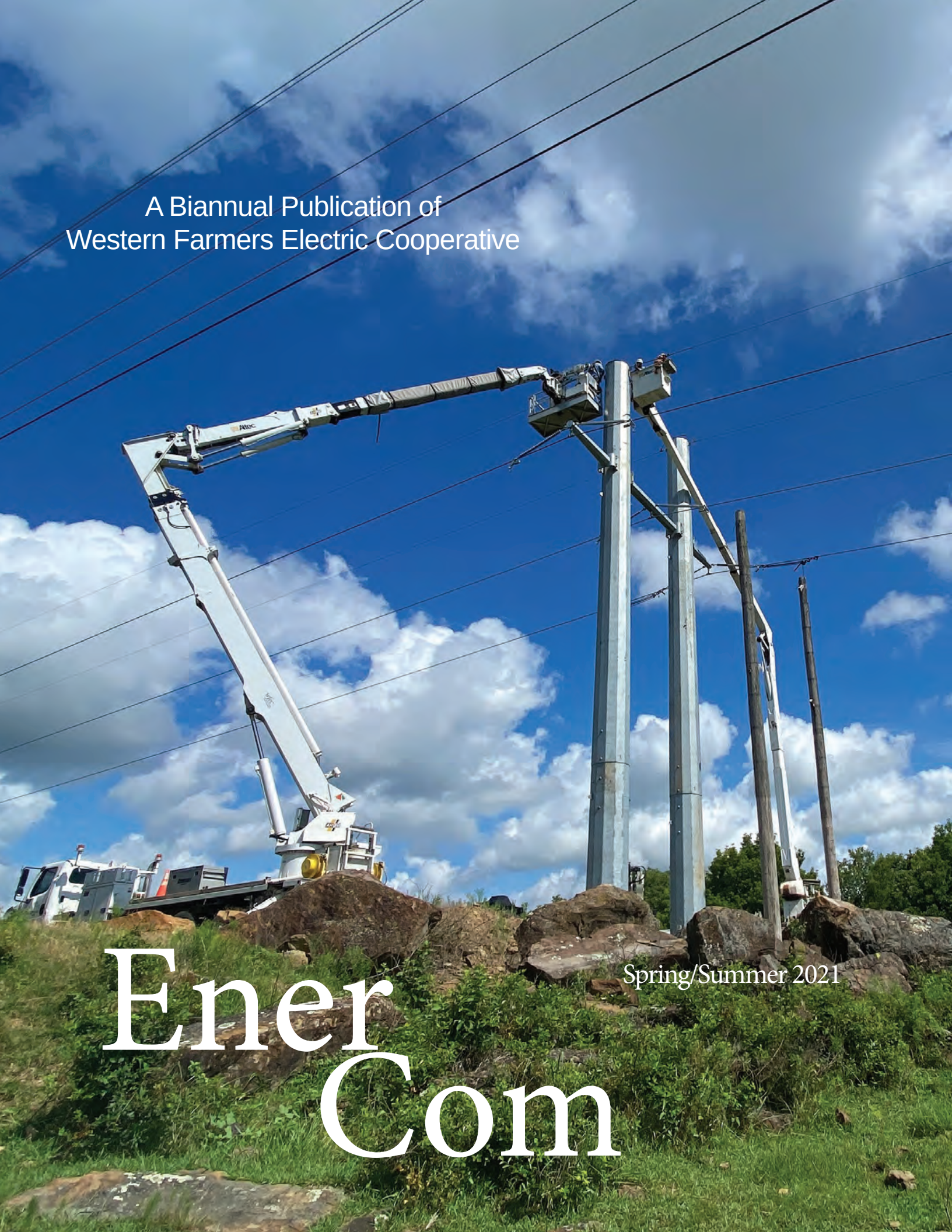

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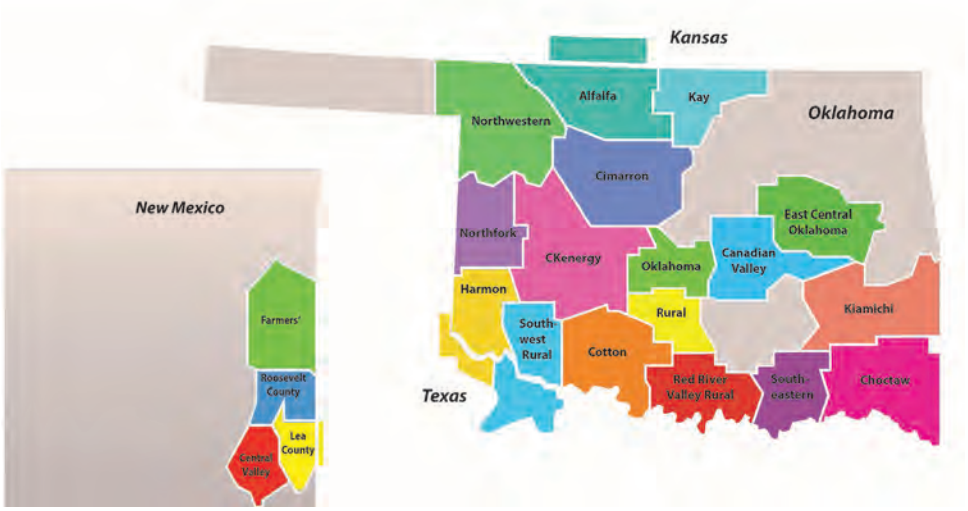
Cover Photo:

WFEC crew members from McAlester, Kingston, Antlers, Comanche and Anadarko are shown building self-support structures on the Ashland-Lone Oak line in southeast Oklahoma.

