

# BUILDING A BRIGHTER TOMORROW



Central Power  
Electric Cooperative, Inc.

**2019**  
ANNUAL REPORT





## ABOUT CENTRAL POWER

Central Power Electric Cooperative is a wholesale power supply and transmission cooperative organized in 1949 to generate power for its member rural electric distribution cooperatives.

Central Power today continues to supply the bulk power needs of its members through a backbone system of transmission and subtransmission facilities. The six member cooperatives that make up Central Power combine to serve over 67,363 farms, homes and businesses located in a service area of 25 counties across the central and southeastern third of North Dakota.

Central Power's facilities required to serve the members include 174 delivery points, 25 wholly owned and 9 jointly owned high-voltage transmission stations, and 1452 miles of transmission line interconnected with the Western Area Power Administration, Basin Electric Power Cooperative, and three investor-owned utilities. In all, Central Power has a \$335.8 million investment in utility plant.

**North Central Electric**  
Bottineau, ND

Wayne Martian – Manager	Jesse Fahnestock
David O'Connell – President	Lori Kittleson
Bradley Aho	R. Jay Paul
Joel Brandvold	Stuart Rothe
Jean Brandt	David Tolstad

**Jean Brandt** Director, Kramer

**Verendrye Electric**  
Velva, ND

Randy Hauck – Manager	Shawn Kaylor
Blaine Bruner – President	Maxine Rognlien
Howard Anderson	Kenneth Schild
Clint Gjellstad	John Warner
Karen Hennessy	Robert Wolf

**Robert Wolf** Secretary/Treasurer, Minot

**McLean Electric**  
Garrison, ND

Martin Dahl – Manager	Darcy Klain
Larry Gessele – President	James Odermann
Clarence Behles	Troy Presser
Karen Hanson	Rodney Stockdill

**Troy Presser** Director, Turtle Lake

# 2019 Board of Directors

**Northern Plains Electric**  
Carrington, ND

Seth Syverson – Manager	Curtis Hanson
Tracy Boe – President	Bruce Olsen
Mark Brehm	Randall J. Simon
Russell Carlson	David Teigen
Judy Geier	Curtis Wiesz

**Mark Brehm** Vice President, Cando

**Capital Electric**  
Bismarck, ND

Paul Fitterer – Manager	Rex Hollenbeck
Richard Koski – President	Arlene Olson
Dave Charles	Bill Patrie
Sheri Haugen-Hoffart	Deon Vilhauer
Kyle Hilken	Dwight Wrangham

**Sheri Haugen-Hoffart** President, Bismarck

**Dakota Valley Electric**  
Milnor, ND

Mark Kinzler – Manager	Richard Johnson
Richard Schlosser – President	Blaine Lundgren
Connie Bitz	David Paulson
Arden Fuher	Neil Olerud
Mike Hauschild	Kim Rasmussen

**Arden Fuher** Director, Edgeley





## Message from the President



**SHERI HAUGEN-HOFFART**  
President

Central Power Electric Cooperative has a 71-year history of delivering safe, reliable, and affordable electric power to its now six member systems in the central and southeastern portions of North Dakota. We have witnessed a tremendous amount of transformation in our industry over that time, but one thing remains the same – our steadfast commitment

to keeping our member systems our number one priority.

As we move forward, we are committed to working closely with our members to investigate, research, and deploy appropriate new technologies, prevent cyber threats, and continue the replacement and expansion of our transmission delivery system - Building a Brighter Tomorrow!

It has been my honor and privilege to serve as your Board President this past year and to present the 2019 Annual Report to the membership and friends of Central Power. This report will outline the events and highlights that made 2019 a remarkable year. While we have had our challenges, we also have a rock solid track record of delivering value to the membership. I have the utmost confidence that we will continue to address those challenges head-on and successfully take advantage of any opportunities as they arise.

Being solidly grounded in purpose creates the foundation for our success. The Board and management of Central Power are keenly aware of our responsibility to the membership and the importance of soliciting their input when planning for the future. To that end, this past year the

Board initiated a strategic planning session facilitated by CFC. Membership management was invited to attend and participate in this planning session in order to include the hands-on technical experts in the process and we couldn't be happier with their involvement and the ensuing results. One of the more gratifying outcomes was that near the end of the session, management teams and director teams were formed, and after working on strategic directives, the priorities reached by the Board matched up with those of the managers.

The resulting top three priorities reached for Central Power in Strategic Planning are as follows:

1. Analyze the continued build-off of our remaining distribution substation loads from IOU transmission and develop plans, costs, and financial impacts of doing so.

2. Investigate and research economy of scale battery bank utilization at Central Power for load management under Basin's new rate schedule which provides each Class A member 150kW of battery storage per Class C member (900kW total in Central Power's case).

3. Continue to study and analyze the most strategic location for a Bismarck outpost/mobile substation storage facility and for management to make a recommendation to the Board at the appropriate time.

Another one of our top priorities is to keep our member rate as low as practical and prudent. We were pleased that we were able to lower our member average mill rate by 1.6 mills/kWh, or 2.5% for 2020. In 2019 we made a capital credit retirement to the membership of \$205k, and while this seems like a rather small amount, it represented the entire Basin Electric retirement to Central Power (Basin is retiring the years in which Basin, Central Power, and its members were in a Wholesale Power Contract Assignment whereby Central's members purchased approximately 90% of their power directly from Basin to minimize our duplicative 2% Gross Receipts Tax liability. Thereby the members are receiving most of the Basin retirement directly from Basin.) Also in 2019, we passed through the entire \$244k of Renewable Energy Credits from Basin Electric.

This past year, the Central Power Board of Directors continued to closely monitor and evaluate the risk and reward associated with short-term borrowing versus locking in long-term rates. The Board has made what we believe to be a thoughtful, strategic balance between significant cost savings associated with what were very low short-term rates and locking in long-term. This strategy has saved Central Power millions of dollars in interest expense over the last eight years but requires constant evaluation in these changing times. Mid-year 2019 the Board made the decision to lock approximately \$78M in quarterly renewing FFB notes at the 30 year rate which varied between 2.201% and 2.316%. Also, on four subsequent loan draws totaling roughly \$8M we went long term at rates between 2.009% and 2.173%. This action eliminated a great deal of uncertainty about our future wholesale rates to our members and took advantage of an extremely favorable long-term interest rate.

As a Transmission Owner, or TO, in the Southwest Power Pool, or SPP, and as a Midcontinent Independent System Operator, or MISO, Facility Credit recipient, we have to stay on top of the continually changing tariff requirements and protocols. Integrating into SPP as a TO at the beginning of 2016 has brought incredible financial value to the membership in terms of the revenues Central Power receives from its Annual Transmission Revenue Requirements, as well as the facility





credits we receive from MISO.

Another area of focus and effort includes maintaining strict adherence to our industry's compliance requirements. The primary compliance requirement is the North American Electric Reliability Corporation, or NERC, Reliability Standards that are monitored and enforced through the Midwest Reliability Organization, or MRO. This is a serious responsibility that carries with it potentially significant penalties for non-compliance. Our staff has been doing an admirable job of keeping us on the straight and narrow.

Accident prevention remained a top priority for Central Power employees during 2019. Our safety commitment is zero injuries on an ongoing basis, and we will continue to reinforce safe work practices through training and oversight. Our employees are truly our most important assets and we appreciate hearing from the Union Safety Committee at our monthly board meetings.

We were also very pleased this past year to have completed the exterior remodeling of our headquarters administration building which was built in 1959 and we feel it turned out very well. If you have a chance to drive by and take a look at it, I think

you will be impressed with the new look - aesthetically tying the administration building to our operations & engineering building. Also, with a new metal hip roof, we anticipate being free from roof leaks and having to replace the roof membrane every 10-15 years.

In these days of seemingly constant and rapid change and challenges from both inside and outside the cooperative family, one cooperative principle we must diligently protect is our form of self-governance - Democratic Member Control. This is something that truly sets us apart and makes us responsive to the consumer-owners. Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. Elected representatives are elected from among the membership and are accountable to the membership. In our cooperative family, members have equal voting rights - one member, one vote.

In closing and on behalf of the Board of Directors of Central Power, we would like to thank all our industry partners to include Basin Electric Power Cooperative, the Western Area Power Administration, RUS, NRECA, NDAREC, Mid-West Electric Consumers Association, CoBank, CFC, NISC, and RESCO. Also, we wish to thank our employees for their dedication, hard work, and safe work practices. Finally, we wish to thank the membership for all of your support of our efforts toward Building a Brighter Tomorrow!

## Report from the General Manager



**Tom Meland, P.E.**  
General Manager

It is my sincere pleasure to report on the past year at Central Power Electric Cooperative as part of the 2019 Annual Report to the membership. It has been a remarkable year filled with many significant accomplishments. At Central Power, our Board of Directors and our employees are deeply committed to delivering outstanding value to our member-owners, having served their power supply needs for over 70 years. The employees at your G&T have been working very hard to bring about the continued expansion and rehabilitation of the Central Power transmission system. By anticipating and adapting to industry developments, reinvesting in critical infrastructure, and hardening our systems from cybersecurity threats, we will also be able to efficiently and effectively meet our member systems' power and energy needs of tomorrow. This history of service has been made possible with the direction we have received from our Board of Directors and the support from our member cooperatives, which has afforded us the resources, time, and energy to focus on the issues that matter most. We are pleased to have been able to deliver the benefits of our successes to our members to reward their unwavering support through "Building a Brighter Tomorrow"!

