



HOLMES-WAYNE ELECTRIC COOPERATIVE LOCAL PAGES

MESSAGE FROM THE PRESIDENT/CEO

Concerned

As we start the new year, it comes with concerns for the future of our country's electric industry. Holmes-Wayne Electric Cooperative's electricity is generated through our generation cooperative, Buckeye Power, which consists of 24 electric cooperatives in Ohio. As a member of the Buckeye Power board, we have worked diligently to prepare for future cooperative members' needs while providing reliable and clean power. In fact, more than 15 years ago, a billion dollars was spent on our Cardinal Power Plant to make it one of the cleanest coal generators in the world.

The United States' electric grid is divided into regional territories. Buckeye Power is part of the PJM region (see map below). This regional transmission organization (RTO) coordinates, controls and monitors a multi-state electric grid. It is regulated by the Federal Energy Regulatory Commission (FERC).

FERC has released its winter reliability report. Our PJM territory is at risk of not having enough power generation to meet the demand for electricity this winter, if we experience an extreme cold event, like the region experienced around Christmas of 2022.

Buckeye Power has planned and prepared enough generation for our cooperative members in Ohio,

but because of the government-required RTO, we cannot control other generating facilities in our PJM market.

As I expressed in my column a few months ago, Ohio alone has gone from 21 coal generation plants to four. These are generation facilities that provide steady, reliable baseload electricity, no matter whether the sun is shining or the wind is blowing. With the closing of such baseload electric generation facilities across the nation, we now have greater concern for the reliability of our electric supply.

To complicate the issue, there has been a wave of encouragement of the use of electric cars, which will continue to add demand to an already tight scenario. The electric industry is complicated, but yet it is simple. If we continue to produce less base generation electricity, relying instead on intermittent resources, and we continue to grow in our need for power, we will easily exceed the ability to supply what is needed. This will start during times of extreme weather conditions, when demand increases.

Other areas of the nation have seen this play out already. Around Christmas of 2022, parts of the Southeast RTO

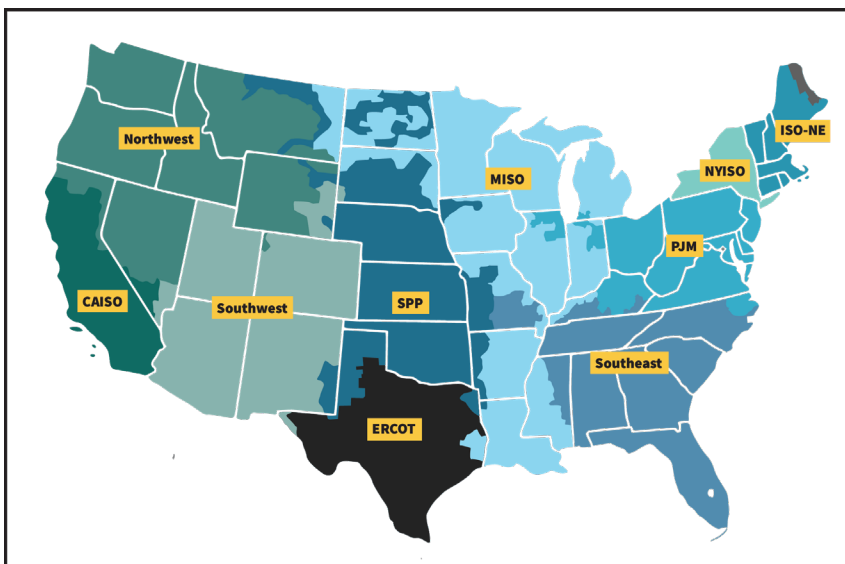
had rolling blackouts. The extreme cold of winter storm Elliott forced the region to shut off power to areas in their service territory.

Your cooperative has been working with legislators over the past few years to express our concerns with the direction of this dangerous situation. Locally, HWEC is meeting with local businesses to create a plan to reduce consumption if the PJM market reaches a dangerously low supply level.

As a member, you can express your concerns to your local legislators through VCP, Voices for Cooperative Power, online at voicesforcooperativepower.com.



Glenn W. Miller
PRESIDENT/CEO

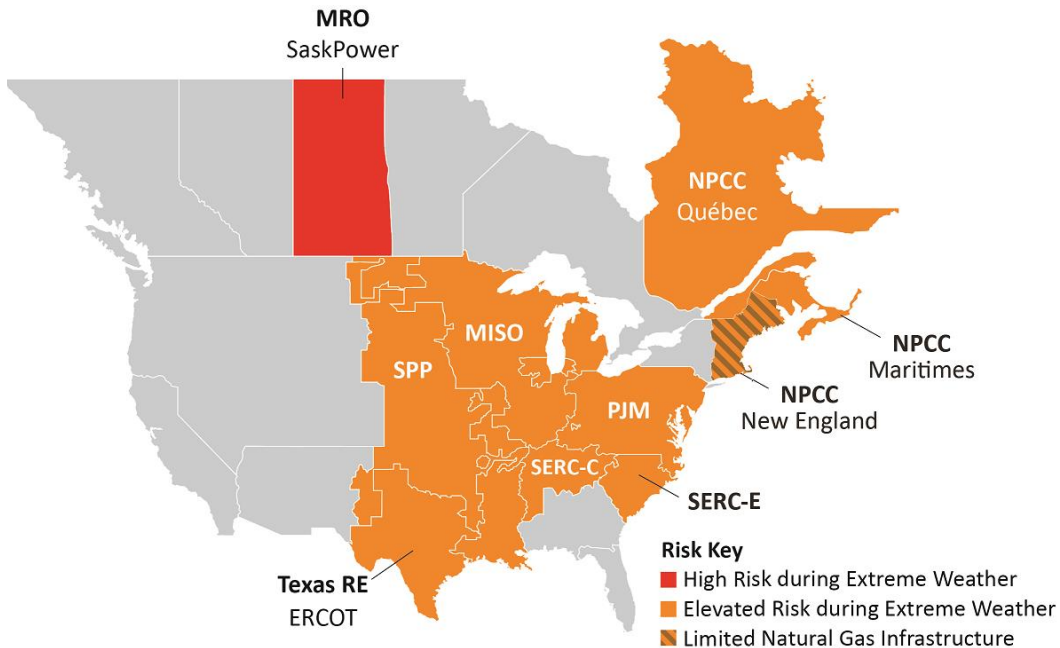


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HOLMES-WAYNE ELECTRIC COOPERATIVE LOCAL PAGES

Winter 2023-2024 reliability risk area summary from the North American Electric Reliability Corporation



