# MESSAGE FROM THE PRESIDENT

# An investment in your cooperative



Dan Schloemer. President **BOARD OF TRUSTEES** 

Electric cooperatives operate at cost, collecting just enough revenue to maintain their distribution systems. There are no stockholders, so generating profits is not part of the co-op business model.

When cooperatives do have money left over after paying all of their expenses, these margins are allocated back to the member-owners as capital credits. These credits are a member's "share" of ownership — or equity in the cooperative and are based on each member's electric use during the year

being paid back. Reinvested into the co-op, this equity is used to maintain and improve the electrical distribution system, make repairs, and cover any costs associated with providing members safe, reliable power. Capital credits allow the cooperative to uphold its promise of providing dependable power with superior service, while also reducing the need to raise rates or borrow money that requires costly interest payments.

As a member of Firelands Electric, you are a memberowner and invest in the cooperative every time you pay your bill. Each spring, you receive an allocation notice, letting you know how much was added to your capital credits for the previous year, as well as your total credits. When the cooperative's financial position permits, capital credits are retired, or paid back. Unlike for-profit utilities, Firelands issues these refunds to its members — the very same people that it serves and not to distant shareholders.

This year, Firelands Electric Cooperative is retiring \$730,000 in capital credits. Those who received electric power from the co-op in portions of 1998 and 1999 are eligible for a refund. Retired capital credits will be applied to the August bills of current members, while former members will receive a check.

Since 1948, Firelands Electric Cooperative has refunded over \$16.5 million in capital credits. The return of capital credits is just one of many ways that electric co-ops set themselves apart from other utility providers. For more information, check out the Q&A below, or contact the Firelands Electric office at 1-800-533-8658.

# **CAPITAL CREDITS Q&A**

What's the difference between allocated and retired capital credits?

Allocated credits appear as an entry on the permanent financial records and reflect your portion of ownership in Firelands Electric. Retired capital credits are those that have been paid back to members.

### How are capital credits calculated?

Every year, any margins of the co-op are divided among the members based on each member's electric use during the year being retired. Those who use more electric service receive a larger amount allocated to their account.

## What is a capital credit retirement?

This is the portion of a member's investment in the co-op that has been returned, or paid back. Similar to the dividends paid to stockholders of investor-owned utilities, retirements are paid to the members a co-op serves.

# Will I receive a check every year?

The board of trustees authorizes retirements based on the financial condition of the cooperative and the availability of funds. When a retirement takes place, specific years are selected, and those who were Firelands Electric members during those years are eligible to receive a refund.

# What happens to my capital credits if I leave the co-op's service area?

Your capital credits balance remains on the books in your name until they are retired. Refund payments are made to both current and former co-op members, so you should be sure that Firelands Electric always has your current mailing address on file. If a member passes away, the legal representative of their estate should contact the co-op for assistance.



# FIRELANDS ELECTRIC COOPERATIVE **LOCAL PAGES**

ANNUAL MEETING

# hting Lives Powering People

On Saturday, June 20, Firelands Electric Cooperative hosted its annual meeting virtually for the first time in its 82-year history.

"Although we are unable to meet face to face, Firelands Electric wants to be sure its members are still able to stay informed of their cooperative's operations, financial health, and plans for the future," said Board President Dan Schloemer. "While we wish we could see everyone in person, the wellbeing of our members and employees comes first."

Instead of the cooperative's customary event at Ashland University, Firelands Electric's annual meeting was conducted as a video broadcast. Members participated by streaming video or calling a toll-free phone number for an audio-only option. Those who missed the live broadcast can watch the meeting on Firelands Electric's YouTube page at https://youtu.be/WGPmmGlyzrU.

During the meeting, members learned that they re-elected Dan Schloemer of Willard and Kevin Reidy of Ashland to represent districts 1 and 6 on the co-op's board of trustees. Tom Lucha of North Fairfield was elected to represent District 3.

Members voted last year to change the code of regulations to allow for voting outside the annual meeting via mail-in and online ballot, and participation jumped from 3.4% in 2019 to 8.6%.

Dan Schloemer reported that 2019 was still a strong year financially, despite operating margins decreasing about 33% from 2018's record numbers, primarily because of lower kilowatt-hour sales and expenses associated with the sale of the cooperative's old buildings and the move to the new facility.

But Firelands Electric's board remains resolute in continually investing in the system while maintaining its excellent financial rating and allocating capital credits back to members. Firelands has budgeted \$10 million for system investments over the next four years.

