



Capital Electric

COOPERATIVE

AUGUST 2026

As our country reaches a major milestone, we continue to celebrate our independence. The Touchstone Energy® Cooperatives participated in the Fourth of July parade in Mandan as just one of many ways we recognize and appreciate our freedom. Touchstone Energy's three colorful figures featured in the logo and a group of co-op employees participated in this year's event.



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The Touchstone Energy float features an inflatable hot air balloon, which is a crowd favorite. Rides are offered on a real hot air balloon that makes its way around the country.

Cooperative members represent what's good about this country

BY WES ENGBRECHT

Once a year, we write about our local cooperatives' involvement in Mandan's Fourth of July parade. We order and prepare thousands of treats for the kids. We construct a patriotic float and surround it with loyal co-op employees. We brave the hot pavement and make our way down Main Street. It's truly a representation of our belief in the home of the free and land of the brave!

What makes this year special? It's the same co-op employees, same route, the same special feeling and many of the same faces in the crowd. But this year is different, isn't it? The day may seem similar in many ways, but our country's 250th anniversary is special.

The history of any country is filled with many years of victories and challenges, but our country has persevered through it all. Yes, we still have challenges to address,

but we continue to enjoy our freedom.

North Dakota electric cooperatives are part of a team known as Touchstone Energy®. Across this great country, we are one. As part of that team, Capital Electric Cooperative represents our members in many ways, and we are pleased to have that opportunity.

Like many past years, it was a sunny, sweltering day in Mandan, but it didn't stop thousands of spectators from joining in the fun. Capital Electric Manager of Communications and Public Relations Wes Engbrecht is amazed at the turnout.

"Every year, I am in awe of their dedication. It's truly a special community and family experience. As co-ops, we are fortunate and proud to be part of it," he said.

There were approximately 100 floats and entries in the 2026 Mandan Independence Day parade. The



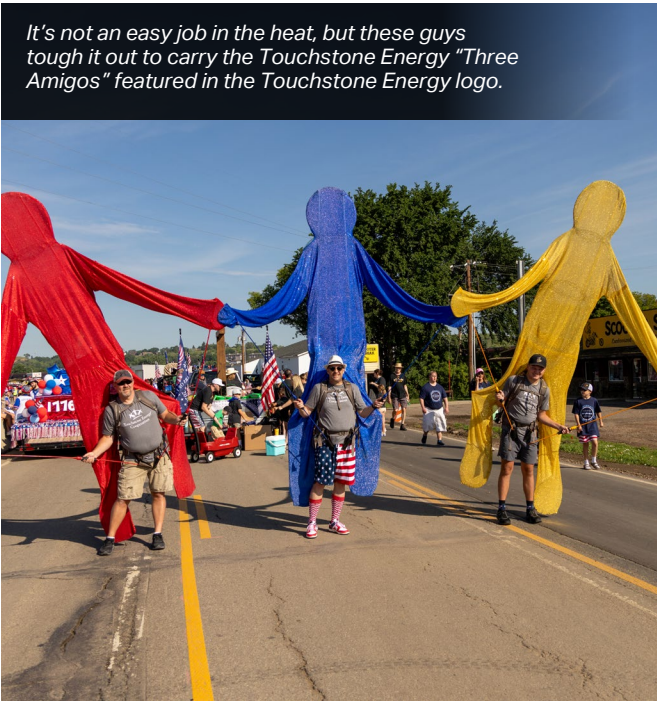
event featured a wide variety of participants, including marching bands, horses, tractors, gymnasts and classic cars, making up over an hour and a half of entertainment. It was estimated there were close to 50,000 spectators!

Parades are mostly about kids and candy, and there were both for this year's celebration. There were also countless smiles, which made the day even more special.

Recognition by our members is noticeable. Many Capital Electric members take notice of us and make comments such as, "Thanks for your hard work in keeping our lights on!" They are co-op owners and they know our employees and we know them.

Basin Electric Power Cooperative provides power to Capital Electric and other North Dakota co-ops. Basin Electric also serves its members by coordinating parades and many other events to bring us all together in cooperation. We are thankful for Basin Electric's time and commitment to the co-op way of life.

