



GM'S REPORT

UNITED WE CAN

It is often said that “timing is everything,” but recent circumstances have made the timing of writing this article more difficult. As you read this, it is probably late April or early May, but to fulfill print deadlines, I am writing it at the end of March.

Communities throughout the state, country, and world have been affected by the coronavirus, changing even the most day-to-day activities in our lives. Ohioans were directed to stay home, per an order from our governor, beginning March 24.

As an essential business, Firelands Electric has a responsibility to keep the power on for our members, but we also have an obligation to safeguard the well-being of our community and our employees. To achieve this, Firelands Electric Cooperative made temporary changes to how we operate our business.

We closed our office to the public, encouraging members to use SmartHub, the telephone, mail, or our night drop to make payments. A week before the governor's order, our line crews stopped sharing vehicles, and we divided them into small teams whenever possible to reduce exposure. Technology was put into place making it possible for most employees to work remotely from their homes. To help members who lost their job during this unprecedented chain of events, we suspended disconnections and late fees.

I don't know what will be happening in our country by the time this issue of *Ohio Cooperative Living* reaches your mailbox. I do know that our thoughts and prayers are with those impacted by this virus and that we will continue to serve our members the best we can. In these difficult times, members of our community who might have once seemed ordinary are now cast in a different light. We see the health care professionals, first responders, and linemen as heroes on the front lines of this crisis. And we see those who are vital to our daily lives — grocery store workers, truck drivers, postal workers, utility workers, farmers, janitors, and so many more — with a new appreciation.

It remains to be seen what the result of this virus will be. What we do know is that Firelands Electric's commitment to our community and our resolve to overcome the present circumstances won't change. The co-op community is resilient, and by working together, we will continue to remain a strong force for good in our community.

In closing, I want to remind you that May is Military Appreciation Month. I hope you will join me in pausing to reflect on the sacrifices of our country's veterans and their families. I am especially thankful for those who gave the ultimate sacrifice so that we can enjoy the freedoms we have in this great country of ours. Please join us in taking a moment to show your appreciation to veterans and active duty members of the military — not just this month, but every month.



Dan McNaul
GENERAL MANAGER

The Firelands Electric Cooperative office
will be closed on

Monday, May 25

in observance of Memorial Day so that
we may remember all those who gave the
ultimate sacrifice serving our country.

As always, emergency service is available
24/7 by calling 1-800-533-8658.



COOPERATIVE NEWS

Rate adjustment will offset rising overhead

Firelands Electric's board of trustees, management, and employees work hard to keep the cooperative's controllable costs at the lowest levels possible. However, the time eventually comes when additional revenue is needed to maintain operations.

Your cooperative conducted a rate study in 2017, in response to financial forecasting that showed a need for additional future revenue to maintain operations. We fully expected that we would need increased revenue (i.e., a rate adjustment) in 2018, but thanks to strong kWh sales combined with internal operational changes, we were able to delay a rate adjustment for nearly two years.

Looking ahead at our financial situation for the remainder of 2020 and into the future, we see a rate adjustment is now needed. Nearly everything the cooperative purchases in order to maintain a reliable electrical system has increased in price. Your board of trustees is very proud of the fact that Firelands Electric has not needed any type of increase since 2016.

During the period since 2016, your cooperative has paid back more than \$3.7 million in capital credit refunds to the members. Members' Economic Participation is cooperative principle No. 3, which is in action through our everyday operations — it's what separates Firelands Electric Cooperative from the big investor-owned utilities.

Since your cooperative is not-for-profit, we don't need to raise rates to generate more profits — we simply need to cover the cost of doing business. We've been fortunate that the cost of electricity from our cooperatively-owned Buckeye Power plants has remained relatively stable over the past decade. There have, however, been increases in the costs we pay for transmission of electricity from the power plants to our substations.