"I think back just a few weeks ago when a tropical storm blew through our area with 70 mph winds," Schloemer said. "That's when our investment in the system, in equipment — and you might say our investment in people — paid off."



# integrity community commitment accountability innovation

An investment in their co-op also pays off for Firelands Electric's members. The cooperative's board approved the return of \$730,000 in capital credits to members in 2020, which represents excess revenue that is allocated back to Firelands' members in proportion to the amount of electricity they purchased in a given year. The cooperative keeps a portion of the revenue for operating expenses, and the rest goes back to members as capital credits.

Schloemer also discussed the rate adjustment that went into effect April 23 — the first in over four years. The residential fixed charge increased by \$2 per month, and the residential kilowatt-hour charge increased by 3.27%. Commercial and other rates went up correspondingly.

"Please know that rate increases are authorized only after a great deal of financial planning and analysis and in light of the critical investments we believe are essential," he said.

In his report, General Manager Dan McNaull said the cooperative's emphasis continues to be on projects that will enhance reliability, power quality, and safety for Firelands Electric's members and employees.

Over the past year, crews built nearly 11 miles of lines in the Hayesville area, and five other line rebuild projects were completed in New London. Just as important as strong, reliable power lines are lines that are clear of trees and vegetation, McNaull said, and to that end, Firelands Electric maintained 317 miles of lines at a cost of nearly a half-million dollars.

"Preliminary design work on the cooperative's work plan is underway," said McNaull. "Included in it are 38 miles

of power line rebuilds and a second transmission feed to New London. Construction on the first phase of the project is slated to begin later this year, on a line rebuild in Ashland County."

In wrapping up the meeting, McNaull said 2019 was a year of accomplishments, challenges, and changes.

"As we all know, 2020 has started out with even more challenges and changes," he said.



Board President Dan Schloemer addresses members during Firelands Electric Cooperative's virtual annual meeting on June 20.

"Our cooperative's outstanding group of employees is always ready to meet whatever challenges appear. Through their hard work, dedication, loyalty, and commitment, they conscientiously deliver safe, reliable, and affordable electricity to each and every member."

Watch a recording of the annual meeting at https://youtu.be/WGPmmGlyzrU



At left, General Manager Dan McNaull prepares to give his annual update. Above, District 6 Trustee Kevin Reidy leads members in the Pledge of Allegiance.



REBATE PROGRAMS

# MEMBER PROGRAMS

# save you money

To encourage members to make energy-smart purchases, your cooperative offers a variety of energy efficiency and load management programs. Some of Firelands Electric Cooperative's member programs have been in place for over 35 years, and the co-op constantly updates them to reflect advances in technology and energy efficiency.

In addition to providing incentives for installing new or replacement electric water heaters, the cooperative offers members rebates on geothermal and heat pump systems, weatherization upgrades, several ENERGY STARcertified appliances, and even electric vehicle chargers.

Check out the chart at the right for more information on the co-op's current rebates. A complete listing of all Firelands Electric Co-op rebate programs and incentives, as well as their specific eligibility requirements, is available at www.firelandsec.com/content/member-programs.

Note: Some rebates and incentives require members to participate in the cooperative's load management program by having a PeakBuster device installed on the applicable appliance.



