

from Richard G. Johnstone, Jr. President & CEO

February 27, 2019

Co-op Leaders



Casey Logan

PGEC Names Casey Logan New President & CEO

The **Prince George Electric Cooperative (PGEC) Board of Directors** has selected **Casey Logan** as the next President and CEO of the cooperative. He will succeed **President and CEO Mike Malandro**, who will depart to lead **Choptank Electric Cooperative as its President and CEO** on **April 1, 2019**.

In the summer of 2015, Casey joined Prince George as vice president of engineering. Casey has played a key role in managing the innovation and upgrades of PGEC's electrical system while also serving as vice president of operations of PGEC Enterprises, LLC, the fiber-to-the-home broadband service, "Ruralband." As vice president of engineering, Casey identified a need in the community and, with public-private partnerships, transformed the idea of bringing broadband access to the region into successfully filling the void of access to broadband, in a remote region that otherwise had little or no opportunity for high-speed internet.

Casey has worked closely with the board of directors in setting the **strategic direction and long-range plans** for the cooperative, to include the broadband initiative and other automation projects within the organization. "Casey has demonstrated leadership time and time again throughout his tenure with PGEC. He has been a **key player** on the executive team since 2015 and I am pleased Casey has accepted the position as president and CEO for the cooperative," said **PGEC Board Chairman Paul Brown**. Paul

added, "Under his leadership, we will continue to be a **member-focused** cooperative with **excellence** at the forefront of everything we do."

"This is an exciting time for Prince George Electric Cooperative with many new projects and initiatives already underway. I am thrilled to have the opportunity to lead the organization and look forward to serving our membership with the worldclass service they have come to expect from our co-op," Casey commented.

Casey graduated from the **University of South Carolina** with a bachelor's degree in **electrical engineering** in 2002. He is a **professional engineer** licensed in both Virginia and South Carolina.

-Report by Renee Chapline, VP of Government Relations & Communications.

Co-op Innovation

NOVEC to Purchase 300-MW of Solar Energy

Northern Virginia Electric Cooperative (NOVEC) and D.E. Shaw Renewable Investments (DESRI) recently reached an agreement for NOVEC to purchase approximately **300 megawatts** (MW) of electrical energy output from solar facilities owned by DESRI.



NOVEC selected DESRI from among multiple bidders to provide the cooperative with additional renewable resources.

"This agreement with DESRI is another step toward meeting our customers' expectations for more renewable energy in NOVEC's resource mix. Purchasing the output from these new solar facilities will be a valuable addition to our energy supply," said **NOVEC President and CEO Stan Feuerberg.**

The agreement between NOVEC and DESRI formalizes the **partnership** to **develop** and **construct solar-electric generation facilities** within the **Dominion/PJM footprint**. PJM is a regional transmission organization that serves **13 states**, including Virginia, and the District of Columbia.

"This addition of solar-generated electricity will become NOVEC's largest source of renewable energy. Additionally, its projected cost is competitive with the marketplace for comparable on-peak energy," says **Gil Jaramillo**, **NOVEC's manager of portfolio optimization and business development**.

DESRI owns and operates solar facilities across the United States and has additional facilities in development and under consideration. The planned facilities that would sell energy to NOVEC are expected to consist of **ground-mounted solar panels that track the sun's movement** throughout the daylight hours to produce an estimated **300 peak MW of electricity**. These in-development solar facilities are **expected to achieve commercial operation by 2023**.

"The solar plants are a welcome addition to NOVEC's current 60 MW of renewable resources that include hydroelectric, woody biomass, solar, and landfill methane gas recovery," says John Rainey, NOVEC's director of origination and plant operations.

"The DESRI team is thrilled to partner with NOVEC to bring **low-cost** solar power to Virginia residents," says **David Zwillinger, DESRI president**. "We are committed to growing the **renewable energy economy** in the region."

The solar facilities involved in the agreement are expected to produce enough electricity **to power nearly 73,000 homes**, or the equivalent of taking nearly **37,000 passenger vehicles off the road**. They are also expected to create **250 jobs during construction** with an emphasis on **hiring from local communities**.

"NOVEC's strategy is to continue improving our environmental footprint through the addition of new renewable energy sources that are not only clean, but also affordable. The partnership with DESRI does just that," says Stan.

