



## Update on January rate increase

**A**s noted at the June annual meeting, Capital Electric Cooperative is facing significant cost pressures for 2025, mostly due to rate increases from our wholesale power providers, Basin Electric Power Cooperative, Western Area Power Administration (WAPA) and Central Power Electric Cooperative.

Basin Electric is experiencing significant load growth and is already in the process of building new power generation and high-voltage transmission in North Dakota.

WAPA finds itself having to buy more power on the market due to inadequate water levels needed to satisfy its contracted power.

Finally, Central Power Electric is investing in substation and transmission infrastructure, including Capital Electric's Menoken substation and the substation expansion in the city of Lincoln. Central Power is also building an outpost in northeast Bismarck, which will locate transmission lineworkers and substation electricians in Bismarck to better support Capital Electric's high-voltage operations.

Overall, the required increase will average 8%, but will vary by each service. For more detail, including rates, visit [www.capitalelec.com/rates](http://www.capitalelec.com/rates). Additionally, members will be mailed a customized letter that explains their expected impact.

So, what is Capital Electric doing to minimize the effect?

- We've recently been awarded two federal infrastructure grants for grid reliability. These two grants, amounting to \$1.5 million, will offset a significant portion of Capital Electric's construction work for 2025, which reduces depreciation and

interest costs moving forward. We have also applied for two additional reliability grants.

- We've scoured our income statement and identified areas where we can save on expenses. Some examples include sending Capital Electric's annual report as part of another mailing, sending ballots to only those members who wish to vote, eliminating two software platforms and performing more of our own tree trimming and snow removal.

### What can you do to reduce your bill?

The cooperative offers several strategies to assist your cost-mitigation efforts. For instance, you may benefit from the optional coincident peak rate, adding a load controller to avoid peak costs, pre-cooling or using timers. If you are interested in pursuing mitigation efforts, please visit our website, [www.capitalelec.com/opportunities-save](http://www.capitalelec.com/opportunities-save), email [cec-rates@capitalelec.com](mailto:cec-rates@capitalelec.com) or call 701-223-1513 and we will be happy to assist you.

### What else can help?

Believe it or not, printing, envelopes and postage, at \$150,000 annually, is still a significant part of our costs, even though electronic options are available. Contact our office or login to SmartHub to go paperless. If you go paperless, you will be notified electronically when your bill is ready, and you can open your SmartHub app to see the details if desired. While you're there, please make sure your contact information is updated.

We don't take these increases lightly and are here to help you with any questions you may have. ☺