

Speaker 1 ([00:00](#)):

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Rachel Johnson ([00:17](#)):

Welcome back to Co-op Energy Talk. I'm your host, Rachel Johnson, and you are listening to the board meeting brief for our board meeting on Monday, October 27th. There are three items of note from this month's board meeting that I wanted to update you on. One is our capital budget for next year. I also wanna talk a little bit about where we're at with our new headquarter facilities, and then just give you a quick update on our power supply portfolio and some exciting, uh, new commitments we've made. So, first of all, on the capital budget, this is something we do every single year. In October, we run the board through what we intend to spend on your behalf on electric reliability next year, get any feedback from them. We use that to refine our proposal. We bring it back to them for approval in November. We are proposing next year's capital budget will be about a \$13.4 million investment on your behalf.

Rachel Johnson ([01:02](#)):

Of that, about 9 million will be invested directly into distribution system upgrades. So think things like taking overhead line and moving it underground or rebuilding overhead line, putting in place, uh, new or more modern devices in order to, again, continue to deliver to you that best in class electric reliability that we know you expect. In addition to that, we're finishing up our metering replacement. So that's been a multi-year project and a multi-million dollar project. We've got just a little bit left to go, but we anticipate finishing that up in the first quarter of next year. So a little bit of money in the budget for that. We also, um, continue to upgrade our fleet here. We spend a put a lot of miles on a lot of vehicles on your behalf. Uh, next year we're focused on updating some of the smaller vehicles in our fleet.

Rachel Johnson ([01:42](#)):

We've, our bucket trucks are in pretty good shape, but we will be doing some smaller trucks. And then, um, ongoing IT investments. It is one of the most interestingly growing parts of our costs because the technological nature of our business is just constantly evolving. And also we know that we have to continue to invest in and kind of really, really careful cybersecurity controls. So smart investments on your behalf, all of which make the grid more reliable and help make the co-op more resilient, because at the end of the day, the number one thing to us is to make sure we're delivering to you best in class service and the investments we have prepared to make for you next year, I think allow us to continue to do that. The second thing I wanna talk to you about, that's also a part of next year's budget, is the ongoing development of our new headquarter facilities.

Rachel Johnson ([02:25](#)):

Our developer on Reny School Road, uh, has already gone through the kind of first stages of the process with Garfield Township. It's, uh, public hearings and things like that. We anticipate that process will go until about January, after January. We think he'll have all of the, um, permits and approvals that he needs to have in place for us then to go through the process with Garfield Township of getting our actual site plans approved. So moving forward on that after many, many years, which is exciting, we think that we will likely be in a position to take a full construction contract to your board next year. And that means they will know all of the costs, all of the timelines, um, everything associated with this new headquarters development sometime next year. And we may even be able to begin some of that work towards the end of next year.

Rachel Johnson ([03:09](#)):

That timeline is a, a little less certain right now, but we'll certainly keep you up to speed as that develops and your board gets regular updates every month. In addition to that, they have a, um, representative who serves as our liaison on that project. The last thing that I wanted to update you on from the board meeting is just a quick update on our power supply portfolio. We, uh, can, as as many of you know, we get our power from Wolverine Power Cooperative. We are one of six distribution owners of Wolverine and Wolverine purchases all the power we need on our behalf. We agree to purchase all the power we need from them. So they are a really important partner for us and a couple of exciting new developments. We've made a commitment with Wolverine to expand the renewables in our portfolio with an expanded commitment to a wind farm, um, that's south of us.

Rachel Johnson ([03:54](#)):

So that wind farm, once it becomes a part of our portfolio in the, in the coming months. So starting early 2026 will move us up to about 25% renewable, which is really leading the way in the state. Um, and certainly had an, an advance of any mandates, which is really, really exciting. Um, we're also kinda looking at other renewables we'd had in kind of working towards developing and figuring out which ones still make sense. The, the prices are constantly changing on these projects, so it's really important that we're constantly assessing does, is this price competitive and does this project actually move us forward? But that wind, that wind project is a really, really exciting advancement for us. And like I said, really takes us, I think, in the next step in our, our renewables in our portfolio. The other exciting thing is we are just continuing to march towards the restart of Palisades nuclear power plant.

Rachel Johnson ([04:39](#)):

And a reminder, when that comes back on, that's gonna push us up to 100% carbon free power in our portfolio. And just as importantly, it's gonna give us a really strong, steady 24 7, 365 base load generating unit inside our portfolio. We anticipate Palisades will come back on, um, you know, maybe later this year, maybe early next year, but it we're, we're just getting really, really close and, um, continue to get good information from the, um, NRC, the Nuclear Regulatory Commission, that, uh, they're on track and that they are following all safety protocols and that we will be able to return that plant to service. So stay tuned for an announcement of Palisades restarting. Um, very, very exciting and we, we'll keep you in the loop as that progresses. Those are the highlights from this board meeting. Please don't hesitate to reach out to me if you have any questions. Our next board meeting is Monday, November 17th, and as always, we will start with member input at 9:00 AM So feel free to swing by if you have any feedback for the board. Join us next time for more co-op Energy talk.