Photo by: Vince Lalli
Lead Power Line Technician
WFEC Transmission Services

WFEC Service Territory



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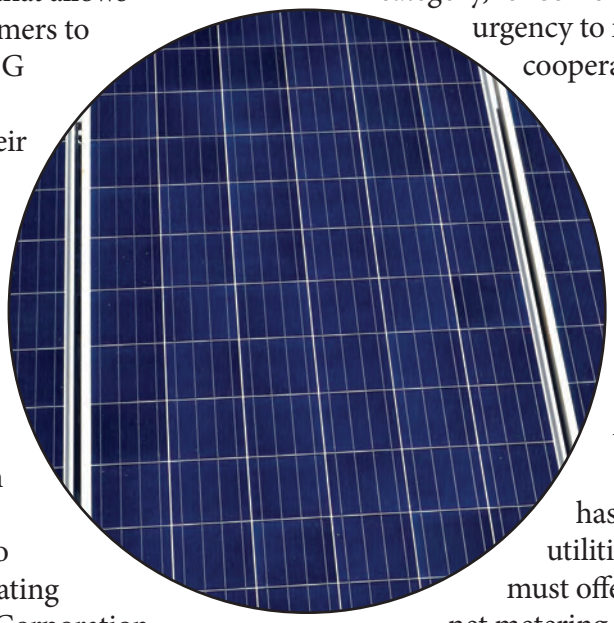
OCC's latest net metering rules could create co-op challenges

It's a different world. Even though electric cooperatives have a history of integrating distributed generation (DG) sources, the rapidly growing presence of DG on the grid is leading to numerous changes in the industry. Some states are already seeing challenges that many cooperatives may eventually face.

Net metering policies, which are determined by states, include a mechanism that allows residential or commercial customers to use their own grid-connected DG from on-site renewable energy systems to offset a portion of their electric energy consumption. This type of generation has increased in popularity over the past few years, as opportunities have expanded, along with new regulations being passed.



WFEC began educating its Oklahoma member distribution cooperatives on the new DG guidelines created in response to changes made to the rules regulating net metering by the Oklahoma Corporation Commission (OCC). Although all but one of WFEC's Oklahoma member distribution cooperatives are not regulated by the OCC, it was still important for them to seriously evaluate any potential changes to existing interconnect policies, some of which might be helpful in aligning with the rules imposed on regulated utilities. All four New Mexico cooperative members are regulated by the New Mexico Public Regulation Commission (PRC) and don't have a choice but to comply, which presents its own set of challenges.

In an effort to assist its member cooperatives, WFEC contracted with C.H. Guernsey to update the DG interconnect guidelines that were crafted for members several years ago. This step would help each cooperative to align with the new net metering rules if a member cooperative needed to or decided to make changes to their exiting individual DG interconnect policies. A final decision is left up to each cooperative to evaluate what is best for them and allow the cooperative to set up fair and equitable rates to avoid cross subsidization.

Some Oklahoma member cooperatives saw a need to consider a DG interconnect policy change, and for some, the need to modify their existing retail rate structures. The latest OCC rules may place a very large percentage of consumers into the net metering category, for some cooperatives. The sense of urgency to make changes will vary from cooperative to cooperative.

Guidelines – New Mexico & Oklahoma

Rules for net metering differ on a state-to-state basis. Differences between state legislation, regulatory decisions and implementation policies denote that the mechanism for compensating solar customers varies widely across the country.

Net metering in New Mexico has a different set of guidelines. All utilities subject to PRC jurisdiction must offer net metering. Within the state, net metering is available to all qualifying facilities (QFs), as defined by the federal Public Utility Regulatory Policies Act of 1978 (PURPA). This pertains to renewable energy systems and combined heat and power systems up to 80 megawatts (MW) in capacity. There is no statewide cap on the aggregate capacity of net-metered systems.

Customers are required to be billed for service in accordance with the rate structure and monthly charges that would be assigned if the customer had not interconnected a QF.

For systems less than or equal to 10 kilowatts (kW), a net metering difference that is from the customer to the utility involves a payment of the difference to the consumer/producer. The excess amount of kilowatt-hours (kWhs) may be carried over to the next month or the utility may either credit the account or pay the consumer at their avoided cost rate on file with the NMPRC.

(Continued on Page 4)

For systems greater than 10 kWs, a net metering difference that is from the customer to the utility involves a payment of the utility's avoided cost that is on file with the Commission to the consumer/producer. For a net metering difference from the utility to the customer, the utility bills the customer for the difference at their regular retail rate.

The avoided cost rate pays members for intermittent electric generation when it is available, while the cooperative's retail rate covers costs associated with generation, transmission and distribution of electricity available to members on demand.

Source: New Mexico Public Regulation Commission

Changes to the OCC net metering rules will present a few challenges to WFEC and its member cooperatives. For example, the maximum level for net metering consumers increased from 25 kW, which was designed primarily for residential DG facilities, to 300 kW. This increase allows larger facilities such as some schools, churches, and commercial/industrial buildings to qualify for net metering.

Further, the OCC now requires utilities to compensate net metering consumers for excess energy sourced by the DG resource above that of the energy consumed by the location. Consumers are limited in the size of the DG resource installed to no more than 125% of the historical peak load of the facility. These changes could attract those considering an alternative source for a large portion of their energy needs.