*"The only place where success comes before work is in the dictionary." -- Vidal Sassoon*

This past year we completed one of the most significant projects in our history, which was the 26.8 mile 115kV transmission line from the Southwest Minot substation to the East Ruthville substation and the associated line terminals and breaker additions at each end. This project was initiated by a Notice to Construct, or NTC, issued to Central Power by the Southwest Power Pool, or SPP, on May 23, 2017. Our in-house staff handled the right of way procurement for the entire line and they successfully obtained all 41 new easements and 7 existing easement

amendments in approximately one year without issue - this was truly a remarkable accomplishment! This facility completes a 115kV loop around Minot to reinforce the inner 41.6kV ring that serves the distribution substations in the Minot area including the Minot Air Force Base. Its benefits extend even beyond the Minot area to the farms, ranches, and residences in the counties of Ward, Renville, Bottineau, and McHenry. It was completed and energized on December 17th of last year - "Building a Brighter Tomorrow"!

We also received a SPP NTC on August 17, 2018 to change the operation of our 115kV line in the Bismarck area by closing a normally open mid-point breaker and operating our line in a closed loop fashion. This has many advantages with the primary one being increased reliability. If either source end trips, none of the consumers along this line will lose power. After completing all necessary NERC mandated facility ratings reviews and recommissioning, on December 11th of last year we had WAPA dispatch close the loop.

We have made excellent progress on the Basin Transmission Service Mitigation projects having completed the first three projects on the list below with expectations of finishing the subsequent three projects in 2020 and the last two projects in early 2021. This is a tremendous win-win-win for Basin, Central Power, and our member systems. These projects will provide improved service to our members, a financial savings to Central Power, and lower Basin's transmission service expense. Also, we will receive a financial contribution from Basin towards a portion of the cost of these projects.

- Blue Flint - WAPA Washburn 41.6kV line
- Dunning-Forfar 60kV line and new distribution substation
- Rugby distribution substation relocation
- Max-Benedict 41.6kV line
- Towner distribution substation relocation
- Garrison 115kV line and substation voltage conversion





- Hay Creek 115-41.6kV transmission substation (southeast side of Bismarck)
- Fessenden-Bowden 41.6kV line

We are also planning for the future to the extent possible. Several years ago when we witnessed property values soar around Bismarck and Minot while we were actively pursuing substation land acquisitions, the Board directed us to look ahead and try to acquire some likely future sites further out of town in advance of projected substation projects while property was still reasonably priced within projected future growth areas. I am happy to report we have acquired three future distribution, one transmission, and one-combination distribution/transmission substation sites in Minot and Bismarck. This was very forward thinking and when the time comes to build in these areas, we will be very thankful we took these steps as they will greatly assist us in “Building a Brighter Tomorrow”!

Beyond making system additions and planning for future construction, we are actively planning for as rapid as possible service restoration for system failures, beyond the redundancy we have already built into the system. Two prime examples of this are the procurement of our two large mobile substations in the past couple of years and in 2018 the board approved the purchase of a skid mounted 115-69x60kV, 50MVA transformer to serve as a spare that can be used in Central Power’s 115-69kV and 115-60kV transmission substations. We took delivery of this unit in August 2019 and it is being stored energized at our East Ruthville Substation “transformer nursery” so it is known to be functioning and ready to deploy as needed.

Regarding planning for the future, the Central Power Board approved the interim new WAPA Firm Electric Service Contract #15-UGPR-126 to bridge us to the January 1, 2021 replacement contract date, and our staff is nearing finalization of the post 2020 contracts including the Firm Electric Service (FES) Contract #15-UGPR-1015, the Interconnection Agreement (IA) Contract #15-UGPR-2015, and the Combined Facilities Agreement (CFA) Contract #15-UGPR-3015. This has been several years in the making as Central Power’s contracts and arrangements with WAPA are some of the most complicated in WAPA’s Upper Great



Plains Region. The replacement contracts will cover a 30-year term from 2021 to 2050, for which we thank Mid-West Electric and WAPA for the very advantageous 30-year term.

In October 2019 the Board approved the budget and member rates for 2020. The 2020 base rate reflects an overall 2.5% decrease, taking our budgeted average member mill rate from 64.10 mills/kWh down to 62.49 mills/kWh. The 2020 rates include a 2.9% decrease in the energy charge going down from 32.78 mills/kWh to 31.82 mills/kWh and a 0.43% increase to the demand charge going up from \$21.06/kW to \$21.15/kW. Additionally, the Basin Fixed Charge pass through is dropping from a total of \$226,800 to \$113,400. While each member is not projected to see the same reduction, all of our members are projected to realize a reduction varying 1.5% to 3.9%. This is actually quite remarkable given the extensive amount of debt service we have added in recent years with all the capital investments we have made on the membership’s behalf.

After being notified that the costs for Otter Tail’s dispatch service were going to increase significantly with the expiration of the Integrated Transmission System Agreement, coupled with our desire that Otter Tail not dispatch any more of our system than necessary, we pursued alternative providers of this service. I am pleased to report that in mid-year of 2019 we began relying on MinnKota Power Cooperative for dispatching a fair amount of our system not covered by WAPA. The remainder will continue to be dispatched by Otter Tail, Verendrye, and Capital.

In early 2018, the Board approved the installation of a replacement voltage and outage monitoring system in all remaining 150 distribution substations upon the successful completion of a pilot program consisting of 23 units. Central Power engineers and crews completed the installation by year’s end 2018 and as of the beginning of 2019, we have had a fully functional replacement system that is better than what we had previously (which was discontinued by the manufacturer). This system will help us identify and quantify problem areas within our transmission system so that improvements can be developed for consideration.

We have an extremely busy year ahead. With the continued steadfast direction and support from the Central Power

Board of Directors, valuable input from the Member Managers Advisory Committee, and outstanding employee dedication and effort, we will continue to exemplify “Building a Brighter Tomorrow”! I would also like to thank Basin Electric, the Western Area Power Administration, Mid-West Electric Consumers Association, Western States Power Corporation, the Rural Utilities Service, NDAREC, NRECA, CFC, and CoBank for our excellent working relationships and for their roles and participation in working together – “Building a Brighter Tomorrow”!





Year in Review



**Mick Kossan, C.P.A.**  
Manager of Accounting  
& Finance

The following report summarizes the highlights of Central Power’s operations over the past year.

**MEMBER ENERGY PURCHASES**

Member energy purchases of 2,571.2 GWH in 2019 demonstrated a 0.2 % increase from 2018, continuing a trend of increasing member

purchases for the third year in a row. Central Power’s peak demand for 2019 was set in January at 483.3 MW, which set a new all-time peak, surpassing the previous all-time peak of 477.6 MW, realized in January of 2014.

**Rates**

In 2019, Central Power, on behalf of its members, spent \$145,165,571 on wholesale power purchases. This amounts to over 85 percent of Central Power’s annual operating expense in 2019. Adding in Central Power’s cost of operation, including \$336,279 in MISO transmission tariff payments for the portion of Central Power’s WAPA allocation delivered in Otter Tail Power’s pricing zone in MISO, and Central Power’s members paid an all-inclusive average of 62.44 mills per kWh in 2019, which represents a 1.1% increase over 2018’s all-inclusive average rate of 61.75 mills per kWh (60.88 mills per kWh when factoring in the \$2.2 million member rebate).

**Power Supply**

Central Power’s two power supply resources, the Western Area Power Administration (WAPA) and Basin Electric Power Cooperative (Basin), comprise over 85 percent of Central Power’s operating expenses. Approximately 12 percent of Central Power’s power supply is federal hydropower produced from the main-stem Missouri River system and marketed by WAPA. The balance, or 88 percent, of our power is supplied from Basin’s coal-fired

plants in North Dakota and Wyoming, along with a broad portfolio of natural gas peaking and cooperative owned and contracted renewable energy sources. Central Power’s WAPA/Basin resource mix is 10/90 without the Minot Air Force Base’s WAPA allocation and respective load.

In 2019, Central Power paid an average power supply cost of 55.44 mills per kWh, up from 55.07 mills per kWh in 2018, an increase of 0.7%. 2019’s average cost of purchased power is comprised of a 60.17 mill average rate from Basin Electric combined with a 22.80 mill average rate from WAPA.

**Western Area Power Administration**

The 12 percent federal hydropower resource is secured through a firm Contract Rate of Delivery (CROD) contract with WAPA. With the continuing favorable water conditions, WAPA implemented a 5 mill decrease in the drought adder component in 2017, and totally eliminated the drought adder in 2018. This resulted in a decrease in WAPA power costs from 31.95 mills in 2016, to 27.21 mills in 2017, and to 22.86 mills in 2018. The elimination of the drought adder was netted against a small increase in the base rate component in 2018. The 2019 WAPA power rate components were unchanged from 2018.

**Basin Electric Power Cooperative**

The 88 percent of purchased power from Basin Electric was purchased at 60.17 mills per kWh, including the fixed charge, under our Basin Supplemental All-Requirements Contract. This is up from 59.73 mills per kWh, or less than 0.7%, in 2018.

