



Capital Electric COOPERATIVE

AUGUST 2024

The Northwest Tire retread facility, located in south Bismarck, provides a high-quality service to add significant life and miles to truck tires. Worn tires arrive at the building, where well-trained employees turn them into a retail-worthy product.



Vice President **Kory Grossman**, left, and Northwest Tire Commercial Manager **Jason Otto**, right, point out the quality of the completed product to Capital Electric Cooperative Energy Services Manager **Josh Schaffner**. The facility turns a used tire into one that wears and looks like new.

PHOTO BY JOSH JASON KORY

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Retread plant in Bismarck creates like-new truck tires

BY WES ENGBRECHT

A quality product at an affordable price is a necessity for any successful business. Finding efficient methods to maintain the product's quality makes this goal achievable.

We all agree tires are essential to everyday life. Cars require safe, reliable tires to drive us to work, take the kids to school, venture long distances to enjoy a family vacation and much more, through all types of road conditions.

Even though we may take them for granted, buses transport us around town and across the country, and trucks transport fuel and groceries, and move products we need for daily life. Over-the-road hauling requires the best tire tread available.

Northwest Tire's retread facility in Bismarck utilizes a highly specialized process to make that happen.

Approximately 45% of the truck tires sold in the United States are retreaded truck tires, an amount which is even higher in the commercial airline industry.

"The retread process saves approximately 35% to 50%, compared to buying new tires. New truck tires are about \$400 to \$600 new. A comparable retread sells for about \$200 to \$350. Truck owners will enjoy the same mileage from a retreaded tire as a new tire," explains Northwest Tire Commercial Manager Jason Otto.

The retread facility is large enough to house all the original and retreaded tires, as well as the full range of equipment needed for the retread process. The quick turnaround on tires ensures space is available daily to bring in the next load. Often, tires received one day will be ready to be picked up the next.

Bandag provides the latest technology to ensure the retread process results in a precision product according to customer specifications. In Bismarck, 11 full-time employees operate advanced machines to move each tire through a 10-step process. Several quality checks along the way verify each of the 10 steps is performed perfectly.

During the retread process, each team member is cross-trained to complete the 10 steps, which keeps the process moving when a team member is out. Other than during the inspection, which is the first step, tires do not touch the ground. This protects the integrity of the tire prior to when the new tread is applied, as no dirt or rocks can attach themselves to it.

During the process, several inspections ensure integrity and quality of the casing prior to the final product. This fact is proof the entire process is working as it should. A tire that fails initial inspection is considered beyond repair and is generally recycled into floor mats and other products. Keeping tires out of a landfill is a priority in this business.

Two major benefits of a retreaded tire is summarized by Northwest Tire's Vice President Kory Grossman.

"A retread is going to be the tire that results in the lowest cost per mile. The process is also going to use one-third of petroleum products compared to production of a new tire," he says.

As a Capital Electric Cooperative commercial member, the facility benefits from the co-op's energy services department's rate efficiency expertise. The co-op looks for the best approach based on their need for power.

"Before beginning business operations, Northwest Tire management contacted us to determine if they would benefit from one of our rate programs. Once they were operating, we analyzed their usage and compared it to our coincident peak rate. This rate is based on the business avoiding the highest half-hour peak usage of the cooperative. If you avoid high usage during this time, you can achieve a lower monthly base and kilowatt-hour rate. Based on the data, we can predict a noticeable opportunity to save," explains Capital Electric Energy Services Manager Josh Schaffner.

Capital Electric utilizes a rate analysis tool to determine the benefit of each rate program. In this case, the projected savings were estimated to be as much as 40%.

"During the winter months, most peaks occur in the morning, and the summer months produce late afternoon peaks. Currently, to complete the curing process in summer months, the facility would likely

have high usage on-peak. By starting the curing process earlier in the afternoon, before Capital Electric's summer peaks, Northwest Tire could avoid peak demand periods," Schaffner says.

Northwest Tire is a Bandag dealer. Bandag is the company responsible for the retread technology used by more than 1,700 dealers, such as Northwest Tire. Bandag's business relies on the fact that its retreading process results in tires that rival new products. Retreaded commercial truck tires will last similar to a new tire, and they are economical and environmentally friendly.

The next time you notice a commercial truck rumbling down the highway, take note of the 18 tires. It's possible they are a product of a quality retreading process.

To learn more about Northwest Tire and the Bandag retread technology, visit <https://www.nwtire.com/Retreads>. ☐



Ramon demonstrates the most important step in the process, the application of the new tread. Using the most recent technology creates a high-quality product. Ramon completes the process of sealing the tread prior to curing.

