



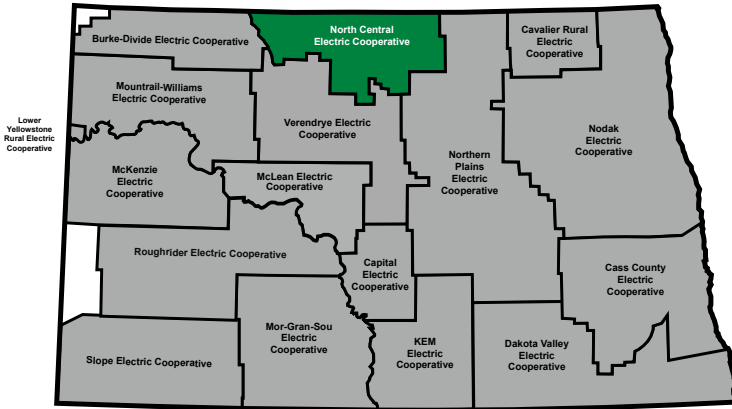
2025 ANNUAL REPORT

80 1946
YEARS
2026



North Central Electric Cooperative is a distribution electric cooperative providing electric services to its member-owners. Headquartered in Bottineau, the cooperative operates service centers in Mohall and west of Belcourt.

Mission statement: To provide our member-owners with highly reliable, safe electric service, superior customer service and innovative energy solutions at competitive prices.

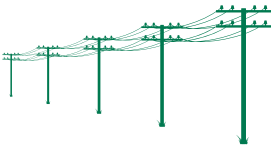


NORTH CENTRAL ELECTRIC COOPERATIVE

First Energized: **March 25 1946**



Accounts served: **7,607**
Residential-**6,112**
Commercial-**1,465**
Other-**30**



Total miles of power lines: **3,308**
Overhead: **2,293**
Underground: **1,015**
Number of poles: **56,000**



Number of employees: **34**



Number of substations: **23**



Counties served: **5**
Square miles of service area: **3,300**



Members per mile: **2.3**

\$14.4 million
in capital credits
returned to members



ELECTRIC GENERATION & TRANSMISSION



**BASIN ELECTRIC
POWER COOPERATIVE**

90%



**Western Area
Power Administration**

10%



**Central Power
Electric Cooperative**



You, the member owner



2025 OPERATION ROUND UP

Operation Round Up is a voluntary program that “rounds up” members’ monthly electric bills to the next whole dollar amount. The funds collected from this are set aside to assist our communities where help is needed. Donations support community projects through nonprofit organizations and financial assistance to cooperative

members facing significant medical events or house fires.

Since its inception, Operation Round Up donated more than \$230,000 to local causes.

North Central Electric Cooperative thanks the 86% of members who voluntarily round up their bills to make this program possible.

2025 Operation Round Up Donations

Mohall Ambulance Service.....	stair chair	\$2,000
Carbury Dam Recreation Area	signs for trails.....	\$1,100
Bottineau County Museum.....	storage supplies.....	\$500
Annie’s House Adaptive Recreation Program	provide services.....	\$1,200
Bottineau Park District.....	basketball court.....	\$1,200
Bottineau Community Theater	production supplies	\$500
Westhope Elementary STEM Program	program supplies	\$1,000
Antler Outlaws Rodeo.....	prizes for kids	\$1,000
Dunseith Park Board	equipment upgrade	\$750
Souris Fire District	AED	\$500
Upham Fire Supporters.....	breathing devices	\$500
Belcourt School District.....	girls softball equipment.....	\$750
BIO Girls- Bottineau.....	program supplies	\$500
McHenry County Sheriff’s Office.....	K-9 and drone units.....	\$1,000
Mohall Public School	gym floor	\$1,500
Jeff Smith.....	medical assistance	\$500
Aaron Henry	medical assistance	\$500
Ben Decoteau.....	medical assistance	\$500
Dale Nadeau.....	medical assistance	\$500
Nola Soland	medical assistance	\$500
Pam Hart.....	medical assistance	\$500
Amanda Lynch.....	medical assistance	\$500
Larry Lord.....	medical assistance	\$500
Jessica Lee	medical assistance	\$500
Nine Confidential	medical assistance	\$4,500
2025 Total Donations.....		\$23,000

Operation Round Up trust board

Candis Goodman, Upham
Jennifer Becker, Mohall
Matt Undlin, Lansford

Amy Schimetz, Bottineau
Tracey Laducer, Belcourt



Turtle Mountain Chippewa Food Pantry received a donation from the Willie Wiredhand Christmas Giving Fund.



