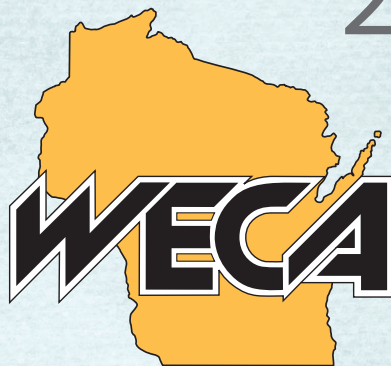


# Year in Review

2019





# Year in Review

## 2019



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*Photo courtesy of Polk-Burnett Electric Cooperative*

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## TO OUR VALUED MEMBERS

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Government relations and development of a strategic plan highlight the work of WECA staff and directors in 2019. We're also excited about the growing audience for *Wisconsin Energy Cooperative News*.

Financially, the 2018–19 fiscal year saw another solid performance and your statewide continues on a strong footing. We were able to reach the goal of \$500,000 in a reserve fund much earlier than expected through sound management decisions by your team at WECA.

Government relations always accounts for a large share of WECA activity. In 2019 and the preceding year, it overlapped with another familiar aspect of this organization's job: helping member co-ops grapple with weather-related challenges.

Electric co-op eligibility for state and federal disaster relief was long established, but early last year a new interpretation of rules concluded that co-ops weren't eligible for aid from the Wisconsin Disaster Fund (WDF). Working in 2018 with the Walker administration and state agencies, WECA resolved the issue, helping three member co-ops recover more than \$500,000 in storm-damage costs.

With a new governor and a new head of Wisconsin Emergency Management, we needed to repeat the process this year, fortunately obtaining support from Governor Evers and lawmakers of both parties. This made available some \$600,000 in WDF assistance for the Washington Island Electric Cooperative cable repair and \$2 million in budget appropriations for cable replacement.

Earlier this year, WECA started work on a new strategic plan inviting member advice on the direction of the statewide. Members responded in three district meetings, directors held a retreat to discuss more than 400 recommendations, and the results have been boiled down to three major goals. They address good governance and supportive education, a comprehensive internal and external communications plan, and a government affairs plan enhancing grassroots involvement.

We very much appreciate you taking time to help shape the direction of your statewide and look forward to working on your behalf this coming year with your continued help and participation.

Sincerely,

Stephen J. Freese  
President & CEO



# ACTION COMMITTEE FOR RURAL ELECTRIFICATION (ACRE)

America's electric cooperatives did not make the choice to have political engagement become increasingly crucial to their mission of delivering affordable, reliable power, but they haven't failed to recognize that reality and respond with vigor. ACRE is a political action committee that assists friends of electric cooperatives campaigning for state and federal office, without reference to party affiliation.

Wisconsin supports ACRE through voluntary membership fees and the annual auction, which in 2019 shattered all previous records with total proceeds of \$17,000 and eclipsed the previous record year (2017) by almost \$2,000. Through membership fees, Wisconsin contributed \$48,000 to ACRE over the past year and received half that amount back for state-level contributions.





## STATE AND FEDERAL GOVERNMENT RELATIONS

The past year was one of striking success for WECA's bipartisan initiatives to recover state and federal disaster relief dollars for its member cooperatives.

WECA helped secure more than \$600,000 in Wisconsin Disaster Fund assistance to offset costs of catastrophic ice damage to Washington Island Electric Cooperative's submarine power cable.

During the 2019 state budget deliberations, WECA and its members worked with the Evers administration and state lawmakers of both parties to secure \$2 million in state aid covering roughly half of the Washington Island co-op's estimated \$4 million costs for cable replacement.

When electric co-op eligibility for Wisconsin Disaster Fund relief was withdrawn and Wisconsin Emergency Management denied four co-ops' claims early last year, WECA went to work on restoring eligibility and succeeded in doing so through this year's state budget process.

WECA developed the legal documents necessary to implement the limited lending provisions authorized by 2017 modifications to the Chapter 185 co-op law. The revisions permit consumer loans to co-op members for energy efficiency and conservation, wiring safety, and emergency back-up generation. A September webinar helped members better understand the provisions and how to implement them.

Working with Wisconsin Emergency Management officials, WECA assisted member co-ops with recovery after severe storms swept the state during three days in July. Efforts focused on help securing Federal Emergency Management Agency (FEMA) funds and Wisconsin Disaster Fund assistance by obtaining a disaster

declaration from the Evers administration. In areas served by Barron, Central Wisconsin, Oconto, Polk-Burnett, Vernon Electric, and several other co-ops, damages collectively exceeded \$8 million. Most of the costs will be recovered in areas where damage met FEMA eligibility criteria. Damage in lesser amounts, below the FEMA threshold, may be eligible for Wisconsin Disaster Fund assistance.