The Basin Board held the rate components from 2018, which included a base demand charge of \$19.64 per kW, a base energy rate of 32.42 mills/kWh, and a heating rate of 34.00 mills/kWh the same for 2019. For 2020, the Basin Board held the base demand charge of 19.64 per kW and the heating rate of 34.00 mills/kWh the same, but did reduce the base energy rate by 3.3% to 31.36 mills/kWh, as well as cutting the fixed charge in half, from \$256,800 to \$113,400.

During 2015, Central Power extended the all requirements supplemental wholesale power contract with Basin through the year 2075. In a corresponding move, our members extended their all requirements contract with Central Power for the same time period. Our long term contract helps provide certainty at Basin which allows them to secure reliable, affordable electric energy for the membership for years to come.

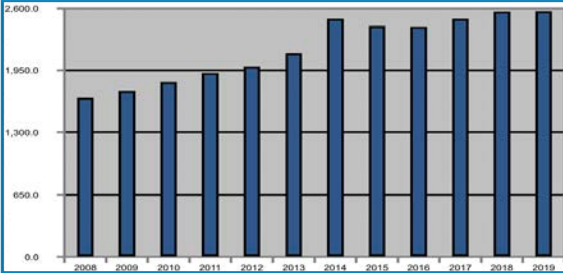
**Southwest Power Pool**

In April of 2015, the Central Power Board of Directors voted to have Central Power join the Southwest Power Pool (SPP) as a Transmission Owner. SPP is the regional transmission organization that both WAPA and Basin Electric had joined earlier. With this decision, Central Power was able to submit qualifying high voltage transmission facilities for inclusion into the Tariff of the UMZ, the zone created in SPP for the integration of WAPA and Basin into the RTO, and receive revenue requirements from SPP for providing those qualifying facilities. Central Power’s integration as a Transmission Owner into SPP, which consisted of negotiations and numerous hearings in front of the Federal Energy Regulatory Commission were completed in 2017. The revenues received from becoming a Transmission Owner in SPP in 2019 were \$10.2 million. SPP transmission revenues in 2020 are budgeted to be \$10.8 million.

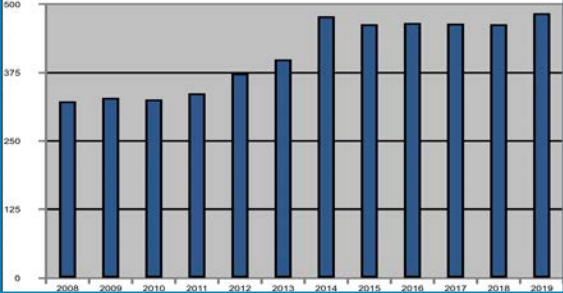
**Midcontinent Independent System Operator, Inc.**

With the expiration of the Integrated Transmission Agreement (ITA) between Central Power and Ottertail Power Company (OTP) on December 31, 2015 and no extension or carry-forward arrangement in place, Central Power was faced with determining the best option to deal with both loads served in, and qualifying facilities located within, the Midwest Independent System Operator, Inc. (MISO) footprint. Both Central Power and OTP loads that were jointly served under the ITA are now full tariff loads in SPP and/or MISO. This provided Central Power an opportunity to submit qualifying transmission facilities under Section 30.9 of the MISO Tariff that provides additional transmission revenues for these facilities. Central Power entered into a lease agreement effective January 1st, 2016, with Basin Electric, who serves as

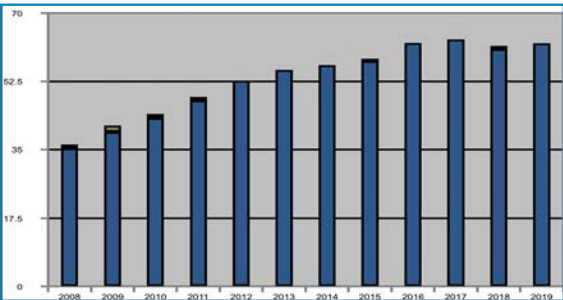
**Member Load Growth**  
*Energy in Gigawatt-Hours*



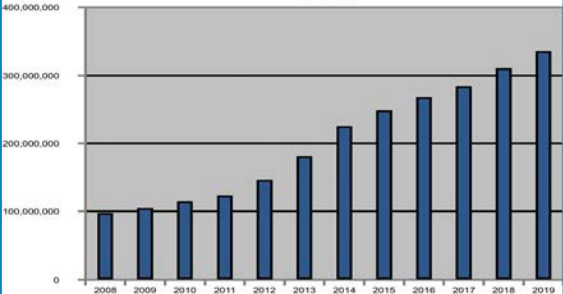
**Member Peak Demand**  
*Megawatts*



**Member Rates**  
*Average Mills/kWh*



**Total Utility Plant**  
*\$, Millions*





# BUILDING A *BRIGHTER* TOMORROW

a Market Participant in MISO, whereby Central Power leases its qualifying facilities in MISO to Basin, who in turn submits them for reimbursement under Section 30.9 of the MISO Tariff and passes these revenues back to Central Power. Transmission revenues under the MISO Tariff totaled \$2.3 million in 2019, and are budgeted to be \$2.2 million in 2020.

Considering all we have accomplished as noted above, and all of the work that continues, Central Power is "Building a Brighter Tomorrow."



## Report from the Treasurer



**Bob Wolf**

Secretary/Treasurer

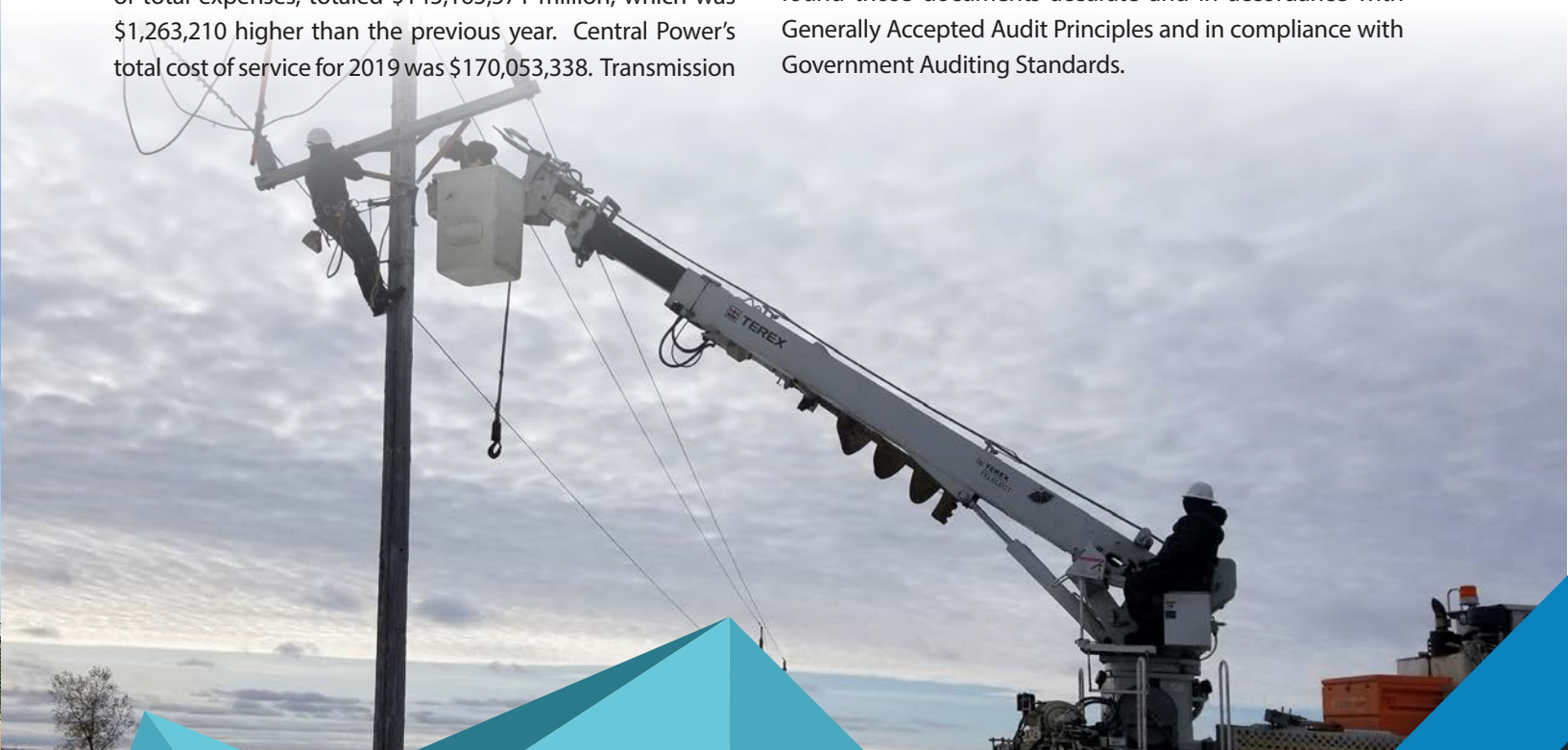
Central Power's member energy purchases were up 0.2% from the prior year, while twelve month total demand purchases were up 1.1%, or almost 48 MW, from 2018 as well. Five of Central Power's six members realized an increase in member demand over the previous year, while four of the six realized an increase in energy sales over the previous year as well. Member sales for the year totaled \$160,536,295 million, which was \$2,075,466 more than the previous year before the 2018 rebate. Purchased power, which accounts for 85% of total expenses, totaled \$145,165,571 million, which was \$1,263,210 higher than the previous year. Central Power's total cost of service for 2019 was \$170,053,338. Transmission

The year 2019 operations resulted in a net margin of \$8,283,383. An operating margin of \$3,100,356 combined with interest income of \$21,655, patronage allocated from Basin Electric Power Cooperative, Inc. of \$4,915,357, and other patronage dividends of \$246,015 make up this net margin.

operations and maintenance costs totaled \$5,376,855, which was \$89,049 more than 2018, and distribution operations & maintenance costs totaled \$2,967,925, which was \$591,376 more than last year as well. Administrative and general expenses were \$2,256,914, an increase of \$99,210 from 2018. Depreciation expense in 2019 totaled \$7,755,222, an increase of \$555,217, while taxes were \$215,830, which was \$2,234 less than 2018. Interest expense was \$6,221,791 in 2019, an increase of \$983,958 over the previous year. Other deductions were \$93,230 in 2019, and include a \$87,967 loss on the abandonment of a segment of underground transmission line that is no longer in service. Total non-power expenses were \$2,403,241 more than last year.

