



GM'S REPORT

ABOVE AND BEYOND

Electric co-op membership offers value far beyond reliable electricity

When you think of an electric utility, more often than not you think of poles, wires, transformers, and light-bulbs. But as a member of an electric cooperative, there's more than just electricity flowing to your homes and businesses — there's also the power of membership.

Membership

Membership is a unique and valued relationship, stretching far beyond that of a company and a consumer. This connection is not centered around investors and profits; it focuses on providing the best service to you because you are our owners. We must operate with your best interests in mind and be good stewards of your investment, one that is locally owned and democratically controlled.

As a not-for-profit business, Firelands Electric's core mission is to serve. Our local ownership and operation allow us to live and work alongside our members, sharing your sense of pride in our communities. We are grateful for the many ways we can contribute to our communities' success.

Value

Being a member of a co-op comes with many valuable benefits. One of the most unique is the distribution of capital credits. As a not-for-profit entity, we annually assign margins above the cost of doing business by way of credits in each member's capital credits account, which is your equity, or ownership, in the co-op.

Even though Firelands Electric Co-op will be facing multiple transformations in 2018, including a new facility, other things won't be changing. Our motto remains the same as we work hard to deliver safe, reliable, and affordable electricity to our 9,130 members every day. But we don't stop there. Because we're a cooperative that strives to do much more, we seek out ways to provide real value to you and the communities we serve.

In some ways, value can be very basic, like connecting with a real, local person when you call our office, rather than getting a recording. It could be finding a copy of *Ohio Cooperative Living* in your mailbox every month, which keeps you informed about co-op business and news in Ohio. Or it's getting the lights back on quickly after a storm, thanks to mutual-aid agreements that bring line crews in from other co-ops to help us restore power. In fact, we just did this same thing for a co-op in Georgia this September when Firelands Electric sent linemen to help restore power after Hurricane Irma.



April Bordas
General Manager

Affordability

Keeping electricity just as affordable as it is reliable — this is our job. It's something you can count on as a member of Firelands Electric because we've been doing it for decades. While the average price of everyday items has continued to dramatically rise over the past 81 years, the cost of electricity has remained a great value for co-op members.

Offering our members real value — and working to improve the quality of life in the communities we serve — is very important to Firelands Electric. It's one of the many ways the co-op sets itself apart from other utilities, and we want you to remain involved as we build a better future together.



CO-OP CONTEST

Photo wins Deb Metro \$50 bill credit



During the month of October, Firelands Electric celebrated National Co-op Month by sponsoring the 2017 Co-op Selfie Challenge. Members were asked to post photos on our Facebook page showing how they connect with their cooperative. Photo suggestions included using Firelands Electric’s website, visiting the co-op office, making energy efficiency upgrades, attending a co-op event, and many others.

Congratulations to Deb Metro of New London! Deb’s photo of her grandsons, Connor and Colton, enjoying breakfast at Firelands’ Annual Meeting in June was selected as the winning entry. As our winner, Deb will receive a \$50 credit on her next electric bill.

Thanks for sharing how you and your family interact with your cooperative!

Co-op program recognizes middle school students

“The A Team” recognizes students in grades 6-8 for their hard work and dedication to education. Students whose parents or guardians are members of Firelands Electric Cooperative, and who have a minimum of three A’s on their most recent report card, are eligible to enter.



A drawing will take place at the end of each grading period where three students will be chosen to receive an iTunes gift card. Winners will also have their photo published in an upcoming issue of *Ohio Cooperative Living* magazine, as well as be featured on the co-op’s website and social media outlets.

The deadline for the next drawing is Feb. 10. For complete details on how to enter, visit www.firelandsec.com/content/team.



EMPLOYEE NEWS

GENERAL MANAGER APRIL BORDAS ANNOUNCES HER RETIREMENT



April Bordas and her husband, John, plan to spend more time at their Florida home after her retirement.

Firelands Electric Cooperative General Manager April Bordas has announced she will retire February 2. Bordas worked her way to the top over the past 32 years. She joined Firelands Electric in 1985 as a billing file clerk and was promoted to billing supervisor in 1987. Bordas was appointed as the director of consumer services in 2001,

overseeing both billing and metering departments, before being hired as general manager in 2010. In 2008, she earned her Bachelor of Science in Business Administration from Ashland University.

