

Year in REVIEW

2021



2020–2021 BOARD OF DIRECTORS



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Year in
REVIEW
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This was another challenging, yet productive year for WECA and Wisconsin's electric cooperatives. As we plan for the future, let's take a look back at where we've been.

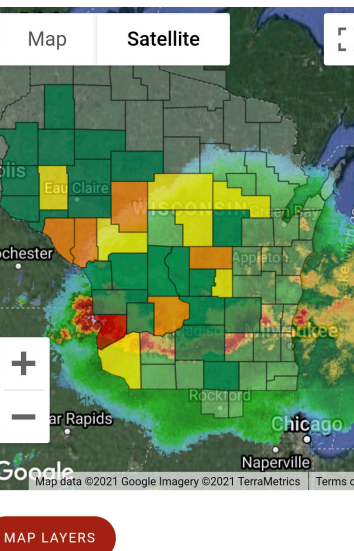


TABLE OF CONTENTS



- 3 MESSAGE FROM THE PRESIDENT & CEO
- 4 STRENGTHENING ELECTRIC COOPERATIVES
- 5 MEMBER ADVOCACY
- 6 EDUCATION & TRAINING
- 8 YOUTH EDUCATION
- 10 COMMUNICATIONS
- 12 2021–2022 BOARD OF DIRECTORS



Cover photo by Jolene Fisher, director of member & employee engagement, Dunn Energy Cooperative

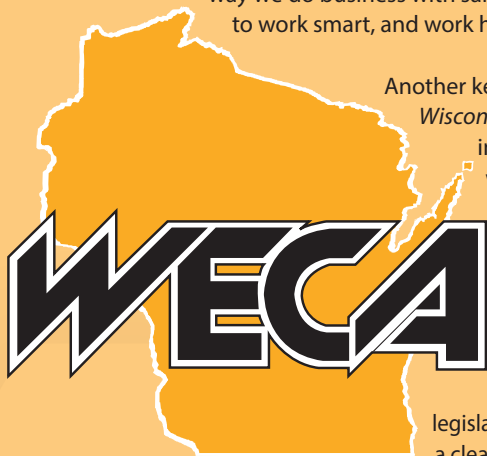
MESSAGE FROM THE PRESIDENT & CEO



Resilience and recovery. This has been the theme facing our nation, our state, and our communities leading up to and throughout 2021. We have spent much of the year focused on how to best prepare for, power through, and recover from disasters of all kinds—from the global pandemic, to cyberattacks, to severe weather.

We have spearheaded projects including the creation of a statewide outages map that offers a broad view of real-time data. We are working on creating the nation's first regional electric cooperative mutual aid plan. We developed model emergency bylaws to help keep co-ops operating during a crisis.

As the pandemic maintains its grip on the state, the nation, and the world, we know that as essential employees, our work must continue every day. This year we had to carefully balance the way we do business with safety concerns. Taking extra precautions, we continue to work smart, and work hard to support our members.



Another key project this year was a transition related to the *Wisconsin Energy Cooperative News* magazine. Facing increases in the cost of paper and postage, we worked aggressively to contract with a new printing company that utilizes new technology and keeps costs down.

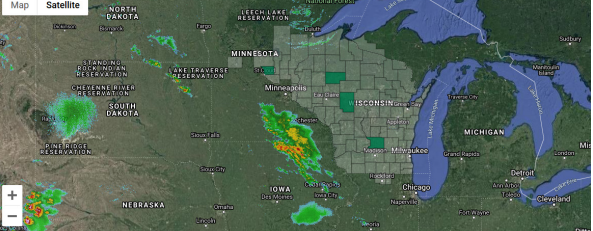
On broadband expansion, we are working diligently to ensure electric cooperatives receive due consideration for state and federal funds aimed at connecting rural America. We are also working with legislators to strengthen our leadership in the transition to a cleaner transportation sector with the promotion of more electric vehicle use and charging stations.