If you were fortunate enough to join the fun this year, we thank you. This event is uplifting for our communities, and we look forward to joining the celebration for years to come. Our pride will once again be evident, as we move past the 250-year mark and on our way to the next milestone! ☺





Capital Electric Cooperative's employees keep the cooperative operating smoothly. Safety and reliability are paramount and this message is relayed at each annual meeting.

Capital Electric members celebrate 80 years

One of the events that makes an electric cooperative special is the annual meeting. Capital Electric Cooperative members look forward to this event to visit with fellow members and to learn about what's happening at the cooperative.

Capital Electric's 80th annual meeting was held June 16 at Bismarck State College's Advanced Technology Center. This year's venue was chosen for many reasons, but mainly because it could accommodate our members and it is a beautiful new facility.

Throughout the cooperative's 80 years, the annual meeting has been held in many locations. In the early years, membership was a fraction of what it is today. The meeting was held in small-town gyms in Wilton, Wing and McClusky. Some were held in Bismarck. During the past 20 years, the meetings have been at the Ramkota, the Bismarck Event Center and now the new location. No matter where we gather, the meeting is all about our members.

The co-op's financial and operational performance over the past year, as well as a discussion about increasing costs and rates and other market-related issues, were highlighted at the meeting. Prior to the meeting, the traditional meal was served and enjoyed by those attending.

"The meal was great as always and we appreciate being treated so well at this event each year," one attendee said. Nearly 600 co-op members and family members attended the dinner. Of those who stayed for

the meeting, 18 went home with gift cards or cash prizes.

Capital Electric Board President Deon Vilhauer and General Manager Paul Fitterer presided over the meeting. The current financial condition of the co-op was presented to members by Business Manager Luke Steen, and Manager of Communications Wes Engbrecht gave an update on Operation Round Up.

One of this year's memorable Operation Round Up grants was to the co-op members who lost their apartments and possessions in the Alberta Heights fire. The Operation Round Up board voted unanimously to provide a grant to cover each member's final electric bill.

"I have dealt with many businesses in my 89 years, but yours is the first to show such loving kindness. My special needs son and I appreciate this! Thanks to those rounding up their bills each month. It makes a huge difference," one grateful resident said.

Three candidates were reelected to the board of directors for three-year terms. In District 1, Dave Charles retained his board seat, as he ran unopposed. Incumbent Bret Weiland also retained his board seat by earning 665 votes. Other District 2 candidates were David Straley with 607 votes and Jack Schulz with 405 votes. In District 3, incumbent Kyle Tschosik retained his board seat with 1,237 votes, over challenger Dustin Zahn, with 473 votes. A total of 1,784 votes were cast (1,164 by mail, 503 electronic votes and 117 in person).

"Each year, Capital Electric's staff and board members share their appreciation of members at your annual

meeting. The meeting allows cooperative members, as well as board members and employees, the opportunity to interact with each other. When I think of the value of our annual meeting, I am reminded of the many benefits it brings to the membership, such as engagement, open communication, democratic governance and community focus. The people we serve are wonderful and I appreciate their willingness to set their time aside for us," Vilhauer said.

Capital Electric thanks all who participated in this year's annual meeting. Cooperative membership is cooperative ownership, and member participation is a key element to the co-op's success. By participating in the annual meeting, member-owners hold the co-op accountable for decisions and help the board and employees serve them to the best of our ability. We hope to see you again next year! ☺



Co-op members stream through the front door, registering for this year's meeting.



This year's annual meeting venue, Bismarck State College's Advanced Technology Center, was well suited for this event. At least 200 members attended the meeting.

Cooperative members honor Lasher

A fully dedicated, longtime Capital Electric Cooperative director who died earlier this year, Rusty Lasher was honored at the annual meeting. He served 30 years on the Capital Electric board, many as president, and was involved with many decisions relating to the growth and health of our organization. He had a positive effect on employees and members during his years as a director.

Lasher was active in many organizations throughout the years, including serving on the Sheridan County Social Services board and the rural fire department board. He was active in the McClusky Baptist Church, where he held numerous offices and

sang in many quartets, duets and as a soloist.

