

NEWS



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For Immediate Release:

CO-OP MEMBERS GATHER IN PERSON FOR FIRST TIME SINCE 2019

NEW LONDON, OH, June 23, at 11:00 a.m. — Over 400 members and guests attended Firelands Electric Cooperative's member appreciation event on Saturday, June 18, which also incorporated the organization's 84th annual meeting. Having held this annual event virtually the past two years due to pandemic concerns, the in-person gathering held at Firelands Electric's facility in New London was well received.

A new annual meeting style included a member appreciation event to encourage co-op family participation. In addition to a catered meal and membership gifts, there were prize drawings, large inflatables and bounce houses, carnival games, face art, educational displays, and Gaelic Glen Alpacas.

Members learned Saturday that Bruce Leimbach of New London and Carl Ayers of Perrysville were re-elected to represent districts 4 and 5. It was also announced that Elaine Oswald of Mansfield had been elected to represent District 8. Oswald received 204 votes, which was just 13 more than the other District 8 candidate, Christian Albers, who earned 191 votes.

In 2019, members voted to change the code of regulations to allow voting online or by mail, which is a major part of the co-op's democratic process. This change has resulted in a much higher number of members participating in the elections when compared to the previous in-person method.

In his address, Firelands Board of Trustees President Schloemer reported that the cooperative remains very strong, accrediting this to Firelands Electric's dedicated group of employees and trustees. He also announced that, due to strong margins, the cooperative's board has approved the return of \$1 million in capital credits to members in 2022. The refunds, which are largest amount ever returned, which will appear on members' August electric bill.

Schloemer also acknowledged the retirement of two fixtures at the cooperative. He thanked retiring trustee Andy Anderson for his 13 years of service on the board, stating that Anderson was never about how much the job paid, but always about serving the co-op members. "Andy has been a voice of common sense and in many meetings pushed the board to make a decision and move on, and we will certainly miss him," Schloemer stated.



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Dave Harwood, who served as corporate attorney for 44 years, also recently retired. Schloemer stated that, when he thinks of Dave Harwood, the word "steadfast" comes to mind. Schloemer accredited Harwood for his excellent ability to keep current in all areas of the law, but particularly in areas that are unique to the cooperative world.

A major future challenge for the cooperative will likely be in the form of rapidly rising costs to upgrade and maintain its distribution system. Schloemer pointed out that electric cooperatives across Ohio are determined to own and control their own in-state generation, which provides both consistent availability and price stability. Providing safe, reliable, and affordable power is a top priority for Firelands Electric Cooperative.

"Ohio consumers served by cooperatives have that in the form of our coal fired plants located on the Ohio River," said Schloemer. "As a result, we are not as susceptible to blackout risk as other states, as these plants are our source of baseload power—a bridge."

Buckeye Power continues to build an energy portfolio with renewable sources of power — focusing on a common-sense approach for reliable power, both now and, in the years to come. "In some states the shutdown of baseload generation in favor of renewable has forced their utilities to rely on out of state power during peak demand," Schloemer added.

General Manager Dan McNaull addressed the crowd regarding reliability and costs. He took a moment to thank and recognize the cooperative's employees for their heroic efforts in restoring power following recent storms, which were by far the worst damage Firelands Electric has experienced since the 2005 ice storm.

Next to safety, keeping members' power on is a primary focus for the cooperative's operations department. McNaull outlined what plans are underway to maintain and improve the reliability of Firelands Electric's distribution system. Trees continue to be the number one cause of power outages, followed by small animals and birds. Many of the cooperative's electric lines are located in tree-rich areas, causing many of the recent outages.