# Firelands Electric Co-op 2020-2021 Member Programs

PROGRAM TYPE	AMOUNT	GENERAL REQUIREMENTS
HVAC SYSTEM & LOAD MANAGEMENT REBATES		
All-Electric geothermal systems  All-Electric heat pump systems	\$800* rebate \$500* rebate	Installation of a new or replacement all-electric geothermal or heat pump system with a <u>Cool Returns</u> load management device installed. Communicating systems that are incompatible with the load management device will receive the rebate, less \$100*.
Dual fuel geothermal and air-source heat pump systems	\$300* rebate	New or replacement geothermal or air-source heat pump unit added to any fossil fuel furnace. Communicating systems that are incompatible with the load management device will receive a \$200* rebate.
All-Electric ductless or mini-split heat pumps	\$300* rebate	New or replacement all-electric ductless or mini-split heat pump system. Limit of 3 outdoor unit installs/program year.
LOAD MANAGEMENT INCENT	TIVES	
Central air-conditioning systems	\$100* bill credit	Installation of a <u>Cool Returns</u> load management device on a new or existing central cooling unit that does <u>not</u> qualify for other member program incentives.
<b>ELECTRIC WATER HEATER I</b>		
New standard electric water heaters (no existing switch)	\$300* bill credit	Installation of a new or replacement electric water heater that has a 50-gallon or larger tank capacity, with an E.F. of 0.91 or higher that does not already have a load switch.
Replacement electric water heaters (existing switch)	\$150* bill credit	Same as above, except tank has an existing load management switch installed.
Electric heat pump or communicating water heaters (only available on units incompatible with RCS switch)	\$150* bill credit	Installation of a new or replacement electric heat pump or communicating water heater that meets the energy efficiency standards above.
	\$50* bill credit	Installation of load management device on an electric water heater that doesn't meet the cooperative's energy efficiency standards. Solar and on-demand/tankless water heaters do not qualify for this incentive.
<b>ENERGY STAR APPLIANCE R</b>	EBATES	
Refrigerator & freezer  Dishwasher & clothes washer	\$100* bill credit \$50* bill credit	Purchase of an ENERGY STAR®-certified appliance to replace an existing appliance. Purchase receipt, proof of removal of old appliance, and proof of ENERGY STAR certification required.
Dehumidifier	\$25* bill credit	Installation of an ENERGY STAR®-certified dehumidifier with a minimum capacity of 70 pints/day. Purchase receipt for the new appliance and proof of ENERGY STAR certification required.
<b>WEATHERIZATION REBATES</b>		
Air-sealing upgrades Insulation upgrades	\$400* Rebate \$800* Rebate	Air sealing and insulation upgrades must be installed by a licensed contractor. All qualifying upgrades must be installed in an electrically heated residential home and meet or exceed required energy specifications.
ELECTRIC VEHICLE (EV) REB		
Electric Vehicle (EV) Level 2 Charger	\$250* Rebate	Installation of a new, UL-listed electric vehicle (EV) Level 2 (240-volt) charger. Maximum of two rebates per residential member or six per commercial/industrial facility.
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<sup>\*</sup>A complete listing of specific eligibility requirements for all incentives is available on Firelands Electric Cooperative's website, www.firelandsec.com.

# PAYMENT OPTIONS

# BUDGET BILLING AVAILABLE

Firelands Electric's budget billing is a free service that makes managing your cash flow easier by providing set monthly payment amounts.

Utility bills are generally highest during cold winter months and hot summer months. Firelands' budget plan avoids these highs by levelizing your monthly bill and setting a consistent monthly payment amount. Each member's budget amount is based on an estimated average of their past 12 months of electric use. In short, a year's worth of electric bills is spread out into even payments over 12 months.

The deadline to sign up for Firelands Electric's budget plan is Monday, Aug. 17.

Firelands Electric's budget plan has a built in annual "catch-up" month at the end of the 12-month period. Any balance remaining on your electric account is due by Aug. 14. If you have a credit, this will be reflected on your August bill and you will not owe a payment. (Please note this is for the month of August only.) Members' accounts are reviewed quarterly and, based on changes in actual electric consumption, the monthly payment amount may be adjusted to avoid a significant balance or credit at the end of the budget year in August.

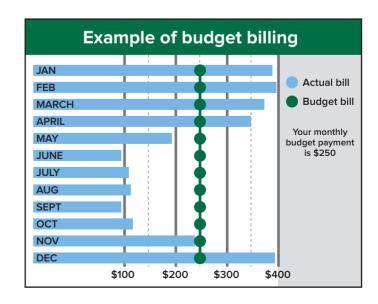
The cooperative's budget billing option is available at no extra cost, and you can also participate in automatic budget payments, meaning you can sign up for both auto pay and budget billing. The same amount will be electronically paid from your bank account, debit, or credit card every month.

Since the amount is based on previous use, members need to have at least one year of residency listed in their name at their current address to be eligible for the program.

For your convenience, Firelands Electric has numerous options for paying your electric bill. Members can make payments by mail, at the drive-up window, or in our night drop box. You can also pay by phone 24 hours a day, seven days a week, by calling 1-800-533-8658. Other convenient payment options include:

- Automatic bank draft This service enables you to have your Firelands Electric payment automatically deducted from your checking, savings, or credit card account each month. You save postage costs and time, and your money stays in the bank until the 14th day of each month.
- SmartHub account Firelands Electric's online payment system gives members the ability to schedule future payments, report power outages, and receive important notifications regarding their account.
- SmartHub app The co-op's free mobile application allows members to pay bills and access their electric account information anytime, anywhere, through their mobile device. Members can also receive power outage notifications directly to their phone or tablet.
- SmartHub Pay Now For those members who just want to pay their bill without having to create an online account, SmartHub Pay Now is an easy bill payment system that does not require any registration and can be accessed using your electric account number and last name/business name.

