August 28, 2020

A regular update for leaders, members and friends of the VA-MD-DE Association of Electric Cooperatives

from Richard G. Johnstone Jr. | President & CEO



CO-OP BROADBAND

NOVEC and All Points Broadband Join Forces for Pilot Project

OVEC and All Points Broadband have joined forces to run a pilot program that extends broadband service to more than 1,000 northern Loudoun County homes that do not have access to fiber-optic, gigabit-capable broadband.

If enough people who live in the project's area register at fiber.allpointsbroadband.com, All Points will start to design and construct the fiber-optic extension in 2021. The company will use excess capacity on NOVEC's fiber-optic 333-mile network, which the Co-op uses to help monitor and manage its 7,400-mile electric infrastructure.

At an announcement about the partnership on Aug. 11 in Lovettsville, NOVEC and All Points explained the project. "We want to extend fiber-optic broadband into areas of Loudoun that have lower population density and challenging terrain," said Jimmy Carr, All Points Broadband CEO.

NOVEC President and CEO Stan Feuerberg said, "As a member-owned and customer-focused energy cooperative, NOVEC is committed to investing in the communities we serve. We're pleased to collaborate with All Points to increase broadband access for some of our Loudoun County customers."

Among the elected officials who spoke, Loudoun County Board of Supervisors Chair Phyllis Randall said, "Because of COVID-19, the imperative of ensuring universal access to high-quality broadband has never been more clear than it is today. This innovative partnership between two local organiFrom left,
All Points
Broadband
CEO Jimmy
Carr and
NOVEC
President and
CEO Stan
Feuerberg at
the broadband
partnership
announcement
in Lovettsville
on Aug. 11.



zations is an important step toward achieving that objective, and we look forward to supporting its continued progress." Loudoun County Board Supervisor Caleb Kershner represents the pilot area. The NOVEC customer said bringing broadband to his district is his top priority.

State Sen. Jennifer Boysko, chair of Virginia's Broadband Advisory Council, said, "It is no longer a luxury to have broadband. It is essential for us to educate our children while we're in this pandemic and working at home. And we are committed to taking additional steps to address the urgent internet access needs."

As APB sees additional clusters of interest for broadband in Loudoun County, it will target those areas for future fiber deployment.

— Report by Priscilla Knight, Senior Communications Specialist, Northern Virginia Electric Cooperative.

CO-OP RETIREMENT ANNOUNCEMENT

A Message for VMD Co-op Family and Friends

by Bill Andrew, Delaware Electric Cooperative

or more than 22 years, I have dedicated myself to serving the members of Delaware Electric Cooperative. In 1998, I first joined the co-op as vice president of engineering and operations. In 2005, I was named president and CEO, and it has been an extraordinary honor to serve our community in that role for the past 15 years. During my tenure as CEO, our incredible team has transformed our not-for-profit utility into one of the most progressive distribution co-ops in the country. I am so proud of what our dedicated and professional staff have accomplished. We have a talented workforce that is ready to tackle the challenges associated with a changing and dynamic industry. It is in that spirit that I announce my retirement from the cooperative effective July 2, 2021. I know Delaware Electric Cooperative and its members will be in good hands.

As I enthusiastically prepare to spend more time with my wife and grandchildren, I want to thank you for your support over the years. Leading DEC has brought both trials and triumphs. The close professional relationships I worked hard to cultivate



throughout my career have proven to be an invaluable source of inspiration and have provided important and differing perspectives.

Our cooperative's board of directors will establish a thorough process to select a new president and CEO. I am confident the board will hire an energetic leader who will successfully harness the skills and knowledge of our employees to ensure DEC provides affordable and reliable power to more than 104,000 homes and businesses. It is time for our cooperative to entrust a new individual to lead our wonderful organization, and I have no doubt that the co-op will continue to find innovative ways to fulfill its mission of "Keeping the Lights On." Thank you.



CO-OP INNOVATION

REC Launches Groundbreaking Battery Storage Project

appahannock Electric Cooperative and East Point Energy, a leading energy storage project developer, have announced commencement of the first grid-scale energy storage project by a Virginia electric cooperative.

Powin Energy Corp. will serve as the project's integrator and equipment provider. Indie Energy, based in Austin, Texas, provided technical and engineering support to the project. The project has a peak capacity of 2 megawatts and a duration of 8 megawatt-hours, or enough to power about 1,000 homes for 8 hours. Construction is expected to begin this fall, with full operation starting in early 2021.

The project will be located in Spotsylvania County and will provide multiple values to the grid, including:

- Providing resiliency to REC member-owners by temporarily providing electricity at times when the transmission system fails and the substation and the members served by it would otherwise be without power;
- Managing wholesale power costs by dispatching stored energy during peak times when electricity is more expensive for the cooperative to purchase; and
- Delaying the need for substation upgrades.

All of these uses help REC provide its member-owners more resilient, sustainable and affordable energy. Additionally, REC



will use this project to learn how additional energy storage projects can be deployed on its system in the future.

