

Rachel Johnson, Cherryland ([00:16](#)):

Welcome back to co-op energy talk. I'm your host, Rachel Johnson. I'm the member relations manager here at cherry land electric cooperative. And you are listening to the board meeting brief for Monday, May 23rd. Here are five items of note from that board meeting. First of all, our safety director gave a, a really nice update to the board, but what was really interesting to me is he pointed out that we have been doing a lot more safety demos in the community recently, which is really, really great because it means that the people in our community are being educated on how to be safe around electricity. In particular, we've done a lot of demos with fire departments and we love the opportunity to help our other first responders in the community, be safe around electricity and a lot of demos in schools. So elementary schools seem to be our sweet spot, um, but even even older than that, uh, it's really important that we help students and kids be safe around electricity.

Rachel Johnson, Cherryland ([01:05](#)):

And in addition to safety demos, we've been participating in a lot of career fairs recently, particularly career fairs aimed at, uh, helping young people see stem careers and also careers in the skilled trades. That's a really viable path. So just a shout out to all of our employees who volunteer their time to do those trainings. And also a reminder to our listeners. If you are part of a group that you think would benefit from that kind of training, this is something we love to do. It is a free service we offer to the community. So just give us a call and we would love to come in and do a safety demo for you. Our CFO gave a special presentation to the board where he went through a periodic review of cherry land's current debt financing portfolio, and really educated the board on refinancing opportunities that they may wanna consider over the coming years as we look to upcoming capital expenditures and how to finance them.

Rachel Johnson, Cherryland ([01:54](#)):

And we know that we do have some big expenditures coming over the future years. As we look at investing in our system, maintaining our reliability and also investing in new technologies that will help us meet our members' expectations. So it was just a, a good educational opportunity for the board in our engineering operations managers report to the board. He gave an update on some system automation investments that really paid off in a big way. In April. We had an outage on our C cor substation and it affected about 380 members, but it was isolated to one phase of that substation. And the reason we were able to isolate it to that phase is because of previous upgrades we've made on the system. Without those upgrades, the outage would've impacted over 1100 members, a 1,157 members to be exact. So it's really, really cool when you have that moment where you've been making these investments, you know, you're making your system more reliable and it actually pays off in something tangible, which is what happened for our members in on the C cor substation in April.

Rachel Johnson, Cherryland ([02:49](#)):

In addition to that, uh, Frank, our engineering operations manager reminded the board that our new line extension policies go into effect in June. This is something we've been talking about on previous podcast, and you can find all the information you need about it on our website, but starting June 15th, we will have new policies and fees in place for new construction, but also for, um, upgrades to the system member driven upgrades to the system. So the other thing that the board talked about in quite a bit of depth at this meeting was recent reports from our grid operator, that there is a high risk of rolling blackouts in our region this summer. And this is something we've been talking about, um, publicly with

our members for a little while now, it's not necessarily a new concern, but it is a concern that feels a little bit more imminent than it has historically.

Rachel Johnson, Cherryland ([03:37](#)):

And so the board just wanted to check in on kind of what our plans are, what we have in place and what we need to be doing to manage that risk. We talked in the short term about having a really strong communications plan in place, which we do, and that communications plan includes kind of two pieces. One piece is making sure that we are educating our members about what they can do today to help prevent those types of blackouts by maybe not using electricity during the hottest parts of the day or the highest peak parts of the summer, how we can alert people when that's coming up so that they could put off something, you know, like washing their dishes that they could do at a different time of the day. Uh, in addition to that, we talked through what our plan would be to alert people if rolling blackouts are imminent.

Rachel Johnson, Cherryland ([04:17](#)):

And again, something that we have a plan in place for, we just haven't had to do it in the past and the board wanted to make sure they understood what that plan would look like. And then finally, kind of in the short term, in terms of managing this summer, we talked through what would happen if there were to be mandatory blackouts on the grid in particular, we discussed how we would take those blackouts and roll them across our system in order to make sure that not one particular, you know, substation or one particular group of members has to bear all of the pain and, and brunt of those outages. So just talking through what that process would look like so that they could better understand it. And, and the board really checking in to make sure that they have confidence in the plan that the cooperative has.