The Board of Directors continues the practice of using a rotating Financial Review Committee each month to review the financial expenditures of the cooperative. This committee then reports to the full board.

The accounting system is kept in accordance with the uniform system of accounts prescribed by RUS and audited by a certified public accounting firm each year. Eide Bailly LLP completed an audit of the 2019 financial statements and found those documents accurate and in accordance with Generally Accepted Audit Principles and in compliance with Government Auditing Standards.





# Board of Directors



**Sheri Haugen-Hoffart,**  
President  
Capital Electric Cooperative  
Bismarck, ND



**Mark Brehm,**  
Vice President  
Northern Plains Electric Cooperative  
Carrington, ND



**Robert Wolf,**  
Secretary/Treasurer  
Verendrye Electric Cooperative  
Velva, ND



**Jean Brandt,**  
Director  
North Central Electric Cooperative  
Bottineau, ND



**Arden Fuher,**  
Director  
Dakota Valley Electric Cooperative  
Milnor, ND



**Troy Presser,**  
Director  
McLean Electric Cooperative  
Garrison, ND



**Debra Hoffarth,**  
Attorney  
Pringle and Herigstad, PC



**Mick Kossan, CPA**  
17 yrs • Manager of Accounting & Finance



**Tom Meland, PE**  
24 yrs • General Manager



**Mark Sherman, PE**  
22 yrs • Manager of Operations  
and Engineering



**Kandace D'Ambrosio**  
20 yrs • Executive  
Assistant / HR &  
Accounting Specialist



**Dave Klein**  
39 yrs • Senior  
Accountant  
Employee Benefits  
Administrator



**Marlene Guttormson**  
8 yrs • Info Mgmt.  
Specialist



**Lindsay Lawson**  
5 yrs • Procurement  
Manager



**Lance Haugen**  
41 yrs • Operations  
Superintendent



**Alex D'Ambrosio**  
7 yrs • Compliance  
Officer



**Todd Ahmann, CCNA**  
19 yrs • Network  
Administrator



**Ryan Callahan, PE**  
13 yrs • Chief  
Transmission Engineer



**Eric Poppinga**  
7 yrs • Real Estate  
Administrator



**Dennis Olson**  
17 yrs • Chief  
Substation Engineer



**Lynn Filler**  
7 months • Adminis-  
trative Coordinator

## Transmission Line Crews



**Rick Koenig**  
12 yrs • Lineman  
Foreman



**Brady Kjos**  
8 yrs • Lineman  
Foreman

## Warehouse



**Corey Carstens**  
12 yrs • Warehouse  
Foreman



**Chad Brown**  
15 yrs •  
Warehouseman



**Ryan Redding**  
10 yrs  
Warehouseman



**Matt Enget**  
9 yrs • Lineman



**Jeremy Fix**  
5 yrs • Lineman



**Tanner Kavadas**  
5 yrs • Lineman



**Cody Bronson**  
3 yrs • Lineman



**Kellen Longie**  
1 yr • App. Lineman



**Robert Belle**  
1 yr • Lineman



**Dan Tveito**  
1 yr • Lineman



**Kolton Sabinash**  
3 yrs • Lineman



**Leon Nieters**  
34 yrs • Lineman  
Foreman



**Cody Vrem**  
14 yrs • Electrician



**Ron Bartsch**  
9 yrs • Electrician



**Devin Blada**  
7 yrs • Lineman

## Distribution Substation Crew



**Chuck McNicholas**  
41 yrs • Lineman



**Josh Larson**  
13 yrs • Electrician  
Foreman



**Jacob Erdmann**  
5 yrs • Electrician



**Jonas Sova**  
4 yrs • Electrician



**Sheldon Baglien**  
28 yrs • Electrician



**Tom Magnuson**  
28 yrs • Electrician

## Construction Coordinator

## Relay & Electronics Crew

## North Area Transmission Substation Crew

## South Area Substation Crew

## Support Personnel



**Joel Culbertson**  
3 yrs • Assis.  
Compliance Officer



**Chris Fazardo**  
4 yrs • Assis. Net-  
work Administrator



**Rolan Bye**  
9 yrs • Transmission  
Line Design Engineer



**Matt Haugen**  
3 yrs • Design  
Engineer



**Randy Brunner**  
14 yrs • Substation  
Engineer



**Wil Fogarty**  
5 yrs • Substation  
Engineer



**Drew Saari**  
1 yr • Substation  
Engineer



**Evan Burckhard**  
1 yr • CAD  
Technician



**Randy Miranowski**  
11 yrs • Electrician  
Foreman



**Randy Meyer**  
26 yrs • Mechanic  
Equipment Operator



**Budd Redding**  
40 yrs • Equipment  
Operator/Welder



**Billy Grotluschen**  
3 yrs • Electrician



**Wynn Woytaszek**  
2 yrs • Electrician



**Shannon Cree**  
3 yrs • Mechanic  
Equipment Operator



## Year in Review – Operations and Engineering



**Mark Sherman, P.E.**  
Manager of Operations  
& Engineering

Central Power's Operations & Engineering Department worked on many projects in 2019, some of which were completed while others will be completed in 2020. Our dedicated and talented employees completed several substation and transmission line projects along with expending

considerable effort performing maintenance activities on our Member Cooperative's \$335.8M investment in Central Power's plant.

### Long Term Investments

Central Power made significant system additions and modifications in 2019, which include:

- **Agate 115-43.8kV Substation** – Protection and Control System Replacement – Central Power employees designed, built, programmed, and replaced the control system at the Agate 115kV Transmission Substation as part of a planned equipment replacement rotation.
- **Balancing Area Meter Installations** – We installed several Balancing Area (BA) metering points at locations where the Southwest Power Pool's (SPP) BA interconnects with the Midcontinent Independent System Operator's (MISO) BA. These metering points will help automate the process of accounting for power flowing between SPP and MISO.

- **Bismarck East 115kV Distribution Substation Circuit Switcher Replacement** – Circuit Switcher 102 was at the end of its useful life and was replaced with a 115kV power circuit breaker.

- **Bismarck 71st Avenue Substation to Ward 230kV Substation Transmission Line Relocation** – The North Dakota Department of Transportation installed a roundabout at the intersection of ND Highway 1804 and North Washington Street on the north side of Bismarck. Central Power realigned approximately 0.6 mile of our existing 115kV transmission line to provide the required setback.

- **Buffalo Distribution Substation Rebuild** – Central Power expanded the Barlow 115kV Transmission Substation's pad and fenced area to permit the rebuild of the existing Buffalo Distribution Substation within the Barlow 115kV Substation's footprint.

- **Dickey 69kV Breaker Station Rebuild** – The existing breaker station equipment was at the end of its useful life and the station was rebuilt with a new structure, new breaker, new control building, and new control system.

- **Distribution Substation Capacity Increases** – Capacity increases were completed at the Des Lacs and Horizon distribution substations to provide additional capacity at those substations.

- **Forfar Distribution Substation and 8.5 Mile Transmission Line Construction** – Forfar is a new 60-13.2kV, 7 MVA distribution substation

located north of Minot. The new substation is served from a new 8.5 mile 60kV transmission line that connects to Central Power's 60kV Dunning Loop.

- **Gackle 43.8kV Transmission Line Construction** – Central Power's crews have framed and set all but one structure on the future five mile "West Gackle Transmission Line". The new line will provide a transmission loop to the Gackle Distribution Substation. A line contractor will string the conductor in the spring of 2020.

- **Hoving 115kV Substation Circuit Switcher Replacement** – Circuit Switcher 1366 was at the end of its useful life and was replaced with a 115kV power circuit breaker.

- **Max to Benedict 43.8kV Transmission Line Construction** – Construction was started on a new ten-mile long 43.8kV transmission line to connect Central Power's Benedict and Crooked Lake distribution substations directly to Central Power's Max 115kV Transmission Substation in order to improve reliability. This line was placed in service on February 18, 2020.

- **McClusky Substation Pad and Fence Expansion** – We expanded the substation pad and installed a new larger fence to allow for safer access to substation components during maintenance and repair activities. Winter weather moved in before we were able to complete the ground grid expansion and we now plan to finish the project in the spring of 2020.

