



**Capital
Electric**
COOPERATIVE

JUNE 2026

Capital Electric Cooperative's 80th annual meeting



Bismarck State College's
Advanced Technology Center

June 16

Dinner at 4:30 p.m. and meeting at 6:30 p.m.

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There isn't a better way to welcome our members than to spend time with them at the dinner table.

80th annual meeting marks milestone

Join us at this year's annual meeting on June 16, as we will celebrate 80 years of powering Capital Electric Cooperative's ever-growing membership.

In 1946, the co-op was formed and rural homes were lit, often with a single bulb. The awe and excitement of what we take for granted today was shared by the initial co-op members. Many of us have heard stories about how life changed for the better, and Capital Electric has had the great fortune to be part of those stories.

Throughout the past 80 years, we have seen many changes. This year, we made significant changes to the meeting. It will be held at Bismarck State College (BSC) in the newly constructed Advanced Technology Center. The facility offers state-of-the-art amenities and is located at the south end of the campus next to the National Energy Center of Excellence. We have included a map on the next page and on our website at capitalelec.com/annual-meeting. We encourage you to drive by before June 16, so it's easier to find the day of the meeting.

The annual meeting presents an opportunity for

members to meet the director candidates, hear what's happening at their cooperative and ask questions. One of the highlights is to network with your fellow members and friends at the meal prior to the meeting. The food will be a treat, as BSC will provide catering services.

You may be surprised to know Capital Electric has now surpassed the 23,000-meter mark. We have come a long way in 80 years! Throughout those many decades, our commitment to putting the member first has not changed. That is the beauty of the cooperative business model – you own the co-op.

As the meeting date quickly approaches, we hope you will join us again this year as we move into yet another era of energy production and distribution. Your understanding of these issues will be vital, and we have noticed considerably more member involvement with co-op issues.

This year's festivities will start at 4:30 p.m. with registration and dinner. The business meeting will start at 6:30 p.m. and will include the election of three board members, one from each district. You can read about each board member on the following pages. This

information is also available on our website where you'll also be able to view candidate videos.

You should have received a ballot in the mail, which will have the options of voting by mail or online. You will be given thorough voting instructions in the mailing. You can also vote at the annual meeting.

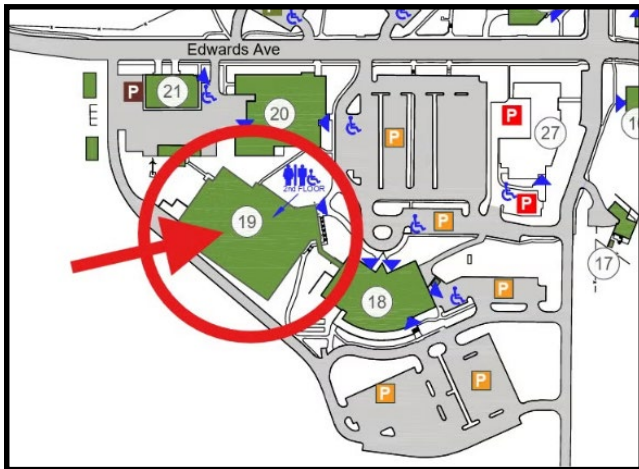
As an incentive to join the meeting in person, co-op members will be entered to win a \$1,000 grand prize and we will again be drawing for a \$500 college scholarship for a dependent of a Capital Electric member who is in attendance. We look forward to seeing you at another exciting annual meeting! 🎉



Military veterans are revered and recognized at the annual meeting.



Sharing a meal is a North Dakota tradition at the annual meeting.



Our employees are prepared to greet you with a smile and a quick path through the registration process once you arrive.

Meet your 2026 board candidates



Dave Charles
District 1

What makes you a good candidate for Capital Electric Cooperative's board of directors?

I have more than 35 years of experience as an electric utility engineer and director for both an investor-owned utility and an electric cooperative. I strive to stay actively involved in our electric utility industry to ensure safe, low-cost and reliable energy is delivered to our homes and businesses. Today's electric utility is facing increasing challenges to meet our members' concerns on increasing energy costs.

If elected, what would your priorities be?

I believe cost causers should pay the costs. I will strive to listen and represent the needs and concerns of our Capital Electric members.



Bret Weiland
District 2

What makes you a good candidate for Capital Electric Cooperative's board of directors?