As general manager, Bordas is responsible for the overall operation of the cooperative relating to the management functions, including planning the co-op's day-to-day activities, directing personnel, coordinating operations, and controlling costs.

Over the past seven years, Bordas has guided Firelands Electric in achieving several milestones, including building the new Willard-Chase substation; decreasing the co-op's line loss, or electricity lost during transmission; and implementing a new, innovative metering system. Bordas has also taken the local co-op message to congressional representatives during her annual visits to Washington, D.C.

"I want to say thank you to all Firelands Electric Co-op employees for working hard, supporting the co-op, and for supporting me," Bordas says. "It's all of the employees being one team that works hard to get the job done, day or night, rain or shine. Firelands Electric Cooperative is a great organization because of its dedicated employees who take great pride in what they do. Thank you all for a wonderful career."

Currently living in the Greenwich area, Bordas and her retired husband, John, plan to spend more time at their retirement home in Florida. They have three grown daughters, nine grandchildren, and two great-grandchildren. They enjoy spending time with their family, traveling, and being active in their church.

Bordas is the assistant treasurer of the New London Christian and Mission Alliance Church in New London. In her spare time, she also enjoys reading and shopping for bargains. In talking about her future plans, Bordas believes C.S. Lewis said it best: "You are never too old to set another goal or to dream a new dream."

"April Bordas has done an outstanding job leading Firelands Electric over the past seven years, while serving as general manager of the co-op," says Dan McNaull, who served as board president during Bordas' tenure as manager. "She is an amazing story of success working her way up to the top of the cooperative. During her tenure as manager, she enthusiastically and capably met every challenge presented — her energetic approach and positive attitude presented a great example to the wonderful staff that she has very capably mentored and developed. Manager Bordas will be greatly missed by the Board of Trustees, employees, and members of the cooperative. We all wish her well in her much-deserved retirement."





YOUTH PROGRAMS

YOUTH TOUR 2018 June 8-14

America's electric co-ops believe in educating tomorrow's leaders. Since the late 1950s, the Electric Cooperative Youth Tour has brought high school students to Washington, D.C., to experience our nation's capital up close. Through educational and sightseeing activities, students gain a personal understanding of American history and their role as a citizen.

About 40 students from electric cooperatives throughout Ohio participate in this COMPLETELY FREE program each year. Students meet at Ohio's Electric Cooperatives in Columbus, and travel by chartered bus to Washington, D.C. Chaperones from the community, including parents, teachers, and electric co-op employees, accompany students on this weeklong trip.

Groups are organized at the state level, but over 1,600 students from across the country come together for Youth Day. Students have the chance to meet their U.S. representatives and senators, as well as hear featured speakers who provide insight into the important roles electric cooperatives play in their local communities.



Students attending Youth Tour also have the opportunity to be selected as their state's representative on the National Rural Electric Cooperative Association's (NRECA) Youth Leadership Council (YLC). One student from each state is selected to return to Washington, D.C., in July for a leadership workshop that focuses on the electric cooperative industry. YLC members are also invited to attend NRECA's Annual Meeting the following spring.

Firelands Electric will select up to two high school sophomores and juniors to represent the co-op on the 2018 Youth Tour, scheduled for June 8-14.

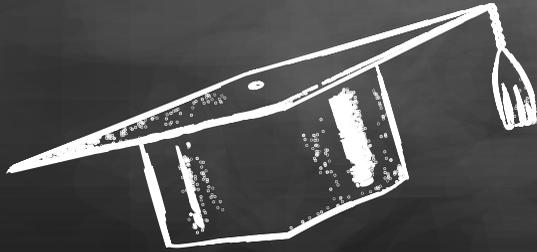
Students must reside in a home served by the co-op and submit a completed application, including an essay, by Feb. 1. Full details and application materials are available at www.firelandsec.com/content/youth-tour-experience.