When members generate electricity in excess of their consumption, the energy runs back through the meter and is recorded. The owner is then compensated for the excess amount the energy produced from their DG facilities against the energy consumed at that location. However, when using more electricity than the solar panels or wind turbines are producing, either at night or on cloudy days, electricity is pulled back from the grid, with the owner paying only the net amount on a monthly basis. Essentially, this rule change allows these facilities to install rooftop solar panels, or any other DG resource, behind the meter and not only offset energy sales, but also sell any excess energy produced power back to the utility.

Cooperatives ahead of the curve

One cooperative is well ahead of the curve. Southeastern Electric Cooperative (SEC), headquartered in Durant, was receiving such an overwhelming amount of interest from their consumers in behind-the-meter solar installations, that they had to move quickly.

In 2019, after a surge of residential installations, Jim Coleman, director of Marketing & Member Services at SEC, said it soon became apparent that the cooperative needed to revamp their distributed generation and net metering policies, plus make changes to their interconnect policy. SEC worked with WFEC and C.H. Guernsey to prepare a plan to get in front of this growth. They moved ahead with C.H. Guernsey and a new policy manual was soon in place. This policy was completed about 8 months to a year prior to WFEC's proposed policy (developed with C.H. Guernsey) and included much of the same information.

Primarily, this growth took place in 2018 to 2020, with installations slowing down in 2021. Currently, SEC has approximately 150 net metered accounts, with only a few being commercial. Coleman noted that the largest location that is net metered (about 30 kW) is a grow house.

Coleman believes that the cooperative's service area and its proximity to north Texas, is also among the contributing factors affecting solar growth.

Once their policy manual was updated, it was placed on their cooperative's website, along with a summary document and vendor and member forms. "With the new policy manual, plus its website presence that serves as a tool for interested members and vendors, working through these situations is a lot more efficient," Coleman pointed out.

SEC's new DG Policy also offers an Export Rate back to the member for kWhs in excess of net sells during a billing period. "We continue to strongly urge our members to do their homework, but at the end of the day, many will believe that solar is in their best interest; thus, it is imperative that we have a strategic plan in place to respond with," Coleman commented.

Bobby Ferris, manager of Lea County Electric Cooperative (LCEC), headquartered in Lovington, N.M., said they have definitely seen a substantial increase in applications and interconnections for solar.

New Mexico is on the "green wagon," Ferris commented, noting that the legislature and governor are pushing renewables, with the state being pro-business for renewable energy.

Viewpoints Differ

There are always two sides to every story. Some utilities view net metering policies as loss of revenue.

However, the real concern (and issue) is that DER behind the meter often creates cross subsidization between rate payers. This would need to be addressed with both policy changes and changes in rate recovery methodology to make sure all members are being treated fairly and equitably.

On the other side, some would argue that net metering provides economic benefits for participants in terms of jobs, income and investment, plus increasing the demand for solar. These benefits are still being evaluated.

Aggressive sales tactics

Coleman noted that the most appeal has come from the aggressiveness of the solar venders. Coleman pointed out that the ethics of many solar producers are questionable, as they are showing a potential customer the appealing results from solar. "They produce worksheets that show a return that looks very appealing – but, they're basing these results on everything being 100 percent at all times," he remarked.

Since these companies aren't factoring in some of the costs, some vendors are on a "slippery slope" of ethics and making promises that will likely not be fulfilled, explained Coleman.

"There are some reputable solar companies that are trying to do the right thing, while the 'bad apples' are making a bad name for the solar industry in the state," Ferris pointed out.

"There are a lot of shady, fly-by-night solar vendors preying on our members," Ferris commented. They are trying to get them to sign up for solar, with sales messages promising 'no upfront costs/no more power bills', and so on, he explained. Some vendors are offering a lot more than they can provide, and when a member receives the first bill after installation of solar, and sees all of the regular charges and fees, and no savings as promised, they get mad at the cooperative. "Their usage doesn't go away," Ferris said.

(Continued on Page 19)

Thoughts from CEO Gary Roulet ----

Have you ever wondered what happens to WFEC when a retail customer adds solar generation behind their meter? For example, the addition could be on their roof, on the ground, or almost any type of installation that is behind their electric meter.

WFEC collects revenue through an unbundled tariff that has a generation, transmission, radial, substation and fuel components. The most obvious is a reduction of kilowatt-hour (kWh) sales to the affected distribution cooperative and an equal amount of reduced kwh sales to WFEC.

Easy to imagine - but what is the impact?

Load is reduced at the substation, so at least in the summer period, the peak demands are reduced. The winter is different, since winter loads usually occur before sunrise or sunset and peak readings are not impacted. Since revenue is calculated on the monthly 12 highest readings, at least 6 of those readings are reduced and WFEC revenue is reduced.

Is any expense that WFEC has in owning and maintaining the substation reduced? WFEC still does the metering and still does maintenance, so that answer is "no", expenses do not go down, just revenue.

If kWh sales reductions reduce substation and radial line revenue, do they also reduce transmission revenue? Yes, it reduces transmission revenue in exactly the same way as it reduces revenue from using the substation.

A third problem is WFEC's use of "tilt" in the wholesale rate. This mechanism moves some of the generation cost into the energy kWh cost to keep distribution members who have poor load factors competitive. In fact 25% of the generation cost is recovered in this fashion.

So, the impact - reduced kWh sales results in reduced revenue to recover generation costs, through the use of tilt in calculating wholesale rates and revenues.