- **Minnkota Power Cooperative Dispatching Service** – Central Power began working with



Minnkota to have them dispatch many of our transmission facilities that were formerly dispatched by another entity. The transition went well and we have received positive feedback about the change from Central Power's crews and from Central Power member cooperatives that have our facilities within their service areas that were included in the change.

- **Minot SW to Ruthville East 115kV Transmission Line Construction** – The new 26.8 mile long transmission line will provide system redundancy in the Minot, Dunning, and Bottineau areas. Central Power crews completed breaker additions at both Minot SW 115kV and Ruthville East 115kV to provide connection points for the





new transmission line and two line contractors were used to complete line construction before the end of 2019.

- **Rugby Distribution Substation Transformer Relocation and Capacity Increase**

– Central Power and Northern Plains completed a project to relocate the Rugby Distribution Substation's transformer to the Rugby 115kV Substation and bury a little less than one mile of heavy underground conductors between the two substations. This allowed the low side structure along with Northern Plains' existing distribution circuits to remain in place at the original distribution substation. The new arrangement will improve reliability by eliminating substation outages associated with the 115kV transmission line serving the original substation.

- **Spare 115-69x60kV Transformer** – Our spare transmission substation transformer was delivered to our Ruthville East 115kV Substation. This transformer is a "skid mounted" design that will allow it to be moved more quickly during contingencies than a standard substation transformer could be moved.

- **Sterling Distribution Substation Replacement** – Central Power's crews completed the replacement Sterling Substation with a new 7 MVA, 43.8-13.2kV distribution substation, located approximately one mile from the original substation.

- **Towner Distribution Substation Replacement** – The future Towner Distribution Substation is being built

on the site of our former Towner 115kV Breaker Station. WAPA completed a new 115kV breaker station on an adjacent site to replace our obsolete breaker station. We re-graded and re-sloped the existing substation pad and repaired the existing fence. The foundations are installed and Central Power crews have started erecting substation steel.

- **Ward 230kV Substation Switch Replacements** – Central Power crews replaced the 43.8kV and 115kV switches as well as the non-rigid jumpers within the Ward 230kV Substation. The original switches were of a problematic and unreliable design that was discontinued by the manufacturer.

- **Ward Distribution Substation to Horizon Distribution Substation 43.8kV – West Loop – Transmission Line Construction** – We completed a new 3.2 mile long 43.8kV transmission line between the Ward and Horizon distribution substations to provide system redundancy in northwest Bismarck.

- **Washburn to Blue Flint 43.8kV Transmission Line Construction** – We completed construction of a 10.5 mile long 43.8kV transmission line and rebuilt approximately six miles of existing line to serve the Blue Flint Ethanol Plant and the Coal Creek Distribution Substation from WAPA's Washburn 230kV Substation. The new arrangement will improve reliability and will also move these loads to the Southwest Power Pool's Balancing Area which is financially beneficial.

## Maintenance Summary

Central Power performed the following activities as part of our ongoing maintenance program:

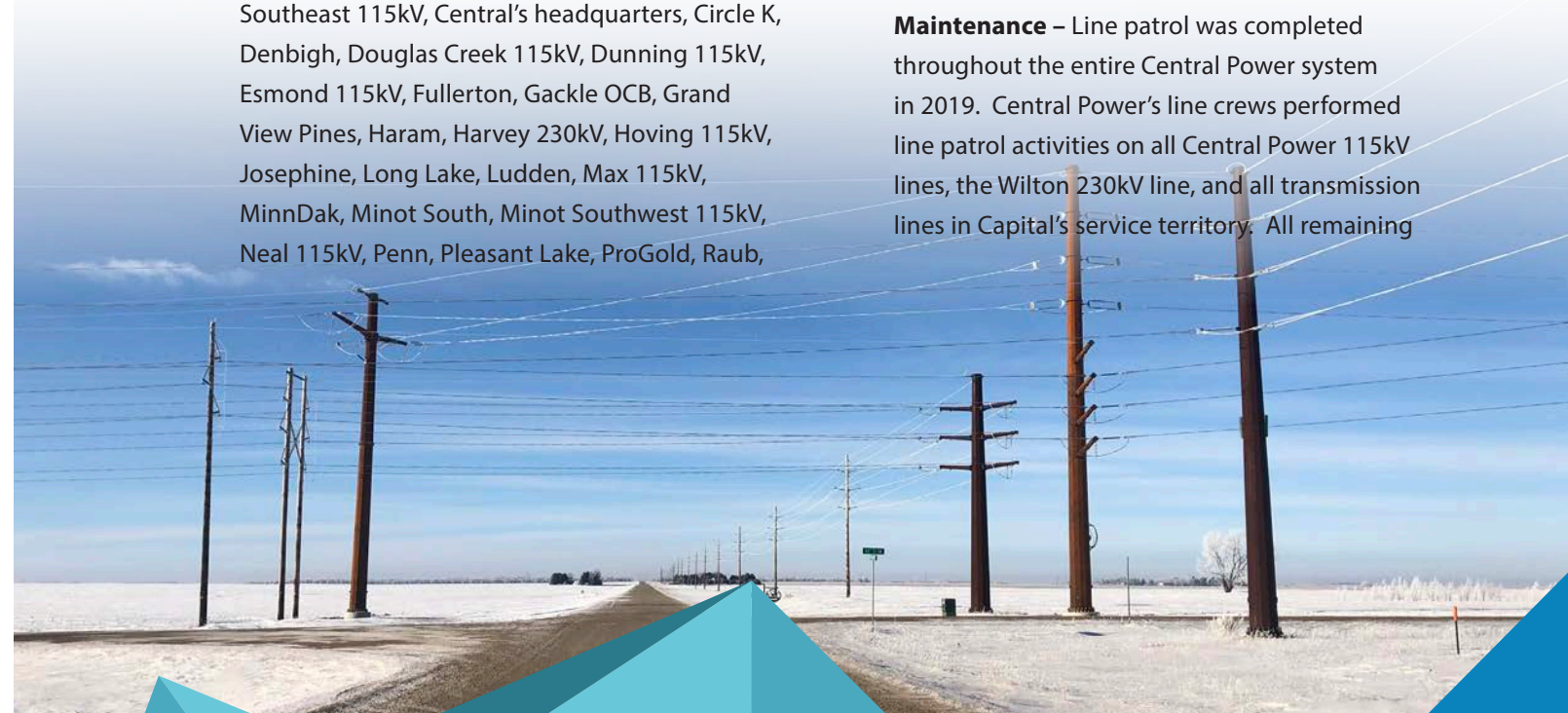
- **Battery Bank Testing and Maintenance** – Battery bank testing and maintenance was performed at Agate 115kV, Barlow 115kV, Benno Corner, Berthold 115kV, Bismarck 71st Ave, Bismarck North 115kV, Bismarck East, Bottineau Southeast 115kV, Central's headquarters, Circle K, Denbigh, Douglas Creek 115kV, Dunning 115kV, Esmond 115kV, Fullerton, Gackle OCB, Grand View Pines, Haram, Harvey 230kV, Hoving 115kV, Josephine, Long Lake, Ludden, Max 115kV, MinnDak, Minot South, Minot Southwest 115kV, Neal 115kV, Penn, Pleasant Lake, ProGold, Raub,

Red River, Renville, Rolette 115kV, Roseglen, Round Lake, Rolla 115kV, Rugby 115kV, Ruthville 115kV, Ruthville East 115kV, Thorne 115kV, Underwood 230kV, Wolf Creek, and Wyndmere OCB.

- **Protective Relay Testing** – Central Power tested the protective relays at Agate 115kV, Dickey 69kV Breaker Station, Mallard 115kV, and Rugby 230kV.

- **Seven Year Distribution Substation Maintenance** – Central Power crews performed seven year distribution substation maintenance at Air Base North, Apple Creek, Carrington North, Coal Creek, Dwight, Erickson, Geneseo, Josephine, Kelvin, Minot East North Bay, Moffit, New Rockford, Oakes North, Robinson, Rolla, Round Lake, South Central Grain, and Westhope.

- **Transmission Line Patrol and Maintenance** – Line patrol was completed throughout the entire Central Power system in 2019. Central Power's line crews performed line patrol activities on all Central Power 115kV lines, the Wilton 230kV line, and all transmission lines in Capital's service territory. All remaining





Central Power transmission lines were patrolled by the local member distribution cooperative (Dakota Valley, McLean, North Central, Northern Plains, or Verendrye) and a maintenance/repair list was created from the line patrol reports.

- **Transmission Substation Maintenance** – Central Power performed transmission substation maintenance at the Agate 115kV, Barlow 115kV, Berthold 115kV, Bottineau 115kV, Bottineau SE 115kV, Dickey OCB, Douglas Creek 115kV, Dunning 115kV, Elliott 115kV, Esmond 115kV, Fullerton OCB, Gackle OCB, Hankinson 230kV, Harvey 230kV, Hoving 115kV, Long Lake OCB, Mallard 115kV, Max 115kV, Minot SW 115kV, Neal 115kV, North Bismarck 115kV, Rangeley OCB, Renville Corner, Rolette 115kV, Rolla 115kV, Rugby 115kV, Rugby 230kV, Ruthville 115kV, Ruthville East 115kV, Thorne 115kV, Underwood 230kV, Wahpeton 230kV, Ward 230kV, and Wyndmere OCB substations.