WECA also provided direct assistance to help clean up spills caused by the July storms. This work included securing regulatory relief from U.S. EPA Region 5 for certain types of spills. The guidance issued was the first of its kind from Region 5 and represents the only such issuance for a natural disaster other than a hurricane.

Leveraging the collective bargaining potential of electric cooperatives, WECA helped negotiate a lower renewal rate for MSDS Online Services, translating into immediate savings for each participant and several thousand dollars in savings over a three-year period.

WECA created a new mutual aid committee that is working to create procedures for electric co-ops and perhaps others to obtain or provide mutual aid assistance beyond the scope of the ROPE program. The July storms stretched the limits of ROPE capacity, showing that a larger event would have triggered the need for assistance outside the ROPE program.





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## RESTORATION OF POWER IN AN EMERGENCY

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### Nature's worst brings out co-ops' best

Violent storms that produced at least 17 tornadoes in Wisconsin swept across the state during a three-day period in July, bringing state and federal disaster declarations and an all-hands-on-deck effort by co-ops participating in the ROPE (Restoration of Power in an Emergency) program.

Invoking ROPE assistance were Polk-Burnett, Barron, Chippewa Valley, Oconto, and Central Wisconsin Electric Cooperatives. The help came from far and wide.

Twenty (20) cooperatives responded with crews and equipment. They included Wisconsin's Adams-Columbia, Bayfield, Dunn, Eau Claire, Jackson, Jump River, Oakdale, Pierce Pepin, Price, Richland, Riverland, Rock, St. Croix, Scenic Rivers, Taylor, and Vernon, joined by Illinois'

Jo Carroll, Michigan's Alger Delta, and Minnesota's East Central and MiEnergy.

Almost all of the Wisconsin, Minnesota, and Iowa cooperatives on the Dairyland system had storm-related outages. Some of those assisting others had to deal with their own outages before dispatching crews elsewhere, and some crews already en route to ROPE deployments were forced to turn back because their own co-ops needed their services.

So widespread was the destruction, some of the affected co-ops faced a full week of power restoration work. In some cases, borrowed crews were on the scene through most of a week, and cleanup work stretched on well after power was fully restored. In the northwest where the storms began, 11 co-ops sent crews to assist Polk-Burnett Electric.





Governor Evers promptly declared a state of emergency and ordered a National Guard deployment. In mid-August, the governor requested federal disaster relief and a disaster declaration was received the following week through the Federal Emergency Management Agency. The request noted the “unprecedented restoration effort” by Wisconsin power providers working to replace an estimated half-million feet of downed conductor, about 700 poles, and almost 600 transformers. According to state officials, the storms led to two fatalities, both resulting from accidents involving individuals engaged in cleanup activities.

Depending on the extent of damage locally, some co-ops may be able to recover as much as 87.5 percent of eligible costs for their recovery work.

*Photos 1, 6, 8, 10, & 12 courtesy of Central Wisconsin Electric Cooperative; Photos 2, 4, 5, 11, & 13 courtesy of Oconto Electric Cooperative; Photos 9 & 14 courtesy of Pierce Pepin Cooperative Services; and Photos 3 & 7 courtesy of Polk-Burnett Electric Cooperative.*





## YOUTH PROGRAMMING

This year saw another successful National Rural Electric Cooperative Association Youth Tour in Washington, D.C. Nine Wisconsin electric cooperatives sponsored a total of 17 students for the tour, conducted June 14–20. The event featured a boat tour on the Potomac River, including a visit to George Washington’s residence at Mt. Vernon, Virginia, and a Co-ops 101 presentation by Adam Schwartz. Adrian Rodriguez, sponsored by Oakdale Electric, was selected as Wisconsin’s youth representative for the 2020 NRECA annual meeting.

The 56th annual WECA Youth Leadership Congress attracted more than 100 high school students to UW-River Falls July 24–26. Motivational Speaker Craig Hillier talked with the students about overcoming adversity, a concept exemplified in a presentation by Shelby Gruss, a Purdue University doctoral candidate and professional wheelchair basketball player. The students benefited from three days of immersion in cooperative principles with a career fair offering the opportunity to learn from co-op employees, and elected a new WECA Youth Board to plan next year’s event.

Earlier, WECA added to its co-op outreach activities as a FFA convention sponsor with a booth exhibit, and by participating as a member of the FFA scholarship committee, June 16–17.





