



CAPITAL
ELECTRIC
COOPERATIVE, INC.

4111 State Street North, P.O. Box 730, Bismarck, ND 58502-0730
www.capitalelec.com

A Touchstone Energy® Cooperative
The power of human connections.

JOHN DOUGH
123 MEADOW LANE
ANYTOWN, USA 00000-0000

4 682
C-1 P-4

Total electric
revenues
billed to
member for
current
allocation
year.

Dollar amount
of capital credits
allocated to
member for
current
allocation year.

Cumulative
balance of
member's
capital credits
outstanding
for all years.



Notice of Capital Credits Allocation THIS IS NOT A BILL

CAPITAL CREDITS STATEMENT			
Year		Capital Credits No.	
2004		28014	
Acct. No.	Total Billing	Capital Credits	Code
1234567	992.44	180.79	CO-OP
1234567	992.44	68.88	G&T
Totals	992.44	249.67	
<i>Accumulative balance of your capital credits</i>		1,728.59	

As a cooperative, Capital Electric Cooperative is owned by its members. As member owners, each member is assigned a portion of the margins (revenues in excess of expenses) that the cooperative has accumulated during the year. The process of determining what portion each member is assigned is called an allocation. Once the board approves the total amount of the margin to be allocated for the year, a member is allocated their portion of margin based on the amount of money they were billed for electric services during the year. Each member then receives an Allocation Statement (This Form) that shows the total billing and the amount allocated.

ATTENTION: It is important to note that when an allocation takes place, it DOES NOT represent money that is currently available for a member to have. Instead, following the By-Laws of Capital Electric Cooperative, Inc., this amount is recorded as patronage equity on the financial statements of the cooperative. Over time, the amount allocated to each member may be paid out (Upon Board Approval) as funds are available. Once the board designates that a particular year is to be paid out, or a portion thereof, the process of paying the allocated capital credits to the members is called a retirement.

Because allocated capital credits are not yet available to the member, capital credits shown on this statement cannot be applied to your energy bill and cannot be used as payment for any other services provided by Capital Electric Cooperative.

Should you cease to purchase energy from Capital Electric Cooperative, please keep us informed of your address in future years. This will enable us to forward payment(s) when the capital credits are retired for the year or years of your membership.

Allocation Code

- COOP:** Capital Electric Cooperative: The capital credits allocated to your account as recorded by this notice are margins from normal operations.
- G&T:** Generation & Transmission: The capital credits allocated to your account as recorded by this notice are margins allocated to Capital Electric Cooperative from our power suppliers.

Keep this statement for your records.

Capital Electric Cooperative
701-223-1513 888-223-1513
Web site: www.capitalelec.com