Fuel costs is the only part of WFEC's wholesale rate not impacted, as the solar project behind the meter, offsets the use of fuel and neutralizes the impact. Tilt and other impacted revenue can be corrected through changes in the wholesale revenue tariffs, however, reduced kWh sales are hard to correct. In fact, the only way to fix that problem is to increase rates or impose stand-by or back-up tariffs applied to customers who generate a portion of their own kWhs. This keeps from passing on the fixed costs involved with providing service to all consumers - to those who do not have solar.

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Grow house loads creating challenges for cooperatives

By Sondra Boykin

Numerous electric cooperatives across the state are witnessing tremendous growth in new service requests, some of which have been challenging for cooperatives that serve primarily rural (and some suburban) areas. The source of this increase: ***GROW HOUSES.***

Cooperatives, including several Western Farmers Electric Cooperative (WFEC) distribution members, are reportedly providing electric service to some 3,000 grow houses in Oklahoma, based on a recent survey by the Oklahoma Association of Electric Cooperatives (OAEC).

Oklahoma's electric cooperatives (all cooperatives, not just WFEC members) have electric infrastructure in all 77 counties in Oklahoma and maintain nearly 123,000 miles of distribution lines covering 93% of the state's landmass, according to OAEC. Over 523,000 Oklahomans are powered by an Oklahoma-based rural electric cooperative (some are not WFEC members).

The fast-moving grow house industry has brought some new challenges to electric cooperatives, with some reviewing practices and policies to adjust their operations to effectively respond to the needs of this developing industry.

Some of the key challenges have included a lack of accurate load information, the overloading of transformers and equipment, capacity restraints and language barriers. Several cooperatives have also restructured deposit requirements and other procedures to help mitigate risks associated with some loads.

WFEC, the generation and transmission cooperative for 21 members across Oklahoma and parts of New Mexico, doesn't serve any grow houses directly, but provides service to the member distribution cooperatives that are serving these loads.

WFEC Chief Executive Officer Gary Roulet explained that some grow facilities are encroaching on transmission right of way and are also requiring additional costs. "We have no guarantee of long-term service (with these loads)," Roulet noted.

Basically, some of these grow houses are posing a significant risk to WFEC and its member distribution cooperatives, as expensive upgrades to facilities may be necessary. "Making that at-risk investment, if the load goes away, can potentially create a 'stranded investment' that could continue for years," Roulet explained.

Red River Valley Rural Electric Association (RRVREA), headquartered in Marietta and serving the lower area of the state, currently estimates that there are over 150 grow houses in their service territory.

"These new members do not know their true load, plus they have a lack of understanding service requirements, the required large deposits and service overloads," explained RRVREA Chief Executive Officer/General Manager Brent Sykora. Also, they may try to dodge paying line extension fees.

"Balancing the added load to our lines is leading to possible primary upgrades and line conversions," he pointed out. "We have turned some away because of known primary upgrades and the member did not want to pay for the upgrade," Sykora added.

In southeast Oklahoma, Kiamichi Electric Cooperative (KEC), headquartered in Wilburton, currently has around 170 grow houses across their service territory.

"KEC has had a significant number of requests, with a large amount already connected," General Manager Brett Orme noted. "While these types of services can be very good loads, we must make sure we are doing proper planning and remove as many risks to the cooperative as possible," he said.

As far as some of the new challenges with these loads, Orme pointed out that the sheer volume of requests have put pressure on manpower, as well as materials acquisition.

Grow houses use a great deal of energy for lighting and cooling needs. (Adobe Stock)

"Many times, the growers do not seem to use electricians and/or engineers and they really do not know what size of service they require and tend to drastically overestimate their needs. In some cases, we have had services that have burned to the ground," Orme explained.

"We have made feeder upgrades to accommodate their requests. These upgrades are typically paid for by the grower requesting service. We have had to turn some services down because our distribution system could not handle the load," Orme pointed out.

Cotton Electric Cooperative (CEC), headquartered in Walters, with a service territory in lower and southwest Oklahoma, currently provides service to some 175 grow houses. This load growth has brought about new challenges, along with some new fees and requirements for these commercial loads.

Chief Executive Officer Jennifer Meason explained that several policies and procedures have been modified to help meet the needs of this industry, while not negatively impacting the membership as a whole.

Meason said that there are typically three categories of growers with CEC.

First, is the person who presents him/herself as a residential member who has recently purchased a property that was previously a home/farm/general service account with a smaller transformer. "Some individuals and groups are not up-front when they come in for a connect. Many times, they have purchased a property that was formerly a home or farm account and say they are just living there," Meason noted.

"Then, we see consumption increase dramatically and the average bills far exceed those from the previous tenant, which leads to overloaded transformers, voltage issues and deposits that are not adequate," she said. "Once this occurs, we start the process of sending an official letter requiring them to make the necessary upgrades or be disconnected."

The second group, she added, includes "A few organized businesses that are upfront from the beginning and follow the policies and procedures with little issues." She added that these types of members are in the minority.

Lastly, there are individuals who have personal grow houses at their residence.

"The medical marijuana industry has drastically changed our operations at the cooperative and is extremely time-consuming for our staff. All departments have been impacted by the grow industry, which has really taken a toll on employee morale," Meason explained.

There have also been issues including safety concerns and language barriers. She mentioned that there have been in-field threats and growers with weapons. Field disconnects at grow houses require two employees and occasionally law enforcement has been requested to be in the area in case of any issues.

"We've faced a lot of defiance and uncooperative groups," she noted. "Plus, there are often concerns about whether these are legitimate licensed marijuana grow facilities or are black market illegal grows."

Language barriers have also been an issue as many do not speak English as their primary language. Several other WFEC-member cooperatives have also faced communication issues.

