



Capital Electric

COOPERATIVE

MARCH 2023

Equipping students with the skills needed to enter the workforce as nurses, engineers or in other career paths has been a primary objective for the University of Mary, a Capital Electric Cooperative member, since its founding more than 60 years ago.



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University of Mary builds workforce by meeting regional needs

BY WES ENGBRECHT

Since the day it opened its doors in 1959, the University of Mary (formerly Mary College) has been a Capital Electric Cooperative member. It has been our pleasure to serve this growing and thriving university community over the years. The university continues to add innovative programs, expanding its services and reach to North Dakota students and beyond.

The private university takes its tone from its founders and current sponsors, the Benedictine Sisters of Annunciation Monastery, as it exists to serve the religious, academic and cultural needs of the people of this region and beyond, providing a world-class education that is affordable to all and within \$1,500 of the overall average annual cost of the two largest state schools.

What began as an education and nursing school, the University of Mary now offers nearly 60 majors to approximately 3,800 students from 48 states and 16 countries. From its first graduating class of 12, the University of Mary now confers degrees annually to nearly 1,200 graduates, many of whom fall in love with North Dakota's culture and values, and decide to stay and make the Peace Garden state their new home, which is vital to the growth and prosperity of Capital Electric's member cities.

Training nurses

The University of Mary's nursing program, under its newly named Saint Gianna School of Health Sciences, ranks No. 1 in the country based on exam pass rates, and shoulders tremendous ethical responsibility

upholding the ideals and values of its patroness, in both its bachelor's and graduate degree offerings.

University of Mary's nursing students persevere through a rigorous curriculum and countless clinical hours, and assist patients in pro-bono clinics on campus, provide hands-on medical assistance in various health care settings, and take part in service-learning mission trips at home and abroad.

They're trained to be exemplars of moral courage and defenders of the sanctity of life and dignity of the human person. If nursing students reach their senior year with a 3.0 grade-point average, they're eligible to receive that final year of education tuition-free through the CHI St. Alexius scholarship.

The University of Mary understands affordability is top of mind, along with a quality education. Set to launch in September 2023, the Nursing Academy is a selective track for first-year, full-time freshmen. Responding to the significant critical workforce needs of the region and across America, and with the generous support of clinical partners, selected students can enroll in the tuition-free Nursing Academy. This unique format provides students a year-round curriculum in which they can complete their bachelor's degree in 2.6 years.

Training engineers

Like nursing, engineers are in high demand everywhere. To ensure students can take advantage of opportunities, the university received a generous gift from the Harold Hamm Foundation and Continental Resources Inc. that allows for engineering scholarships.

Anyone who passes through the new Hamm School of Engineering on campus can quickly see students engaged in problem-solving and project creation: future engineers grouped in teams writing math and physics equations on whiteboards and on glass windows; labs lined with small and large tools; projects in their conceptual stages and some ready for testing; and sounds of machinery off in the distance. It is a "toy" factory, of sorts, for anyone who loves taking new or existing ideas and bringing them to functionality or making them better.

Less than 10 years ago, much of what can be seen or heard in a state-of-the-art facility like this on campus would have been unthinkable at the University of Mary, until leading firms in the region and across the country approached the university and asked it to consider integrating its faith-based mission into an engineering program. A decade later, University of Mary's engineering students are heavily sought in the areas of civil, mechanical, electrical and construction engineering, as well as computer science.



With an average student-to-faculty ratio of 15:1, every engineering student is allowed frequent one-on-one special attention for individual development and success – and it shows. The university's engineering students boast a 100% internship placement rate, many as early as freshman year, and a 100% job placement rate. This allows for leading innovators, regionally and nationally, to recruit students well before graduation, creating a pipeline of employees ready to be put on the payroll full-time.

Each fall, nearly 1,000 new students begin at the University of Mary and make the Bismarck-Mandan region their home. These students eventually become a significant portion of our local workforce, servant-leaders in our communities and maybe even Capital Electric Cooperative members, too. ☺

Thank you to Tom Ackerman, University of Mary Media Relations, for his assistance with this article.