Beginning with members' June bills, the distribution charge for residential and small commercial meters will increase \$2 per month, and the kilowatt-hour charges will increase 3%. For a residential member, this represents an average 3.27% increase to the monthly bill, which equates to less than .17 cents per day. Even with these rate changes, electricity remains a truly



Dan Schloemer, President
BOARD OF TRUSTEES



Dan McNaull
GENERAL MANAGER

outstanding value when you consider everything it does for us every minute of the day.

Why is the distribution charge increasing?

The distribution charge is one component of your bill, while other sections are the kWh charge and wholesale power adjustment. The distribution charge covers the co-op's fixed costs of delivering electricity to your home or business, which includes everything needed to build, operate, and maintain the electric system — poles, wires, transformers, trucks, fuel, tools, tree trimming, line maintenance, insurance, real estate taxes, depreciation, and emergency storm repairs. The cost of having a reliable distribution system in place and ready to deliver power is always present, regardless of how much electricity an individual member uses.

Why is the kWh charge also increasing?

From a purely business standpoint, all of the rate increase could have been applied to the distribution charge. The board and management team understand that this would have placed more of the increase on low kWh usage accounts. In order to lessen the effect on these members, the board decided to split the increase between the distribution and kWh charges.

When will my bill change?

The new 2020 rates go into effect this month and the change will appear on your June electric bill. The adjustment includes increases in the distribution charges and changes in the per kWh rates for all consumers.

How will this increase affect the co-op's margins?

Firelands Electric is a not-for-profit, member-owned cooperative. We exist to serve our members with safe, reliable, and affordable power, and any margins (profits) we receive are invested into the electric system and allocated to you in the form of capital credits that will be used as operating capital before being refunded to you.

What can I do to reduce my electric bill?

There are many ways to reduce your energy use. Learn ways to save energy at <https://www.firelandsec.com/content/energy-efficiency>. You can learn more about energy-efficiency rebates and programs at <https://www.firelandsec.com/content/member-programs> or by calling 1-800-533-8658.

As a not-for-profit electric cooperative, the operational costs of Firelands Electric are spread fairly across all of our members, regardless of electricity use. That is why every member pays the distribution charge to cover basic operational expenses. All residential members are charged the same amount for the cost of operation because all members receive the same service.

You can be certain that your cooperative has not entered into this matter lightly. With the members' best interests in mind, diligence on the part of the board of trustees and all of the employees of Firelands Electric Cooperative delayed this rate adjustment for two years. The cooperative is different from the investor-owned power companies because of our business model and the service we provide.

Change is difficult, but I believe that by working together, Firelands Electric Cooperative can continue to provide safe and reliable electric service at an affordable cost to all our members. For more information on changes to our rate structures and schedules, please visit the cooperative's website at <https://www.firelandsec.com/content/rate-schedules>.

*Board of Trustees President Dan Schloemer
General Manager Dan McNaull*

OVERVIEW OF NEW RATE STRUCTURE

Here is a summary of the new monthly rates. A detailed listing is available at www.firelandsec.com/content/rate-schedules.

Single-Phase General Service (SG) rate schedules for residential consumer-members requiring up to 100 kVA of installed transformer capacity.

Distribution Charge:	\$36 /month
Energy Charge:	
First 500 kWh	\$0.10785 /kWh
501 to 1000 kWh	\$0.10350 /kWh
Over 1000 kWh	\$0.08695 /kWh

Large Single-Phase, Small and Large Three-Phase General Service (SG, ST, and LT) rate schedules for all three-phase consumer-members requiring greater than 100 kVA of installed transformer capacity.

Distribution Charge:	
Single-Phase	\$51.65 /month
Three-Phase	\$90.27 /month
Energy Charge:	
First 2500 kWh	\$0.10785 /kWh
2501 to 5000 kWh	\$0.10689 /kWh
Over 5000 kWh	\$0.08596 /kWh

Net Rate per month when the billing demand is 50KW or greater.