The cooperative sponsors area meals, including at the Renville County Fair.



The co-op supports area 4-H clubs.



Addison Letvin was the 2025 Youth Tour delegate.

COMMUNITY ENGAGEMENT

"Concern for community" is one of seven guiding principles on which the cooperative was founded and continues to operate by today.

Supporting our communities whenever possible is important to the cooperative and its employees.

- Willie Wiredhand Christmas Giving Fund
- Awards scholarships for higher education
- Providing loans to local businesses through our economic development revolving loan program
- Supporting area 4-H clubs
- Volunteering in community organizations
- Presenting electrical safety demonstrations
- Sponsoring area meals
- Sponsoring Youth Tour delegates

RELIABILITY IN FOCUS



Pole testing reduces pole failures and improves system reliability.

Providing safe and reliable electricity to our members is our top priority at North Central Electric Cooperative. Maintaining reliable service, minimizing outages and reducing restoration times requires constant effort. The cooperative implements multiple reliability programs to ensure reliable power for our members. Programs include tree trimming and pole testing. The cooperative updates infrastructure, such as poles and underground lines, to increase reliability. Members can rest easily knowing North Central Electric will never sacrifice safety or reliability by cutting corners or taking shortcuts.

RELIABILITY STATS FOR 2025

Reliability rate
99.99%



Average outage time
48 mins.

Miles of underground powerlines buried
6.4 miles



Poles tested
2,446

Poles replaced
185

Spent on tree trimming
\$650,000

BOARD OF DIRECTORS

North Central Electric Cooperative is governed by a board of directors elected by the member-owners.



Stuart Rothe
President / Newburg / District 4



****Norman Buynak**
Vice President / Antler / District 5



****Lori Kittleson**
Sec./Treas. / Bottineau / District 2



****Devin Tolstad**
Asst. Sec./Treas. / Souris/District 3



Jean Brandt
Kramer / District 7



R. J. Paul
Rugby / District 9



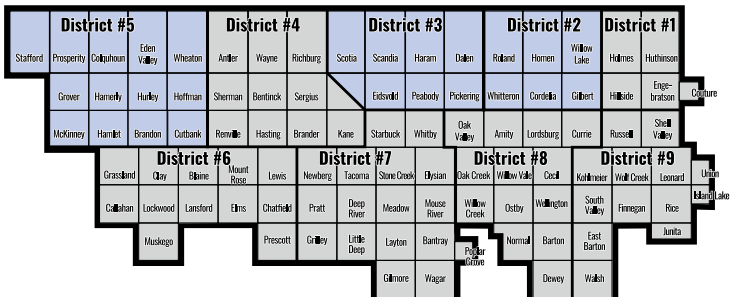
Joel Brandvold
St. John / District 1



John Gunning
Lansford / District 6



Brenden Klebe
Willow City, District 8



** Directors up for reelection

PRESIDENT & MANAGER REPORT



Stuart Rothe
President



Jon Beyer
General Manager

Annual meeting at the Bottineau High School

North Central Electric Cooperative's (NCEC) annual meeting will be held at 5:30 p.m. June 4 in the Holwell Auditorium at the Bottineau High School. The meeting will also be livestreamed on NCEC's Facebook page for members unable to attend in person. Following the meeting, an appreciation supper will be provided to the members and our guests.

NCEC members will vote by mail to elect three directors in 2026. Districts 2, 3 and 5 are on the ballot. Elected directors will serve three-year terms on the board.

All voting will be conducted using mail-in ballots. Members will mail their ballots to a third-party company for tallying and results will be announced during the annual meeting. Voting members who submit their ballot prior to the meeting will have their names entered into a drawing for \$1,250.

2025 financial review

Energy sales to the members increased 2.6% in 2025 compared to 2024.