Co-op adds apprentice lineworker Homes

Co-op lineworkers are the glue that holds the electrical system together. They are on-call 24/7 to restore power through the most difficult weather conditions.

"It's important to hire professionally trained and educated lineworkers to do the job in a safe and efficient manner," Operations Manager Rick Dressler explains.

Most of Capital Electric Cooperative's lineworkers are trained locally through Bismarck State College's lineworker program. We are fortunate to add yet another graduate from this program to the Capital Electric team.

Cody Homes, originally from Buchanan, reported for work as an apprentice lineworker on Jan. 30. He has experience working one summer season with Northern Plains Electric Cooperative at its Carrington location.

Homes will be working at the Wing outpost with Lead Lineworker Jesse Goehring.

"I'm looking forward to working in the rural area

and I know the Wing area will provide me with that opportunity. I enjoy hunting and will be scoping out the area for pheasants and other game to prepare for the fall hunting season," he said.

Welcome to the team, Cody! ☺



Cody Homes

Miller hired by CEC Engineering Services Department



Jill Miller

Capital Electric Cooperative is pleased to welcome the newest member of our engineering department, Jill Miller.

As work order coordinator, Miller is a key member of the engineering services team, responsible for the setup, processing and accounting of construction activities. This includes collection

and validation of required member information, wiring certificates and coordination with Capital Electric's crews and contractors.

"Jill brings a broad background and experience

wearing multiple hats, while maintaining accuracy and a high standard of customer service," explains Manager of Engineering Services, Greg Owen. "Her positive attitude is contagious, and we look forward to her impact in serving our membership."

Miller is a Fargo native and has been employed as a legal assistant and an administrative assistant to the superintendent of the Mandan School District.

Miller and her husband of 26 years, Cody, live in Mandan. They have two daughters, Savannah and Ashleigh. Son-in-law, Dominic, joined the family in 2021.

Jill brings a sunny disposition to the workplace and an innate ability to cook almost anything, as well as can salsa and jellies.

"I have canned almost everything, and people enjoy my salsa, even if it's a little bit spicy," she said.

We are pleased Jill has joined the team and we look forward to working together! ☺



How grid charges affect upcoming rate changes

In our February magazine, we informed you of a rate increase scheduled to begin on May 1. The most notable change to the rate structure is referred to as a “grid capacity” charge. This is a charge introduced to our commercial members two years ago and will now be present on all member bills.

What is a grid capacity charge? This charge will be put in place to more accurately capture the costs of the fixed assets we use to deliver power to your home. This includes assets such as power lines and transformers, and the equipment used to make the system work along the way. The purpose of relating your monthly costs to our assets is to better align our costs with the revenue we receive from our members.

While Basin Electric Power Cooperative generates the power and Central Power Electric Cooperative transmits the power to our substations, we move that power the rest of the way to your home or business. To move this power to our members requires enough conductor to stretch from Tampa, Fla., to Seattle, Wash., with some excess to spare.

Our distribution system is built to ensure each member’s maximum power needs can be delivered when they need it. Therefore, we must have the infrastructure needed to meet those needs. We can’t

change the assets we own on a month-by-month basis to handle only the needs for that month. Most of our assets are financed, and the payments are due, regardless of how much electricity we sell.

This is where the grid capacity charge comes into play. The charge will be determined by your maximum demand of the distribution system over the past 12 months. Our average residential consumer has a maximum power need of 6.6 kilowatts (KW). The new rate will be \$1.25 per KW, so the average residential consumer will see an increase of \$8.25 per month due to this rate change. If we anticipate the rate change will have an impact greater than \$8.25 per month and more than 10% of an increase over your present bill, we will be sending you a separate letter (prior to 05/01/2023) with details on what to expect and how we can help you reduce the impact.