Continued from page 17

As you will read on the following pages, HWEC staff will daily work diligently with our tree-trimming program, line rebuild, and pole inspection to maintain a secure infrastructure, which you have invested in as a member

of the cooperative. We will also continue to update you on our efforts to represent your concerns to have reliable and affordable power moving into the future, and to change the course of our nation's electric industry.

Holmes-Wayne Electric Cooperative's Martin graduates from leadership skills program

Holmes-Wayne Electric Cooperative employee Mike Martin has graduated from a statewide program aiming to hone the skills of the next generation of electric cooperative leaders.

The one-year Cooperative Leadership Edge program was hosted by HWEC's trade association, Ohio's Electric Cooperatives, and required six courses, two assessments and a capstone project. Coursework focused on coaching employees, managing conflict, adapting communication approaches, carrying out difficult conversations, and delivering results.

Holmes-Wayne Electric Cooperative invests in training and development with the goal of serving consumer-members with top talent and skills, says Glenn Miller, president/CEO.

"We're not just an electricity provider — we're here to make this area an even better place to live, work and serve," he says. "That means investing in our employees and making sure we're providing the best possible

community services. We're really proud of Mike's accomplishment, and we're pleased to have him on our staff. He is a critical asset to our organization."

Martin was selected to speak at the Leadership Edge graduation and share his capstone project.

A West Holmes high school graduate, Martin started his career at the cooperative in 2002. He started as an apprentice and now is Class A lineman and crew leader for the cooperative.



2024 Operations Summary

2024 will be an extremely busy year for your electric cooperative. Our infrastructure includes more than 2,321 miles of line, 19 substations, and more than 44,000 poles, and it's critical to strategically plan for the maintenance and improvement of that infrastructure. Additionally, in the past few years, we have seen a booming economy in our southern service territory. To meet the continual needs of the growth of our community, the construction of new services has become a significant portion of our operations management, as well.

We're entering the second year of our four-year work plan of \$23 million in investments in cost-savings technology, enhanced system reliability, and future growth preparation. This year, we will rebuild 8.7 miles of three-phase line and 13.9 miles of single-phase line, at a price tag of \$1.9 million.

Below you will find the tree-trimming and vegetation management plans for this year. Asplundh Tree Expert, LLC, was awarded the bid for tree-trimming, and Protec Terra will be applying necessary spray in the rights-of-way. Each substation area of your cooperative is trimmed and sprayed in a four-year cycle to reduce tree-contact-related outages. You, as a member, can help by contacting us if you see a leaning tree or dead tree near our lines. You can also assist by not planting trees near our power lines. We love the beauty of our rural area, too, but we all like our electricity to be flowing with no interruptions. Trees are the No. 1 reason for power

outages. So please remember to plant trees to shade your home, not our lines.

You may notice some of our utility poles have red markings on them. That is because 4,181 poles in the Killbuck, North Wayne, and Mohicanville substation areas will be inspected this year. Any poles marked will be scheduled for replacement in the coming year.

Like everyone, we have seen the increased cost in material in our industry, but we continue to be strong stewards of your cooperative. A staff with a dedicated, strong work ethic that properly manages resources and time is critical to cost management and the overall success of the organization.

You, the members, are also a key component in cost management. Every month, you read your meters, preventing the need for a staff member with a truck to read our 17,900+ meters in eight counties. Additionally, this allows you to see the exact amount of electricity you have consumed in the past month, prepare your budget for the next month, and contact us if you would like assistance with reducing your energy consumption or to utilize programs like budget billing.

Cooperatives are so much more than a member-owned utility. We work as a team to help keep rates affordable and power reliable for you and your neighbors. It's a business model that has been successful in many industries and has served Holmes-Wayne Electric Cooperative well for 89 years!

HWEC 2024 OPERATIONS PLAN



Pole Inspection

Killbuck
North Wayne
Mohicanville

162 miles
4181 poles

Vegetation Management

Killbuck
Stillwell
Drake Valley
Buckhorn



Tree Trimming



Ripley
West Millersburg
Reedsburg

\$1.9 Million Line Rebuild
8.7 miles of three - phase line
13.9 miles of single - phase line





HOLMES-WAYNE ELECTRIC COOPERATIVE LOCAL PAGES

December Power Students



Nora Wakefield

Daughter of
Sara Wakefield
7th Grade
Northwestern



Kenasyn Garrison

Daughter of
Josh & Jordan Garrison
8th Grade
Triway



Colton Morris

Son of
John & Julie Morris
8th Grade
Northwestern

Congratulations to our local Power Students and future community leaders!! Power Students is an opportunity for HWEC to recognize students in grades 6-8 for their hard work and dedication to education.

Do you have one in your house and live on our lines? Submit your student to win \$30 gift card.

To learn more, visit our website www.hwecoop.com/community



**Holmes-Wayne
Electric Cooperative, Inc.**

A Touchstone Energy® Cooperative

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