A Capital Review Team was formed at CEC to discuss proposed projects and look at the capacity available at the nearest substation, as well as what can be served on a distribution level.

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If a substation upgrade is required, the grower is contacted about an estimated cost and the fees involved. "We haven't had any who have elected to do this," Meason remarked.

"Overall, I do feel that we've made some improvements to our processes and procedures that will make us a better cooperative in the long-run. However, it has been a painful process," Meason stated.

Canadian Valley Electric Cooperative (CVEC), headquartered in Seminole, serves the east-central area of Oklahoma. As of the end of May, there were 232 grow houses in their service territory - that are known about.

Chief Executive Officer Gary Highley said that the new loads are creating big challenges for several departments, plus the possibility of requiring costly upgrades to CVEC's system. "We make them pay 100% aid to construction, even if it means upgrading a feeder," Highley noted.

Capacity constraints and load management are also challenging, particularly usage during high consumption times, as these loads use a lot of energy for lighting and cooling requirements. "The feeders on our distribution lines weren't designed for the size of load that these growers are using," Highley pointed out. Cooperatives are usually located in rural areas that were not designed for a great deal of growth, especially these large industrial loads.

"Some people are also lying to us about what they are doing," he said, such as service size and intent. Highley added that someone owning a barn or house doesn't understand the load requirements that lead to equipment overloads, if they place a grow house at their location.

Another issue that CVEC is facing within this relatively new industry is the amount of cash being handled at the office, as these new accounts are cash-only, which has greatly impacted the cooperative's administrative process. This matter has also led to additional precautions being taken; plus additional costs due to increased security.

Also, cooperative staff is cognizant of potential bribery issues, which has led to additional training for employees to be aware of these situations in order to avoid conflicts of interest. Language barriers are also a problem, along with some customers not knowing and understanding what size of service they really need.

"People who own a house or land, but may live in another location, are being offered above-market prices, especially if there is already access to water and electricity," Highley pointed out.

An estimated 268 grow houses are currently served by Oklahoma Electric Cooperative (OEC), headquartered in Norman.

"Overall, the cannabis industry has added to the work load significantly and has brought about different challenges - but at the end of the day, they have been good high load factor accounts," commented Executive Services Manager Amanda Hardy.

She noted that the lack of member electric knowledge when it comes to larger service sizes, is among the challenges. Regarding grow house service connections or mitigation efforts, OEC is collecting close to 100 percent construction cost up front, plus charging deposits based on installed capacity, Hardy explained.

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Cooperatives continue to pursue issues affecting electric industry

The current political environment is very complex, with several issues currently facing the electric utility industry. NRECA is engaged in multiple federal policy and legislative efforts regarding infrastructure and energy, both in Congress and with the Biden Administration. The overall goal of these efforts is to clearly communicate on these issues to build consensus among NRECA members and to be clear about its policy positions. There is no guarantee any of these efforts will be successful.

Electric cooperatives have new programs in areas such as community solar, battery storage, microgrids, and carbon capture, use and storage and have substantially lowered carbon emissions since 2005. As discussions about the future of energy continue, electric cooperatives are paying particular attention to several important key areas.

"NRECA and electric cooperatives from across the country continue to actively pursue legislative initiatives that will help establish a path to a lower carbon future," commented WFEC Chief Executive Officer Gary Roulet.

> *Any of these initiatives are dependent on Congressional action, in a time when Congressional action is tenuous, at best.*
>
> --- WFEC CEO Gary Roulet

RUS Repricing:

Roughly 500 electric cooperatives hold approximately $43 billion in Rural Electric Service (RUS) loans, according to NRECA. Unlike a typical home mortgage, most of these RUS loans cannot be refinanced to take advantage of lower interest rates without penalty. As a result, many electric cooperatives still hold RUS debt with significantly higher interest rates than today's low rates, with few options for relief.

This proposal is within a bill in the Agriculture Committee, however, it has still not moved past the committee stage. This bill could have saved electric cooperatives more than $10 billion in interest payments. However, with rising interest rates, the savings have been reduced to half that amount on federal loans. This bill was reintroduced this year as one of NRECA's top legislative priorities. Lawmakers hope to insert the Flexible Financing for Rural America Act, or separate legislation, before the end of 2021.

Tax Fairness for Energy Innovation:

While electric cooperatives are meeting today's energy needs and planning for the future, they're often confined by the tax code and the costs associated with implementing new technologies.

As non-profit businesses, electric cooperatives pay state and local taxes, however, most are tax exempt for federal income tax purposes. Because of this, electric cooperatives do not have access to the same federal tax incentives as for-profit businesses and are disadvantaged when implementing emerging technologies, according to NRECA information.

Giving electric co-ops equal access to these tax incentives will reduce the cost of energy innovation projects, including the deployment of renewables, the expansion of energy storage projects, and research into energy technologies of the future.

"A new 'direct pay' piece of legislation exists now that would level the playing field on solar, wind and battery projects owned by cooperatives," Roulet explained.

(Continued on Page 10)

Currently, the only benefit is through credits against taxes. However, the direct pay legislation pays cooperative constructers of these renewable projects a direct payment to equalize the tax credits for Investor-Owned Utilities (IOU).

Early Fossil Fuel Retirement & Stranded Cost Recovery:

The nation's electric system is an essential service that people depend on and they want that system to operate without interruption to preserve energy security for all. Before moving on complex policy issues, current energy technology capabilities should be considered, along with the future capacity requirements necessary in order to meet policy goals, according to NRECA.