On the legislative front, we are engaged in some ongoing battles to protect electric cooperatives from unintended consequences of certain proposals related to easements, community solar, and third-party ownership. We are supportive of efforts to transition to more renewable energy, but it must be done in a way that protects the ability of our members to provide safe, affordable, and reliable energy.

On that note, on the federal level, new goals and initiatives aimed at combating climate change present us with many new challenges and opportunities. We will remain on the forefront, fighting for common-sense approaches that allow members to meet clean energy goals without eroding the business model that has served us well for nearly 100 years.

Sincerely,

Stephen J. Freese
President & CEO



STRENGTHENING ELECTRIC COOPERATIVES

The key focus of 2021 was strengthening the capabilities of our electric cooperatives to respond to disasters. This includes:

- Creating a statewide **outages map** that uses real-time data from each electric cooperative's outage management system. The information is hosted by nationaloutages.com and includes a public-facing map of co-op service territory that displays the number of outages by co-op and the aggregated number of co-op outages by county. The system also includes a restricted access site where each cooperative can export outage data to support disaster reimbursement claims. The system is also a useful resource for WECA and the work it does with Wisconsin Emergency Management.
- Working on the creation of the nation's first regional electric cooperative **mutual aid plan**. This plan will help WECA's members source additional manpower and equipment from electric cooperatives in nearby states during a major disaster when ROPE resources have been exhausted. The plan will represent a multi-state effort to establish a formal agreement between the NRECA Region 5 & 6 states plus the Michigan and Missouri statewides.
- Developing **model emergency bylaws** to help cooperative members implement virtual annual meetings and other emergency meeting provisions that were signed into law as WI Act 5. WECA successfully advocated for its enactment.

WECA's **broadband easement legislation** was put on hold as a strategic move to guard against cable companies who planned to use the easement legislation as a vehicle to diminish co-op control over pole attachment rates and terms. Efforts by the multi-billion-dollar cable companies in other states reveal a national strategy of cost shifting and subsidization to lower their broadband deployment costs to the detriment of co-op members.

Like a bear to honey, some renewable developers are looking to capitalize on a change in public sentiment for more renewable energy. They're promoting two state legislative proposals in particular that WECA is working vigorously to oppose:

- **Community Solar Proposal:** Companion bills have been introduced that would allow subscriber organizers to develop community solar projects of up to 5 MW. Public utilities would be required to subsidize the pay-back rates that would result in the vigorous deployment of community solar. The organizers would not be held responsible for reliability or costs to maintain power infrastructure, and amounting to no risk with a full reward.
- **Third-Party Ownership:** This legislation would allow third-party entities to build renewable energy systems they would own on a customer's site that is served by a public utility and sell the output to the customer without being subject to utility regulation or having to pay for the use of the electric grid or being held accountable for the reliability of the electric service provided.

MEMBER ADVOCACY

In the face of continued uncertainty that has come with COVID-19, WECA had early success in 2021 in passing legislation that our cooperatives needed to hold legal virtual annual meetings.

When Governor Tony Evers issued Executive Order #72 on March 12, 2020, declaring the first of four public health emergencies in Wisconsin, it brought to light a situation for cooperatives that could potentially put them in legal jeopardy.

Statutes required cooperatives to hold an annual meeting and required that the annual meeting be “held at the principal office or such other place as the board may determine.” Other language in the statute indicates that a physical location is necessary. The statute also required a meeting to occur “within the first 6 months after the close of the fiscal year.” Either provision could be modified by cooperative bylaws, but there was nothing in the statutes that would expressly allow a virtual/remote annual meeting.

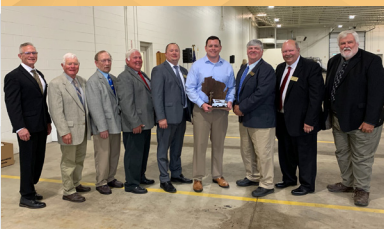
To mitigate the legal risk to cooperatives that move their annual meetings beyond the time period set by the statute or their bylaws and/or who hold a “virtual” annual meeting, WI Act 5 was signed into law in late February to permit these activities and put our cooperatives on solid legal footing as they prepared to hold their annual meetings throughout the year. There are also provisions in place that allow cooperatives to take certain executive actions, per approved bylaws, in times of emergency.

