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 the board meeting on Monday, June 22nd. It was a actually pretty robust board meeting, so I have several updates for you this month. First, we had our engineering team join the board to give them a special presentation on our SCADA system. This is the sys - the software system that we use that communicates with hardware across our electric grid, and it allows us to, uh, manage that electric grid remotely from our office. We've been going through about a two-year process to replace that SCADA system, and so we wanted to bring the engineering team in and talk to the board about how that replacement is going and some of the advances we've had as a result of that replacement. And here are some really cool things they shared with us.

Rachel Johnson (00:59):

First, it's given us incredible efficiency gains. We have about a five-time reduction in the amount of time it takes for us to maintain the system. The old system was outdated software, and it was just really burdensome to maintain. Another cool thing that this has given us in terms of efficiency is about a 60% reduction in the time it takes us to remotely isolate an issue that's causing an outage, remotely restore those members who can safely be restored while our line workers get on site to do their work. So shorter outages for you. Yay. Uh, also gives us better accuracy and visibility on our system and has allowed us to have incredible improvements in the cybersecurity protocols we have in that system. Um, we put a lot of investment on your behalf into both the software and hardware that enables this technology. And as you can tell, we're helping to control our costs through some of those efficiencies.

Rachel Johnson (01:48):

It also gives us the foundation we need to build some really great future smart grid functionality on your behalf. Two of them that we talked about this month with the board, one is a voltage stabilization program, which will allow us to make sure that the voltages across our system are very stable. It also allows us to manage peak demand through voltage management. In addition to that, it gives us the ability to start working towards self-healing grid technology. This is automated technology to re-close in, so that stuff I talked about earlier where we can kind of isolate the scope and scale of an outage to do that through an automated process. It's gonna take us time to build those programs to make sure they're dependable and reliable, but we're gonna start working on that next. And so just a really, um, neat opportunity to share with the board some incredible improvements we've made behind the scenes that also improve the service that you receive from us.

Rachel Johnson (02:39):

The other thing we talked with the board about this month was just kind of a general update on how we performed during the recent storms that moved through our area in May and June. Um, hopefully what you all felt, which is what I saw, which is that the system held up really, really well. That SCADA system that we had replaced allowed us to decrease scope and scale of those outages. The metering system that we've replaced recently ensured that we knew who was out very accurately, and we were able to, um, swiftly get on site and get power restored. So just further proof that the investments that we're making on your behalf are paying off in terms of improved service. We, as always, every month, talked about financials with the board. So just a couple of highlights from that. Year to date, our power costs are over budget, but they are coming more in line with budget.

Rachel Johnson (03:24):

You may remember back in January and February, we had several very high power cost months. The good news is over the course of the spring, um, our power supply costs have come back down, which is helping to stabilize that. We think we're gonna end the year kinda right at where we budgeted for power supply, which is great. The other kinda great things to see in our financials this month is we're kind of mid-year. Our operating cost per consumer is under target and our controllable cost. So this is the decisions your employees make every single day on your behalf. Our controllable costs are also under budgets. Our margins are healthy and our equity is healthy. So just further proof that the co-op is in good shape financially and that we're doing everything we can to manage costs on your behalf. Uh, we gave our board an update on our facilities project.

Rachel Johnson (04:05):

I've talked so much about that. I'm sure you're tired of hearing about it, but here are some other fun things to share with you. Uh, site work at the development itself has begun, so the road is going in, which is exciting. Uh, we have an address. Our new address will be 57 Olson Boulevard. Don't send mail there yet because we're not there yet, but we will be sometime in 2028. And then our owner's rep, so the kind of general contractor on our project is finalizing all of our subcontractor agreements. We are still on track to break ground in July. We will be holding a member appreciation and celebration event at Little Red's here in Grand, right next to our office on July 28th, from 1:00 PM to 3:00 PM. Uh, so please, please swing by, grab a free ice cream on us, and you can see renderings of the new building.

Rachel Johnson (04:45):

You can see our building plans. We'll be on site to answer any questions you have. Did I mention there will be ice cream? We would love to see you there. So, um, we hope to celebrate this exciting new future for Cherryland with you. And then the last thing on the facilities side of things, this month, the board gave us official authority to, um, go ahead and draw down a construction loan on your behalf. So no, no new budget authority, but just giving us the authority to borrow. The last two things from this board meeting, we did formally adopt that five-year work plan that I talked to you about last month. Just a quick reminder, that is a $71 million investment in system upgrades and reliability on your behalf over the course of that five-year plan. And then the last piece, many of you already know this, so I won't belabor it, but we do have a, uh, zero interest economic development loan fund here at Cherryland.

Rachel Johnson (05:31):

That is a USDA program, so those not Cherryland dollars. Those are USDA dollars that the cooperative lends out into the community. We did have a loan application this month from the YMCA. They are, um, requesting a loan to help them with the renovation of their locker facilities as a part of their gymnasium expansion at the Y on Silver Lake Road. So very excited to help support that project, which brings such incredible benefit to the community. So that was kind of the highlights of this month. Our next board meeting will be Monday, July 27th. As always, we will start with member input at 9:00 AM, so please feel free to swing by our office here in Grand. Don't go to 57 Olson Boulevard. Swing by our office here in Grand if you have any feedback for the board. Join us next time for more Co-op Energy Talk.