"With more and more renewable energy on our system and with battery costs declining rapidly, energy storage is now a critical tool for our team as we work to connect our member-owners and communities with safe, reliable, affordable and sustainable energy solutions," said John D. Hewa, president and CEO of REC, who also serves as chairman of the board for the U.S. Energy Storage Association.

"REC looks forward to bringing this battery storage project online," added Lee Brock, manager of engineering and power supply at REC. "In addition to wholesale power cost reductions and increased reliability, this project will give REC real data on how battery storage can best be deployed in the future."

— Report by Casey Hollins, Director of Communications and Public Relations, Rappahannock Electric Cooperative.

CO-OP ANNUAL MEETINGS

REC Reports Record Participation in Board Elections

appahannock Electric Cooperative member-owners selected three of their peers to serve on REC's Board of Directors. This year's election saw record-setting participation among member-owners, with more than 20,000 people returning their proxy designation card or participating in the virtual Annual Meeting, which was held Aug. 19.

- In Region IV, Sanford Reaves Jr. was reelected. This region covers the counties of Culpeper and Orange.
- In Region V, Randy Thomas was reelected. This region covers Spotsylvania County.
- In Region IX, Eugene Campbell Jr. was reelected. This region covers the counties of Essex, King and Queen and King William.

Christopher Shipe, chairman of REC's board, emphasized how seriously all REC directors take their roles.

"We study the issues, listen to the feedback, learn about the latest developments in the industry, discuss issues and make important decisions that affect you," Chris said. "We take that role and responsibility seriously and with the utmost professionalism."

Kent Farmer, recently retired as president and CEO, spoke to the meeting, reflecting, "The employees that work for this organization are second to none."



REC conducted its annual meeting virtually, attracting a record-setting total of more than 20,000 co-op voters.

Also at the Annual Meeting, President and CEO John D. Hewa provided updates on the Cooperative's accomplishments, challenges and future plans, sharing the following:

- With the pandemic, the health and safety of REC's employees and member-owners remain the cooperative's top priority. However, important work such as clearing rights of way and system upgrades to improve reliability are continuing, with crews rotating shifts and practicing safe social distancing.
- REC recognizes the extreme hardships many families and businesses continue to face, and is proud to follow state guidelines of not disconnecting for nonpayment or charging late fees at this time. REC will work with all member-owners on payment plans to suit their needs.
- REC returned a record amount of capital credits, \$13 million, to member-owners in June. That money was reflected in a bill credit, with the amount varying depending on a member's length of membership and the amount of electricity used.



• Even with a history of over 80 years of providing safe, reliable, affordable and sustainable energy solutions, electric work remains a dangerous field. John acknowledged the courage of line workers, contractors and other field team members working to serve REC member-owners.

"The next time you see the REC team and our contractors rolling by, please take a moment to reflect on the challenges that our employees and contractors face as they go about the hazards of their daily jobs," he said.

Looking ahead, John said REC will focus on improving technology and finding new solutions to ensure your cooperative continues to meet increasing expectations.

John also noted REC's continuing commitment to smart energy solutions, including distributed energy and electric vehicles. He highlighted the Cooperative Sunshare program, which allows member-owners to purchase blocks of solar power without having to install equipment at their homes. He also previewed a planned special rate for charging electric vehicles at home that REC plans to roll out in 2021.

Finally, John touched on "the digital divide" among REC's suburban and rural member-owners.

"Many of you have asked: 'What can REC do to further broadband?'" he asked. "While broadband brings about great opportunity, it's also a very expensive undertaking and REC must proceed very carefully."

He noted that last year REC began an 800-mile fiber project that ultimately will connect more than 100 sites across the cooperative. REC also continues to evaluate further opportunities in the fiber and broadband areas and is currently surveying many member-owners on the topic.

REC recently indicated its intent to participate in the Federal



President and CEO John Hewa updates REC members about the co-op's recent accomplishments.



From left, Board Chairman Christopher Shipe speaks about the commitment of REC's directors, and newly retired President and CEO Kent Farmer praises co-op employees and reflects on his long career.

Communications Commission's upcoming Rural Digital Opportunity Fund auction this October, when the FCC awards funds to expand broadband service. Due to FCC regulations, REC is not permitted to further discuss its involvement in the federal auction, John said.

Looking to the future, he said, "Please know that you can always depend on REC."

— Report by Casey Hollins, Director of Communications and Public Relations, Rappahannock Electric Cooperative.

A&N Electric Airs 80th Annual Meeting Live on the Radio

&N Electric Cooperative members reelected two of their peers to continue serving on the cooperative's board of directors during its 80th Annual Meeting on Aug. 27.

More than 2,100 cooperative members participated in this year's election of directors through designated proxy.

- In District 1, Robert L. Nock was reelected. This district covers the northern areas of Accomack County from Parksley's northern border to the Virginia/Maryland state line and includes Tangier and Smith islands.
- In District 2, James N. "Jim" Belote III was reelected. This district covers the areas of Accomack County from Melfa's northern border to the northern border of Parksley.