We understand rate increases can cause a strain when members are already experiencing increasing costs on a lot of products and services. As a result, we will be offering optional rate structures that members can consider, allowing them to offset the increase by reducing the charges on other components of their bills. We will provide more information regarding these opportunities in the upcoming months. €

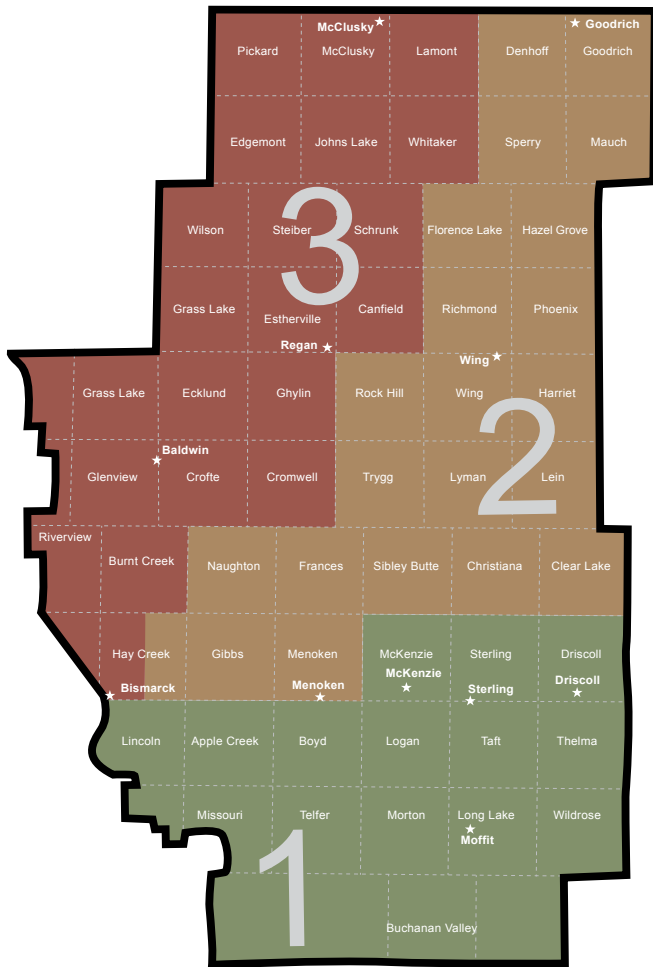
Capital Electric Cooperative and CRA Group give back to emergency services volunteers

North Dakota’s volunteer emergency responders are the heroes of the prairie. They save lives, prevent injuries, and protect property and the community. To say thank you, Capital Electric Cooperative is teaming up with the CRA Group to award up to \$10,000 in bill credits to local emergency services volunteers! To qualify, applicants must be a current member of Capital Electric and must volunteer for an emergency service, such as an ambulance, fire department or law enforcement. Learn more: capitalelec.com/volunteer-giveback-program



Are you interested in serving as a director for Capital Electric?

Place **YOUR** name on the ballot today!



Capital Electric Cooperative will hold its 77th annual meeting at the Bismarck Event Center on June 20.

This year, three seats on the co-op's board of directors will need to be filled. Directors whose terms are expiring in June are Dave Charles, David Straley and Kyle Tschosik.

The nine members who make up the Capital Electric board of directors set policies and make decisions that guide the cooperative into the future. With the annual meeting just a few short months away, now is the time for members to start thinking about whether they have the time and desire to serve their electric cooperative.

In accordance with Article 4, Section 3, of the co-op bylaws, current Capital Electric members can have their names placed on the ballot to be voted upon for the open board positions in either of these two ways: 1) accepting a nomination by the Nominating Committee or 2) submitting a petition signed by at least 15 current members of the cooperative, not less than 40 days prior to the annual meeting.

If you are interested in becoming a candidate for Capital Electric's board of directors or wish to have a member considered for nomination, please contact a member of the Nominating Committee (listed below) on or before April 7. Committee members will have information on the requirements a member must meet in order to serve on the co-op's board of directors. Pursuant to the bylaws, the Nominating Committee must post a list of nominations at least 35 days prior to the annual meeting.

