, the presence of either or both at the meeting shall be regarded as the presence of one member at the annual meeting. A vote of either joint member separately, or both jointly, shall constitute one vote. Both joint members are not eligible to vote individually.

If the membership is in the name of a sole proprietorship or a partnership, only the owner(s) of that business may vote. A sole proprietor or partner cannot authorize a nonowner of the business to vote.

In the absence of written notice that some person has been designated to represent a member who is other than a natural person — for instance, a township, school or an incorporated business — such member may be represented by any of its principal officers. If a member who is other than a natural person is not represented by any of its principal officers, such member may designate a natural person to represent it by giving the cooperative written notice at or before the member meeting, which shows that the named representative has been authorized by the managing board of such member to represent it at the meeting of the cooperative. An authorization form is printed below for this purpose. The form can also be accessed online by going to www.capitalelec.com and clicking on “Forms” and then “Annual Meeting Appointment of Voting Representative.”

An individual may represent only one non-natural member, and may also vote as an individual if he or she is a member.

Voting by proxy will not be allowed because the presence of as many members as possible is desired at all meetings of the membership. Proxy voting has the tendency to discourage actual attendance at membership meetings.

A complete version of the membership voting rules can be found in Article III, Section 5 of the Capital Electric Cooperative bylaws. If you have any questions, give the office staff at Capital Electric a call at 701-223-1513. We look forward to seeing you at the annual meeting on June 6!

APPPOINTMENT OF VOTING REPRESENTATIVE FORM

A membership in Capital Electric Cooperative, Inc. may be held in the name of a corporation, church, school district or other political subdivision, cooperative, association or other organization. If your organization is to be represented at our annual meeting, complete this form and either deliver it to Capital Electric Cooperative anytime prior to noon June 6, or your authorized representative can present this completed form at the registration desk at the meeting.

This is not a proxy statement. Residential and privately owned business customers (i.e. sole proprietorships, partnerships, etc.) cannot use this form. They must vote in person at the annual meeting.

Mail forms EARLY to:
Capital Electric Cooperative Inc.
RE: Annual Meeting
P.O. Box 730, Bismarck, ND 58502-0730

This certifies that ____________________________________ is appointed the voting representative for the following organization ___________________________________ (full legal name) which has service at ___________________________________ and is authorized to cast the vote of, and otherwise represent this organization in all matters at the _________ (year) annual meeting of the members of Capital Electric Cooperative Inc. or any adjournment thereof.

Organization Name (Print) ______________________________________
Is Organization a Corporation? __________________________________
Name of Officer/Official (Print) ________________________________
Title ______________________________ Date _____________________
Officer’s Phone # _____________________________________________
Officer’s Signature __________________________________________

*Must be signed by officer or authorizing official
A deserving student: Faith Harron
BY WES ENGBRECHT

Faith Harron is a senior at Century High School. She is also the winner of the $1,000 scholarship funded by Basin Electric Power Cooperative that Capital Electric is privileged to award to a deserving student in our service area. The interesting part about this award is that it was earned through scholastic aptitude and extracurricular achievement. However, those aspects of this award do not come close to defining the real reason Faith Harron is deserving of this recognition.

Faith is a remarkably deep and passionate young woman with experience beyond her years in many areas. She's a writer, but not just a writer, a true novelist who has written 11 such works. She is a playwright, a poet, a newspaper reporter, a mathematician, a scientist, and so much more. She speaks Spanish nearly fluently and is currently teaching herself to speak Russian. She has accomplished more in a mere 18 years than many people will in a lifetime. More than any of these things, she has an understanding of life that surpasses her age.

“If you’re not helping people, you’re not going to change the world,” she explained while we were discussing her plans for the future. “Regardless of my major in STEM, I do plan to spend at least a few years in the Peace Corps in my future, hopefully in Thailand or the Dominican Republic.” She talks about the native people of Peru, who speak their native languages of Quechua or Aymara, and the struggles they have in a society dominated by Spanish-speaking people. “I want to teach these people to speak Spanish or English so they can communicate with the rest of the country and live better lives,” she says.

In high school, Faith competes in the Science Olympiad and Mathletes. She is hopeful that this is Century’s year to win the state title in the Olympiad. She also utilizes her science knowledge at the Gateway to Science, helping elementary students discover the amazing world of science through hands-on demonstrations. According to Faith, “You can’t learn about science strictly from reading – it’s about observation and experimentation, too.” She loves to translate her knowledge to younger children in a way they can understand.