For more information on billing options, please contact Firelands Electric Cooperative at 1-800-533-8658 or email us at billing@firelandsec.com.



SAFETY

GENERATE SAFELY

# **DURING A POWER OUTAGE**

Portable and standby generators definitely have their advantages when a power outage occurs. If used improperly though, things could turn deadly for you, your family, or even Firelands Electric's linemen.

# The all-important transfer switch

A permanently installed standby generator requires a double-throw transfer switch to isolate it from the power grid. This prevents electricity created by the generator from backfeeding onto the co-op's power lines, which can damage property and endanger lives.

Typically located between the meter and the electrical devices you need to provide power to, a transfer switch is required by law (National Electrical Code NEC Article 702-6) and should only be installed by a qualified electrician. Remember — the main breaker on an electric panel does not qualify as a transfer switch — it is not intended to, nor capable of, stopping power from flowing back onto the co-op's distribution lines.

# The dangers of carbon monoxide

One of the most common mistakes homeowners make is running a generator in an enclosed space. Although it's important to keep it dry and locate it on a flat, stable surface, it's imperative that a generator be used in a well-ventilated, outside space, away from your home or business. Never use a generator inside an attached garage or porch. The carbon monoxide given off by a generator is extremely toxic and causes numerous illnesses and even deaths each year. In fact, the U.S. Consumer Product Safety Commission reported nearly 700 generator-related deaths due to carbon monoxide poisoning between 2008 and 2018.

# Other potential hazards

Using a generator incorrectly can also lead to electric shock and fire. To prevent destructive or deadly accidents, Firelands Electric Co-op urges members to follow these additional safety guidelines:

• Never connect a generator directly to your home's wiring.

- Never plug a generator into a household
- Use heavy-duty, outdoor-rated extension cords.
   Make sure they are free of fraying or damage and have all three prongs.
- Do not overload a generator by operating more appliances and equipment than the generator can handle. The operating instructions should have an output rating for the generator.
- Individual appliances should be plugged directly
  into the receptacle outlet of the generator using
  appropriately sized extension cords to carry the
  electric load. Make sure the cords are rated for
  outdoor use, have a grounded, three-pronged plug,
  and are in good condition.
- Do not refuel a generator while it is running, and be sure to follow manufacturers' directions for installation and operation.
- Turn off all equipment powered by the generator before shutting it down.
- Keep children and pets away from generators.

Firelands Electric Cooperative encourages you to protect the well-being and safety of your family during outages and safeguard those who come to your aid during emergency situations. When we work together for safety and the good of our communities, we all benefit.

For additional information on generator safety, contact the Member Services Department or visit www.firelandsec.com/content/generator-safety.



# **COOPERATIVE CONTESTS**

# "X" MARKS THE SPOT TO SAVINGS

Firelands Electric Cooperative wants to help our members put a few extra dollars in their pockets with our newest contest.

We often talk about how small changes can make a difference in your energy use and on your monthly electric bill. Completing our Energy Efficiency Treasure Hunt will help you do just that — and if you submit your completed form, you could also win a \$25 bill credit!

# Official rules

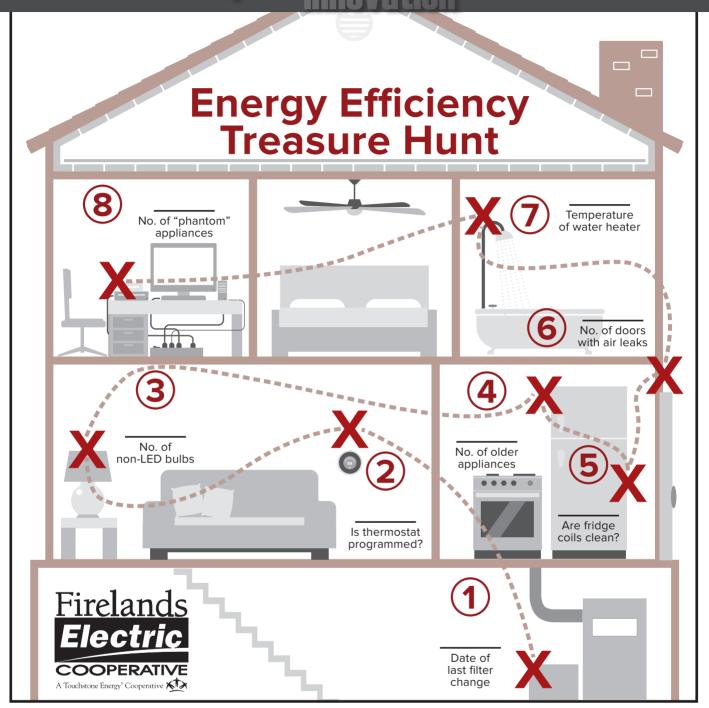
- Complete the eight steps below and fill in your answers on the "map" shown on the next page.
- Be sure to answer all of the questions, including those in the Contact Information section.