The cooperative ended the year with an operating margin of \$802,339. The cooperative also received \$1,023,810 in capital credit allocations from its power

suppliers. NCEC's bottom-line margin for 2025 was \$2,264,589, which will be returned to our member-owners over time. Overall, the cooperative is in good financial standing.

Electric Rates

In 2025, members experienced stable electric rates, despite a 7.5% wholesale power increase in January 2025. This resulted in an approximate \$1.1 million increase in expenses, which NCEC absorbed.

Wholesale power costs increased an additional 10% in January, adding approximately \$1.7 million in expenses for the year. With combined wholesale power costs increasing 17.5%, or roughly \$2.8 million, from 2025 to 2026, the co-op was unable to absorb that level of increased expenses and implemented a rate increase of 7.5% in January. Wholesale power costs account for nearly 60% of the cooperative's expenses.

As a nonprofit organization, NCEC's year-end margins are usually razor thin, leaving little financial flexibility for unforeseen events. Those small margins determine if a rate increase is needed. Spreading sales revenue across 365 days of the year, the co-op makes its "profit" margins only three to four days out of those 365 days.

Looking forward, wholesale power costs are predicted to rise. This is due to infrastructure investments to meet demand and regulation requirements. Inevitably, electric rates will increase in the future. Affordability, reliability and safety are equally high priorities and the co-op will not compromise reliability or safety to save on expenses.

If you have further questions about rate structures, please call the office.

Capital credits

Capital credits totaling \$1,217,260 will be returned to cooperative members in 2026. In addition, an estimated \$125,000 will be retired and returned to estates. Capital credits from 2004 and 2025 will be returned to the membership. In an effort to lower costs and improve efficiency, the co-op will issue bill credits in place of checks to members with capital credit retirements of \$100 or less.

Willie Wiredhand Christmas Giving Fund

The Willie Wiredhand Christmas Giving Fund collected \$6,467 in 2025. The funds were collected from co-op members, employees, directors, material and service vendors, and other co-op partners. The co-op matched donations up to \$1,000.

The program donated to five area organizations:

- Turtle Mountain Chippewa Food Pantry
- Bottineau Study Club Christmas Cheerbox
- Mohall-Lansford-Sherwood Family, Career and Community Leaders of America chapter Christmas for Kids Project
- North Prairie Human Service Zone, Towner
- Project Joy, Rugby

Scholarships

North Central Electric Cooperative awarded \$11,500 to nine graduating area students in 2026. Basin Electric Power Cooperative contributed \$2,500 of the \$11,500. In addition, co-op employees donated \$1,000 toward two scholarships in 2026. The co-op invests in our young leaders of today to create future leaders for tomorrow.

Employee and director highlights

Two new employees joined NCEC this past year.

Trenten Metcalfe joined the co-op as an electrician in September and Connor Radtke began in December as the co-op's accounting coordinator.

Three employees reached milestones for years of service to NCEC.

Sarah Dawson, business manager, and Tyler Lee, operations and engineering manager, have each been with the co-op for 15 years. Randy McLean, lineworker, has been with the co-op for 10 years.

The co-op also has five directors with milestones for years of service to the co-op, including Jean Brandt, 25 years, Lori Kittleson, 20 years, Joel Brandvold and Stuart Rothe, 10 years, and John Gunning, five years.

NCEC thanks the employees and directors for their dedication to serving the membership and ensuring the continued success of the cooperative.

Employee retirements

Dale Orvedal retired from NCEC in May after 39 years of service. Orvedal was the co-op's electronics technician.

NCEC thanks Orvedal for his dedication and

service to the co-op! We wish him a happy retirement!

Chris Fulsebakkee took the role as electronics technician beginning May 4.



