

NEWS



Contact: Andrea Gravenhorst, Director of Member Services | agravenhorst@firelandsec.com | 419-929-1571 | 1-800-533-8658
Firelands Electric Cooperative, Inc. | 103 Industrial Drive | P.O. Box 32 | New London, Ohio 44851 | www.FirelandsEC.com

For Immediate Release:

Over 350 members and guests gather for breakfast during Firelands Electric Cooperative's 85th annual meeting

NEW LONDON, June 28, 2023 at 3:00PM — Over 350 members and guests attended Firelands Electric Cooperative's annual meeting event on Saturday, June 24, at the Ashland University Myers Convocation Center. It was the meeting's first time returning to this venue since COVID-19.

During the event, members learned that Dan Schloemer of Willard and Tom Lucha of North Fairfield were re-elected to represent districts 1 and 3 on the co-op's board of trustees. Both districts are located in portions of southern Huron County. It was also announced that Kevin Reidy of Ashland had been elected to represent District 6, which is located in portions of Ashland and Richland counties.

As part of his yearly update, Firelands' Board of Trustees President Schloemer reported that, while down slightly from the prior year, margins were strong in 2022. He noted that solid margins are used to maintain the distribution system and keep outages to a minimum, both of which are a top priority. While kilowatt-hour sales have been flat, the co-op's operating expenses were up by more than 10%. Just as in members' personal lives, inflation impacted Firelands Electric. Schloemer announced that the strong year in 2022 will allow the board to approve the return of \$1 million in capital credits to its members in 2023. These credits will be paid to those located on the distribution system in 2001, 2002, and 2003.

Schloemer also recognized the cooperative's Operation Roundup program, which awarded more than \$40,000 to 12 community organizations in four counties this past year. Operation Roundup receives its funding from Firelands Electric members who volunteer to have their bills "rounded up" to the next whole dollar each month. This money is then distributed through charitable grants to local organizations and individuals to help meet special needs. Since established in 1995, the organization has contributed over \$1.3 million in grants to benefit volunteer fire departments, medical facilities, local food pantries, and much more.

In his address, Schloemer advised how the North American Electric Reliability Corporation (NERC) summer reliability assessment forecasts for 2023 state that no less than two-thirds of the U.S., including most everyone living west of the Mississippi River, could experience power outages. "Please know that your trustees and employees are looking out for you," Schloemer concluded. "We work hard to make the best decisions we can. And as always, we appreciate your support."

Also in attendance was Ohio's Electric Cooperatives Vice President of Power Generation Tom Alban, who presented on behalf of Buckeye Power, Firelands Electric's power supplier. Buckeye Power generates safe, environmentally responsible, and affordable electric power for Firelands' member-consumers. The power is generated from a variety of resources including coal, natural gas, and renewable options such as solar, hydro, landfill, and methane gas. Alban provided an update on some troubling regulatory initiatives that are being undertaken by the U.S.

Environmental Protection Agency (EPA). Proposed rules would limit greenhouse gas emissions from new and existing fossil fuel-fired electric generating units. The rules are part of the regulatory strategy of President Biden's Administration to create a carbon-free power sector by 2035 in efforts to achieve net zero emissions economy-wide by no later than 2050.

Starting in 2030, the proposal would generally require more significant CO² emissions controls at fossil fuel-fired power plants that plan to operate past 2031. The rule would further strain America's electric grid and undermine the co-op's ability to keep the lights on at a cost communities can afford. The EPA's new regulatory actions appear to be motivated by a desire to accelerate the retirement of coal-fired power plants by the mid- to late-2030s.

"In 2009, Ohio had 21 coal-fired power plants in operation, providing much-needed baseload capacity to the grid," Alban stated. Today, only four such plants remain in production. A similar trend can be seen across much of the country. This EPA proposal only threatens to accelerate the premature retirement of power plants like Cardinal while offering no viable replacement to ensure grid reliability."