Official notice of Capital Electric's annual meeting will be mailed to members in May. ☺

The following members have been appointed by the board of directors to serve on the Nominating Committee:

Brian Bitner
751 80th St. SE
Bismarck, ND 58501
701-226-3456

Kristen Hamman
5414 Flatrock Dr.
Bismarck, ND 58503
701-934-5307

Jill Trygg
19201 197th St. NE
Baldwin, ND 58521
701-391-0345

Mark Steele
5303 Onyx Dr.
Bismarck, ND 58503
701-527-0468

Becky Hanson
2981 Warwick Lp.
Bismarck, ND 58504
701-391-3378

Gary Hansen
1423 Eagle Crest Lp.
Bismarck, ND 58503
701-471-3558

Ann Reich
4401 Lookout Trail
Bismarck, ND 58504
701-255-4406

Scott Meske
4609 Patriot Dr
Bismarck, ND 58503
608-516-9307

Teresa Bauer
7908 Nicklaus Dr.
Bismarck ND 58503
701-223-4434

Directors represent your interests

Capital Electric Cooperative is overseen by a board of directors elected by the member-owners of our co-op. Each director represents the members on the board and each director is a co-op member.

Directors represent the members' interests. They learn and internalize concerns, expectations and ideas, and take the information into the board room. During board meetings, directors exchange information and strategize for the co-op's progressive growth.

Directors have a fiduciary responsibility to the cooperative. They exercise care, time and responsibility in reviewing co-op matters. Because they are also owners of the cooperative, they treat the business like their own.

Directors devote a certain amount of time to the cooperative. At a minimum, directors attend a

monthly board meeting. To learn about the industry and understand critical issues, directors research issues important to cooperatives and attend state and national meetings.

To help directors with their responsibilities, training is offered through the North Dakota Association of Rural Electric Cooperatives (NDAREC). If directors choose to pursue certification, they must take and complete five courses that cover director duties and liabilities, understanding the electric business, board roles and relationships, strategic planning and financial decision-making.

Serving Capital Electric and your community can be a rewarding experience! For more information, contact a member of the Nominating Committee (see C6) or call the co-op at 701-712-7923 and ask for Wes Engbrecht, manager of communications and IT. ☎

Save the date

June 20

WHAT:
Capital Electric Cooperative annual meeting

WHERE:
Bismarck Event Center

WHY:
To learn about co-op issues; to cast your vote and elect three board members to serve on the board of directors; and to enjoy entertainment and eat a free meal.

What does it take to be a good board member?

We often get questions in the office from members who are interested in running for a board position. The most common questions are: 1) *What does it take to be a good board member?* and 2) *What is the time commitment required to do the job well?*

A good board member is someone who takes the time to learn about the cooperative business model and understands what it means to the co-op's member-owners. A director will put time into training classes and individual study of issues the cooperative is dealing with on a regular basis. They will attend board meetings and other related meetings regularly to collaborate with fellow board members on those issues.

The following list of meetings and time requirements will give you an indication of what is generally expected of a director:

- Twelve regular monthly board meetings, almost all in Bismarck
- One day at Capital Electric's annual meeting, held in June in Bismarck
- Six days at NDAREC and G&T annual meetings, Bismarck and Minot
- Regional and national meetings
- Some directors serve on other related boards at Central Power and NDAREC, which meet on a monthly or quarterly basis
- Other unscheduled meetings and training classes can add additional days

On average, a Capital Electric director can spend between 25 and 30 days on co-op business each year.

A commitment to the cooperative and the cooperative business model is vital to a director's success on the board. Focusing on the needs of our member-owners is the common thread that keeps our board operating effectively. ☎

Board minute excerpts JAN. 27

The regular meeting of the board of directors of Capital Electric Cooperative Inc. was held on Friday, Jan. 27. The meeting was held in person at Capital Electric, 7401 Yukon Drive, Bismarck, pursuant to due notice to all directors. All the directors were present at that time. Also present: Manager Paul Fitterer, Business Manager Luke Steen, Operations Manager Rick Dressler, Engineering Services Manager Greg Owen, Energy Services Manager Josh Schaffner, Manager of Communications and IT Wes Engbrecht, and Attorney Zachary Pelham of Pearce Durick PLLC, who acted as recording secretary.

Financial Review: Prior to the board meeting, Directors David Straley and Kayla Pulvermacher reviewed the December 2022 check register and expenditures. They advised that 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 January financial and statistical report to the board.