In contrast to the legislative success WECA experienced in the 2019–20 budget bill to recover \$2 million in emergency funding for Washington Island and permanently secure cooperative eligibility for the Wisconsin Disaster Fund, all our legislative actions in 2021 have been outside the budget process.

We continue to work on legislation that will help map and eradicate wild parsnip, an invasive weed found along the state’s roadways that can cause incredibly painful blistering on the skin. This is a safety issue for our lineworkers and field personnel who may be exposed to it in the course of their work.

We also continue advocating for broadband funding and expansion into Wisconsin’s most rural and unserved areas. Federal funding from the American Rescue Plan Act has bolstered dollars available to get many local projects off the ground, and our cooperatives have been active partners in submitting grants and making expansion possible for those who need it the most.

WECA is also at the forefront of the electric vehicle (EV) infrastructure build-out. We are working with legislators on initiatives to determine how charging EVs is regulated in the state, along with measures that could create a state EV vehicle license plate and “EV Ready!” communities to let drivers/ travelers know which communities are best suited to help charge them during their stay or as they’re passing through.





EDUCATION & TRAINING

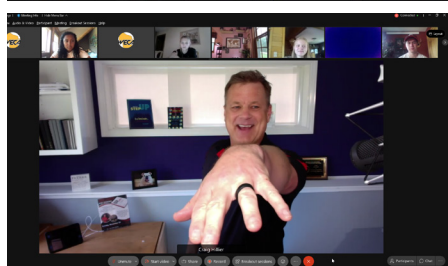
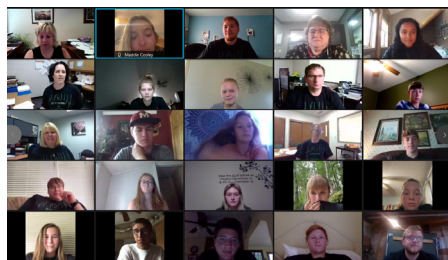
The pandemic has presented challenges for traditional education and training methods, but WECA and members have transitioned to ensure the appropriate courses are available in the safest way possible.

Some new developments and highlights of this year include:

- **Hard Skills Focus**—WECA saw a continued shift in employee requests from supervisory training and soft skills to hard skills, especially in the areas of customer service, human resources, and finance.
- **Director Programs**—By the end of the first quarter in 2021, WECA held seven director programs for Credentialed Cooperative Director (CCD) and Board Leadership Certificate (BLC) with a smaller than predicted attendance for these webinar programs, demonstrating that directors prefer in-person training.
- **New Employee and New Director Orientation Video Library**—WECA has been developing a series of videos to help with orientation and onboarding of new employees and new directors. WECA started offering these videos to members in late spring. The video library will be available to view through at least December of 2023.
- **Electric Industry Updates**—In early February, more than 230 co-op employees attended the virtual Electric Industry Updates. There were four webinars held over two days. Steve Freese provided an update to employees on key state and national energy issues, discussed how employees can have a voice in the policy-making process, and talked about the impact of the fall elections. Dr. Charlie Cartwright of People Success Labs presented on “Striving to Thrive: Overcoming Crisis.”