Buckeye Power supplies more than 80% of the annual energy requirements from coal-fired power plants located in the Buckeye State. The EPA's proposal for existing coal-fired units would jeopardize nearly every coal-fired power plant by 2030, with no hope of replacing this energy within that timeframe. The cost to replace this energy with "green" renewable resources would be several billion dollars.

Alban advised those attending that replacing the energy output of just one of Buckeye Power's 600-megawatt (MW) units at Cardinal would take more than 1,500 MW of solar – requiring at least 6,000 acres of land and an investment of at least \$1.5 billion.

"We believe that EPA has overstepped its regulatory authority with this proposed rule, which Buckeye Power will attempt to prevail the courts, but pushback on this overreach will require support from our elected representatives and from the public," Alban stated.

General Manager Dan McNaull spoke to those in attendance about reliability and recent outages following several confirmed tornados on June 15, which affected portions of the cooperative's service territory in Huron County and parts of Ashland and Richland counties. Firelands' crews, along with mutual aid provided by Lorain-Medina Rural Electric Cooperative and North Central Electric Cooperative, completed restoration repairs in less than 48 hours. The cooperative crews were relentless and finished a few hours ahead of FirstEnergy/Ohio Edison's repairs to the transmission line that feeds Firelands' Fitchville, New London, and Steuben substations.

McNaull informed the group that Firelands Electric is actively building a strong legacy for a powerful tomorrow and that the cooperative has a long-range construction plan through the year 2045 to strengthen the cooperative's local distribution system to address increased load capacity and accommodate growth. This plan will put an emphasis on upgrading main tie lines between substations to permit rerouting power for maintenance work and during outages.

Like Alban, McNaull also spoke on the topic of electric reliability across the state. McNaull stated that he received a June 8 email advising that PJM Interconnection, which includes Ohio, is in the process of developing a mandatory plan for shedding, which will cause rolling blackouts across PJM's 13-state region, possibly as early as this summer. "We are now at a critical point where legislators and the executive branch need to hear from us and understand their quest to eliminate carbon from our country's electric generating grid must be practical and move at a reasonable pace," McNaull said. "We must make certain that elected leaders and legislators make balanced decisions to provide both reliable and affordable power."

Electric co-ops nationwide are working to establish relationships with elected leaders, and a key to establishing these relationships is America's Electric Cooperatives PAC (formerly known as ACRE), which is the non-partisan federal political action committee (PAC) of the nation's electric co-ops. McNaull encouraged member-consumers to join the nearly 300 Firelands Electric members who currently support America's Electric Cooperatives PAC, which supports candidates who represent the interests of electric co-op members and their communities.

Cooperative members who joined Firelands Electric to celebrate its 85th annual meeting were entered into a drawing for a chance to win one of seven bill credits totaling \$300. Randomly selected winners include: Herbert Houser of Ashland, Randy Kemp of Jeromesville, Edward May of Lucas, and Stanley Wertz of Mansfield who each received a \$25 bill credit; Steve Englet of Ashland and Ronald Kestner of Ashland who each received a \$50 bill credit; and Thomas Thieme of Loudonville who won a \$100 bill credit.

Firelands Electric Cooperative, a Touchstone Energy Cooperative, is a member-owned, not-for-profit electric utility serving more than 9,200 homes and businesses in rural areas of Ashland, Huron, Lorain, and Richland counties and ranks among the highest energy utilities in the country for customer satisfaction. Visit the cooperative's website at www.firelandsec.com, [Facebook page](#), or [Twitter feed](#) to learn more about reliable and affordable power. Photos of Firelands Electric's 2023 annual meeting event can be viewed on the cooperative's Flickr page at www.flickr.com/photos/firelandsec/albums.

PHOTO CAPTIONS:



6N5A2667 – Firelands Electric Co-op General Manager Dan McNaull addressed the crowd regarding reliability during the cooperative's annual meeting.



6N5A2749 – Firelands' annual meeting included seven prize drawings, including Thomas Thieme of Loudonville, who won a \$100 bill credit.