**Applications due
Feb. 1, 2018**



YOUTH PROGRAMS



CLASS OF 2018

College Scholarships

Are your parents Firelands Electric Co-op members?
You could win up to \$5,100 in scholarships

Academic Scholarship

- Scholarships available in both boys' and girls' divisions.
- Applicants must have a cumulative grade-point average of 3.5 or above on a 4.0 scale.
- Finalists in the Firelands Electric scholarship competition will be interviewed at the co-op office on Feb. 19, 2018.
- First-place Firelands Electric Cooperative scholarship in each division is \$1,500. Runners-up will also receive scholarships.
- The top overall winner will be eligible to compete at the statewide competition, where he or she can win up to \$3,600 in additional scholarships from Ohio's Electric Cooperatives.

Touchstone Energy®

Achievement Scholarship

- Applicants must have a cumulative grade-point average of 2.75 or above on a 4.0 scale.
- Applicants must be able to describe the unique and substantial personal challenges that they have experienced, which made achieving academic success difficult.
- First-place Firelands Electric Cooperative scholarship is \$1,000.

**Applications due
Feb. 1, 2018**

Complete rules and applications are available at www.firelandsec.com/content/scholarship-opportunities, or by contacting Firelands Electric's member services department at 1-800-533-8658, or visiting your high school guidance department.



Firelands
Electric
COOPERATIVE
Your Touchstone Energy® Partner 



YOUTH PROGRAMS



ELECTRICAL SAFETY ART CONTESTS

We need your help!

Firelands Electric Cooperative wants to feature YOUR artwork in an upcoming issue of *Ohio Cooperative Living* magazine.

Children who reside in a home receiving power from the co-op are invited to enter the 2018 Electrical Safety Coloring and Digital Art Contests. In May, as part of National Electrical Safety Month, winners and their entries will be featured in the local pages of *Ohio Cooperative Living* magazine, as well as on Firelands' website and social media outlets.

Contest entries are due by Thursday, March 1, and winners will be notified by March 15. The top two entries from each group will be awarded a trophy and gift card.

Official contest rules and materials are available at www.FirelandsEC.com/content/contests. If you have no Internet access, please contact member services at 1-800-533-8658, or visit the office at One Energy Place, New London, for materials.

Entries will be judged in the following categories:

Coloring

Group 1: ages 3-4 years Group 2: ages 5-6 years
Group 3: ages 7-9 years

Digital Art

Group 4: ages 10-14

All entries must include a completed official entry form and photo release form.

2018 Electrical Safety Coloring and Digital Art Contests

Coloring Divisions

- Participants should submit a completed coloring page and official entry and photo release forms to: Firelands Electric Co-op, Attn: Art Contests, P.O. Box 32, New London, OH 44851.
- All contest materials are available at www.FirelandsEC.com/content/contests.

Digital Art Division

- Participants should create a digital poster/ad or video (30 seconds or less) that illustrates an electrical safety topic.
- Suggested electrical safety topics and resources are available in the official rules, which can be found at www.FirelandsEC.com/content/contests.
- Poster/ad entries should be submitted in high-resolution PDF format. Videos can be live action or animated and should be submitted in MP4 or QuickTime Movie format.
- Entries must be smaller than 20 MB and should be e-mailed to members@firelandsec.com.



SAFETY

WINTER STORM SAFETY

Snow and ice storms can lead to downed power lines and outages. Remember the following tips to stay safe and warm should you find yourself in the dark after severe winter weather:



- * Never touch a fallen power line, and assume all wires are electrically charged. Contact Firelands Electric Co-op at 1-800-533-8658 to report it immediately. Avoid contact with overhead lines during cleanup and other activities.
- * In the event of an outage, an alternate heating source — such as a fireplace, propane space heater, or wood stove — may be used, but treat any of those with caution, and make sure spaces are properly ventilated to avoid deadly carbon monoxide buildup.
- * Make sure carbon monoxide detectors and smoke detectors are working properly. Testing each once a month by pressing the TEST button is the safest bet.
- * Do not use a gas-powered oven for heating because it might go out or burn inefficiently, leading to carbon monoxide poisoning.
- * Do not use a gas or charcoal grill inside the home, and do not use charcoal briquettes in the fireplace.
- * If you use a portable generator to power a heating source, be sure the generator is located outside your house in an open area that's sheltered from precipitation and moisture. Never use a generator in an attached garage — it's still too close and could lead to carbon monoxide poisoning. Follow manufacturer's directions for operation of the unit.
- * Take special care not to overload a generator. Use appropriately sized extension cords to carry the electric load. Make sure the cords have a grounded, three-pronged plug and are in good condition.