Distribution Charge:	
Single-Phase	\$51.65 /month
Three-Phase	\$104.30 /month
Energy Charge:	
All kW	\$0.0640 /kWh
Demand Charge:	
All kW	\$10.75 /kWh



ANNUAL MEETING

SAVE THE DATE

Your annual meeting is June 20



Join us for Firelands Electric Cooperative's 82nd annual meeting on Saturday, June 20, at the Ashland University Myers Convocation Center.

Your annual meeting will feature a complimentary hot breakfast buffet for members and their immediate families. All members are welcome and encouraged to attend the business meeting, but seating for the hot breakfast is limited, so make sure to RSVP.

REMINDER: Voting for trustees for districts 1, 3, and 6 will be conducted by mail and online from May 1 to June 17. Results will be announced at the annual meeting.

Official annual meeting registration cards will be mailed to members in mid-May. Members must bring their official registration card on June 20 to receive a \$5 bill credit on their August electric bill, get a complimentary membership bag and gifts, and be entered in special prize drawings.

- REGISTRATION BEGINS: 8:30 a.m.
- BREAKFAST SERVED: 8:30 to 9:15 a.m.
- BUSINESS MEETING: 9:15 to 10 a.m.
- SPECIAL PRIZE DRAWINGS: 10 a.m.



Your RSVP for the breakfast must be submitted before 4 p.m. on June 12. It can be completed online at www.firelandsec.com/content/annual-meeting-members, OR by contacting Firelands Electric's office at 1-800-533-8658.

Please note: Due to the new voting methods, the length of the business meeting will be shortened, so children's activities will not be offered this year.

TRUSTEE ELECTIONS

CAST YOUR



Trustee elections open May 1

A new process

Members of Firelands Electric Cooperative will choose trustees to represent board districts 1, 3, and 6 this year. Elections will be conducted by mail and online ballot. Co-op Ballot, an independent service provider, will manage the election by printing and mailing ballots, overseeing the online voting portal, and receiving and tallying all votes.

Members will receive candidate biographies and a paper ballot in the mail at the end of April. Candidate information will also be available online at www.firelandsec.com and in the June issue of *Ohio Cooperative Living* magazine.

How to cast your vote

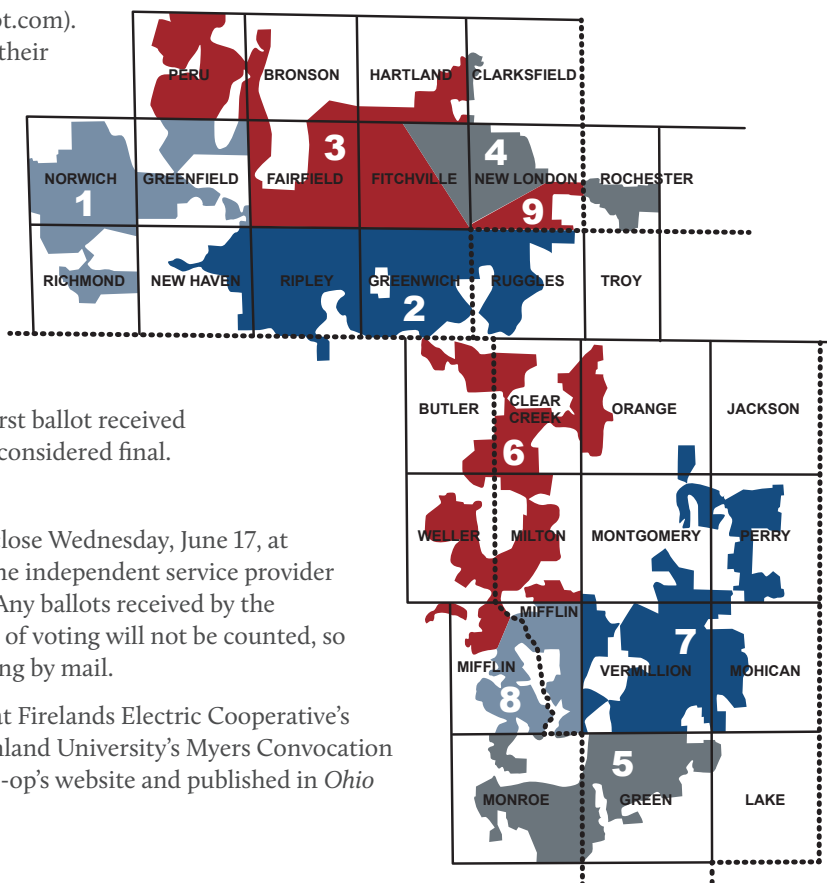
Beginning Friday, May 1, Firelands Electric members can vote online via a secure link available on the co-op's website (<http://firelandsec.coopballot.com>). Members may also opt to vote by returning their completed paper ballot in the envelope provided. Ballots cannot be accepted by the cooperative's office. You will need the account number on record, which is found on your printed or emailed monthly billing statement, to cast your vote online.