Rachel Johnson, Cherryland ([04:55](#)):

And I think that they definitely, um, left with a sense of confidence in how we'll handle it, but obviously this isn't what any of us want to happen. So in addition to talking through kind of what our short term plan is for managing these issues, and you know, this summer, we also talk through whether there's anything else the cooperative could be doing to prevent these issues from happening in the future. And we know there's a lot of big picture grid level things that need to happen, but there are also things that we can potentially control here at cherry land. And specifically we talked about, um, maybe potentially, uh, creating some new programs or hiring even additional staff to help us with demand response or demand control programs. And what those programs are is they're essentially whether it's incentive programs or technology driven programs that help us move the peak time for electricity.

Rachel Johnson, Cherryland ([05:43](#)):

And so what I mean by that is we're essentially saying, are there things we could do that would convince people to, for example, charge their electric vehicles overnight rather than charging them at three o'clock in the afternoon. When we know that we have quite a bit of pressure on the, the grids resources, uh, similarly, are there things we could do that would incentivize people to turn their air conditioning? You know, the temps up on the air conditioner by a couple degrees, pass some savings through to them, but, um, maybe be able to avoid a blackout because we've decreased the demand for electricity at that time. So those are some things that we're in the process of planning for and thinking through what resources we would need to be effective in. And we had had a really nice discussion with the board about that, and that kind of fits nicely with a, a last piece that we updated our board on, which was

really kind of three big planning projects that we have all going on simultaneously right now, one we're working with a contractor to do a 10 year technology plan.

Rachel Johnson, Cherryland ([06:33](#)):

And what that essentially looks like is helping us figure out over the course of the next 10 years, where technologies are going, what technologies we should be planning to make investments in and how to time those investments in order to maximize the positive impact for the membership. And one of the big investments that we know we will be making in the next 10 years is completely replacing our metering system. The metering system we have in place today was put in place in two from 2006 to 2008. So it's not new. And technology has certainly evolved since then. And we're just finding the we're limited in what we can do with it because of the limitations of the technology. So when we look forward towards the, the, the, the next 10 years, we think we're gonna need to replace that, that, um, metering system. In addition to that, we updated the board on a project we're working on to create a model to, uh, track the carbon reduction impact of our rebate program.

Rachel Johnson, Cherryland ([07:25](#)):

And that model is actually almost complete. We're expecting to take a, a, an initial draft of it to our board sometime between June and July. And we'll update again on the podcast about it, but just talk through with them kind of where the project is and what we think it's gonna allow us to do in terms of really gearing all of our incentive programs going forward towards maximizing the reduction in emissions, by electrifying things. And finally, we, um, just gave the board a really brief update on a cost of service study that we're going through right now, a cost of service study is essentially a way for a utility to analyze all of their costs and their rates and figure out whether or not their rates are accurately capturing their costs and allocating them to the people who cause those costs. So allocating them fairly across our different rate classes.

Rachel Johnson, Cherryland ([08:09](#)):

A cost of service day also involves a projection, a future cost, and helps you kind of make sure that you have a plan in place to align your rates with your costs. So that's, that's where we're at in that process right now, we expect to have that report by late summer, early fall, and then begin the discussions with our board about what that will look like for our rate making, going forward over the next few years. So that was kind of the highlights from our most recent board meeting. Just a reminder, our next board meeting is Friday, June 17th. Just take note of the fact that's a Friday, not a Monday when we usually do it, but it will still be at 9:00 AM here at our office in gro. And in addition to that, we have a very important meeting coming up. Our annual meeting will be at incredible MOS on Thursday, June 9th, doors open at four o'clock and the business meeting will start at five 30. All the details are on our website, and we hope to see you there.