

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

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

Welcome back to Co-op Energy Talk. I'm your host Rachel Johnson, and you are listening to the board meeting brief for the board meeting on Monday, December 15th. Our last board meeting of 2025, uh, did some, some really important things at this board meeting. So I wanted to take a, a minute this month and talk you through them. The first is we approved our operating budget. I talked a little bit last month about what was in that operating budget, the high level, uh, we are able to, um, kind of have the margins we need to have the financial health and the co-op next year without having to do anything else with rates that wasn't already planned. So that's really, really good news. Again, proof that our employees are taking very seriously their responsibility to help control costs for you during a period of time when there's just so much pressure on costs.

Rachel Johnson ([00:53](#)):

So we're really proud of that operating budget this year and, uh, got that approved and we're off to the races with some exciting stuff next year, much of which I'm sure I will share with you on this podcast over 2026. The second thing we did this month is, um, renew some rate tariffs. Some of 'em are very administrative. I won't go into the details of that 'cause they're not probably very relevant for most of you. But one of 'em, which is somewhat administrative but I think is relevant, is our renewable energy tariffs. So we have four different programs available for members who wanna have like a maybe solar panels on their house or their business. And those tariffs had a, a cap, like a participation cap, essentially. That participation cap was met in November, and we always knew that we were probably gonna renew it, but that gave us a really good opportunity to take a look at those rates and analyze them against our cost and make sure they were still fair and they were.

Rachel Johnson ([01:44](#)):

So, we didn't end up making any changes to the rates. We simply renewed them, but I wanted to acknowledge and, and make sure, especially for those members who participate in, in those programs, that we did take a, a, a hard look at whether or not the rates still reflected the cost offset that member generation, um, offers us. So those programs are all available for you if you wanna have net metering on your roof at your house, or if you wanna have it on your business, or if you prefer, simply to enroll in community solar. All those options still available. The details haven't changed. You can find it all on our website, but it does reflect us taking a moment to really assess it and make sure they were still accurate. The third thing we talked quite a bit about, we've got a lot of exciting things happening on the power supply side of things.

Rachel Johnson ([02:22](#)):

We've been talking about Palisades nuclear power plant for quite some time, uh, but we're getting really, really close to the restart. We're anticipating, um, based on the feedback we're getting from the, the owner of that plant, that Palisades is gonna restart sometime in the spring, maybe February, March timeframe. And that's, that's great. That's 800 megawatts of steady 24 7, 365 power that we're gonna add back into Michigan's grid. It's carbon free. Um, so we're really, really excited. It's, it's great timing to get that online as we move into the summer, which is generally, you know, a time when there's a lot of pressure on grid resiliency in Michigan. Um, so very, very excited about that. We're also working with Wolverine, our power supplier, to make sure that we are just maximizing the opportunities associated with that project and the fact that we are gonna have ample power supply in our portfolio during a period of time when a lot of other utilities don't.

Rachel Johnson (03:08):

So I think it means we're in a good position to support growth in, in cherry land service territory and in in the other Wolverine co-ops and, and, and more to come on that. And then the other big thing we did at this board meeting is I gave the board an update on several strategic projects and priorities we've been working on this year, and we'll be continuing to work on in the coming years. One is, we've really taken on getting very serious about data analytics here at Cherryland. We have a lot of data we're collecting more and more of it. You'll hear from me in the spring about a drone program we have that gives us a lot of data, but we have a lot of data from our metering system and just data, data, data, right? And we knew that we probably weren't doing as much with that as we could in terms of making sure we're making it available to you in ways that it might be useful, but also using it for business decisions here.

Rachel Johnson (03:52):

So we have a, a full-time, uh, data analyst on staff now. Uh, we have begun the process of validating our data, making sure it's accurate and true, that it, it is what we think it is, right? And we're working on reporting tools that can help us have more real time reporting available. So gave a little update on that project. Nothing done, but a lot of good foundational stuff put in place there. We're also taking a hard look at our rates. I've talked a little bit about that already this year, but we, um, kicked off our rate focus groups this month. And so we've got a group of members who have graciously volunteered to give their time to give us feedback on, on the bill and what it means to them and how our current rate structure feels, and whether or not it gives them the tools they need to be able to manage their energy.

Rachel Johnson (04:32):

We are also working with a vendor on rate design. We'll, we'll have, that project will go on probably most of the first half of next year with a goal of having a recommended rate structure to our board. Sometime in, you know, maybe in the summer it is possible we're going to recommend the same structure we have, but we will have gone through a process of really analyzing it from the standpoint of, if we designed rates today based on what we know today and where our costs come from today and the needs of our members today, what would they look like? If the answer is what they look like right now, great. But if it's something different, then certainly we'll start working towards that rate structure. So more to come on that, but gave the board a a good update on the progress we've made there.

Rachel Johnson (05:10):

And then the last thing that we spent, um, several hours on at this board meeting was updating the board on our new headquarter facility. I've talked a lot about that, but as you know, we have purchased, well, kind of finalizing the purchase of land, uh, on Renny School Road, 40 acres for a new cherry land headquarters. Right now, we are landlocked at our current office at about 10 acres, and we just, we just don't have room to grow. When we built this building here that we're in, we served less than 10,000 members, about half the infrastructure and, and about half the employees that we have today. Today, we serve almost 40,000 homes in businesses across six counties and almost 3,500 miles of electric line. The equipment we use is bigger, we just cannot possibly serve our service territory out of this building anymore. So we've got that land purchased.

Rachel Johnson (05:55):

We are in the final phases of the kind of construction design process. So getting all of those designs in place, we'll go out to bid for subs in the spring and hopefully bring a final construction contract to our board, maybe as early as, as March or April. And once that's done, we're hoping to break ground on that building in the fall. And so, talked to the board again through all of the details of the plans, got their feedback on that, um, gave them updates on the projected costs. We're not to final cost yet, but when we get there, I, I promise you I will share that with you. Uh, and, uh, just kind of got, got their feedback and

made sure that they still support the project, think it's the right thing to do for the co-op and for the members, and, and they do.

Rachel Johnson (06:36):

So it was really, really exciting. Um, I do wanna just give a, a quick, uh, shout out if you are interested in this project and you wanna know more about it. Our communications team has put together a great landing page on our website that you can kind of follow along. There's a roadmap of what we've done and what we still have to do. There's details of just the, the project and kind of where we're headed. So check that out. If you have questions, let us know. We're, we're gonna keep adding new content to that as it becomes available, but please, please, please check that out. So those are the highlights from this board meeting. Um, please don't hesitate to reach out to me if you have any questions. And I just, I hope you all have a really happy holidays. Safe travels to those who are traveling, um, safe hosting to those who are hosting. I just hope your holiday is filled with, with joy and love and family. Our next board meeting is Monday, January 19th. As always, we will start with member input at 9:00 AM So please feel free to swing by if you have any feedback for the board. Join us next time for more co-op Energy talk.