Rusty's father, Norman, was an original founder of the cooperative and served on the board for many years prior to Rusty's board service. Rusty was raised on the family farm, served in the U.S. Army, then continued farming and ranching for the rest of his life.

Rusty was highly respected as a Capital Electric board member and will be deeply missed. Those who knew him will remember his leadership skills and ability to light up a room with his outgoing personality and warmth.

Our thoughts and prayers are with his family as we celebrate a life so well lived and a legacy that will not be forgotten. ☺





The impressive Lincoln Memorial was one of Landon Eichele's favorites "There were so many interesting historical things to see," he said. **Landon** is standing to the right of President Lincoln.

Eichele shares Youth Tour experience

BY WES ENGBRECHT

"The experience of a lifetime!" These words from Capital Electric Cooperative's student representative, Landon Eichele, sum up his week in Washington, D.C., as part of the Electric Cooperative Youth Tour.

Landon wrote the winning essay regarding the best ways for co-ops to engage with their membership, especially with students and young adults. Landon's suggested ideas were on the mark.

"Co-ops should visit local schools to provide information about what they do. They should be involved with community events, focusing on creating fun and interactive messages on social media," he wrote in his essay.

Landon had only positive comments regarding the tour of our nation's capital.

"Every part of it was amazing, but I enjoyed the Lincoln Memorial the most. Standing under it, I had a sense of the size and scope of the structure and thought about how difficult it must have been to build it," he said.

The United States Holocaust Memorial Museum was remarkable to Landon as well.

"I learned what so many families experienced, what was taken away from them and what other countries thought was going on at the time. It was hard to see each pair of shoes, representing a different person who lost their life in the Holocaust," he said.

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 Youth Tour represents what cooperatives are about. As cooperative members, Landon and his family represent us all. We hope he will remain a co-op member in the future," said Communications and Public Relations Manager Wes Engbrecht.

"I want to thank you all for not only the financial support, but also for believing in me and picking me to represent Capital Electric. It was truly an honor. I hope my participation has made the entire cooperative proud," Landon said.

Thank you, Landon. You truly have made us all proud!

Landon lives in Driscoll and attends Kidder County Public School. He will be a junior in high school this year. ☺



Landon Eichele (right) and two of his friends admire the view at the U.S. Capitol.



Capital Electric Cooperative employees and board members join mascots Clark the Lark and Merifeather Lewis for a photo at this year's summer outing.

Summer fun

Summertime is fun time and Capital Electric Cooperative's employees and board members join that fun at a Bismarck Larks baseball game in June each summer.

"This is our summer picnic outing and we enjoy it. We receive special treatment on the party deck, with food and beverages included," says General Manager Paul Fitterer. "It's a good time to take a break from work and

enjoy some fun together." Family members are invited to the event as well. As you can imagine, the kids are having a ton of fun."

The Bismarck Larks have added a memorable family experience to the Bismarck/Mandan area, as well as attendees from around the state. We thank the Larks organization for adding to our summer fun! ☺

True Leadership Institute features panel of experienced leaders

The True Leadership Institute is a two-day experience dedicated to developing authentic, mission-driven leadership. This year's conference was held at the Gary Tharaldson School of Business on the University of Mary campus. Business leaders, professionals and students are brought together to hear and learn about leadership skills from a variety of speakers.

Former National Information Solutions Cooperative (NISC) CEO Vern Dosch headlined this year's conference, along with other national speakers. This year's schedule included a panel discussion, "Bottoms Up, Real Leaders' Experiences of Working from the Bottom to the Top."

Capital Electric Cooperative Communications and Public Relations Manager Wes Engbrecht was one of four panelists. He found great value in this opportunity.

"It was an honor to serve on this panel consisting of local, highly qualified leaders in a variety of fields. Attendees' questions led to interesting discussions on not only leadership topics, but how life experiences factor in when working in a complex and exciting business environment," he said.

Engbrecht has enjoyed working for Capital Electric for almost 20 years, representing co-op members in local communities. ☺



Capital Electric Cooperative Communications and Public Relations Manager **Wes Engbrecht**, far left, participates as a panelist at the True Leadership Institute.