-Report by Lisa Hooker, NOVEC VP of PR.

2019 General Assembly

Virginia's Electric Co-ops Enjoy Successful Legislative Session

Amid scandals and protests, legislators completed work on **over 3,000 pieces of legislation in 46 days**. From a cooperative perspective – **the session was a success**. Our two pieces of legislation – **net metering reform** and **SCC streamlining** – have **passed the General Assembly** and are **awaiting the Governor's signature**. The two bills represent a **significant achievement** for electric cooperatives across Virginia. In addition, other bills give cooperatives, through VMDAEC, representation on **two key boards and councils**. A summary of cooperative efforts is below. Your Governmental Affairs Department is putting together a comprehensive briefing on the benefits and policies contained in these pieces of legislation – in the meantime, should you have specific questions, please **contact Andrew Vehorn** at <u>avehorn@vmdaec.com</u>.

Net Metering

The net metering compromise, brokered through the **Rubin Group**, gained the support of the **Sierra Club**, **League of Conservation Voters**, and **Solar United Neighbors**. This legislation allows for the future expansion of renewables in Virginia in a way that mitigates cross-subsidization from non-participating ratepayers. In exchange for raising the NEM cap to ultimately 9%, and permitting third-party PPAs, electric cooperatives in Virginia will have the ability to implement **a demand charge** to recover costs from net-metering customers. This legislation also permits **rebalancing authority** for non-net metering members who already have a demand charge.

SCC Streamlining

This legislation has **two key provisions**. First, cooperatives that are responsible for their own power-supply can petition the SCC for a **Generation Rate Adjustment Clause** (G-RAC) to recover costs associated with acquiring generation. Second, there is a **piggybacking provision** that gives co-ops the ability to adopt, through an administrative filing with the SCC, any voluntary program that has **previously been approved** by the SCC for another Virginia cooperative.

Broadband

VMDAEC will get **one seat** on the **Broadband Advisory Council**, appointed by the Governor. We are developing a process by which we will recommend a name to the Governor for that appointment.

A total of **\$19 million** was approved for broadband funding in the budget. This money will be made available through a **grant program** administered by the **Virginia Telecommunications Initiative** (VATI) and the **Department of Housing and Community Development**.

Low-income Solar Rebate Authority

VMDAEC will get **two seats**, through Gubernatorial appointment, on the **Clean Energy Advisory Board**. This is a newly created board that will administer rebates for **low-income solar installations**.

-Report by Andrew M. Vehorn, VMD Association Director of Government Affairs.

VMD Mutual Aid Overcomes Winter Storm Petra

Winter storm Petra dealt Virginia's electric cooperatives their share of member outages in late February, but the storm also underscored the value and versatility of our cooperatives' mutual-assistance apparatus.

The storm was inbound when the first mutualassistance conference call was held **Tuesday**, **Feb. 19** at 10 a.m. Predictions at that time were for **snow and ice** coming up the I-81 corridor, with possible snow accumulations of **4 to 6 inches** in places, followed by **possible ice accumulations** of as much as a **quarter of an inch**.

Phil Jarvis, VMD Association manager of safety services, was at the helm of the VMD mutualassistance effort for this storm, and noted that he had already reached out to cooperatives in South Carolina, Kentucky and North Carolina about sending help if needed.

Petra crossed the region **Wednesday, Feb. 20** with a mixture of **rain, sleet and snow** accumulating to various degrees across cooperative territory. Mutual-assistance crews from **the Carolinas** and **Kentucky** traveled to the Old Dominion, and crews from **Community Electric** prepared for travel to join the restoration



Restoration work following winter storm Petra's visit to the Old Dominion included clearing trees that had fallen in the road and across power lines, as these Rappahannock Electric Cooperative workers show. (Photo courtesy Rappahannock Electric Cooperative)

effort. The morning after the storm, **Mecklenburg Electric** also released crews to help in the mutual-assistance effort.

"One of the unusual things about this storm was that the co-ops and districts that we thought were going to be hit hard weren't, while other areas that we didn't anticipate would be bad were hit hard," commented **Alan Scruggs**, VMD Association vice president of safety and training services.

"We were able to move crews around where they were needed so that everything was covered," Alan added.