Only original paper ballots will be accepted; no photocopies are permitted. If more than one ballot is submitted, or more than one voting method is used, the first ballot received by the independent service provider will be considered final.

Timeline

Voting will open on Friday, May 1, and will close Wednesday, June 17, at 11:59 p.m. Paper ballots must be mailed to the independent service provider and cannot be accepted at the co-op office. Any ballots received by the independent service provider after the close of voting will not be counted, so please allow ample time for delivery if sending by mail.

Winners of the election will be announced at Firelands Electric Cooperative's annual meeting on Saturday, June 20, at Ashland University's Myers Convocation Center. Results will also be posted on the co-op's website and published in *Ohio Cooperative Living* magazine.





SAFETY

HOME SAFE HOME

With proper maintenance, your home's electrical system is safe and reliable. If used incorrectly though, it can become dangerous. By putting in just a little time and effort, you can easily prevent potential damage or injury. Use the checklist below to make sure your home is up to par and help protect your family from serious — or even fatal — electrical hazards.

Whole house

- Check that electrical cords are not running across doorways or under rugs.
- Replace any damaged or frayed cords immediately.
- Use extension cords only on a temporary basis.
- Don't overload outlets with multiple devices. Hire a qualified electrician to install more outlets if needed.
- Make sure all lightbulbs are the correct wattage for the fixtures. Look for a label indicating the maximum wattage to be used.
- If there are small children in the home, install covers on all unused outlets.
- Install ground-fault circuit interrupter (GFCI) outlets in kitchens, bathrooms, laundry rooms, and

any other areas that may become wet or damp. GFCIs automatically shut off a circuit when it becomes a shock hazard.

Bathrooms

- Never use electrical devices, such as cellphones or hair dryers, when the bathtub is being used.
- Unplug small appliances when not in use.

Kitchen

- Position appliance cords away from heat sources, such as the stove.

Bedrooms

- Check electric blankets and heating pads for cracks or breaks in the cords.
- Turn off electric blankets and heating pads when not in use.

Basement

- Keep the electrical panel free from obstructions, and make sure your hands and the floor are dry before touching the panel.
- Place portable heaters and dehumidifiers on a stable and level surface, at least 3 feet from walls and other objects.
- Make sure portable heaters turn off when they tip over and unplug them when asleep or not at home.

Outdoors

- Install protective covers on all outlets and make sure they're all GFCIs and weatherproof.
- Check that power tool cords aren't cracked or frayed.
- Use only weather-resistant extension cords marked for outdoor use.
- Keep the area around electric meters, circuit breakers, and other electrical equipment clear of vegetation and debris.
- Power lines may be underground as well. Before digging, call 8-1-1 to have utility lines marked.



YOUTH PROGRAMS

And the winners are ...