- * Never connect generators to power lines. The reverse flow of electricity can electrocute an unsuspecting utility worker.

Ideally, your family will stay warm until the power comes back on. But keep an eye on family members for signs of hypothermia, which include shivering, drowsiness, and mental and physical slowness. The elderly and young children are particularly vulnerable to hypothermia. Call 911 immediately if you notice these symptoms. Try to have at least one mobile phone in the house that does not depend on electricity.

Sources: Consumer Product Safety Commission; Centers for Disease Control and Prevention; National Ag Safety Database; Electrical Safety Foundation International





ENERGY EFFICIENCY

ENERGY MATTERS



Kick off the new year with improved energy efficiency

Is your home using energy efficiently? Unless it was recently built to stringent energy standards, there are likely to be areas where you can improve efficiency, save money, and reduce your carbon footprint.

Firelands Electric wants its members to be armed with the information they need to make cost-effective investments in efficiency. The cooperative's energy advisors can help you make better choices when investing your hard-earned money to improve your home's energy efficiency.

FREE energy consultations

Whether you are considering a significant investment to improve the energy efficiency of your home or business, or just looking for ways to save on your monthly utility bills, Firelands Electric's energy experts are ready to assist you in getting the most value for your money.

FREE home energy consultations are available to all Firelands Electric members. Your cooperative's energy advisor will visit your home and discuss your concerns and ideas, while making recommendations to help you maximize your energy savings.

The cooperative's online energy efficiency calculators at www.firelandsec.com/content/energy-education can assist members in calculating their energy use and the cost of appliances and electronics in their home.

These helpful tools can provide answers to your energy questions and allow you to see how much can be saved by making minor adjustments. The appliance and lighting calculators can provide helpful tips to know where your energy dollars are going.

SmartHub account access

Firelands' SmartHub system puts the power of data into the hands of its members. Your online account provides detailed kilowatt-hour usage, billing history, and bill comparisons with weather trend temperatures. The setup process for new users is simple, and all you need is your account number. Firelands Electric also offers a convenient SmartHub mobile application, which allows members to access their electric account and energy use information using their android and Apple mobile devices. The co-op's SmartHub app is free and easy to navigate — giving members the ability to report power outages and receive important alerts and notifications directly to their mobile device.

Appliances and rebates

What qualifies as a smart efficiency investment will differ from member to member. Many factors will determine whether you should put your money into insulation, replacing your water heater, or purchasing an ENERGY STAR®-qualified appliance. Firelands offers several rebates and incentives to members whose home improvements meet or exceed ENERGY STAR efficiency standards. Visit our website for complete rebate requirements and procedures.

The energy experts at Firelands Electric understand there is no such thing as a one-size-fits-all efficiency solution. Let us help you sort out which energy efficiency investments make sense for you and your situation. Your co-op strives to be a trusted energy partner for every single one of its members — contact Firelands Electric at 1-800-533-8658 to discover ways you can save energy and money!