## What's Ahead?

Central Power has a very aggressive construction schedule in 2020 which will include the following projects:

- **Carrington to Pingree Junction to Pingree 43.8kV Transmission Line Rebuild** – A 27 mile transmission line rebuild is planned for this line. 21 miles of this line were built in 1965 with the remainder originally being built in 1978. This project will involve replacing all structures, hardware, and conductor.
- **Des Lacs to Ryder 43.8kV Transmission Line Reroute** – Roughly 1.5 miles of this

transmission line will be rerouted around growing sloughs.

- **Garrison Distribution Substation Voltage Conversion & Transmission Line Construction** – Central Power is developing plans for a 115-12.5kV, 14 MVA replacement Garrison Distribution Substation that will be served from the Snake Creek to Parshall 115kV Transmission Line. The project will involve construction of approximately three miles of new transmission line along with construction of a new substation that will be “in phase” with the Douglas Creek Substation to permit make-before-break load transfers.

- **Hankinson Ethanol Substation North Bay Construction** – The pad has been graded for a substation bay addition on the north side of the existing Hankinson Ethanol Substation. The ethanol plant’s load has increased incrementally and is now loading the existing substation equipment to the point that we need to add capacity. The new equipment will also provide redundancy to allow substation maintenance activities without taking the ethanol plant off-line.

- **Hay Creek 115-43.8kV Transmission Substation Construction** – We anticipate completing the permitting process for the proposed Hay Creek Transmission Substation in early 2020 and are planning to grade the substation pad and begin substation construction as quickly as we can thereafter. The substation will be a major transmission system improvement in the Bismarck area and will consist of a 115kV ring bus, dual 115-43.8kV

transformers, a 43.8kV low side consisting of a segregated main bus along with a transfer bus, and a 115-12.5kV transformer that will provide an alternate source to the Bismarck East distribution substation. This project will likely carry over into the 2021 construction season.

- **Jamestown West Distribution Substation and 43.8kV Line Construction** – We are developing plans to build a new 43.8-13.2kV, 14 MVA distribution substation near Jamestown. The project will also include construction of approximately four miles of new 43.8kV transmission line to connect the substation to WAPA’s Jamestown 230kV Substation. The new substation will be located approximately one mile southwest of the new Jamestown Hospital.
- **Jamestown West to Pipestem 43.8kV Transmission Line Construction** – This 6.3 mile transmission line is planned to provide a looped source to the Jamestown West Distribution Substation from the north as well as providing a Central Power owned transmission path from WAPA’s Jamestown 230kV Substation to the Pipestem Distribution Substation and eventually to Central Power substations located further north.

- **Minot Trinity Distribution Substation & Transmission Line Construction** – Verendrye requested a new distribution substation in south Minot. The Minot Trinity project will include construction of a new 43.8-13.2kV, 14 MVA distribution substation along with approximately 1.5 miles of new 43.8kV transmission line to connect the new substation to Central Power’s Minot network. This substation will serve the new hospital and other growing loads in the area, will help to offload the existing Minot South Distribution Substation, and will provide additional system redundancy.

- **Robinson to Bowdon Junction 43.8kV Transmission Line Rebuild** – A 22 mile transmission line rebuild is planned for this line that was originally built in 1954. This project will involve replacing all structures, hardware, and conductor.

- **Planning For Future Improvement Projects** – Our staff will continue planning and coordinating for our very significant 2020 system improvement projects and will expend significant effort to plan for our 2021 construction schedule.





## Finance & Accounting Report

Balance Sheet			
	2019	2018	Difference
<b>ASSETS AND OTHER DEBTS</b>			
<b>UTILITY PLANT AT ORIGINAL COST</b>			
Utility plant in service	\$321,410,044	\$297,038,517	\$24,371,527
Construction work in progress	14,382,515	13,129,077	1,253,438
Accumulated provision for depreciation	(80,065,015)	(76,811,015)	(3,254,000)
Net Utility Plant	\$255,727,544	\$233,356,579	\$22,370,965
<b>INVESTMENTS IN ASSOCIATED ORGANIZATIONS</b>			
	\$94,815,062	\$90,582,948	\$4,232,114
<b>OTHER ASSETS</b>			
Cash and temporary investments	\$324,949	\$249,602	\$75,347
Accounts receivable	18,925,714	16,013,307	2,912,407
Notes receivable	237,000	237,000	0
Material & supplies	17,986,395	17,359,952	626,443
Prepaid expenses	239,127	160,632	78,495
Other deferred debits	1,957,301	2,263,975	(306,674)
Total assets and other debits	\$390,213,092	\$360,223,995	\$29,989,097
<b>LIABILITIES AND OTHER CREDITS</b>			
<b>MEMBER EQUITY</b>			
Member patronage equity	\$115,609,377	\$91,758,924	\$23,850,452
Current year margins	8,283,383	24,055,850	(15,772,466)
Net member equity	123,892,760	115,814,774	8,077,986
LONG-TERM DEBT	219,084,179	215,537,047	3,547,132
<b>CURRENT AND ACCRUED LIABILITIES</b>			
Notes payable	30,537,000	13,237,000	17,300,000
Accounts payable	15,497,730	14,533,468	964,262
Accrued taxes and liabilities	1,201,423	1,101,706	99,717
Total liabilities and other credits	\$390,213,092	\$360,223,995	\$29,989,097
<b>Statement of Revenue and Expenses</b>			
	2019	2018	Difference
<b>OPERATING REVENUES</b>			
Sales of Electricity to Members	\$160,536,295	\$158,460,829	\$2,075,466
Member Rebate	0	(2,234,127)	\$2,234,127
SPP ATRR Revenues	10,185,537	9,656,193	529,344
MISO 30.9 Credit Revenues (Lease from Basin)	2,255,124	4,058,914	(1,803,790)
Other Electric Revenues	176,738	444,110	(\$267,372)
Total operating revenues	\$173,153,694	\$170,385,919	\$2,767,775
<b>COST OF ELECTRIC SERVICE</b>			
<b>PURCHASED POWER</b>			
Central Power's WAPA purchases	\$7,552,095	\$7,543,162	\$8,933
Central Power's Basin purchases	137,613,476	136,359,198	1,254,278
Total purchased power	\$145,165,571	\$143,902,360	\$1,263,211
<b>TRANSMISSION &amp; DISTRIBUTION SYSTEM EXPENSE</b>			
Wheeling (net)	\$139,424	\$84,551	\$54,874
Operations	5,380,009	4,486,039	893,969
Maintenance	2,825,347	3,093,765	(268,418)
General plant maintenance	80,796	106,917	(26,121)
Consumer billing expense	80,672	79,869	803
Administrative and general	2,095,446	1,970,917	124,529
Depreciation	7,755,222	7,200,005	555,217
Taxes	215,830	218,063	(2,233)
Interest	6,221,791	5,237,833	983,958
Loss of the abandonment of plant	87,967	0	87,967
Contributions and other deductions	5,263	6,565	(1,302)
Total transmission & distribution system expense	\$24,887,767	\$22,484,526	\$2,403,241
Total cost of service	\$170,053,338	\$166,386,886	\$3,666,452
Operating margin (loss)	\$3,100,356	\$3,999,033	(\$898,677)
Interest Income	21,655	18,137	3,518
G&T and other capital credits	5,161,372	20,038,679	(14,877,307)
Net patronage capital and margins	\$8,283,383	\$24,055,850	(\$15,772,466)

## Statistics

Member Power Cost Statistics	2019	2018	2017	2016	2015	2014	2013
<b>ENERGY PURCHASES (GWH)</b>							
Capital Electric Cooperative	387.1	386.1	366.1	353.0	344.0	339.7	89.6
Dakota Valley Electric Cooperative	684.1	688.8	674.4	648.5	631.8	624.0	615.8
McLean Electric Cooperative	140.6	138.4	135.5	131.7	132.9	142.5	133.4
North Central Electric Cooperative	266.8	258.6	247.1	232.1	261.5	288.2	274.3
Northern Plains Electric Cooperative	473.9	480.6	466.1	457.9	459.9	482.6	446.5
Verendrye Electric Cooperative	549.4	544.2	532.5	519.1	518.0	543.0	499.1
VEC - Minot Air Force Base	69.3	69.7	69.2	68.9	70.8	72.5	72.7
TOTAL PURCHASES (GWH)	2,571.2	2,566.3	2,490.8	2,411.1	2,418.9	2,492.5	2,131.5
TOTAL REVENUE FROM MEMBERS	\$160.5	\$156.2	\$157.7	\$150.7	\$139.8	\$141.3	\$118.2
COST TO MEMBERS (Avg Mills/kWh)	62.4	60.9	63.3	62.5	57.8	56.7	55.4
(Average Mills Before Power Bill Credits)	62.4	61.7	63.3	62.5	58.4	56.7	55.4
<b>Central Power Statistics</b>							
<b>PURCHASED POWER COSTS</b>							
Average mills/kWh total cost	55.4	55.1	57.8	56.2	50.5	49.5	48.3
WAPA - Cost (mills/kWh)	22.8	22.9	27.2	32.0	31.8	32.0	31.9
Basin - Cost (mills/kWh)	60.2	59.7	62.4	60.0	53.3	52.0	51.1
Percentage power cost of member revenue	90.4%	92.1%	93.0%	91.7%	90.0%	90.2%	89.9%
<b>DEBT</b>							
Long-term debt	\$219.1	\$215.5	\$183.8	\$150.9	\$123.2	\$98.9	\$63.8
Interest expense	\$6.2	\$5.2	\$3.9	\$3.4	\$2.8	\$2.1	\$1.8
TOTAL MARGINS	\$8,283,383	\$24,055,850	\$14,431,126	\$5,432,551	\$6,492,374	\$5,173,320	\$4,121,451
MEMBER EQUITY	31.8%	32.2%	28.8%	27.5%	25.6%	25.8%	27.7%