- **Work Orders for Operations and Field Staff**—WECA originally offered a single one-day Work Orders for Operations and Field Staff webinar program, limited to 30 people to allow for the interactive nature of the program, and it was a huge success. Due to high demand, WECA added two additional sessions to accommodate the demand for this program.
- **Finance Professionals Webinar**—For the first time ever, WECA offered a webinar series for finance personnel and general managers. The monthly 90-minute webinars were jam-packed with information on topics covering: Managing the Finances of Your Organization, Cash Flow, Work Plan Oversight, Capital & Long-Term Planning, Investments, Financial Metrics, Cost of Service Study & Rate Design, and the Time Value of Money. WECA plans to offer this series again in 2022 with new topics.
- **Legal Seminar for Directors and Employees**—In June, WECA held the annual Legal Seminar for Directors and Employees in Eau Claire with a lighter than expected attendance due to the continued pandemic. It was still the largest in-person event since early 2020.
- **Board Leadership**—In August, WECA held the first in-person board leadership program since the pandemic began. The Eau Claire event saw approximately 65 percent more attendees than past August BLC events.
- **Energy Issues Summit**—WECA also held the Energy Issues Summit in early August in Eau Claire. The program covered global energy transition, EVs, an EV showcase, resiliency of the MISO system, pole attachments, and what the Roadmap to Zero Carbon looks like. There were 75 attendees, speakers, and staff in attendance, an increase of 40 percent over previous years. The highlight of the well-received program was the EV presentations, as well as the EV “showcase.”
- **CFC Financial Forecast**—In September, WECA brought in CFC to co-host the CFC Financial Forecast (Compass) program. The CFC Compass 4.5 is a 10-year financial forecasting software model designed to help rural electric distribution cooperatives analyze a variety of financial strategies. The model, which is free to CFC owners, provides a tool for preparing long-range financial forecasts accommodating various scenarios, incorporating CFC’s current loan and equity policies to aid in providing support for new loan applications, budgeting, and strategic planning.
- **More BLC Programs**—In October, WECA held 2 BLC programs for directors eager to get back to in-person training. More than 40 attendees participated in each class.





YOUTH EDUCATION

Due to the COVID-19 pandemic, the 2021 National Rural Electric Cooperative Association Youth Tour in Washington, D.C., was canceled again, but the WECA Youth Leadership Congress was held virtually, attracting more than 50 high school students.

WECA President and CEO Steve Freese kicked off the Tuesday morning session welcoming the students to the event. Other speakers included Craig Hillier, motivational speaker and author, and State Senator Janet Bewley (D–Ashland) and State Representative Rob Summerfield (R–Bloomer), who engaged in a lively Q&A with the participants.

Trevor Clark, director of outreach services with Richland Electric Cooperative, introduced a new podcast contest and Dylan Pingitore talked “Co-ops 101.” Past youth board members and Glenn English scholarship winners, Tessa Otto and William Tuchtenhagen shared their experiences about Youth Tour, YLC, and the youth board.

District meetings were spent doing virtual ice breaker activities, a cooperative principles activity, hiring a manager case study, and discussing both the *License to Live* and *What Lies Beneath* videos.

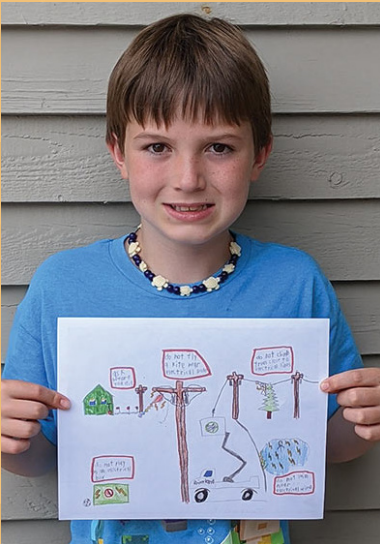
Kenneth Ceaglske, president/CEO of Taylor Electric Cooperative; Jesse Singerhouse, general manager & CEO of Dunn Energy Cooperative; Lynn Thompson, president and CEO of Eau Claire Energy Cooperative; Mike Wade, president and CEO of Central Wisconsin Electric Cooperative; and Brian Zelenak, president and CEO of St. Croix Electric Cooperative presented on the “Responsibilities of a Cooperative CEO.”

This year, WECA and participating electric cooperatives held an electricity safety poster contest for children in third grade. WECA was overwhelmed by the number of exceptional entries and truly impressed by the creativity and knowledge displayed. Selecting only three winners was a very difficult task.

Pictured are the entries the judges determined best met the criteria for the contest.

Also this year, WECA Youth Coordinator Tina Walden served as a featured speaker on a virtual panel about cooperative education at the annual institute of the Cooperative Communicators Association (CCA) in Milwaukee. The panel discussed engaging young people in the world of cooperatives including communicating the cooperative message, how to reach different age groups, and raising awareness of the many opportunities for young people now and in the future. Walden spoke of the successes from peer-to-peer learning in engaging high school students to learn about the cooperative business model.