Longtime members remember first light

BY WES ENGBRECHT



Donnie Hausauer enjoys his life at the Sheridan Memorial Home, where the fellow residents are like his family. Here, he visits with **Wes Engbrecht**, right, with Capital Electric Cooperative.

Seventy-eight years ago, Capital Electric Cooperative energized the power lines to rural areas in Burleigh and southern Sheridan counties. Thankful co-op members would be experiencing a light bulb illuminating their farmhouses and barns for the first time. Lifelong Sheridan County resident Donnie Hausauer, now 89 years old, remembers that day well.

"It was so good to see the lights come on," he recalls. "Our family farmed many years without electricity, and it meant a lot to us and improved our farming operation when we were able to get it." Power reached the Hausauer farm in 1949, shortly after the co-op was founded in 1946.

The Hausauer family farm sets west of McClusky about 4 miles. It has now become a four-generation farm, as Donnie and his wife, Vernia's grandson, Jason, continues to operate it. They are proud to have kept their farm in the family all these years.

Donnie has another connection to Capital Electric.

"I was a meter reader with the co-op for about 10 years. I climbed a tower and read between 10 to 12 meters in our area," Donnie recollects. "It was nice to be a co-op employee. They treated me well and I was proud to be part of it."

For many years, Capital Electric's annual meetings were held in McClusky, Wing or Bismarck. To Donnie's family, the annual meeting was an important event.

"I have attended every annual meeting until last year when I was unable to go," he says.

Donnie and his wife, Vernia, now reside in the Sheridan Memorial Home in McClusky.

"We graduated from McClusky High School and have been in this area our entire lives," Donnie says. Vernia taught school in McClusky for many years. Donnie also remembers attending school with longtime Capital Electric board member Rusty Lasher.

When rural North Dakota folks talk about the "good old days," it's a reference to a simpler time. That's how Donnie remembers it – simple and just plain good. Capital Electric was built by hardworking rural members, and their legacy will last forever. Thank you, Donnie, for your loyalty and service to the co-op for all these years! ☺



Donnie Hausauer and his bride, **Vernia**, exchanged wedding vows on Aug. 10, 1962. They are both residents of the Sheridan Memorial Home.



While in Washington, D.C., the North Dakota Youth Tour delegation visited the U.S. Capitol building, where they had an opportunity to watch the U.S. Senate in session.

Cooperative sends Bismarck junior on monumental trip

BY KRISTA RAUSCH

Sixteen-hundred students.

Seven days.

One unforgettable trip.

This summer, Capital Electric Cooperative sponsored Kylie Quandt, a junior at Century High School, on a monumental trip to our nation's capital. Quandt joined more than 1,600 students from across the country on the Electric Cooperative Youth Tour June 15-21. For one jam-packed week, she was immersed in the cooperative spirit that built and

sustains our great nation.

While on Youth Tour, Quandt and 15 other North Dakota students explored museums, visited iconic monuments and got an up-close look at where our country's laws are crafted. They stood on the Gettysburg Battlefield, walked the halls of George Washington's 18th-century mansion and witnessed ceremonies honoring the men and women who fought in uniform for this great nation.

"Visiting the Tomb of the Unknown Soldier made



Kylie Quandt, front right, and her friends pose for a photo with our nation's 16th president, Abraham Lincoln.

me realize what a privilege it is to live in a country that has so many freedoms," Quandt says. "It was such an amazing opportunity to see the changing of the guard. It made me have more pride for my country."

The students also toured the U.S. Capitol building, where they learned about the vital role Congress plays in the daily lives of Americans. While there, they had an opportunity to observe the U.S. Senate in session and hear testimonies from Sen. Mazie Hirono (D-Hawaii) and Sen. Katie Britt (R-Ala). Sen. Hirono spoke about the Supreme Court's anticipated ruling on the Chevron doctrine, and Sen. Britt spoke about the persecution of Christians in Nicaragua.

"It was really cool to sit in the gallery and watch the Senate in session. It's something not a lot of people get to do," Quandt says.

On the last day of their trip, they visited the FBI Experience. Located inside FBI headquarters, the museum houses multimedia exhibits and artifacts that provide insight into the FBI's investigative divisions, laboratory resources and professional occupations. Students also had an opportunity to visit with former

FBI agents about their work in the field.

"I really enjoyed seeing how one day I could be involved in the FBI, like working for them. That was super cool," Quandt says.