Board minute excerpts JUNE 26

The regular meeting of the board of directors of Capital Electric Cooperative was held at 8 a.m. Friday, June 26, at Capital Electric, 7401 Yukon Drive, Bismarck, pursuant to due notice to all directors. All directors attended the meeting.

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

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

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

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

Revenue was ahead of budget for May, as \$4,432,157 was generated in comparison with the budgeted figure of \$4,415,693 (favorable variance of \$16,464 or 0.4%).

Capital Electric's May power costs were under budget for the month by 1.7%.

The operating margin for May was \$-164,701.72, ahead of the budgeted amount of \$-302,470.75. The total margin for May was \$-74,795, which was ahead of the budgeted amount of \$-295,475.

Capital Electric began billing 38 new services in May, bringing our active services to 22,957 versus 22,567 at this time last year, or a net increase of 390 accounts over the last 12 months.

Total cash on hand on was reviewed.

Estate Retirements: Following review of the financial condition of the cooperative, authorization was made for payment of capital credits totaling \$5,545.03 to seven members' estates.

2025 Financial Audit: Steen reported the audit was reviewed at the May board meeting. Following discussion, the board accepted the audit report as presented.

Operations Report: Holzer reviewed the written report from the operations department. Holzer reported on continued work on the expansion at University of Mary, the retirement and replacement of a transformer at the old Kmart building in advance of Hobby Lobby moving into the location, and installation of fault indicators on the line feeding the Wing and Erickson substations to aide in pinpointing the causes of line blinks. Holzer also reviewed the National Rural Electric Cooperative Association (NRECA) International project near Coban, Guatemala, with anticipated work taking place in early November and a planning trip in May.

Safety Report: There were no-lost time accidents since the last

board meeting. Capital Electric presented on electrical safety to youth at the farm safety camp at the Burleigh County 4-H building. The safety report was reviewed.

Engineering Services Report: Owen reviewed the written report from engineering services. Forty-one work orders were completed in May. Owen reported on ongoing and upcoming projects, including Federal Emergency Management Agency (FEMA) requirements for bird diverters on lines in the Moffit area damaged by the June 2025 storm and an update on Highway 36 overhead-to-underground conversion, energization and retirement of overhead cable near Wilton.

Wildfire Mitigation Report 2025-26: Owen reviewed the report and the board accepted the report as presented.

Energy Services: Schaffner reviewed the energy services report. Thirty-five service orders were completed in May. Schaffner reported on efforts to help members determine cost-saving strategies and implement those changes, continued work on proposals for a 900-kilowatt BESS system and completion of two solar well projects.

Communications: Fitterer reviewed the communications and public relations report. Fitterer reported on the annual meeting and the new location, upcoming parades in which Capital Electric will participate and Capital Electric's sponsored Youth Tour participant.

IT Report: Kensmoe reviewed the IT report. Kensmoe reported on completion of laptop replacements, addition of multi-factor authentication for remote logins, a cybersecurity conference and review of security headlines.

Basin Electric Power Cooperative: Fitterer reported on Basin Electric matters, including the 2026 annual meeting in August.

Central Power Electric Cooperative (CPEC): Dave Charles reviewed CPEC's June board meeting. Fitterer reported on the CPEC manager's Advisory Committee meeting.

NRECA: Fitterer reported on the Region 5/6 meeting in September. Whitford Dwyer was selected as Capital Electric's delegate and Kyle Tschosik as alternate.

Federated Insurance: Fitterer updated on a report from the Federated board and transition of leadership.

North Dakota Association of Rural Electric Cooperatives (NDAREC): Vilhauer reviewed NDAREC and Rural Development Finance Corporation matters.

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

National Information Solutions Cooperative (NISC): Fitterer provided an update on the merger between NISC and Meridian Cooperative.

RESCO: Vilhauer reviewed materials and noted RESCO contributed to North Dakota's NRECA International project. ☺

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
Bret Weiland	Bismarck
Dave Charles	Bismarck
Whitford Dwyer	Bismarck
Luke Ellenbaum	Bismarck

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Capital Electric Cooperative is an equal opportunity provider and employer.

A Touchstone Energy® Cooperative 