As a current Capital Electric director, I have worked with other directors to oversee budget development as well as setting a tone at the top to guide cooperative staff and management in the direction best suited for the membership. I advocate for good stewardship of the cooperative, and I strongly believe the cooperative has such.

If elected, what would your priorities be?

1) Lineworker and employee safety remain at the top of my priorities. 2) Member outreach, engagement and empowerment. 3) Continue to ensure the members' money is wisely spent and invested in the latest technology and safety equipment. This is to ensure the cooperative continues to have phenomenal grid reliability while maintaining the cooperative's stellar safety record. This is something I believe the members have come to expect from the cooperative.



David Straley
District 2

What makes you a good candidate for Capital Electric Cooperative's board of directors?

Having previously served on the Capital Electric board and with more than 20 years in the energy industry in our community, I bring experience and perspective to serve our members well. I offer common-sense leadership, sound governance and fiscally responsible solutions, and I am committed to keeping Capital Electric strong, reliable, affordable and member-focused.

If elected, what would your priorities be?

First, listening to the members so we can maintain affordable, reliable and safe electric service for all members. Second, we need to exercise strong governance and fiscal discipline to protect member-owners and long-term system stability. Third, we need to plan responsibly for the future, investing wisely in infrastructure and technology while keeping Capital Electric locally controlled, transparent and firmly member-focused.



Jack Schulz
District 2

What makes you a good candidate for Capital Electric Cooperative's board of directors?

I have had a wide range of experiences throughout my life, including membership in the N.D. National Guard's 68th Troop Command, corporate casino senior vice president experience that included regulatory, development, training and security divisions in over a dozen states across the U.S. regulatory and law enforcement positions at the city, county, state and federal levels.

If elected, what would your priorities be?

Maintaining realistic goals for the cooperative to include planning for future energy sources at a reasonable and fair rate to our members. To ensure contractual consistent electricity availability when needed and not allowing suppliers to bump our customers during high demand in winter months. Treating our team members equitably, with respect and understanding.



Kyle Tschosik
District 3

What makes you a good candidate for Capital Electric Cooperative's board of directors?

I've been fortunate to have served on the Capital Electric board for the last six years. I have spent over 35 years working for a cooperative. My background working in the electric industry makes me a great candidate to serve on the Capital Electric board

If elected, what would your priorities be?

My top priorities are to keep employees, maintain a reliable electric grid and keep our rates as low as possible. I take rates seriously, as do the members of Capital Electric.



Dustin Zaun
District 3

What makes you a good candidate for Capital Electric Cooperative's board of directors?

I am very well rounded in what members of the cooperative need to represent them in a board of director position from my career and personal experiences.

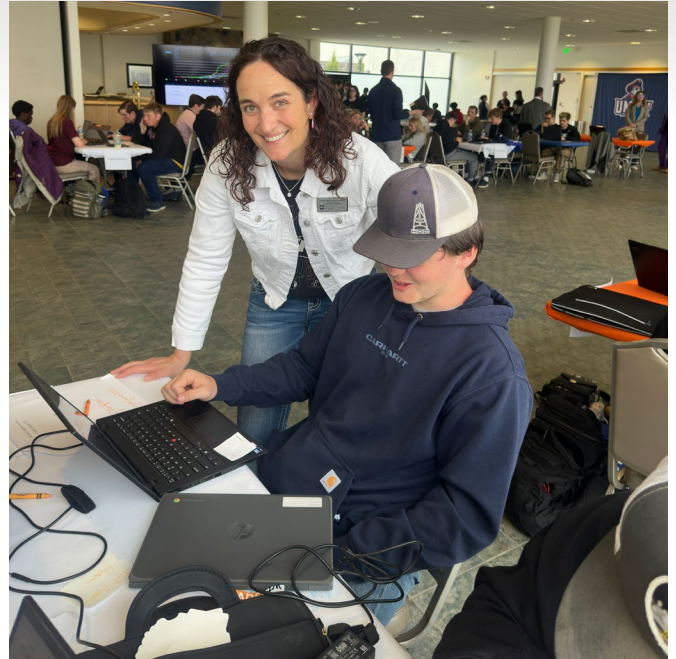
If elected, what would your priorities be?

To do what's best for the members, along with consideration of the cooperative's needs to be solvent for future members. ☺

**Introductory videos of each candidate are available
at capitalelec.com/annual-meeting.**



PHOTOS COURTESY OF UNIVERSITY OF MARY



Tanya Taplin, director of cybersecurity and assistant professor, assisted students with questions as they worked through the challenges.