Like all great trips, Youth Tour came to an end. Quandt packed her bags with souvenirs and mementos and boarded Delta Flight 2963 enroute to Bismarck. She hugged her friends and promised to keep in touch, knowing the memories she made would be with her forever.

"I think I'll have lifelong friendships with the people I met on this trip," Quandt says. "Looking back, I'm so grateful I applied and got in. I made so many memories I'll never forget. It really was the trip of a lifetime."

The Electric Cooperative Youth Tour has been bringing high school students from across the nation to Washington, D.C., since the late 1950s. Students apply by submitting an essay to their local co-op. Each year, Capital Electric selects one student to represent the co-op on the tour.

The 2025 North Dakota Youth Tour will take place June 14-20. For more information on this once-in-a-lifetime opportunity, visit www.ndyouthtour.com.

Quandt is the daughter of Capital Electric members Brittany Jasper and Curtis Quandt. ☺



A guard walks in front of the Tomb of the Unknown Soldier June 17. The monument, which serves as a resting place for unidentified U.S. soldiers who died in combat, is continuously guarded by volunteers from the 3rd U.S. Infantry Regiment, known as the "Old Guard."

ACE members visit co-op

BY WES ENGBRECHT



During an office tour, General Manager **Paul Fitterer** addresses electric co-op issues with members of the Association of Cooperative Educators during their visit to our office.

Cooperation among co-ops is important for learning and results in the best possible service to all co-op members. As our members know, they are the co-op, and working for them means we communicate what we do.

Capital Electric Cooperative is just one of the North Dakota electric cooperatives that benefits from the experience and knowledge the other co-ops possess. This co-op connection makes us all better.

All cooperatives, not just electric co-ops, can share and learn from each other. The Association of Cooperative Educators (ACE) is a group of people engaging in a collaborative way to accomplish this sharing process across the United States and Canada.

The 2024 ACE Institute was recently held in Mandan. This year's theme was "Cultivating Cooperation." North Dakota was chosen as this year's site because of our rich co-op tradition and projects being completed in our area.

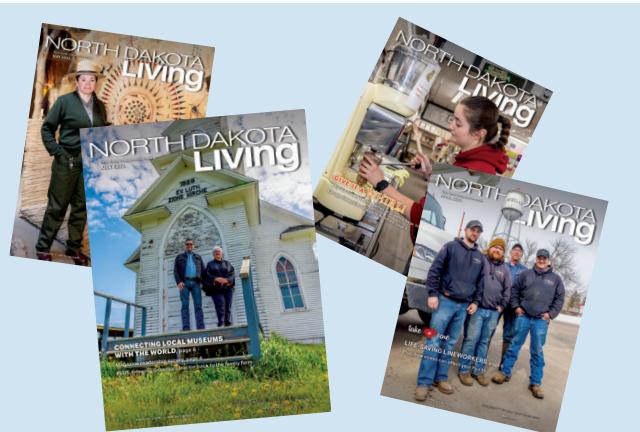
As part of their trip to Bismarck, some of the ACE members stopped by Capital Electric to learn a little more about what an electric cooperative does and how we do it. Our management staff met with them and led a tour around the office.

The operations department was the focus of the tour, as we explained how technology has improved services to our members by supplying us with more

accurate and timely meter data. Their questions covered a lot of related topics, but also focused on our connection to other North Dakota electric co-ops and how we support each other.

The visit was a learning experience for them and us, and we appreciated the opportunity to share our experiences as a cooperative.

"It was enjoyable to meet with attendees of the Association of Cooperative Educators conference this week and share with them how an electric cooperative operates, and in doing so, learning about the many commonalities we have with cooperatives of all types," Capital Electric General Manager Paul Fitterer says. ☈



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Readership surveys are an important measurement tool and provide information about our members, their preferences and magazine habits, and trends.

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- Phone** – The caller will walk you through a list of questions and responses.
- Text-to-web** – You will receive a text with a link to complete the survey online.

Board minute excerpts JUNE 28

The regular meeting of the board of directors of Capital Electric Cooperative was held on June 28. The meeting was held in person at Capital Electric, 7401 Yukon Drive, Bismarck, pursuant to due notice to all directors. All directors but Kayla Pulvermacher were present.

Also present were: Manager Paul Fitterer, Operations Manager Jeff Holzer, Engineering Services Manager Greg Owen, Energy Services Manager Josh Schaffner, Manager of Communications and IT Wes Engbrecht and Attorney Meredith Vukelic of Pearce Durick PLLC, who acted as recording secretary.