It is suggested that the dialogue include consideration for how to address voluntary early retirement of generating assets and stranded costs. This is for the forced, premature closure of baseload power generation to comply with new laws and regulations related to a lower carbon future.

Biden Administration Proposal for Early Retirement of Fossil Fuel Plants:

President Biden's infrastructure plans include a $10 billion line item to "transition rural cooperatives to clean energy" by retiring older, less-efficient fossil-fueled power plants and replacing them with "modern systems" of clean energy.

However, the NRECA position now contains language to use grants or guarantees to retire generation to reduce carbon (generally coal). The earlier "infrastructure bill" had the $10 billion for cooperatives within that bill, however, NRECA is requesting it to be changed to $30 billion.

Electric cooperatives are proposing a just and reasonable approach that maintains reliability of service to 42 million consumer-members while unlocking new energy possibilities and promoting flexibility as they meet tomorrow's energy needs.

"Any of these initiatives are dependent on Congressional action, in a time when Congressional action is tenuous, at best," Roulet said.

During an outage in January at the Anadarko Plant, the heat recovery steam generator (HRSG) / boiler on Unit 4 was replaced. This unit returned to service in March. The main focus of this outage involved the replacement of the economizer, superheater and evaporator sections of the boiler, along with the inlet duct (from the gas turbine exhaust to the HRSG/boiler). ***Shown above is a contractor's large crane removing the stack.*** *After finishing its work with Unit 4, the crane was relocated to Unit 5. Moving the crane between the two units was a four-day journey. Timbers were placed in the roadway during the move to allow the crane's weight to be distributed in such a way that damage would not occur to any underground piping.*

Photo by: Clem Cassmeyer
Maintenance Superintendent
Anadarko Plant

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NRECA modernizing grassroots efforts; website launched to support resources

Speaking up on issues that impact electric cooperatives sends a message to elected officials about the needs of communities across the country. With this in mind, NRECA is modernizing its grassroots capabilities to create a stronger network that will support the policy priorities of America's electric cooperatives.

This important step will enhance the capability of safeguarding affordable and reliable electricity, plus support other benefits for some 42 million consumer members who play a vital role in the direction of their electric cooperative.

The new "Voices for Cooperative Power" will expand NRECA's grassroots capacity to consumer members in the electric cooperative network by organizing on social media. To kick off the modernization efforts, "Voices for Cooperative Power" recently launched a new website and social media channels to promote their expanded efforts.

Website: https://voicesforcooperativepower.com/.

Once you register your name, zip code (to connect you to the legislators in your area) and your email, the site takes you to a dashboard, where you can check on ways to become involved. Topics of interest are also discussed on the website, covering issues such as power reliability and affordability and building for the future, plus energy supply and stewardship.

"Voices for Cooperative Power" provides a platform to discuss the many ways electric cooperatives support the communities they serve. Beyond delivering electricity, cooperatives provide jobs, stability, and economic growth – all while ensuring that energy affordability and reliability remain foundational advantages of electric cooperative membership.

"I've always been told if you don't provide input, then you can't complain when things don't happen the way you like," commented Scott Williams, manager, Government Relations & Communication.

"Take the time to register for the new site and provide input to assure that the cooperative way continues. Your unique experience and perspective will help influence elected officials as they shape important federal and state policies that will influence our industry," Williams added.

Not only are employees encouraged to register for this website, but also to take part in WFEC's other political efforts through Speak Up for Rural Electrification (SURE) and the Action Committee for Rural Electrification® (ACRE).

(Continued on Page 12)

Grassroots Efforts

ACRE is the federal Political Action Committee (PAC) of the National Rural Electric Cooperative Association (NRECA). ACRE supports political candidates who will speak for and protect the interests of electric cooperatives and their consumer-owners. The ability of America's electric cooperatives to serve its members and communities depends, in part, on electing the right people into office.

ACRE donations are made annually in one lump sum. The ACRE Membership Year coincides with a normal calendar year. The choices for donations are $25 (Regular), which is the most popular plan; $100 (Century Club); $250 (Vice President's Club); and $500 (President's Club), or another amount of your choice.

SURE, operated through the Oklahoma Association of Electric Cooperatives (OAEC), is the state PAC for Oklahoma's Rural Electric Cooperatives. This organization adds strength to individual voices on a grassroots level and offers the opportunity to have a greater impact on the future of the cooperative program.

Membership in SURE is optional and open to all WFEC employees through payroll deduction. Support may begin at any time of the year.

OAEC's membership levels include:

- $3.85 per paycheck $100 annually
- $7.69 per paycheck $200 annually
- $11.54 per paycheck $300 annually

Anyone interested in learning more about ACRE or SURE, may contact Scott Williams, WFEC's manager, Government Relations & Communication, at (405) 759-2825 - office or (405) 831-0109 - cell or email s_williams@wfec.com.

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Switch training hosted recently at WFEC facility

WFEC's Annual Switch Certification training was hosted in Anadarko in late June. Those attending included representatives from seven Oklahoma electric distribution cooperatives, plus several WFEC employees from Transmission and Distribution and the Mooreland, Hugo and Anadarko Plants.

Attendees performed various tasks at a WFEC substation as part of the training. This is the first in-person switch training for distribution cooperatives since the beginning of the Pandemic. The training also consisted of classroom instruction, however, it remained in a virtual format.

Photos by
Howie Jackson
Information Specialist

Crisis Communication Plan developed for future needs

Experience promotes learning. It doesn't matter how much someone may wish they could download skills and knowledge automatically, the only guaranteed way of mastering anything is through experience. And, this may require some "trial and error."