First-place honors went to the 50% Hactivistz team, displaying their \$2,000 prize money.

Students crack the code at CyberConnect

More than 120 high school students from across North Dakota gathered this spring at the University of Mary to test their skills in a fast-paced cybersecurity competition, which is the largest event of its kind ever held in the state.

The inaugural CyberConnect Capture the Flag competition transformed Chick's Place in the Lumen Vitae University Center into a high-energy "cyber-sports" arena, where teams raced against the clock to solve digital puzzles, uncover hidden "flags" and climb a live leaderboard.

Students worked in teams to tackle challenges modeled after real-world cyber threats, including cryptography, digital forensics and web security. For some, it was their first exposure to cybersecurity and a chance to discover unexpected talents.

"As the digital age advances and cyber threats become more sophisticated, so, too, does the importance of cybersecurity," said Tanya Taplin, director of cybersecurity and assistant professor at the University of Mary. "CyberConnect was created to connect high school students with the cybersecurity industry and introduce them to the field."

The competition offered more than just bragging rights. The first-place team, "50% Hactivistz," included Aiden Hathaway of Century High School, Oliver Krein and Michael Moran of Bismarck High School and Kenneth Knutson, earning \$2,000. Second place went to "Here For The Money," featuring Seth Finley of Bishop Ryan Catholic School in Minot, Eli McHugh of St. Mary's High School, Kevin Schill of Century High School and Parker Mormon, winning \$1,000. The third-place team, "LHS Big Brother," representing Legacy High School in Bismarck,

received \$500.

Faculty said the event revealed how quickly students can adapt to complex challenges.


"Many students discovered they have a natural talent for problem solving, analysis or digital investigation, all skills that apply directly to cybersecurity," said Kevin Fishbeck, director of computer information systems at the University of Mary. "A Capture the Flag event can turn curiosity into confidence."

Throughout the day, participants also interacted with university faculty and current cybersecurity students, gaining insight into potential college pathways and careers.

"Students were able to try something new in a supportive, hands-on environment," said Matt Frohlich, assistant professor of cyber defense at the University of Mary. "You could see their confidence grow as they worked through challenges together."

CyberConnect also highlighted the growing demand for cybersecurity professionals, as industries across the country seek experts to protect sensitive data and digital infrastructure.

With strong participation in its first year, University of Mary leaders say CyberConnect is just getting started. Organizers are already planning for an even larger competition next year, hoping to expand opportunities for students across the region.

Capital Electric Cooperative's Operation Round Up program proudly provided funds for this event. 

(Article provided by Tom Ackerman, media relations specialist, University of Mary.)

Poletop rescue training is about saving lives

Capital Electric Cooperative's lineworkers face safety risks on the job every day. Working around high-voltage electricity is a dangerous profession and lineworkers need to know what to do if an electrical contact occurs.

Poletop rescue is an important safety procedure in the electric industry and a vital skill for lineworkers. When a lineworker has become unconscious or unresponsive and is not able to climb down the pole on their own, a poletop rescue will be necessary.

A poletop rescue is a four-step process that focuses on keeping both the rescuer and the victim as safe as possible during the rescue. These four steps are:

1. Evaluate the situation
2. Use personal protective equipment
3. Climb the pole to a rescue position
4. Lower the victim to the ground

It just takes a mere fraction of a second for lineworkers to become distracted and contact the power source, which would make it difficult for them to descend alone. Due to hazards associated on the job, a safely executed poletop rescue could save the victim's life.

The Occupational Safety and Health Administration states in the event of a rescue, only lineworkers are qualified to safely climb the pole and lower the injured worker. As a result, they must be trained annually.

They also advise anybody who will be operating near electrical equipment or exposed electrified parts on a pole receive the necessary training to perform a poletop rescue. This will guarantee someone will be on hand who can safely execute the rescue.

When you drive by a line crew, you can be assured every safety precaution is being taken to minimize the risks they face every day. ☺



Lineworker **Zach Scalzo** prepares to make the climb before honing his life-saving skills.



Lead Lineworker **Matt Hagen** and Lineworker **Ryan Koenig** take extra time inspecting their climbing gear to ensure a safe practice.

The regular meeting of the board of directors of Capital Electric Cooperative was held on Thursday, April 23, at SRT Communications, 3615 N. Broadway, Minot. All directors were present.