Financial Review: Prior to the board meeting, Directors Sara Vollmer and Dave Charles reviewed the May check register and expenditures. They advised all checks and expenditures were in order and the financial review was approved as presented.

Management Reports (Business Department, Operations Department, Engineering Services, Energy Services and Public Relations/IT):

Business Department Report: Fitterer presented the May financial and statistical report to the board.

Revenue was behind the budgeted amount for May as \$3,467,150 was generated in comparison with the budgeted figure of \$3,597,172 (unfavorable variance of \$130,022 or 3.6%).

Capital Electric's May load factor was ahead of budget by 4.19%.

The operating margin for May was \$311,423, which was ahead of the budgeted amount of \$286,804. The total margin for May was \$336,477, which was ahead of the budgeted amount of \$300,551.

Capital Electric began billing 24 new services in May. This brings active services to 22,305 versus 22,067 at this time last year, or a net increase of 238 accounts over the most recent 12 months.

The statement of cash flows was reviewed.

Estate Retirements: Following review of the financial condition of the cooperative and recommendation by management, payment of capital credits to 10 member estates were approved, totaling \$10,133.01.

Rate Increase Implementation/Peak Rates: Fitterer discussed continued efforts to reach out to Capital Electric members to educate on the implementation of new rate structures and efforts to clarify some misunderstandings.

Operations Report: Holzer reviewed the written report from the operations department. Holzer reported on maintenance in the Ward substation,

annual breaker testing at the 71st Ave., Grand View Pines and Circle K substations, and changing out of four damaged poles after being hit by lightning.

Safety Report: The safety report was reviewed. There were no lost-time accidents since the last board meeting. Two lineworkers attended an underground locating school at the training facility in Mandan. Christy Roemmich with the North Dakota Association of Rural Electric Cooperatives (NDAREC) and Corey Parr with Federated Insurance presented on the new Commit to Zero Program at the June 20 meeting.

Engineering Services Report: Owen reviewed the written report from engineering services. Fifteen work orders were completed in May. Owen reported on ongoing and upcoming projects, including cable replacements north of Lincoln, continued installation of underground cable along River Road enabling the retirement of overhead lines, and a three-phase extension for Summit Point development.

Energy Services: Schaffner reviewed the energy services report. Fifty-nine service orders were completed in May. Schaffner reported on ongoing efforts to answer questions related to the new rate structures, replacement of a faulty heat pump for the Sterling substation, and a walk-through at a member's facility that is a good candidate for switching to the CP rate.

Public Relations and IT: Engbrecht reviewed the communications and IT report. Engbrecht reported a recap on the annual meeting, that Capital Electric will be involved in three to five upcoming parades, and continued efforts to educate members on the new rate structure.

Annual Meeting Recap: Engbrecht reported the annual meeting went smoothly, was well received and successful, with an estimated 600 to 675 people served. Attendance appears to be returning closer to pre-COVID-19 attendance when voting occurred in-person only. The cost to use the Event Center was discussed, along with ideas for other options in the future.

Policies: Fitterer presented proposed Policy No. 1-12.1 Use of Artificial Intelligence, which was adopted as presented. Fitterer presented proposed modifications to Policy No. I-22 Member Request for Information, which was approved as presented.

Basin Electric Power Cooperative: Fitterer reported on Basin Electric matters. Basin Electric's annual meeting will be held in Bismarck Aug. 13-14.

Central Power Electric Cooperative: Charles reported on Central Power matters.

Charles described his attendance at the Cooperative Finance Corporation Forum and what was learned regarding worldwide impacts. He commented on Central Power's transmission line between the Tuttle and Wing substations, and possible Western Area Power Administration rate increases.

Industry Update: Fitterer reviewed materials related to power markets and general cooperative news.

NDAREC: Fitterer reported on NDAREC matters. NDAREC is asking co-ops to participate in supporting a hands-on summer school (lineworker and substation electricians). The requested \$600 was approved.

Fitterer discussed the June 3 MAC meeting.

Association of Cooperative Educators: Fitterer reported on attending this event held in Bismarck on June 24 and interesting topics discussed. Six individuals came to Capital Electric for a tour during the event.

National Rural Electric Cooperative Association Regional Meeting: The national regional meeting will take place in Minneapolis Sept. 16-18. By consensus, Lyndon Anderson was selected as a voting delegate and Kyle Tschosik as an alternate.

RESCO: Following discussion, Capital Electric's vote was cast for Seth Severson to the RESCO board of directors. ©

**CAPITAL ELECTRIC
COOPERATIVE**
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BOARD OF DIRECTORS:

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