The total kilowatt-hour sales for December were ahead of budget by 13.5%. The monthly electric revenue was ahead of budget by 6.2%.

Capital Electric's December load factor was under budget by 6.65%.

The preliminary operating margin for December was \$-1,258,831, ahead of the budgeted amount of \$-1,262,514. The preliminary total margin for December was \$4,788,391, which was ahead of the budgeted \$4,762,092.

Capital Electric began billing 30 new services in December, bringing our active services to 21,953 versus 21,654 at this time last year, or a net increase of 299 accounts over the last 12 months.

The cash flow statement and monthly power cost for December was reviewed. Accounts receivable balances as of Jan. 26 were reviewed.

Estate Retirements: Following review of the financial condition of the cooperative and recommendation by management, total payments of \$8,629.44 were authorized to 11 member estates.

Quarterly Write-offs: A write-off of \$4,557 for the fourth quarter was approved. The total 12-month write-offs are \$16,215.

Audit Engagement Letters: The board made authorization to enter into engagement letters with Brady Martz to perform Capital Electric's Form 990 tax

return, to perform the audit of its 2022 financial statements and to perform the audit of its charitable trust for 2022.

Operations Report: Dressler reviewed the written report from the operations department. Dressler reported crews have been working around the clock at times to address outages caused by winter weather, have started working on annual line inspections, and six employees from the department attended the Apprenticeship Training and Safety Conference in Bismarck.

Safety Report: There were no lost-time accidents in January.

Engineering Services Report: Owen reviewed the written report from engineering services. There were 17 work orders completed in December. Owen reported on updates and timelines for 2023 projects, sizable increases in estimated costs for underground wire contractors, and potential for additional loads in the service area.

Property Update: Owen reported on the Keever Butte Radio Tower as to future utilization by the cooperative, including the potential sale of the property due to the radio tower no longer being needed and potential liabilities of future maintenance of the facilities. Owen reported marketing efforts for the sale of the administration building continue. Owen reported that modifications to the new facility are on schedule and may even be completed as early as June.

Energy Services: Schaffner reviewed the energy services report. Eighteen service orders were completed in December. Schaffner reported on the completion of the 2022 year-end inventory, repairs to the generator and the N.D. Department of Transportation's EV charging station plans.

Inventory Write-off: After discussion, the 2022 inventory write-offs of all departments were approved.

Communications and IT: Engbrecht reviewed the communications and IT report.

Engbrecht reported on the upcoming March 14 Member Advisory Committee and Operation Round Up meetings and the need for directors to provide names of potential nominating committee members for the April 11 Nominating Committee meeting.

Capital Electric Annual Meeting Bylaw Committee Report: Dave Charles reported on the committee's work to revise the bylaws for presentation to the membership at the next annual meeting.

Following discussion, the revisions of the bylaws recommended by the committee for presentation to the membership at the next annual meeting were approved.

Basin Electric Power Cooperative: Fitterer reported on Basin matters.

Central Power Electric Cooperative: Straley reported on Central Power matters. The annual meeting will take place in Minot in March. Rex Hollenbeck was selected to serve as Capital Electric's representative on the resolutions committee with Kyle Tschosik serving as alternate.

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

North Dakota Association of Rural Electric Cooperative: Deon Vilhauer reported no meeting took place in January.

National Rural Electric Cooperative Association: Fitterer reported on the CEO conference.

National Information Solutions Cooperative Board Meeting: Fitterer reported on the January board meeting. ©

CAPITAL ELECTRIC COOPERATIVE
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BOARD OF DIRECTORS:

Deon Vilhauer, Pres.	Bismarck
Dave Charles, V. Pres.	Bismarck
David Straley, Sec.-Treas.	Bismarck
Kyle Tschosik, Asst. Sec.-Treas.	Bismarck
Rex Hollenbeck	McClusky
Dwight Wrangham.....	Bismarck
Kayla Pulvermacher.....	Bismarck
Lyndon Anderson	Bismarck
Sara Vollmer.....	Wing

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