Also present were: Manager Paul Fitterer, Business Manager Luke Steen, Operations Manager Jeff Holzer, Engineering Services Manager Greg Owen, Energy Services Manager Josh Schaffner (remote), Manager of Communications Wes Engbrecht (remote), Manager of IT Kent Kensmoe (remote) and Attorney Zachary Pelham of Pearce Durick PLLC, who acted as recording secretary.

Financial Review: Prior to the board meeting, Directors Dwight Wrangham and Bret Weiland reviewed the March check register and expenditures. They advised all checks and expenditures were in order. The financial review was approved.

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

Business Department Report: Steen presented the March financial and statistical report to the board.

Revenue was ahead of budget for March, as \$4,242,716 was generated in comparison with the budgeted figure of \$4,034,310 (favorable variance of \$208,405 or 5.2%).

Capital Electric's March power costs were over budget for the month by 9%.

The operating margin for March was \$235,323.47, slightly behind the budgeted amount of \$235,721.01. The total margin for March was \$274,132, which was behind the budgeted amount of \$316,216.98.

Capital Electric began billing 27 new services in March, bringing our active services to 22,977 versus 22,539 at this time last year, or a net increase of 438 accounts over the last 12 months.

The cash flow statement was reviewed.

Estate Retirements: Following review of

the financial condition of the cooperative and recommendation by management, authorization was made for payment of capital credits to five member estates, totaling \$4,028.27.

Quarterly Write-offs: Following review of bad debts, approval to write off \$3,655.92 for was approved.

Operation Round Up Agreed Upon Procedures: After discussion, it was approved to accept the independent accountant's report on applying agreed upon procedures for Operation Round Up.

Federated Insurance Coverage: After discussion, it was moved to increase policy coverage amounts for umbrella coverage and environmental coverage.

Operations Report: Holzer reviewed the written report from the operations department. Holzer reported on retirement of 1.5 miles of overhead single-phase line in the McKenzie area, retirement of Tops Café service in Sterling to allow for a parking lot expansion and completion of monthly substation checks.

Safety Report: There were no lost-time accidents since the last board meeting. The North Dakota Association of Rural Electric Cooperatives (NDAREC) safety instructor held a safety meeting covering mayday procedures and poletop rescue. The safety report was reviewed.

Engineering Services Report: Owen reviewed the written report from engineering services. Seven work orders were completed in March. Owen reported on ongoing and upcoming projects, including preparation to service University of Mary's new dormitory, replacement of a faulty underground service line and update on a Federal Emergency Management Agency application.

2027-30 Construction Work Plan: After discussion, approval was made to adopt the construction work plan as presented.

Township Franchise Agreements: Owen reviewed proposed franchise agreements

and following discussion, authorization was made to enter into franchise agreements with Christiana, Schrunck and Steiber townships.

Energy Services: Schaffner reviewed the energy services report. Schaffner reported on continued engagement with members on calls related to rate increases, presenting as a teacher at the energy audit training for the National Rural Electric Cooperative Association (NRECA) and update on proposals for 900-kilowatt BESS system.

Communications: Engbrecht reviewed the communications and public relations report. Engbrecht reported on the Nominating Committee receiving six director candidates, details on the annual meeting new location efforts and general outreach in the community.

IT Report: Kensmoe reviewed the IT report. Kensmoe reported on replacement PC/laptops, and noted increased demand for hardware components for data centers resulting in increased prices and updated the board on security threats.

Cost-savings Ideas: Fitterer reviewed materials for anticipated implementation in 2027.

Policy II-05 Work Apparel: Steen reviewed proposed inflationary related adjustments and no action was taken to allow for staff to address questions at the May board meeting.

Basin Electric Power Cooperative: Fitterer reported on Basin Electric matters.

Central Power Electric Cooperative: Dave Charles reviewed Central Power Electric's March board meeting and annual meeting.

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

NDAREC: Deon Vilhauer reviewed NDAREC matters.

NRECA: Fitterer reported on the Legislative Conference. ☺

CAPITAL ELECTRIC COOPERATIVE
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BOARD OF DIRECTORS:

Deon Vilhauer, Pres.	Bismarck
Sara Vollmer, V. Pres.	Wing
Kyle Tschosik, Sec.-Treas.	Bismarck
Greg Dehne, Asst. Sec.-Treas.	Bismarck
Dwight Wrangham.....	Lincoln
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Dave Charles.....	Bismarck
Whitford Dwyer.....	Bismarck
Luke Ellenbaum.....	Bismarck

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Capital Electric Cooperative is an equal opportunity provider and employer.