## DIRECTOR AND EMPLOYEE TRAINING



WECA offered almost 40 varied employee and director training programs and events during the 2018–19 fiscal year and more than 1,400 attended.

Highlights included the always-popular Electric Industry Updates, where attendees gained a deeper understanding of the elements of a respectful workplace and legal standards of acceptable professional behavior. Even with the forced rescheduling of two sessions due to severe winter weather, the Updates drew 165 participants.

Three co-ops (Barron, Vernon, and Central Wisconsin Electric) hosted the first-time offering of Reasonable Suspicion Training, attended by almost 40 co-op staff.

Dealing with Angry or Emotional Customers was another first-time 2019 offering that had member co-ops asking for more: Two cooperatives requested presentations for staff at their own locations so more could participate.

At the end of March, almost 150 co-op leaders took part in Education and Lobby Days, learning about opportunities and challenges for electric vehicle acceptance

and an independent analysis of the monthly magazine's value to co-op members, in addition to the customary legislative visits.

In August, almost 40 attendees participated in the Energy Issues Summit where they heard about electric co-op strategies to accommodate the growth of distributed generation and electric cooperatives' relationship with the struggling dairy industry, among other timely topics.

In still another first, WECA partnered with the Wisconsin State Telecommunications Association and WIN Technology for a daylong seminar in Eau Claire on opportunities to collaborate in rural broadband deployment.

Wisconsin directors energetically pursue advanced cooperative education opportunities. NRECA statistics show that of Wisconsin's 194 directors, 65.5 percent hold Credentialed Cooperative Director certification—against a national figure of 67.5 percent. But 44.3 percent hold a Board Leadership Certificate compared with 38.1 percent nationally, and 26.8 percent have achieved Director Gold certification, compared with 22.5 percent nationally.





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## COMMUNICATIONS & MEDIA

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Significant growth of the audience receiving direct communication from WECA was assured with this summer's announcements that Vernon Electric Cooperative would rejoin the co-ops subscribing to *Wisconsin Energy Cooperative News* magazine as of October and Washington Island Electric Cooperative would begin magazine participation in January 2020. Circulation will increase by almost 11,000 households, to 181,000, delivering the statewide Wisconsin electric co-op message to members of 20 of the state's 24 distribution cooperatives.

Members receiving the magazine can be confident the material they're reading is some of the best the co-op community has to offer. For a second consecutive year, *Wisconsin Energy Cooperative News* doubled up on national awards in the annual Willies Awards program sponsored by the Statewide Editors Association. Dave Hoopman's April feature "Good News is No News" won an Award of Merit in the Best News Feature category. Associate Editor Mary Erickson's October 2018 feature "Empowering Enterprise" won another Award of Merit in the category of Best News Feature Communicating a Cooperative Principle.

Hoopman began writing the weekly WECA *Condenser* in March 1999 and August 16 marked the publication of his 1,000th edition of the Friday newsletter. The following month saw publication of his 200th bylined *WECN* magazine feature. Meanwhile, Erickson's unparalleled portfolio of bylined articles grew to 380 with "Circles of Serenity," her *Wisconsin Favorites* feature in the magazine's July edition.

*Wisconsin Energy Cooperative News* editor Dana Kelroy received her Certified Cooperative Communicator (CCC) credential in June. Administered by NRECA, the CCC program recognizes standards of professionalism in communications and competency in the electric cooperative industry. With her work reviewed by an independent communications professional, Kelroy passed a rigorous four-hour examination to earn the certification, which was established to strengthen and enrich the professional skills of electric co-op communicators and help them carry out their crucial role in the betterment and prosperity of electric cooperatives.



Data collected through mid-December 2018 by the New York-based media research firm GfK MRI revealed that 95 percent of *WECN* readers surveyed agree that the magazine contains “relevant and useful information,” while 96 percent said it’s easy to read and almost half said they save the magazine for future reference. Seventy-four percent read three of every four editions and 63 percent read every edition, the study concluded. Remarkably, the researchers found “nearly 80 percent of respondents had taken some kind of action” based on information they found in the magazine. Perhaps even more remarkably in a digital age, 93 percent said they preferred reading the magazine in a printed format and only 7 percent said they preferred to view it electronically. Questions about the survey can be directed to Dana Kelroy, [dana@weca.coop](mailto:dana@weca.coop).

In September, *Wisconsin Energy Cooperative News* received confirmation that it’s been on target as an advocate for rural co-op members in the form of an official proclamation from the Jackson County Town of Millston, encouraging “members of the Wisconsin cooperative family to recognize the positive impact” of the magazine on behalf of rural Wisconsin.





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