I expected to write a story with some basic facts about an intelligent high school student who earned a scholarship. What I found myself doing instead is trying to put this young woman’s extraordinary life on paper, which was no easy task. Suffice it to say that it was a pleasure to meet a person who has so much to offer the world and I look forward to seeing what her life will become.

The final question I posed to Faith was this: “If you could do anything in the world for one month and money was not a consideration, what would you do?” Her response, not surprisingly, was “I would make food for all of my friends and take it to them, wherever they happened to be in the world. Then I would travel around their city, let them show me around, and talk to them about their lives.” What an amazing way to look at life, through the eyes of a high school senior that is just getting started making the world a better place.

So Capital Electric thanks you, Faith, for making us proud and for giving us hope for a bright future. You competed with 12 other very qualified applicants for this scholarship. You are more than deserving of this award and we are happy we could be a small part of your future! Faith lives in Bismarck with her parents, Paul and Candace Harron, two sisters, and one brother. She will graduate from Century High School in May. She has been accepted to several selective colleges and will likely attend Stanford University in the fall.

“We are an impossibility in an impossible universe.”
– Ray Bradbury
SAFETY!  

Don’t be silent about

Together, we can keep everyone safe!

SAFETY!

Safety is everyone’s job! Capital Electric Cooperative’s system covers a large territory, with thousands of utility poles, hundreds of miles of power line and numerous transformers and other equipment.

As a cooperative member, you can provide a valuable service to your cooperative by observing and reporting hazardous conditions which may threaten electric service reliability or endanger public safety.

Members who notice anything potentially unsafe involving Capital Electric Cooperative’s power lines are asked to contact the cooperative – either call the office or take a photo with your smartphone and send it to us via email. Please include a general location description and/or your phone number so the cooperative can reach you.

Following are some of the conditions you should report to us immediately:

• Downed or sagging power lines or broken wires
• Kites or balloons entangled in power lines
• Broken insulators
• Broken power poles or dangerously leaning poles
• Cracked or damaged utility poles
• Antennas near power lines
• Dead or leaning trees close to power lines or trees entangled in power lines
• Loose guy wires
• Vandalized equipment
• Cut wire or broken locks at electrical substations
• Unlocked underground transformer
• Anyone climbing utility poles or substation fences

Call Capital Electric Cooperative immediately at 701-223-1513 or email css@capitalelec.com.

www.capitalelec.com

Chapter 1

Member engagement is a priority of all electric cooperatives. After all, our members are our owners and wouldn’t you want to know how your business works?

The “Know your Co-op” program began on April 17 as a group of interested co-op members joined the Capital Electric staff for an evening of education at co-op headquarters. Members were educated on the various topics including the co-op’s history, where we are today, our service area and related territory agreements, capital credits, and more.

The idea for a member education program was spawned by business manager Luke Steen. He joined the co-op a year ago having been the business manager at Meeker Electric Cooperative in Minnesota. At Meeker, they had a program called Co-op 101 with the same premise as “Know your Co-op.” Bring in members and give them as much information as you can so they understand why you do what you do. As Steen recalls, “It was a way to share knowledge and exchange ideas between members and cooperative employees.”

Members who attended this first of eight quarterly meetings expressed interest in the program when they filled out a member survey earlier this year. The survey was completed by more than 1,250 members, 250 of whom mentioned they would be interested in learning more about the co-op. We were pleased to have 25 of those members attend the first meeting.

The idea was to have up to 50 members attend the meeting, so we have room for more if you have an interest in attending future sessions. Or maybe you would just like to attend one session that interests you. That’s possible as well. Future session topics will include generation and transmission, co-op operations, metering and billing, energy services, rate design and technology. If you are interested in attending any of these meetings, please call Wes Engbrecht at 701-223-1513 or email wese@capitalelec.com.
Board minute excerpts
March 30, 2017

The regular meeting of the board of directors of Capital Electric Cooperative Inc. was held on Thursday, March 30, 2017, at the Grand Hotel in Minot, N.D., following the Central Power annual meeting, pursuant to due notice to all directors. All of the directors were present at that time.

Teri Wallis of the Cooperative Finance Corporation gave a capital credit presentation for the board.

Financial review: Prior to the board meeting, Directors Patrie and Hilken reviewed the February 2017 check register and expenditures. They reported that all checks were in order. It was moved, seconded and carried to approve February expenditures in the amount of $4,253,853.64.