WECA also participated in co-op outreach activities as an FFA convention sponsor with a booth exhibit, and by participating as a member of the FFA scholarship committee, and SAE scholarship committee.



1st Place

Trey Wellik

Riverland Energy Cooperative



2nd Place

Lexus White

Riverland Energy Cooperative



3rd Place

Lilliann Honath

Barron Electric Cooperative



COMMUNICATIONS

Throughout the uncertainty of the pandemic that has now stretched into its second full year, the *Wisconsin Energy Cooperative News (WECN)*, and WECA's weekly *Condenser* remained a certainty.

Production and delivery of the monthly magazine continued throughout 2021 on schedule, overcoming pandemic-caused challenges including the supply-chain interruptions and labor shortages that have affected virtually all industries, including the printing industry. In addition, by early 2021 it was clear the magazine would also be facing unprecedented postal rate hikes by the end of the year. To prepare for the expected increases, *WECN* staff explored measures to help relieve these anticipated budget pressures long before they materialized.

The magazine's printer contract was put out for bid in early 2021 in an effort to find savings through the printing process. As a result, in mid-summer *WECN* switched from LSC Communications, which had served the publication well since 2015, to Royle Printing, a Wisconsin-based company with the capability of reducing the magazine's postage costs through its processes.

In addition, *WECN* became a partner in the Wisconsin Department of Health's COVID vaccination outreach program, using several pages of the magazine to provide COVID vaccination information. Not only was the magazine an appropriate fit with this program, due to its reach of rural residents without reliable internet service—among the populations identified by the state as undervaccinated—compensation from the grant WECA successfully applied for helped to keep costs manageable.

Along with efforts to control costs, *WECN* staff worked throughout 2021 to keep improving the publication. Just before the start of the year a new reader-engagement feature was added, for which readers are challenged to find a small image hidden somewhere inside the magazine pages. This symbol search has proven to be a popular addition, with approximately 1,000 responses entered each month through a website portal and by mail.

The symbol search entry has also provided an opportunity for readers to share other thoughts with their communication including the following:

“We read the magazine every month. I learn a lot about the cooperative model through your magazine...your magazine provides the education needed to make smarter energy choices concerning energy use. I also love the recipes! Thanks for this bit of fun.”

—Karen Spires, member of Clark Electric Cooperative

“We appreciate the excellent coverage of broadband expansion and access in the region’s rural areas of the region, and of the state. We also appreciate the seasonal safety reminders!”

—Meredith Pirazzini, member of Chippewa Valley Electric Cooperative

“We have a cabin near Bayfield and so thoroughly enjoy that area. Great insight from your magazine into what you folks provide and the education that I’ve gotten that our home utility does not provide, I feel like we have a family looking after us in the Bayfield area.”

—Jeff and Stephanie Etzel, members of Bayfield Electric Cooperative

“The one thing I love about the WECN magazine is the fact that you share helpful resources that are not limited to members only. I am the executive director for United Way of Dunn County, serving Dunn and Pepin counties, and I do not recall a time when I’ve opened your magazine and didn’t find information and resources that I could share on our social network, agency partners, and the people we interact with through our programs and services. A huge thank you to our rural electric cooperatives providing state-of-art service across our state and nationwide!”

—Jennifer Thatcher, member of Dunn Energy Cooperative

In addition to exploring new ways to engage readers, WECN also began working with a graphic artist on a magazine redesign. All the standard content features will be maintained, but the magazine’s appearance will be updated to keep it fresh and contemporary. The new look will be rolled out with the January 2022 issue.

WECN was also pleased to return to an in-person format for its annual Co-op Communicators Conference in August. Held in a La Crosse facility large enough to allow for adequate social distancing, the conference brought local editors together to learn from professional speakers, share ideas, and practice their skills. Their continued efforts to improve are evident and greatly contribute to the magazine’s success.

