

NEWS



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For Immediate Release:

CO-OPS AND COMMUNITIES GROW TOGETHER

Firelands Electric Cooperative holds 81st annual meeting of members

NEWLONDON, OH, July 8, at 12:20 p.m. — Around 600 members and guests attended Firelands Electric Cooperative's 81st annual meeting of members, held June 22 at Myers Convocation Center on the campus of Ashland University.

Incumbents Bruce Leimbach, Carl Ayers, and W.E. Anderson were re-elected to the cooperative's board of trustees to represent districts 4, 5, and 8, respectively. Congressman Bob Gibbs, R-Lakeville, spoke to Firelands Electric's members, voicing his support for the Ohio electric cooperative community. Gibbs noted the passage of a farm bill in the House, which prioritizes rural infrastructure and the expansion of broadband internet access.

Also addressing the crowd was Vice President of Statewide Services Doug Miller, who represented Firelands Electric's power supplier and service organization, Buckeye Power and Ohio Rural Electric Cooperatives. Buckeye Power generates safe, environmentally responsible, and affordable electric power that is delivered to Firelands' members. The power is generated from a variety of resources including coal, natural gas, and renewable options such as solar, hydro, landfill, and methane gas projects.

In addition to ensuring plant efficiencies, Buckeye Power is reducing costs by refinancing some of its long-term debt. With the passage of the 2018 Farm Bill, Buckeye Power took advantage of the opportunity to refinance \$100 million of debt at lower rates, which will save millions in interest expenses. Miller stated that Buckeye Power is fulfilling its mission to deliver competitive, stably-priced, and reliable wholesale power to its 24 electric cooperative distribution systems serving 400,000 meters in Ohio.

Firelands Board of Trustees President Dan Schloemer reflected on a year of change at the cooperative, including the completion of a new headquarters facility, which came in more than 10 percent below budget. He stated the cooperative had a strong year financially and achieved record operating revenue with margins of \$1.7 million for 2018. Two major items that accounted for the cooperative's strong financial numbers were high kilowatt-hour sales due to a cold winter and a warm summer, and the employee team holding controllable expenses in check.

Strong margins are a source for capital credits that are paid back to Firelands Electric's members. The cooperative's board approved to return \$1 million in capital credits to member-consumers in 2019, which will appear on their August electric bill.

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General Manager Dan McNaull addressed the group in attendance about rates and reliability. He announced the cooperative is constantly watching expenses and has avoided the need for a rate increase by holding down controllable expenses. In 2018, the cooperative and its employees held down controllable expenses to its lowest level in four years, while earning healthy operating margins that were more than double of last year, and scored a record high ACSI (American Customer Satisfaction Index) score of 87 in member satisfaction.

McNaull noted the primary causes of power outages over the past year were trees, followed by animals, and weather. "Even though we can't control things like animals, trees, weather, transmission lines, and automobile drivers with cell phones, we are continuously working to upgrade our distribution system to minimize the effects of these outage instigators," McNaull said.

Firelands Electric Cooperative is in the process of developing an extensive four-year construction work plan for the years 2020-2023. This plan will put an emphasis on upgrading main tie lines between substations to permit rerouting power for maintenance work and during outages. The cooperative is looking at certain areas where blinks have occurred and areas where heavier lines are needed to handle growing electrical loads.

One major budget consideration in the cooperative's work plan is to add a second transmission feed to its New London substation, which is dependent on a single feed to supply the entire village and surrounding area. McNaull stated the four-year work plan is expected to be in the range of \$10 million, which is significant when considering the system's present value is \$49 million, but pointed out that the investment is necessary to ensure the reliability that Firelands Electric Co-op owners deserve.

McNaull encouraged Firelands members to join the more than 350 current members of ACRE Co-op Owners for Political Action®, 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," McNaull said.

The annual meeting concluded with a prize drawing for registered members. Prizes included a Milwaukee cordless tool set, a Kitchen Aid 5-quart stand mixer, and bill credits ranging from \$25 to \$100.

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 2019 annual meeting can be viewed on the cooperative's Flickr page, www.flickr.com/photos/firelandsec/albums.

RIGHT Photo Caption: Firelands Electric Cooperative General Manager Dan McNaull addresses members during the co-op's recent annual meeting.



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