- Mail your completed entry to: Treasure Hunt, Firelands Electric Cooperative, P.O. Box 32, New London, OH 44851.
- You may also complete your entry form online at www.firelandsec.com/content/contests.
- Entries must be received by 4 p.m. on Monday, Sept. 14.
- All members of Firelands Electric Co-op are eligible to enter. Limit of one submission per physical address.
- All completed entries will have their name put into a drawing for a chance to win a \$25 bill credit.
- **BONUS:** Include a photo of one of your "discoveries" and get an extra entry in the drawing!

# DISCOVER SAVINGS WITH THIS EIGHT-STEP TREASURE HUNT

- 1. When was the last time you changed the filter on your furnace? If it's been more than a month, you could be increasing your system's energy use by as much as 15%.
- 2. Do you have your programmable thermostat set to raise (summer) or lower (winter) the temperature at night or when you are at work? If changed for an eight-hour period, you can achieve an energy savings of 1% for every degree of change.
- 3. How many non-LED bulbs are you still using? Each incandescent bulb you change to an LED can save you \$3 to \$5 per year.
- 4. How many large appliances refrigerators, freezers, washing machines, or dishwashers do you have that are over ten years old? Purchasing a new ENERGY STAR-certified model can save you \$40 to \$100 per year. Plus, Firelands Electric members may qualify for rebates on their new purchases.
- 5. Are the coils on your fridge clogged with dirt or debris? Dirty coils make your appliance work harder to keep food cool, which wastes energy and can take a toll on your fridge's compressor.
- 6. Check all of the outside doors. Under how many doors can you feel the outside air moving into your home? A 1/4-inch gap beneath your door lets in as much air as punching a 4-inch-square hole in your wall.
- 7. What is the temperature set at on your water heater? If it's over 120 degrees, you run the risk of scalding and can waste \$40 to \$60 in energy costs.
- 8. How many TVs, computers, game consoles, cable boxes, and charging cords do you have plugged in? Most electronic devices pull energy even when they are off. Known as "phantom load," these items can cost you an extra \$100 per year. Plug these items into a power strip and switch it off when not in use.

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# **CONTACT INFORMATION**

Email .

Please complete the information below and mail your entry to: Treasure Hunt, Firelands Electric Cooperative, P.O. Box 32, New London, OH 44851. You may also complete your form online at www.firelandsec.com/content/contests.

Member's Name Service Address Phone

# **COOPERATIVE NEWS**

# The power of community

Established in 1995, Operation Round Up is a charitable program funded by Firelands Electric Cooperative members who allow their monthly electric bill to be rounded up to the next dollar. Each member contributes an average of 50 cents per month and the money is pooled together to award grants to local organizations and individuals with extenuating circumstances. The recipients are chosen through an application process conducted every other month by the People Fund Board, a group of co-op members specifically appointed by Firelands Electric's trustees to oversee the distribution of funds collected through the program.



Even though individuals donate just a few coins per month, together, the more than 7,500 co-op members who participate in the program contribute nearly \$3,800 per month and over \$45,000 per year. Over the past 25 years, Firelands Electric Cooperative members have given more than \$1.1 million in grants to our community. Now that's a lot of spare change!

For more information and applications for Operation Round Up, visit www.firelandsec.com/content/ operation-round-0.

Earlier this year, Firelands Electric Cooperative's Operation Round Up awarded a grant to the Huron River Joint Fire District for the purchase of an AED. The device will help the department better assist residents in the event of cardiac arrest. Huron River serves the Village of Monroeville, as well as Peru, Sherman, and Ridgefield townships in Huron County.