McNaull stated that, to reduce the number of tree-caused outages in 2021, Firelands Electric budgeted a record \$644,000 to trim over 161 miles of lines. The tree-trimming budget for 2022 is over \$763,000 to focus on 217 miles of lines. These costs are more than 2.5 times the amount spent on tree-trimming in 2017. The increased amounts are the result of two factors: increased contractor costs and Firelands Electric's expanded vegetation management scope, which now goes beyond the basic rights-of-way to remove trees that are at risk of falling into the co-op's lines. In addition to this, the cooperative has also shortened its trim cycle from a 4-year rotation to a 3-year plan in certain areas. "As bad as the damage from the recent storm was, it would've been much worse without an accelerated tree-trimming program," McNaull stated.

In an ongoing effort to strengthen its distribution grid, and accommodate future demand for electricity, Firelands Electric started the first phase of a 4-year construction workplan earlier this year, which will rebuild nearly 50-miles of lines and cost an estimated total of over \$11 million. Also included in the cooperative's workplan is a complete rebuild of the Coulter substation near Perrysville, which serves roughly 834 member-consumers located throughout southern Ashland and Richland counties.

This construction workplan began with an engineering analysis of each circuit in the co-op's system. Firelands identified and prioritized equipment for replacement, such as lines that could reach their full load capacity in the near future and those that have above average rates of outages.

The Coulter project is the first of seven substation upgrade projects that are in the cooperative's long-range distribution system upgrade plan that will extend through the year 2045. "To make our increased maintenance and construction workplans possible, long-range financial forecasts are indicating future rate increases in the range of 3 to 4-percent per year will be needed. "Plans presently under consideration include a 2023 rate adjustment, which

will be the first increase since early 2020," McNaul stated. The impact inflation is having on the economy will also have an effect in determining the exact amounts of future rate increases. "Your board of trustees and management team are dedicated to enhancing the reliability of the cooperative's distribution system and planning for future market shifts." McNaul added.

When deciding the future path of Firelands Electric, the cooperative must make sure that legislators and policymakers are working to advance the ideals that are important to electric cooperatives located across the Buckeye State and the communities they serve. Electric co-ops nationwide are working to establish relationships with elected leaders, and a key to establishing these relationships is ACRE Co-op Owners for Political Action.

McNaul encouraged Firelands members to join the roughly 350 Firelands members who currently support ACRE Co-op Owners, which is a nonpartisan political action committee that supports candidates who represent the interests of electric co-op members. "These members value the benefits of being a member-consumer and understand the importance of building a strong political identity to protect their interests," McNaul said.

As part of the cooperative's celebration of 86 years, members participating in the 2022 member appreciation event and annual business meeting were entered into a drawing for a chance to win one of seven bill credits totaling \$350. Randomly selected were winners Norman Hileman of Polk and James Jones of Loudonville, who each received a \$100 bill credit; Tom McQuate of Greenwich who won a \$50 bill credit; and Eric Amburgy of Greenwich, Ishmael Clemons of New London, James Daniel of Willard, and Sidney Geist of New London who each won a \$25 bill credit.

Firelands Electric Cooperative, a Touchstone Energy Partner, is a member-owned, not-for-profit electric utility serving more than 9,100 homes and businesses in rural areas of Ashland, Huron, Lorain, and Richland counties that ranks among the highest energy utilities in the country for customer satisfaction. Visit the cooperative's website, www.firelandsec.com, [Facebook page](#) and [Twitter feed](#), to learn more about reliable and affordable power. Photos of Firelands Electric's 2022 member appreciation event can be viewed on the cooperative's Flickr page, www.flickr.com/photos/firelandsec/albums.

PHOTO CAPTIONS:

- **FEC_R5D4484** – Firelands Electric Co-op General Manager Dan McNaul addressed the crowd regarding reliability and costs during the cooperative's annual meeting.
- **FEC_2711** – Over 400 members and guests attended Firelands Electric Cooperative's member appreciation event on Saturday, June 18.
- **FEC_R5D4616 & FEC_R5D4632** – Firelands' new annual meeting style included a member appreciation event to encourage co-op family participation that included prize drawings, large inflatables and bounce houses, carnival games, face art, and more.

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