# Basin IS lease payments were recalssified from a purchased power credit to "Other Electric Revenues": Yr 2012 - \$510,888; Yr 2011 - \$553,462

## Capital Credit Retirements

Years	Amount
1958-1994	\$3,956,164
1995-1997	0
1998	800,000
1999	460,000
2000	321,000
2002	981,066
2003	976,446
2004	1,046,885
2005	1,300,103
2006	1,330,330
2007	1,365,562
2008	1,086,708
2009	114,355
2010-2013	0
2014	34,101
2015-2016	0
2017	161,215
2018	142,094
2019	205,397

Refunds to Date: \$14,281,427

## 2019 Total Cost of Service

Basin.....	80.92%
WAPA.....	4.44%
Operations & Maintenance.....	4.82%
Depreciation & Amortization.....	4.56%
Interest.....	3.66%
Administrative & General.....	1.34%
Wheeling.....	0.08%
Taxes & Other.....	0.18%





Central Power 2019 Delivery Point Data

Substation	KVA Capacity	KWH Purchased	Annual Maximum Demand	Annual Load Factor
DAKOTA VALLEY AREA				
Cogswell	7,000	8,122,778	2,339	39.6
Dickey	7,000	8,105,293	2,713	34.1
Dome Lisbon	4,200	7,535,425	1,465	58.7
Dwight	7,000	9,342,158	3,906	27.3
Edgeley	7,000	21,075,344	4,782	50.3
Ellendale	7,000	11,413,062	2,803	46.5
Forbes	3,500	4,207,015	1,075	44.7
Forman	6,250	7,834,622	2,330	38.4
Fredonia	3,500	5,659,872	1,415	45.7
Fullerton	7,000	5,373,637	1,779	34.5
Gackle	3,500	7,159,753	1,701	48.1
Geneseo	3,500	10,493,289	2,986	40.1
Hankinson	7,000	12,144,478	3,223	43.0
Hankinson Ethanol	14,000	74,898,716	10,213	83.7
Jud	1,000	3,003,881	709	48.4
Kulm	3,000	12,253	3	43.7
LaMoure	7,000	8,129,924	2,008	46.2
Ludden	28,000	91,853,001	15,502	67.6
Millarton	7,000	14,346,943	3,858	42.5
Milnor	7,000	15,401,864	3,923	44.8
Milnor, North	5,250	14,508,266	2,903	57.1
MinnDak #1-North Bay	22,400	68,035,335	12,639	61.4
MinnDak #2-South Bay	22,400	50,123,753	12,262	46.7
Mooreton	4,200	8,990,519	3,615	28.4
Oakes North	7,000	5,316,595	1,645	36.9
Oakes 24.9, West	11,200	11,861,151	2,886	46.9
Omega	7,000	13,114,910	2,444	61.3
Pomona, FPLE		304,560	540	6.4
Pro Gold #1 - West	69,400	445,105	12,375	0.4
Pro Gold #2 - East	69,400	155,982,700	20,758	85.8
Red River	14,000	2,465,748	3,484	45.4
Tyler	3,500	12,149,163	3,205	43.3
Wyndmere, North	2,800	6,345,273	1,724	42.0
Wyndmere, South	3,500	8,374,536	2,078	46.0
NORTH CENTRAL AREA				
Antler	14,000	20,803,066	3,708	64.0
Barton	2,500	4,696,232	1,345	39.8
Bottineau SE	14,000	19,637,843	6,044	37.1
Dome Maxbass	4,200	9,486,084	1,677	64.6
Dunseith	7,000	15,680,675	4,152	43.1
Forfar	7,000	4,306,523	2,078	65.4
Haram	14,000	6,923,555	1,322	59.8
Kelvin	7,000	10,347,921	2,940	40.2
Kramer	5,250	11,694,558	2,953	45.2
Lansford	5,250	12,595,868	2,841	50.6
Long Lake	14,000	8,746,489	2,687	37.2
Metigoshe	14,000	17,508,617	5,937	33.7
Mohall	7,000	10,829,892	2,293	53.9
Newburg	5,250	17,097,837	3,167	61.6
Renville Corner	14,000	8,292,589	1,513	62.6
Rolette	7,000	7,951,191	2,036	44.6
Sherwood	7,000	13,832,862	2,651	59.6
Souris	14,000	11,787,696	2,287	58.8
Turtle Mountain	10,500	24,979,840	6,621	43.1
Westhope	7,000	7,572,413	1,631	53.0
Wiley	7,000	9,094,656	1,267	81.9
Willow City	2,800	6,133,692	1,613	43.4
Wolf Creek	14,000	24,167,089	9,122	30.2

Substation	KVA Capacity	KWH Purchased	Annual Maximum Demand	Annual Load Factor
McLEAN AREA				
Benedict	3,500	7,727,513	1,668	52.9
Blue Flint	14,000	45,569,434	6,245	83.3
Butte (OTP Balfour)		153,694	38	45.7
Coal Creek	4,200	7,244,407	1,535	53.9
Coleharbor	3,500	7,007,380	1,518	52.7
Crooked Lake	3,500	6,096,210	1,351	51.5
Douglas Creek	14,000	9,741,362	2,321	47.9
Garrison	7,000	14,171,944	3,713	43.6
Lewis & Clark 12.5	5,250	7,596,056	1,776	48.8
Mercer	2,800	3,272,706	875	42.7
Raub	14,000	10,978,293	2,147	58.4
Roseglen	14,000	13,420,044	2,939	52.1
Turtle Lake	3,500	4,372,670	1,614	30.9
Washburn	2,100	3,205,211	1,300	28.2
NORTHERN PLAINS AREA				
Amoco	2,100	544,053	743	8.4
Balta	14,000	8,310,535	2,792	34.0
Barlow Buffalo 12.5	7,000	1,524,139	1,193	47.5
Belcourt	14,000	29,157,072	7,502	44.4
Bisbee	5,000	7,799,205	2,686	33.1
Bowdon	5,250	10,495,023	2,747	43.6
Brantford	4,200	10,096,279	2,607	44.2
Buchanan	7,000	6,996,337	1,873	42.6
Cando - Center Bay	7,000	11,260,744	3,003	42.8
Cando - South Bay	7,000	13,225,377	3,813	39.6
Cando Industrial - N. Bay	7,000	13,396,863	3,181	48.1
Carrington 12.5	14,000	23,921,061	8,479	32.2
Carrington Industrial	14,000	41,697,728	6,173	77.1
Churches Ferry	7,000	4,759,205	1,493	36.4
Dome Cathay	4,200	7,337,897	1,302	64.3
Dome Orrin	4,200	6,408,230	1,286	56.9
Esmond	4,200	4,438,592	1,317	38.5
Fessenden	7,000	9,438,830	3,103	34.7
Fort Totten	5,250	8,646,673	1,961	50.3
Glenfield	5,250	8,723,874	2,388	41.7
Jamestown	14,000	32,873,450	6,996	53.6
Josephine	10,500	9,260,395	4,405	24.0
Kensal	5,250	10,755,524	2,866	42.8
Lallie	7,000	5,814,939	1,556	42.7
Leeds 12.5	5,250	11,424,148	2,537	51.4
Maddock	14,000	10,780,074	5,036	24.4
Medina	3,500	6,865,955	1,601	49.0
New Rockford	5,250	10,405,484	2,747	43.2
Penn	7,000	15,557,895	2,385	74.5
Pettibone	7,000	3,573,626	2,166	18.8
Pingree	3,500	8,563,615	2,282	42.8
Pipestem	14,000	21,134,151	7,775	31.0
Pleasant Lake	7,000	19,553,965	2,867	77.8
Robinson	3,500	4,124,214	939	50.1
Rock Lake	3,180	5,053,146	1,275	45.2
Rolla	5,250	11,050,898	3,412	37.0
Round Lake	10,500	9,159,575	4,323	24.2
Rugby	14,000	10,766,908	3,204	38.4
Tuttle	5,250	2,746,107	683	45.9
Wolford	7,000	5,768,883	1,607	41.0
Woodworth	7,000	6,341,790	2,239	32.3