In February of this year, Western Farmers Electric Cooperative (WFEC), along with numerous other utilities across the country, faced new challenges with the impacts of the Polar Vortex. This event led to a need for immediate action in a situation that was unknown to many in the utility industry. Experience was certainly gained.

As a grid operator ensuring the reliable delivery of electricity to a 14-state region, the Southwest Power Pool (SPP) experienced the most operationally challenging week-long event that they had ever faced in their 80-year history. Record-low temperatures hit the entire SPP service territory and stayed low for days on end.

The result was a simultaneous increase in electricity use - at the same time power producers faced fuel-supply issues and equipment malfunctions. It was basically a "perfect storm" that stressed the bulk electric system to its limits, as explained by SPP staff.

Many heard about SPP for the first time throughout the region during that week, as they were mentioned frequently, as the regional transmission organization (RTO). As an RTO, SPP is like the "air-traffic controllers" of the electric power grid. RTOs do not own the power grid; they independently operate the grid minute-by-minute to ensure that power gets to customers and to eliminate power shortages.

WFEC, a member of SPP, weathered the storm and kept units running at critical times. Operators and other staff worked round-the-clock to help maintain stability on the system. Many others assisted with the week-long efforts as well, with immediate responses and decisions required in some cases.

Since that time, several WFEC departments have been modifying and updating some of their procedures in order to gain a beneficial grasp on specific action that needs to be taken, should a similar emergency occur in the future.

WFEC's Operations staff has reviewed methods of contacting member cooperatives in an emergency situation. Contacts are also being gathered and updated from each member distribution cooperative. Lists of cooperative circuits are also being compiled and considered in case of future possible load shedding, which is a last resort by SPP to maintain the stability of the electric grid.

Frequent information was sent out to WFEC's member distribution cooperatives with updates and emergency alert level changes distributed as quickly as possible when issued by SPP. Currently, WFEC Communication staff has shifted gears on handling any future emergency events, by preparing both routine and situational responses, to plan ahead for the next challenge on the horizon.

"We are committed to not only working together with our member distribution cooperatives, but also with others across the industry to learn from these types of events to ensure that we are all prepared to manage future crises effectively," commented Scott Williams, manager, government relations & communication at WFEC.

An SPP Emergency Communication Plan is being assembled to cover topics relating to potential emergency situations. This plan will soon be distributed and explained to WFEC's distribution cooperatives. A Zoom meeting is being planned for late July, with further information to come.

SPP background information, event details, the roles of each entity during a crisis and the differences in SPP energy emergency alert levels will all be discussed within this plan. Customizable sample newsletter articles, notices and social media posts will also be included for use by cooperative communicators. These documents will be ready to go once an emergency develops.

Internally, articles will be written in advance, with the exception of the specific situation details, which will be added if and when it becomes necessary. The Polar Vortex revealed certain areas in which both internal and external communication can be improved and expedited. Experience was certainly gained during this time.

wfec

WFEC Relay for Life Team has raised over $47,000

By Maria Crowder

Western Farmers Electric Cooperative's (WFEC) Power the Cure team has worked together to raise over $47,000 during the past seven years for the American Cancer Society's (ACS) Relay for Life. Numerous fundraising events have been hosted each year at WFEC and employees graciously donated generously to each and every fundraiser.

One team member, Becky Caldwell, a PC Support Technician at WFEC, went above and beyond this year and worked tirelessly to organize several online fundraisers for ACS. Caldwell has been a very active part of the Relay for Life team since 2014. As part of her involvement with the team, she has spearheaded many fundraisers for WFEC employees, along with coordinating other aspects, such as the recordkeeping. She also works with WFEC's Senior Management group for approval of all fundraisers.

During the COVID-19 pandemic, Caldwell took the time to organize all aspects of several new socially distant fundraisers, working closely with the Caddo/Grady County Relay for Life team members and employees, who were working from home and other locations. Not only did she work to get many large items donated from local businesses and organizations, but she was single handedly responsible for raising almost $2,000 during all the chaos of the past year.

In 2018, Becky Caldwell recycled all her Relay for Life t-shirts going back to 2012 and created a beautiful quilt. She took a quilting class just so she could create this special blanket that holds very special memories for her.

According to Caldwell's boss, Dawne Massey, manager, IT Operations, "Becky dedicates many tireless hours to the Relay for Life initiative, many of these hours are on her own time. She has a passion for not only doing her part to facilitate 'finding the cure', but also in other volunteer opportunities.

"It makes me smile each time I think about how our WFEC family supports Relay for Life," added Massey. "All of us have been touched by cancer, either due to friends, family, or even ourselves being affected. It instills in us a desire to contribute our time and donations to this worthy cause."

In 2018, the IT Department all worked together to create the most fantastic Mario Cart character Halloween costumes. They began planning their winning strategy in November 2017 and worked together on the costumes throughout the summer and fall months.

Those who participated in Relay for Life events prior to the pandemic remember the fun, camaraderie, and team building that were a direct result of participating in costume contests, cake auctions, chili cook-offs and other events. As most WFEC employees know, IT Operations is very competitive in the Relay for Life events with a motto of "N2Win."

The main goal is to inspire some friendly competition and get more employees involved in the Relay for Life fundraising opportunities. Many are looking forward to in-person events returning again soon.

WFEC's Power the Cure Relay for Life Team Through the Years:

During the 2017 Halloween costume contest and dessert auction, the employees in Human Resources worked together to come up with this fun and creative costume idea. More than $2,500 was raised at the event.