Due to the ongoing COVID-19 pandemic, the cooperative held its annual meeting at the cooperative's Tasley headquarters, with attendance limits set for health and safety. In addition to the election of directors, ANEC provided its members reports on its end-of-year financial status, updates on how it has handled the public health crisis and what's ahead for the future of the co-op.

Addison Nottingham, chairman of ANEC's board, highlighted the proactive steps the cooperative took to prepare for evolving COVID-19 challenges. "Electric co-ops have a strong track record of preparing for a variety of emergencies," he said. "All while maintaining our commitment to our members."

Addison also pointed out the cooperative recently achieved the two-year mark of no lost-time accidents. At the time of



From left, Secretary-Treasurer Robert Nock presents the 2019 year-end financials, and CEO Butch Williamson gives his president's report during the annual meeting, which aired live on local radio station WESR. A recording is available at anec.com.

the meeting, ANEC had gone 758 days since the most recent lost-time accident. That equates to over 280,000 man-hours worked safely. "I am extremely proud of the employees here for maintaining no lost time on the job for two consecutive years," Addison said. "This is a direct result of the unwavering commitment our employees have made."

Addison also reminded members that the board recently voted to retire \$2.5 million in capital credits to the membership. ANEC typically returns capital credits to its members in August, but the board elected to expedite patronage capital to June, to help members dealing with the state of emergency. ANEC has retired \$29 million to the membership since 1981.

CEO Butch Williamson highlighted initiatives that will boost value-added services offered by the cooperative.

(Continued)



The cooperative recently established a GenerLink transfer-switch pilot program, which gives participating co-op members a safe and convenient option for connecting a portable generator to their home.

Butch also addressed the cooperative's advanced metering infrastructure system. System deployment was completed earlier in the year. The AMI system will allow co-op members access to daily use through ANEC's SmartHub app.

"This is empowering you (the member) to make better and quicker decisions based on your situation," Butch said. He was happy to announce that ANEC, along with its contractor Asplundh, was awarded the certification of Tree Line USA through the Arbor Day Foundation. The program recognizes public and private utilities for pursuing practices that protect and enhance America's trees. Tree Line USA promotes the dual goals of delivering safe and reliable electricity while maintaining healthy community forests.

"We are very proud to have achieved this designation," Butch said.

In 2019, cooperative employees formed a nonprofit organization, Lighting the Way, to help with local community needs. Addison applauded the work the organization has done so far with over 100 volunteer hours logged and over \$1,500 raised and donated to local causes in its first year.

Addison also reported on some of the work Members Helping Members has been doing in the local community. This year, the community nonprofit distributed over \$52,000 to assist members in paying their electric bills. That funding helped 275 local families. Butch added that Members Helping Members has been a critical lifeline for many during the pandemic and urged co-op members to consider contributing through small monthly donations.

Immediately following the annual meeting, the board held officer elections, reelecting Addison as its chairman, Christopher D. Bott as its vice chairman and Robert Nock as the board's secretary-treasurer.

— Report by Jay Diem, Communications and Public Relations Coordinator, A&N Electric Cooperative.

CONCERN FOR COMMUNITY

BARC Continues Education Partnerships with Public Schools

ARC Electric Cooperative announced Aug. 24 that it is donating a total of \$18,000 to local public school systems in Bath, Rockbridge and Augusta counties.

Funds will be used for educational programs needing additional resources during the COVID-19 pandemic.

For years, BARC has been a proponent of its area school systems and has focused on supporting educational programs to develop a strong workforce pipeline for the region.

In addition to providing financial aid, BARC hosts students at its solar learning center, and the Cooperative maintains a paid internship program for high school students.

Each school system will receive a total of \$6,000. BARC utilized matching funds from CoBank's Sharing Success program to make these donations possible. BARC is proud to have continuing opportunities to partner with local schools to promote educational programs to benefit students and the community.



"As a cooperative that both serves the community, and is comprised of people raised in the community, there is no more valuable investment this organization can make than in supporting our schools. We are fortunate to have access to the CoBank program, and even more fortunate to be in a financial position during this pandemic to be able to make these donations," said BARC CEO Mike Keyser.

- Report by Tish Blackwell, Communications Specialist, BARC Electric Cooperative.

CO-OP TRAINING

Virtual Training: Team and Staff Development

Description: This Contemporary Leadership and Management workshop will examine barriers to effective team participation and results. We will look at the various roles team members play within the team and how these behaviors enhance or detract from overall effectiveness. We'll explore team-building methods, learn to use the S.M.A.R.T. goals process and understand the effects of rewards and recognition.

Who: ALL are welcome! **When:** September 9-10

Time: Sept. 9, 1-4 p.m. and Sept. 10, 9 a.m.-noon

Via: Zoom, so there are no travel expenses!

Facilitator: Sam Bruce, Sapient Business Solutions and

University of Richmond

CPE: 6 credits



Cost: \$325 per person (4+ from your co-op, \$300 each). Your co-op will be billed following the class.

To register: Email Brandon Burton at bburton@vmdaec.com with the name and email address of all participants.

Deadline to Register: September 8, 2020*

*Please follow your co-op's protocol prior to registering.