GM'S REPORT

STANDING UP FOR RELIABLE, AFFORDABLE ENERGY

I know our members look to Firelands Electric Cooperative to provide electricity that is both reliable and affordable. For decades, we've been doing just that.

For about a year, though, electricity industry leaders have been talking about threats posed by proposed new regulations from the U.S. Environmental Protection Agency. In April, those rules were released, and the theoretical danger to energy availability in this country became all too real.

These regulations demand that coal-fired power plants essentially eliminate carbon dioxide emissions by 2032 or be shut down. New baseload natural gas plants would also be required to capture or avoid 90% of their carbon emissions.

The problem is that the required reductions aren't actually feasible because the technology needed for carbon capture and storage is still in

the developmental stage and not yet commercially available. In addition, the pipeline network necessary to transport captured carbon to yet-to-be determined storage areas

does not exist.

What this means to our co-op

In the short term, Firelands will continue providing you the affordable, reliable electricity you expect from us. But I think all members should understand these new regulations threaten our ability to provide the same level of this vital service in the future.

Nearly 70% of generation capacity for Ohio's electric cooperatives comes from the Cardinal Power Plant,



Dan McNaull
GENERAL MANAGER

which delivers continuous baseload power to more than a million people in 77 of Ohio's 88 counties. Memberowned Buckeye Power has spent more than \$1 billion on emissions controls at Cardinal, which has been recognized as one of the cleanest-operating coal-fired plants in the world.

Electricity from Cardinal Plant has helped Ohio's cooperatives avoid much of the recent volatility in energy prices and keep rate increases as low as possible. The Cardinal Plant is also playing an important role in combating an ever-growing likelihood of insufficient power availability on the grid and the increasing risk of rolling blackouts in Ohio.

What your co-op is doing

Please understand that we support environmentally responsible energy goals, including a well-planned, practical, and strategically executed transition to

carbon-free electricity sources. Our all-of-the-above approach includes growth in renewable energy resources and ongoing reductions in fossil-fuel dependence. Realistically, this transition requires much more time than the EPA rules allow.

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With that in mind, leaders from Ohio cooperatives joined others from around the country in Washington, D.C., in April both to educate legislators about reliability threats that will result from the new rules and to encourage congressional action to stop their implementation.

I, along with other co-op leaders, will continue to advocate for commonsense policies and realistic timelines for reducing carbon emissions while reinforcing the importance of reliable and affordable electricity. We expect the NRECA, our national trade group, and other reliable energy proponents to challenge the new regulations in court on behalf of all our members.

What you can do

As a member, you can stand up for energy reliability in several ways. First, you can educate yourself on the issues. Read details of the EPA rules and their implications starting on page 4 of this magazine. Follow Firelands and Ohio's Electric Cooperatives online and on Facebook to stay on top of new developments. Research the energy policies supported by candidates for elected office, and support candidates who value reliable electricity.

Additionally, you can join other cooperative members from around the country to advocate for responsible energy policy through Voices for Cooperative Power. Visit voicesforcooperativepower.com to learn more about this grassroots effort. If you'd like to amplify your voice through political support for reliable energy advocates, join America's Electric Cooperatives PAC, which financially backs candidates who support the interests of electric cooperative members. Call the cooperative at 1-800-533-8658 to join.

Your cooperative, along with our statewide and national organizations, will always advocate for reliable, affordable energy for our members. I hope you will join us in these efforts.



