## GM'S REPORT

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## Electric reliability threatened by current U.S. energy policy

Are rolling blackouts coming to Ohio?



Dan McNaull GENERAL MANAGER

Over the past few months, cooperative leaders across the state, including myself, have met with elected leaders at the Ohio Statehouse and in Washington, D.C., to discuss our concerns over power reliability and the impact it could have on our communities.

We know that our members rely on the power that Firelands Electric provides. You depend on it — for your lives and your livelihoods — 24 hours a day, seven days a week, 365 days a year. However, for the first time

since neighbors came together to form Firelands Electric Cooperative in 1936, the reliability of electric power is at risk.

Buckeye Power, our generation provider, produces plenty of power for all 400,000 members of Ohio's electric cooperatives, but we are also connected to the larger electric transmission grid and depend on it to balance supply and demand. Your cooperative works hard every day to ensure the local delivery system is reliable through planned maintenance programs and responsive service to local power outages. However, what's happening on the state and national levels still has an impact on us.

It's important that you understand why power reliability is at risk:

- Demand for electricity is higher than ever, especially during extreme weather conditions and with the growing electrification of our transportation network.
- The national supply of reliable electricity is down due to the rapid retirement of coal and nuclear plants.

For instance, in 2009, Ohio had 21 coal-operated power plants. By the end of 2023, just four will remain in operation. Intermittent sources such as wind and solar power have come online but not enough to fill the gap left by the closed coal-fired plants. Plus, these alternative sources, which are being built and operated with government-provided subsidies, aren't readily available around the clock or during every weather scenario.

- Overreaching and unreasonable environmental regulations have resulted in unnecessarily high costs for coal- and gas-operated power plants and provide only minimal environmental benefits.
- Poorly designed electricity market rules under-compensate reliable baseload power plants that provide steady, controllable output, while over-compensating less reliable, intermittent sources.
- Unattainable goals and time frames have been put into place to achieve greater reductions in carbon emissions from electricity providers, even though the U.S. electric sector has cut carbon dioxide emissions by 36% since 2005 — while also producing nearly 5% more electricity.
- Supply chain challenges have resulted in lengthy lead times for obtaining new transformers, line trucks, and other equipment necessary for local service.

Organizations charged with ensuring a reliable electric grid and managing Ohio's grid, such as the North

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American Electric Reliability Corporation (nerc.com) and PJM Interconnection (pjm.com), have each published reports on the concerning trends causing increased reliability risks. They point out that rolling blackouts, like those experienced in Texas, California, and nine Midwest states — as well as those that threatened Ohio in December 2022 — are inevitable without an immediate change in energy policy.

For 87 years, the mission of Firelands Electric Cooperative has been to deliver reliable, safe, environmentally responsible electricity at stable and affordable rates to our member-owners and the local communities we serve. Our commitment has never wavered, but it is being challenged because of the current poorly conceived energy policies. Please help us carry the message to our federal, state, and local elected leaders that you support a commonsense energy policy.

Additional information about the reliability of electric power in Ohio and the U.S. can be found at www.ohioec. org/oec-news and www.electric.coop.

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