



ELECTRIC VEHICLE EVOLUTION

The automotive market is evolving toward all-electric vehicles. Find out how co-ops are using localized data to help members learn about all-electric ownership. **PAGES 5-8**

NEWS BRIEFLY

RENEWABLE ENERGY



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PANDEMIC AFFECTS RENEWABLE ENERGY GLOBAL SUPPLY CHAINS

The global supply chains that produce parts and materials to manufacture renewable energy technology, such as solar panels, have been hit by the pandemic. Green Tech Media reports that the closure of Chinese manufacturing and distribution channels have lead to issues for the Operations and Maintenance value chain.

Similarly, the National Rural Utilities Cooperative Finance Corporation released a report "COVID-19 pandemic impacts on solar photovoltaics" that shows how the U.S. solar industry supply chain is working to resolve pandemic-related disruptions.

The National Rural Electric Cooperative Association (NRECA) spoke with CFC Vice President of Strategic Industry Research and Analysis Peter Muhoro on this issue.

"The Solar Energy Industries Alliance estimates new solar capacity entering service in 2020 could drop between 16 percent and 30 percent of the projected capacity," Muhoro told the NRECA. "Residential solar installations could see a nearly 50 percent drop this year."

ENERGY INDUSTRY

Renewable energy surpasses coal as leading power source

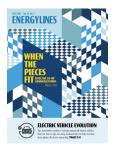
The U.S. consumed more renewable energy than coal last year for the first time since 1885, according to the Energy Information Administration (EIA).

The steady growth of renewables during the past decade have contributed to this transition. Coal use fell by 15 percent last year while renewables increased by 1 percent, according to the FIA

The growth of renewable energy, based on generation output, has been driven by wind. The EIA states that wind generation surpassed hydroelectric power output last year.

ON THE COVER

Co-op team builds relationships that improve communications to provide members timely information.





BROADBAND EXPANSION

House lawmakers introduced a bill to use \$16 billion of Federal Communication funds to expand the broadband infrastructure.

FCC urged to speed up release of rural broadband funds

In an effort to expand the rural broadband infrastructure nationwide, House lawmakers introduced a bill to use \$16 billion of Federal Communications Commission (FCC) funds ahead of the auction scheduled this October.

To access funding, the bill requires companies to offer gigabit fiber-optic technology and begin installing the cabling in six months with service available in one year.

Fred Upton (R., Mich.), co-author of the bill, told the Wall Street Journal, "If we can pass this bipartisan bill and implement it, it might be one of the biggest leaps for rural America in our lifetime."

The WSJ reports that some groups oppose the lawmakers proposal to favor electric co-ops over other companies for the federal funds. These groups include the Wireless Internet Service Providers Association and USTelecom.



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Strategic Priorities

Eight ways Hoosier Energy works to succeed

These are the strategic priorities that the Hoosier Energy workforce strives to achieve every day.

EMERGING TECHNOLOGIES

MEMBER FOCUS

RISK MANAGEMENT

GOVERNANCE

COMPETITIVE RATES

COST MANAGEMENT AND PERFORMANCE

SUPPLY PORTFOLIO

OPERATIONAL EXCELLENCE

COMMITMENT TO COMMUNITY



Submitted photo

COMMUNITY IMPACT: Stacy Tunnell, Betty Lenfert, Julie Young and Stefanie Griffith of Strandz Salon and Threadz Boutique in New Albany have received funds from the One Southern Indiana Cares program that Hoosier Energy recently contributed to.

Grant funding lifeline during COVID-19 pandemic

Partnership with CoBank doubles three matching grants

Just days before closing the One Southern Indiana office for the COVID-19 pandemic, President and CEO Wendy Dant Chesser had two challenges facing the economic development and Chamber of Commerce organization — how to not only sustain, but also help the 1,068 business members that would be scared and hurting financially.

Board and team members quickly created the One Southern Indiana Cares program and raised enough funding in its first of three initiatives to grant \$419,000 in loans to 44 small businesses in Floyd and Clark counties. One of those donors was Hoosier Energy, partnering with CoBank's Sharing Success to give \$5,000 to the COVID-19 Small Business Emergency

Forgivable Loan Program.

The Hoosier Energy Corporate Contributions Committee learned that One Southern Indiana had created the small business relief fund and had received 145 applications for \$421,000 in funding. So, the committee submitted a request to CoBank to match Hoosier Energy's \$2,500 grant, with preference being made to Clark County REMC members if possible.

This was one of five Hoosier Energy grants, three which were matched by CoBank. The other matching grants included a total of \$5,000 to Sullivan County Chamber of Commerce and \$10,000 to Indiana United Way.

CONTRIBUTIONS, continues on Page 10

MEMBER FOCUS Consumer preference drives demand side management program changes

In the spring of 2020, a group of member co-op and Hoosier Energy employees gathered to identify the changing needs of member-consumers. They identified three core values for the future of the marketing department and its programs.