2018 MEMBER PROGRAMS

PROGRAM TYPE	AMOUNT	GENERAL REQUIREMENTS*
APPLIANCE REBATES		
Refrigerator & freezer Dishwasher & clothes washer	\$100* bill credit \$50* bill credit	Replace an existing appliance with an ENERGY STAR®-certified appliance. Required documentation includes: proof of removal of old appliance, copy of receipt for the new appliance, and proof of ENERGY STAR certification.
COMMERCIAL & INDUSTRIAL (C&I)		
C&I custom lighting	\$1* per watt reduced, based on lamp wattages, up to 50% of material costs	Program is applicable for commercial and industrial business facilities located on cooperative lines only, including agribusinesses. Lighting at the facility must be used a minimum of 1,800 hours per year. Pre-approval of the project is required prior to installation.
C&I custom energy audit	50% of audit cost, up to \$2,000*	Program is applicable for commercial and industrial business facilities located on cooperative lines only, including agribusinesses. Audit must be performed by a professional auditing or engineering firm and must include an audit of electric energy use. Pre-approval of the project is required prior to audit.
C&I custom energy improvement	50% of improvements, up to \$3,000*	Program is applicable for commercial and industrial business facilities located on cooperative lines only, including agribusinesses. Improvements made must be recommendations from a C&I Energy Audit (see above).
LOAD MANAGEMENT REBATES		
Air-source heat pumps	\$500* Rebate	New or replacement all-electric air-source heat pump system that meets or exceeds Firelands' energy efficiency standards: Split SEER 15.0, EER 12.5, HSPF 8.5; Package SEER 14.0, EER 12.0, HSPF 8.0.
Dual fuel heat pumps	\$250* Rebate	New or replacement dual fuel heat pump unit added to any fossil fuel (gas/propane/oil) furnace that meets or exceeds Firelands' energy efficiency standards (see above).
Geothermal systems	\$800* Rebate	Installation of a new or replacement geothermal system that meets or exceeds Firelands' energy efficiency standards: EER 17.1, COP 3.6; Open Loop EER 21.1, COP 4.1.
Electric water heaters	\$100* Bill Credit	Installation of a new or replacement 50-gallon or larger tank with an Energy Factor (E.F.) of 0.91 or higher.
WEATHERIZATION REBATES		
Air-sealing upgrades Insulation upgrades	\$400* Rebate \$800* Rebate	Air sealing and insulation upgrades must be installed by a licensed contractor. Do-it-yourself projects are not eligible for this rebate. All qualifying insulation and air sealing upgrades must be installed in an electrically heated residential home and meet or exceed required energy specifications (see complete guidelines).

*A complete listing of specific eligibility requirements for all incentives is available at www.firelandsec.com/content/member-programs. The cooperative's appliance and C&I rebate budget is limited, and the offer expires when funds are depleted, or when the program is discontinued. Load management program rebates and incentives require members to participate in the cooperative load management program by having a PeakBuster radio-controlled switch (RCS) installed on the applicable electric appliance. Communicating and ductless HVAC systems, as well as solar, heat pump, on-demand, and tankless water heaters, do not qualify.



ENERGY EFFICIENCY

The Value of Electricity — *A dollar's worth can get you:*

36



(intense) hours of gaming

48



hours of watching TV

72



hours of Internet access

100



hot pots of coffee

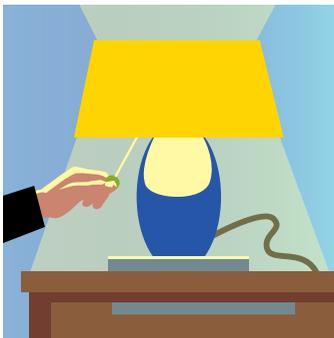
375



pieces of toast

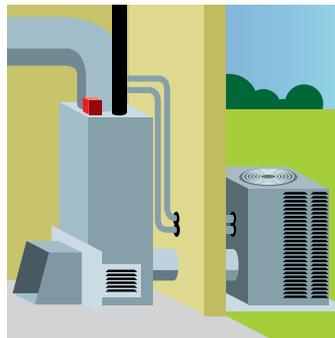
Sources: U.S. Department of Energy; National Rural Electric Cooperative Association

BUDGET-FRIENDLY EFFICIENCY TIPS



Lighting:

LED bulbs save 60 percent or more energy than incandescent bulbs and can now be purchased at box retailers for \$5 or less.



Heating and Cooling:

Replace air filters every one to three months and seal/insulate ductwork to maximize the efficiency of your home's heating and cooling system.



Appliances & Electronics:

Keep appliances and electronics free from lint and dust, and use a power strip to turn off electronics when not in use, avoiding "energy vampires."