Electrical Safety Foundation International (ESFI) designates the month of May as National Electrical Safety Month.

To help raise awareness of the importance of electrical safety among the cooperative's future members, Firelands Electric sponsored an electrical safety contest. Children of co-op members in kindergarten through fifth grade were eligible to enter. Students who correctly answered at least six of the eight questions on the electrical safety quiz printed in the March issue of *Ohio Cooperative Living* magazine had their name entered into a drawing for a chance to win one of three restaurant gift cards.

Electrical safety quiz answers

1. **The charging cord for your tablet is damaged or frayed. What should you do?**
B. Replace it immediately
2. **Any amount of electrical current can be dangerous and cause serious injury.**
A. True
3. **If a toy or pet gets stuck on an electric pole or power lines, what should you do?**
A. Have an adult call the electric company
4. **It's okay to touch electric tools, appliances, or toys if you are wet.**
B. False
5. **Which of the following is safe to use near the bathtub?**
C. A towel
6. **It's perfectly safe to climb a tree near a power line.**
B. False
7. **You want to plant a tree. What should you do first?**
C. Call 811 so that the electric company can show you where power lines are located
8. **When you finish vacuuming, it's okay to pull the plug out of the wall by the cord.**
B. False



Top: Mason Hessler, son of Charles and Kelly Hessler of Willard

Middle: Dalton Reed, son of Greg and Corey Reed of Willard

Bottom: Nick Wiltout, son of Todd and Michele Wiltout of Jeromesville





COOPERATIVE UPDATE

BOARD MEETING *highlights*

Firelands Electric Cooperative's board of trustees met Feb. 25 and covered the following items:

- Board President Dan Schloemer reported that the cooperative received 33 membership applications for approval by the board.
- Director of Operations Don Englet reviewed recent activities and projects in the operations department.
- The board reviewed and approved reports on a safety meeting held on Jan. 22 and recent OSHA training conducted at OEC in Columbus.
- General Manager Dan McNaul reviewed the 2020 tree trimming maintenance plan and the bids received from third-party vendors to complete the work.
- The board was provided an update on the trustee petitions filed to date for the upcoming elections.
- McNaul reviewed the outage report for January.
- Trustees John Martin, Kevin Reidy, W.E. Anderson, and Bruce Leimbach recapped the governance seminar they recently attended in Columbus.
- Director of Finance and Accounting Tabi Shepherd reviewed the January financials and reported on recent accounting and billing department activities.

- McNaul reviewed a report from Director of Communications and Technology Andrea Gravenhorst on recent activities involving the member services and IT departments.

Firelands Electric Co-op is democratically controlled and governed by local people committed to policies that result in a safe and reliable electric system, fair rates, financial responsibility, and superior member service.

The cooperative's next board meeting is scheduled for 7 p.m. on Tuesday, May 26, at Firelands Electric's facility, located at 103 Industrial Drive, New London.



Sign up to get at least ONE SmartHub notification via text messaging before May 15 and you could win a \$25 bill credit!

FIRELANDS ELECTRIC COOPERATIVE, INC.

OUTAGE HOTLINE

1-800-533-8658

OFFICE

103 Industrial Drive
P.O. Box 32
New London, OH 44851
419-929-1571

OFFICE HOURS

Mon.-Fri. 7:30 a.m.-4 p.m.
www.firelandsec.com



BOARD OF TRUSTEES

Dan Schloemer
President, District 1

Bruce Leimbach
Vice President, District 4

Carl Ayers
Secretary/Treasurer, District 5

W.E. Anderson
District 8

Steve Gray
District 3

Gene Lamoreaux
District 2

John Martin
District 9

Kevin Reidy
District 6

Rob Turk
District 7

GENERAL MANAGER

Dan McNaul

HAVE A STORY SUGGESTION?

Email your ideas to:
members@firelandsec.com

**Firelands
Electric**
COOPERATIVE
A Touchstone Energy® Cooperative