### 1. Be clear about your goals

Are you are making this investment to reduce your electric bill or for environmental benefits?

# 2. Choose the right contractor

A good contractor will take time to understand your goals and if your home or property makes sense for solar.

# 3. Make your home energy efficient

Members looking to save money with solar often find energy efficiency investments provide a better payback and better resale value for your home.

AVOID SURPRISES



### 4. Read the contract fully

Read the fine print to avoid confusion about financing, ownership, and maintenance.

These are just a few of the many details to consider about a home renewable energy system. Firelands Electric Cooperative is here to help you reach your energy goals. Contact us at the start of your journey for help every step of the way.

# **COOPERATIVE NEWS**

# **Members-only discounts**

Did you know that Firelands Electric Cooperative offers exclusive discounts on entertainment and travel through TicketsatWork.com? Available to cooperative members only, this service offers free and discount opportunities for hundreds of attractions, concerts, sports, and other events nationwide. These special offers are not available to the general public.

As a member of this corporate program, Firelands Electric Co-op members have access to savings of up to 60% off on:

- Over 225,000 hotels around the world, plus rental car discounts with all major brands
- Tickets to the top shows on Broadway, in Las Vegas, and locally including sporting events, Cirque du Soleil, Disney on Ice, and many others
- Theme park discounts including Cedar Point, Cedar Fair Parks Nationwide, Walt Disney World, Universal Orlando Resort, Universal Hollywood, Legoland,

Sea World Parks and Entertainment, Six Flags, and hundreds of others

- Movie tickets from over 20 theater chains and offers. for local restaurant and spas
- And much more!

This is a completely FREE service, and there are no membership fees or hidden charges.

Start taking advantage of these great offers by creating an account today. All you need is an email address!



TicketsatWork discount portal: www.ticketsatwork.com/tickets

Company code: CPFIREELEC

# WHAT TO DO **DURING A POWER OUTAGE**

# STEP 1

Make sure the outage is on the co-op's end by checking your fuses and breakers. Check to see if your neighbors have power. Make a mental note to tell us if you heard any loud popping sounds, or saw a flash of light or downed tree limb.

# STEP 2

Report your outage 24/7 through the SmartHub app by selecting "Service Status." You can also call our outage hotline any time, day or night, at 1-800-533-8658.

# STEP 3

Please be patient. If an outage occurs outside of normal business hours, our dispatcher will notify the crew on call. The linemen will report to the co-op's facility to get trucks and equipment, and then they'll be on their way to get your power back on as soon as they possibly can!

# STEP 4

Check the outage map on our website. or our Facebook and Twitter accounts, for updates on outages affecting multiple members. We try to post updates whenever information becomes available.



# **COOPERATIVE UPDATE**

# BOARD MEETING highlights

Firelands Electric Cooperative's board of trustees met *May 26 and covered the following items:* 

- Board President Dan Schloemer reported that the cooperative received 23 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 a safety report from May 19.
- General Manager Dan McNaull updated the board on the plans for the 2020 virtual annual meeting. The plans included a mix of prerecorded reports and live questions and answers for the event, scheduled for 9 a.m. on June 20.
- Following discussion, the board approved the retirement of \$730,000 in capital credits. These funds, which include the remaining allocation for 1998 and a portion of 1999, will be returned to current and former members in August.
- McNaull advised that the cooperative's drive-thru is now open, but that the lobby remains closed to the

public due to the COVID-19 crisis. He also reported that all but a couple of the co-op's employees are now working in the office, rather than remotely.

- The board discussed the co-op's response to the COVID-19 virus and its impact on Firelands and its members.
- McNaull reviewed the outage report for April and the status of the 2020 tree trimming program.
- Trustee Kevin Reidy reported on a recent OREC meeting that he attended.
- Director of Finance and Accounting Tabi Shepherd reviewed the April financials and reported on recent accounting and billing department activities.
- Director of Communications and Technology Andrea Gravenhorst reported on recent activities involving the member services and IT departments.

The cooperative's next board meeting is scheduled for 7 p.m. on Tuesday, August 25, at Firelands Electric's facility, located at 103 Industrial Drive, New London.

### 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

Tom Lucha District 3

Gene Lamoreaux District 2

John Martin District 9

Kevin Reidy District 6

Rob Turk District 7

### **GENERAL MANAGER**

Dan McNaull

# HAVE A STORY SUGGESTION?

Email your ideas to: members@firelandsec.com