Service Area Transmission Substations

SUBSTATION	TRANSFORMER OWNER	KV	TOTAL KVA CAPACITY
Agate	CPEC	115/69	46,700
Barlow	CPEC	115/41.6	46,700
Bottineau, OTP	CPEC	(2) 115/41.6	42,400
Bottineau, Southeast	CPEC	115/69	56,000
Carrington, WAPA	CPEC	115/41.6	46,700
Devils Lake, OTP	OTP	115/41.6	56,900
Devils Lake, WAPA	WAPA	115/41.6	20,000
Dunning	CPEC	115/41.6	46,700
Dunning	CPEC	115/60	74,667
Dunning	CPEC	115/60	74,000
Edgeley, WAPA	WAPA	115/69	20,000
Edgeley, WAPA	WAPA	115/41.6	15,000
Ellendale, MDU	MDU	230/115	112,000
Ellendale, MDU	MDU	115/41.6	46,700
Elliott	CPEC	115/41.6	28,000
Esmond	CPEC	115/69	25,000
Forman, OTP	OTP	230/115/41.6	140,000
Forman, WAPA	WAPA	115/69	30,000
Forman, WAPA	WAPA	69/41.6	12,500
Hankinson, OTP #1	CPEC	230/41.6	56,000
Hankinson, OTP #2	CPEC	230/41.6	41,600
Harvey	CPEC	230/115/41.6	140,000
Hoving	CPEC	115/41.6	28,000
Jamestown, OTP	OTP	(2) 345/115/41.6	224,000
Jamestown, WAPA	WAPA	(2) 230/115	400,000
Jamestown, WAPA	WAPA	(2) 115/41.6	29,400
Kenmare, MDU	MDU	115/57	30,000
Leeds, WAPA	WAPA	115/69	40,000
Logan, BEPC	BEPC	230/115	200,000
Mallard, Xcel	CPEC	(2) 115/41.6	93,400
Max	CPEC	115/41.6	46,700
Neal	CPEC	115/41.6	46,700
Oakes, OTP	OTP	230/41.6	33,600
Rolette	CPEC	115/69/41.6	56,000
Rolla	CPEC	69/41.6	7,000
Rolla	CPEC	115/69	70,000
Rugby, WAPA	WAPA	115/41.6	20,000
Rugby, East OTP	OTP	230/115	125,000
Ruthville	CPEC	115/41.6	56,000
Ruthville East	CPEC	115/41.6	74,000
SW Minot	CPEC	115/41.6	93,000
SW Minot	CPEC	115/41.6	93,000
Thorne	CPEC	115/69	70,000
Underwood	CPEC	230/41.6	44,800
Wahpeton, OTP	CPEC	(2) 230/115/41.6	280,000
Washburn, WAPA	WAPA	230/41.6	41,667
Wishek, MDU	MDU	230/115	112,000
Wishek, MDU	MDU	115/41.6	30,000
Ward Transmission	CPEC	230/115	125,000
Ward Transmission	CPEC	115/41.6	50,000
Ward Transmission	CPEC	230/115/41.6	140,000

Service Area  
Circuit Breaker Stations

SUBSTATION	KV	CIRCUIT BREAKERS
Benedict	41.6	1
Dickey	69	1
Carrington, OTP	41.6	3
Fullerton	69	1
Gackle	41.6	1
Jamestown NW, OTP	41.6	1
Long Lake	69	1
Rangely	41.6	1
Renville Corner	60	1
Rugby	115	1
Sykeston, OTP	41.6	1
Washburn, OTP	41.6	3
Wolf Creek	69	1
Wyndmere	41.6	2



## Member Financial & Statistical Report

	Capital	Dakota Valley	McLean	North Central	Northern Plains	Verendrye	Total or Average
<b>Statement of Operations</b>							
Operating Revenue	\$38,161,983	\$56,090,080	\$15,105,144	\$26,695,343	\$42,892,309	\$52,873,233	\$231,818,092
Operating Expenses	32,660,670	48,047,846	12,271,440	21,118,386	35,011,944	45,710,314	194,820,600
Depreciation, Taxes, Interest & Other	5,294,620	5,355,231	2,280,452	4,507,479	6,890,605	6,131,985	30,460,372
Total Cost of Electric Service	<u>\$37,955,290</u>	<u>\$53,403,077</u>	<u>\$14,551,892</u>	<u>\$25,625,865</u>	<u>\$41,902,549</u>	<u>\$51,842,299</u>	<u>\$225,280,972</u>
Operating Margins	206,693	2,687,003	553,252	1,069,478	989,760	1,030,934	6,537,120
Non - Operating Margins	1,978,317	3,368,462	574,479	914,002	2,780,103	3,523,649	13,139,012
Total margins	\$2,185,010	\$6,055,465	\$1,127,731	\$1,983,480	\$3,769,863	\$4,554,583	\$19,676,132
<b>Balance Sheet (Assets)</b>							
Utility Plant	\$118,647,396	\$109,885,665	\$44,580,665	\$92,759,425	\$140,362,270	\$126,002,775	\$632,238,196
Reserve for Depreciation	<u>(40,589,766)</u>	<u>(30,025,510)</u>	<u>(11,214,641)</u>	<u>(34,511,776)</u>	<u>(58,115,834)</u>	<u>(35,896,413)</u>	<u>(210,353,940)</u>
Net Utility Plant	\$78,057,630	\$79,860,155	\$33,366,024	\$58,247,649	\$82,246,436	\$90,106,362	\$421,884,256
Other Property and Investments	21,733,430	42,495,462	8,115,778	14,486,415	33,158,915	36,662,704	156,652,704
Current and Accrued Assets	7,487,734	22,073,301	5,821,142	13,053,114	20,004,551	18,252,656	86,692,498
Deferred Debits	538,491	794,850	829,860	254,753	869,105	1,011,365	4,298,424
Total Assets	\$107,817,285	\$145,223,768	\$48,132,804	\$86,041,931	\$136,279,007	\$146,033,087	\$669,527,882
<b>Liabilities</b>							
Margins and Equities	\$49,795,184	\$65,517,077	\$16,141,703	\$26,779,150	\$49,591,026	\$52,093,770	\$259,917,910
Long - Term Debt	49,993,455	64,798,828	29,916,014	49,497,979	71,426,209	69,887,358	335,519,843
Current and Accrued Liabilities	5,529,999	9,297,557	2,015,805	6,647,796	8,660,563	10,651,691	42,803,411
Deferred Credits (operating reserves)	2,498,647	5,610,306	59,282	3,117,006	6,601,209	13,400,268	31,286,718
Total Liabilities	\$107,817,285	\$145,223,768	\$48,132,804	\$86,041,931	\$136,279,007	\$146,033,087	\$669,527,882
<b>Other Statistics</b>							
Average number served:							
All Residential (Any Irrigation)	18,980	5,896	3,628	6,016	10,258	14,086	58,864
All Commercial	1,928	660	413	1,610	1,400	2,242	8,253
All Other (For Resale)	29	82	36	32	21	46	246
Total	20,937	6,638	4,077	7,658	11,679	16,374	67,363
<b>kWh Sales</b>							
All Residential (Any Irrigation)	229,096,325	143,053,530	56,887,279	142,374,978	243,545,997	230,132,324	1,045,090,433
All Commercial	142,335,644	527,599,597	71,382,841	106,099,044	199,325,858	285,736,700	1,332,479,684
All Other (For Resale)	863,816	833,298	6,268,639	4,309,152	7,181,032	83,937,582	103,393,519
Total	372,295,785	671,486,425	134,538,759	252,783,174	450,052,887	599,806,606	2,480,963,636
<b>Revenues</b>							
All Residential (Any Irrigation)	\$23,653,370	\$15,421,360	\$7,435,487	\$13,508,256	\$24,446,020	\$23,499,729	\$107,964,222
All Commercial	14,248,366	40,448,682	6,826,812	12,626,010	17,672,529	25,742,124	117,564,523
All Other (For Resale)	93,874	107,605	747,644	482,724	497,217	3,499,229	5,428,293
Total	\$37,995,610	\$55,977,647	\$15,009,943	\$26,616,990	\$42,615,766	\$52,741,082	\$230,957,038
<b>Other Statistics</b>							
Central's Transmission Line							1,452
Miles of Distribution Line	2,741	4,673	1,797	3,286	6,753	4,594	23,844
Consumers Served per Distribution Mile	7.64	1.42	2.27	2.33	1.73	3.56	2.83
Peak MW & month purchased from Central Power	74.3/January	106.7/January	25.2/December	58.4/January	93.4/January	126.2/January	463.6/January
Revenue per kWh Sold	\$0.1021	\$0.0834	\$0.1116	\$0.1053	\$0.0947	\$0.0879	\$0.0931
kWh Sold per Consumer	17,782	101,158	32,999	33,009	38,535	36,632	36,830
Annual Revenue per Consumer	\$1,815	\$8,433	\$3,682	\$3,476	\$3,649	\$3,221	\$3,429
Annual Revenue per Distribution Line Mile	\$13,864	\$11,980	\$8,353	\$8,099	\$6,311	\$11,480	\$9,686



### Power Suppliers

### Affiliated Organizations

### Central Power Members





**Touchstone Energy**  is an alliance of local, consumer owned utilities around the country, committed to providing superior service at affordable rates to all customers, large and small.



**Touchstone  
Energy<sup>®</sup>  
Co-op Values**

**Integrity**

**Innovation**

**Accountability**

**Commitment to  
Community**

## OUR MISSION

Central Power Electric Cooperative, Inc. exists to assist its member-systems. To carry out our mission, we will:

- Provide safe, reliable, and economical electric power supply
- Serve as a unifying force among our membership
- Perform those functions that can most efficiently be provided as a united effort as requested by our member-systems

In carrying out its mission, Central Power will adhere to the ideals of consumer ownership and cooperative principles, where the member-consumer is placed first in determining policies, procedures and practices.



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