EMPLOYEE NEWS

FIRELANDS ELECTRIC HIRES DAN McNAULL AS GENERAL MANAGER

The cooperative's board of trustees appointed Dan McNaull as general manager of the not-for-profit organization, which will be effective upon the Feb. 2 retirement of incumbent April Bordas.

Dan McNaull has represented the members of Firelands Electric Cooperative as the trustee for District 7 for over 26 years, serving as president of the board since 1999. The co-owner and vice president of Ashland Implement, Dan attended The Ohio State University and North Central Technical College. He has also received his Credentialed Cooperative Director certification from the National Rural Electrical Cooperative Association.

Further, McNaull was the nominating committee chairman of the Ohio Rural Electric Cooperatives (OREC) board of directors, where he served numerous years on the marketing committee. McNaull was on the joint policy committee for Buckeye Power and OREC, and served as a national parts advisory board member for Case International.

"Dan's tenure on the Firelands board, combined with his unparalleled business expertise and operational insight, make him exceptionally qualified to assume effective responsibility of our co-op," says April Bordas. "I fully endorse the board's selection of Dan, with the confidence that our members, staff, and community partners are in capable hands."

McNaull's numerous civic and volunteer activities include acting as a deacon at Ashland Dickey Church of the Brethren and serving in various capacities around his community: chairman of the Ashland Dickey Cemetery Association, chairman of the Montgomery Township zoning commission, member of Ashland County Farm Bureau, member of Ashland County Yesteryear Machinery Club, director and present board chairman for Farmers State Bank, and member of Ashland Young Men's Business Club.

Firelands Electric's board of trustees underwent an extensive search for the next general manager, considering candidates from both inside and outside the cooperative world. "Following the interview process, there was no question that Dan McNaull is the most qualified in terms of business expertise, communication skills, and leadership experience," says District 1 Trustee Dan Schloemer.



McNaull and his wife, Debbie, live near Ashland and have two grown daughters, Christy and Kelly, and a grandson. In addition to spending time with family and friends, Dan enjoys fishing and bicycling. His hobbies include caring for his family's 1815 McNaull homestead farm, doing yard work, and gardening.

"I am truly honored and excited to have been selected by the board to be the next general manager of Firelands Electric Cooperative," McNaull says. "I look forward to joining a great team of employees, as we continue to provide members with outstanding service and reliability every day. My years as a trustee have convinced me that the cooperative business model provides the best organizational structure for supplying the electricity that powers our homes and communities."



COOPERATIVE UPDATE

BOARD MEETING *highlights*

Firelands Electric Cooperative's board of trustees met Oct. 24 and covered the following items:

- Board President Dan McNaull reported 43 new membership applications for approval by the board.
- Director of Finance and Accounting Tabi Shepherd reviewed September financials and reported on accounting and billing department activities.
- General Manager April Bordas presented the preliminary budget proposed for 2018, and management will bring it back for further discussion at the November meeting.
- The board reviewed a report prepared by Director of Electric Operations Denny Marugg on recent projects in the operations department.

• Line Superintendent Don Englet reported on recent line crew activities and projects.

• The board reviewed a report from Director of Member Services Andrea Gravenhorst on recent communications pieces and upcoming activities involving the member services department.

Firelands Electric is democratically controlled and governed by local people committed to policies that result in a safe and reliable electric system, fair rates, financial responsibility, and superior member service.

The cooperative's next board meeting is scheduled for 7 p.m. Tuesday, Jan. 23, at Firelands Electric's office, located at One Energy Place, New London.



FIRELANDS ELECTRIC COOPERATIVE, INC.

OUTAGE HOTLINE
1-800-533-8658

OFFICE

One Energy Place
P.O. Box 32
New London, OH 44851
419-929-1571

OFFICE HOURS

Mon. - Fri. 8 a.m. - 5 p.m.

www.FirelandsEC.com



BOARD OF TRUSTEES

Dan Schloemer
President, District 1

Lowell Kreager
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District 8

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District 6

Neil Winslow
District 9

GENERAL MANAGER

April Bordas

HAVE A STORY SUGGESTION?

E-mail your ideas to:
members@firelandsec.com