Four cooperatives – Southside, Rappahannock, BARC and Craig-Botetourt – experienced outages significant enough to require mutual-assistance restoration crews, according to Phil. Crews that were pre-staged for Shenandoah Valley Electric were reallocated the morning after the storm when it became apparent that SVEC had been spared the worst effects of Petra.

Peak outages among the five co-ops hardest hit by Petra totaled approximately 11,500 members, Phil added. In all, seven cooperatives from South Carolina, Kentucky and North Carolina, as well as Mecklenburg Electric, Central Virginia Electric, and Community Electric along with one of its contractors, provided crews and equipment for the restoration effort.

All outages related to Petra had been restored, and out-of-state mutual assistance crews were back on their way home, by **Friday morning, Feb. 22**.

"The storm again underscored the value and the versatility of our mutual-assistance network," said Association CEO **Richard Johnstone**. "Our member systems' line workers are the best in the business, and when necessary we can also draw on great resources from our sister co-ops in surrounding states."

... Then Came the Rains & the Wind

Even as crews were concluding work on **outage restoration after Petra**, a slow, steady and building **rainfall began**. The rains fell off and on across our three-state region for **nearly three full days**; then on **Sunday**, **Feb. 24**, **high winds ensued**. The combination of saturated soil and high-gust winds resulted in **mounting power outages** as Sunday wore on.

The wind damage was highest in the **western part of Virginia**, where as of **Monday morning**, Feb. 25, more than 12,000 cooperative members were reported out of service.

Crews from **Community Electric, Mecklenburg Electric, Northern Neck Electric, Prince George Electric**, and **North Carolina** were on the move early Monday to assist in restoration efforts for the cooperatives affected by the winds. **Central Virginia Electric** released crews Monday afternoon to help the restoration effort, and **Southside Electric** sent crews to assist on Tuesday.

Phil Jarvis and **Blaine Salmans** of the VMD Association Safety and Training Services Department worked the storm, procuring and moving crews at the request of member cooperatives when and where help was needed.

By **Tuesday morning, Feb. 26**, Phil reported that the outage totals had "**dropped significantly**," with less than 900 cooperative members out of service as of 6 a.m.

-Reports by Bill Sherrod, VMD Association VP of Communications & PR.

Co-op Education

NNEC's Pamela Davis Earns CLM Certification

Earlier this year, **Pamela Davis** from **Northern Neck Electric Cooperative** completed her **VMDAEC Contemporary Leadership & Management (CLM) Program Level II** certification. Pamela received her Level I certification in 2015 after completing six leadership workshops. She continued her development journey and attended nine additional workshops,



L-R: Richard Johnstone (VMDAEC), Sam Bruce (CLM facilitator) and Pamela Davis (Northern Neck)

earning her Level II certification.

At a celebration of Pamela's accomplishment, **Richard** Johnstone, president & CEO at the Association, and Sam Bruce, facilitator of the workshops, presented Pamela with her Level II certificate. Words of thanks were expressed to Pamela's manager, Marty Mothershead, and to Northern Neck CEO Greg White for supporting the CLM program and Pamela's development.

The 2019 schedule of workshops and conferences is posted on the Association's website, but it's never too late to make a request. If you need *continuing education credits* or have an idea or topic for a class, contact **Brandon Burton**, VMDAEC director of continuing education, at <u>bburton@vmdaec.com</u> or (804) 297-3485. The Association is always willing to bring training onsite to member systems.

Here's what is coming up:

- ★ March 13: <u>Contemporary Leadership & Management Workshop</u> Leadership as a Practice VMDAEC Headquarters
- ★ April 10-11: April Director Education Days The New VMDAEC Website & Cybersecurity VMDAEC Training Center in Palmyra and The Draftsman Hotel in Charlottesville
- ★ May 1-2: Engineers & Operations Conference Hilton Virginia Beach Oceanfront
- ★ May 23: <u>Contemporary Leadership & Management Workshop</u> *Leadership through Communication* VMDAEC Headquarters

"To develop professionally: Adopt a beginner's mindset, stay teachable, seek feedback, teach others, embrace teamwork." **Dan McCabe**

-Report by Brandon Burton, VMD Association Director of Continuing Education.