In 2014-2015, the Power the Cure team began hosting several meals for employees, including a spaghetti lunch, a baked potato luncheon and the very first chili cookoff. A raffle was also held for an iPad, plus a T-shirt was designed and sold to employees. A fun 80's flashback photo booth was designed to raise money at the year-end Relay for Life event. All of these efforts raised almost $6,000, making WFEC the top fundraising team for Caddo County.

During the 2015-2016 season, employees raised a whopping $7,800, again taking the top spot at the Caddo County Relay for Life event. Some of the events held for WFEC employees included a brisket luncheon, dessert auction, spaghetti luncheon, T-shirt sales, baked potato luncheon, chili cookoff and the March Madness Bracket Challenge was introduced.

The next year, employees again donated close to $8,000 and again received the top honor at the Caddo County Relay for Life event. Caddo/Grady counties raised $25,419. WFEC's fundraising efforts included a chili cookoff, an Indian taco luncheon, Halloween party/costume contest, Brown Bag Lunch donations, T-shirt sales, the March Madness Bracket Challenge, and a Traeger Grill raffle.

In 2017-2018, Caddo/Grady counties raised $25,419, with WFEC employees donating almost $6,000. The Mardi Gras Chili Cookoff raised $2,270, with the Halloween costume contest and dessert auction raising more than $2,616 were the highlights of the year. Other meals were served throughout the year and the March Madness Bracket also raised funds for the ACS.

During the 2018-2019 season, WFEC raised $7,374, which earned second place in the Caddo/Grady counties' Relay for Life fundraising. More than $30,4230 was raised by teams in Caddo and Grady counties. Fundraisers included t-shirt sales, a Halloween pizza luncheon/costume contest, a chili cookoff, beef jerky sales, March Madness Bracket Challenge, spring flower basket sales, Thirty-One bag sales and WFEC's first online auction.

In 2019-2020, employees donated $6,477 through various fundraisers, including flower sales, t-shirt orders, a family photo day fundraiser, burger day donations at Interurban, cookie sales, a Halloween pizza luncheon/costume contest, and the chili cookoff. Caddo/Grady counties raised more than $23,856. The chili cookoff in February 2020 was the last on-site fundraiser at WFEC due to the COVID-19 pandemic.

2019 chili winners - (from left) Transmission & Distribution staff, including Vaughn Salamy, Cindy Nichols, Candra Turpin, Shelly Pearson and Mark Sage, pose at their chili contest booth. More than $1,723 was raised at the event.

During this year's 2020-2021 fundraising timeframe, Relay for Life Teams in Caddo and Grady Counties raised more than $35,200, with WFEC

(Continued on Page 18)

Rooftop solar is growing in popularity across the country. (Adobe Stock)

"Some vendors are doing a really "good" sales job to get new sign-ups. They are using iPads to explain solar installations, plus the same method for the final paperwork," Ferris pointed out, adding that some customers are not given any paperwork to refer back to about their purchase.

Also, the sales tactics of these aggressive vendors are questionable. They are going door-to-door in some areas, with a lot of money being spent on social media, direct mail and other advertising, Ferris pointed out. Some are even on Facebook - posting their company information - near cooperative posts, so it looks like the co-op supports them.

Ferris explained that LCEC has offered to help their members in this situation and look over the paperwork together before making a decision. "But, on many occasions the member has already signed up before they ever contact the cooperative," he pointed out.

The growth of solar in SEC's service territory started with business professionals, doctors and lawyers. Then they told their friends, which once again increased installs. But, it was the inclusion of financing that started another upsurge. "Once the vendors started offering financing options for solar installations, it took off," Coleman noted. "In our area, where the median income is not great, an offer to have installment payments - changed the game," he commented.

"Members – from all walks of life - went crazy," he remarked. "There were houses falling apart – but they installed solar panels – there were installs occurring on houses in the middle of the woods, where trees often block the sun - but they installed solar panels." Then, these same customers received their power bill and were mad at the cooperative because they still had charges to pay on their electric bill – even though offers from solar vendors indicated that solar installments would lower or even alleviate electric bills.

Coleman noted that dozens of those who installed rooftop solar, did not need it and they would never see a return on their investment. Some are also regretting their decision to install solar.

Ferris also noted that some of the placement locations are in areas with little to no access to the sun, due to trees or other structures. "When this happens, the customer soon realizes that they are not receiving the amount of solar power that they were promised."

"A major lesson learned from the increase in solar installations is we saw the definite need to look into unbundled rates, especially as a backup," Ferris noted.

Cimarron Electric

For Cimarron Electric Cooperative, headquartered in Kingfisher, net metering could offer some future challenges since the size of a net metering project has been increased to 300 kW, with the 25,000 kWh annual generation being removed.

"We are concerned about these changes," Cimarron Electric's Chief Executive Officer Mark Snowden said. For example, a three-phase line has a substation on one end of the line leading to a load being served. "What if we have a key account customer that wants to build a solar facility, or even several facilities, to be net metered - in the middle of this line?".

"Even though there are protective devices placed along the line, power is running in both directions, creating both engineering and safety concerns," Snowden explained.

Cimarron Electric was recently contacted by one of their key account members with a plan to build several 500 to 1,000 kW projects. "Since the size of net metering projects has increased, they will most likely decide to go with smaller projects to allow for net metering," explained Mark Andrews, vice president of finance & key account manager at Cimarron Electric.

Looking forward, obviously each member cooperative has the autonomy to design their own policies and rate structures as they see applicable for their respective cooperative. WFEC is simply working with its members to better understand the challenges being faced and providing recommended strategies in plotting a course into the future.

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