Management reports (Business department, operations and engineering, member services and public relations/communications):

Business department report: The business manager presented the financial and statistical report to the board. The total kilowatt-hour sales for February 2017 was below budget by 2.7 percent. The actual monthly electric revenue was below budget by 0.24 percent. The total margin was $133,426 in comparison to the budgeted margin of $162,793, below budget by $29,367.

CEC began billing 68 new services in February, bringing our active services to 19,839 versus 19,262 at this time last year, or a net increase of 577 over the last 12 months.

The business manager reviewed the comparison of actual-to-budgeted expenses, monthly power cost and cash flow statement for the month of February 2017. Accounts receivable balances as of March 29, 2017, were reviewed.

Allocation of 2016 patronage: The business manager reported on the allocation of 2016 patronage. It was moved, seconded and carried to approve the allocation of patronage as recommended by management.

National Information Solutions Cooperative Mobile Workforce implementation: The business manager reported on deployment of NISC Mobile Workforce, which allows distribution and reported on deployment of NISC Mobile implementation:

Cooperative Mobile Workforce as recommended by management.

Carried to approve the allocation of patronage balances as of March 29, 2017, for the month of February 2017. Accounts monthly power cost and cash flow statement comparison of actual-to-budgeted expenses, a net increase of 577 over the last 12 months. February, bringing our active services to $162,793, below budget by $29,367.

In comparison to the budgeted margin of $162,793, below budget by 2.7 percent. The actual monthly electric revenue was below budget by 0.24 percent. The total margin was $133,426 in comparison to the budgeted margin of $162,793, below budget by $29,367.

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National Information Solutions Cooperative Mobile Workforce implementation: The business manager reported on deployment of NISC Mobile Workforce, which allows distribution and tracked of work orders in real time.

Annual Western Area Power Administration wheeling rate revisions: The business manager reported on annual rate revisions for McLean Sheridan and Garrison Diversion Conservancy. It was moved, seconded and carried to approve the McLean Sheridan rate revision. It was moved, seconded and carried to approve the Garrison Diversion Conservancy rate revision.

Collection considerations: The business manager reported on issues relating to collection of past due accounts, including landlord/tenant account transfers and perpetual late payers. Management will prepare policy recommendations for board consideration.

FFB loan advance procedure: The business manager reported on Rural Utilities Service’s request that CEC add a new document to the FFB loan advance process. An example document was presented to the board.

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:

Agnes Emineth $ 4.97
Larry Schramm $1,422.33
Greta Gutknecht $ 273.56
TOTAL $1,700.86

R&S plan amendment: The business manager reported on the proposed resolution authorizing amendment of CEC’s non-union retirement security plan. It was moved, seconded and carried to adopt the resolution authorizing amendment of the retirement security plan.

Engineering and operations report: The engineering and operations manager reviewed the written report from the engineering and operations department. CEC completed five work orders this month, adding four new consumers to the system.

The March outage report was reviewed.

Three new employees started in March: Josh Bartsch, lineman, Jared Nygaard, energy service technician, and Sean Kiesz, engineering technician.

The engineering and operations manager also reviewed options on changing out LED lights. After discussion, the board agreed that it made sense to change existing security lights to LED in lieu of repairs in the event a crew was sent out.

Transformer and cable quotes were reviewed. It was moved, seconded and carried to approve the transformer and cable purchases.

Energy services department: The manager reviewed the energy services report, which included an update on a geothermal system.

ERC loans: There were no loans for board approval this month.

Communications and public relations department: Topics of interest were reviewed by the communications director.

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

Steve Homes, safety instructor from the North Dakota Association of Rural Electric Cooperatives (NDAREC), was at CEC’s shop on March 15 to conduct a safety meeting on extracting stuck equipment safely, ladder safety, Hanta virus and other topics.

Without objection, the safety report was approved.

Policies: The following policies were reviewed:

• Policy No. II-3 – Fiscal Responsibility was reviewed with no changes.
• Policy II-6 – Submission of Financial Statements. It was moved, seconded and carried to approve the policy as amended.
• Policy IV-1 – 3 Phase Off-Peak Interruptible Rate. It was moved, seconded and carried to approve the policy as amended.
• Policy IV-1 – Parallel Generation. It was moved, seconded and carried to approve the policy as amended.

Basin Electric Power Cooperative: The manager updated the board on Basin matters.

Central Power Electric Cooperative: The board was updated on CPEC matters at the CPEC annual meeting earlier in the morning.

NDAREC report: NDAREC matters were reviewed with the board.

National Rural Electric Cooperative Association: The manager updated the board on NRECA matters.

RESCO: There is an open director’s seat. RESCO is soliciting nominations.

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