Dale Orvedal

FINANCIAL REPORTS

BALANCE SHEET 12/31/25

ASSETS

Lines/Other Utility Plant	
/Equipment	\$112,522,053
Less: Accumulated provision	
for depreciation	46,118,532
Net Utility Plant.....	66,403,521

OTHER ASSETS

Investment in associated	
organizations	\$17,846,422
Investments	2,452,937
Special funds	580,000
Cash	1,300,131
Accounts Receivable	2,950,408
Material & Supplies.....	3,596,944
Pre-payment, Deferred Debits & Other	584,624
Total Assets & Other Debits	\$95,714,987

LIABILITIES

Long-Term Debt-RUS	\$42,825,706
Long-Term Debt Other	6,272,351
Total Long-Term Debt	\$49,098,057

OTHER LIABILITIES & EQUITY

Current Liabilities & Accounts Payable...	\$8,061,992
Deferred Credits (Pre-Payments).....	1,490,853
Equity-Patronage Capital.....	31,737,522
Equity-Other	5,326,563
Total Liabilities & Equities.....	\$95,714,987

INCOME STATEMENT

OPERATING REVENUE

Residential.....	\$15,321,013
Commercial.....	12,447,365
Missile Sites	524,450
Other Operating Revenue	16,234
Other Electric Revenue.....	56,565
Revenue Deferral	(130,000)
Total Operating Revenue	\$28,232,627

OPERATING EXPENSE

Purchased Power	\$15,820,959
Operating & Maintenance Expense	3,639,117
Consumer Accounts Expense	1,379,367
Administrative General Expense.....	1,725,153
Depreciation Expenses.....	3,059,006
Taxes	182,389
Interest	1,604,006
Other Expenses.....	20,291
Total Cost of Electric Service	\$27,430,288

MARGINS

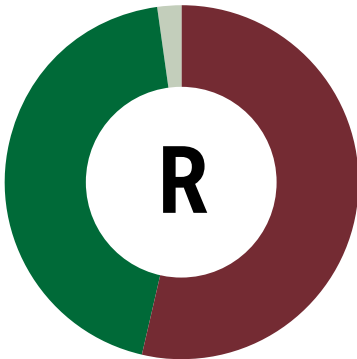
Operating Margins	\$802,339
Power Supply Margins.....	1,023,810
Other Capital Credits.....	238,472
Non-Operating Margins	199,968
Total Margins.....	\$2,264,589

"In our opinion, the financial statements referred to present fairly, in all material respects, the financial position of North Central Electric Cooperative, as of December 31, 2025."

— Brady Martz & Associates, PC, Independent Auditor

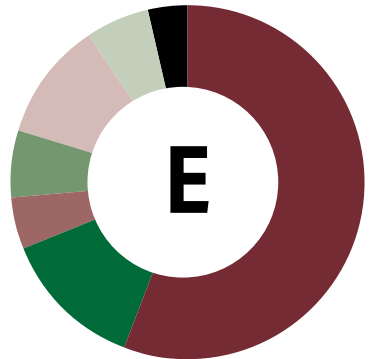
STATISTICAL DATA

		2015	2024	2025
ELECTRIC CUSTOMERS	Residential	6,141	6,079	6,112
	Commercial	1,668	1,507	1,465
	Other	34	31	30
	Total	7,843	7,617	7,607
ELECTRIC SALES (KWH)	Residential	130,473,548	134,756,156	140,112,155
	Commercial	109,103,384	94,765,749	95,391,055
	Other	4,172,523	4,248,582	4,386,458
	Total	243,749,455	233,770,487	239,889,668
ELECTRIC REVENUE	Residential	10,866,605	14,687,538	15,321,013
	Commercial	11,323,662	12,090,832	12,447,365
	Other	410,457	511,877	540,685
	Total	22,600,724	27,290,247	28,309,063



REVENUE

- 54.1% Residential
- 43.9% Commercial
- 2% Other



EXPENSES

- 57.7% Purchased Power
- 13.3% Operating & Maintenance
- 5% Consumer Accounts
- 6.3% Administrative & General
- 11.2% Depreciation
- 5.8% Interest
- .7% Taxes & Other

ANNUAL MEETING AGENDA

The annual meeting will be livestreamed on the cooperative's Facebook page at North Central Electric Co-op.

THURSDAY, JUNE 4

- 4:30 p.m. Registration
- 5:30 p.m. Annual meeting begins
- Business meeting
 - Report on election of directors from districts 2,3,5
 - Door prizes
- \$1,250 random cash drawing to qualified member
- *Supper to follow meeting*



538 11th St. West, Ste. 1
Bottineau, ND 58318
701-228-2202
1-800-247-1197
Fax: 701-228-2592
www.nceci.com



Please like us on Facebook at North Central Electric Co-op!