- Be member-focused
- Encourage load growth through beneficial electrification
- Be trusted energy partners

This eight-person group – the Hoosier Energy Demand Side Management (DSM) sub-committee - has set these goals to help evaluate current and future programs.

"Our goals are to help our members while they also help us," said committee member Nick Geswein, Energy Advisor for Harrison REMC. "I think we have a great base of people to do big things, as the sub-committee has members from several different career paths, creating a wide base of knowledge."

With diverse backgrounds including member service representatives, energy advisors. CEOs and communication professionals, this group brings new perspectives to the table. This range of member-focused insight is helping the sub-committee develop the direction for DSM programs.

As technology and consumer preferences evolve, this group will continue to work to identify and build the foundations for programs that

benefit consumers. From demand response to energy efficiency rebates, the sub-committee formulated a set of recommendations for the Managers' Association Standing Committee on Member Services.

"Member cooperatives were given the freedom to evaluate and provide recommendations on each of our marketing programs," said Blake Kleaving, Manager of Energy Management Solutions at Hoosier Energy. "The future of the department benefits from the sub-committee and we are excited to continue applying their



insights as we proceed with beneficial electrification initiatives."

Co-ops have a strong history of listening to their members. Whether inperson or through surveys, qualitative and quantitative data is helping this committee discuss important issues, identify what is of value and make informed decisions.

"I think that is a step in the right direction for everyone," said Geswein. "We are listening to what our members want; what their needs are. Ultimately. that will make us a better electric provider."

The sub-committee presented its suggestions to the Managers' Association Standing Committee on Member Services on June 15 for approval. After final approval, the DSM Committee begins a formal initiative for presenting the new programs to the cooperatives. 🗓

Demand Side Management sub-committee members

Barry Lauber, SEI REMC; Brett Abplanalp, Decatur County REMC; Brian Reynolds, Jackson County REMC; John Gates, JCREMC; Leslie Beard, WIN Energy REMC; Mike Owens, Hoosier Energy; Mary Lasure, Bartholomew County REMC; Nick Geswein, Harrison REMC; Sandy Cason, Whitewater Valley REMC.



HE photo

15 years, 258 megawatts and one goal — member value.

Historic moment.

Fifteen years ago on July 13, Hoosier Energy and Wabash Valley Power Alliance held the ground-breaking ceremony for the Lawrence Generating Station. The two generation and transmission electric cooperatives partnered to build the six-unit power plant.

The \$90 million, 258-megawatt natural gas-fired power plant has provided reliable electric generation through the years. The cooperative partnership for purchase of this plant helps meet the power needs of Indiana cooperatives and member-consumers.

The 48-acre facility, located between Bedford and Mitchell, was selected due to its close proximity to natural gas lines and access to the grid. II

DATA DRIVEN



CHOOSE EV PROVIDES MEMBER-CONSUMERS ELECTRIC VEHICLE INFORMATION INCLUDING LOCALIZED DATA

ust under a century ago, electric cooperative employees went door to door, explaining the benefits of electricity to prospective members and answering their questions. Since then, co-ops have played a key role in educating members about new electrical technologies, from grain dryers to heat pumps.

While electric vehicles (EVs) have been produced for some time, they've begun to gain traction with consumers who want to reduce their impact on the environment. As manufacturers respond to the demand, consumers are faced with a variety of models and a confusing new set of statistics. Where can they turn for helpful, objective advice? ChooseEV.

This online information is where consumer-members can find the information they need, directly from their co-op. Hoosier Energy is working with members to roll out this easy-to-understand and comprehensive source of information about electric vehicles.

"People who are visiting co-op websites that include the ChooseEV tools are interested in three primary things," explains Ben Yenter, President and CEO of The Yenter Group, developers of the platform.

"One, they want to know what kind of fuel savings they can expect. Two, they want to see what kind of vehicles are available. And third, they want to understand what sort of rebates and incentives are available for those vehicles. We're helping co-op members take a big step towards an informed purchase."

After Hoosier Energy's Chad Jenkins, Renewable Energy Project Developer, saw ChooseEV during an educational workshop, he was eager to bring the platform to member systems. "It was a well-developed platform and they worked with co-ops and utilities nationwide," said Jenkins. "They have a lot of experience in >>







ChooseEV platform provides member-consumers wide-range of electric vehicle information

The platform includes a full suite of online components that member systems can easily add to their websites. In addition to general information about the benefits of EV and answers to common questions, ChooseEV offers information about available EVs, details of current rebate and incentive programs, a finder for public charger sites, and a calculator that allows members to see how the costs of operating an EV compares to internal-combustion vehicles they currently own or are thinking about buying.



working with co-ops to educate members." ChooseEV works with more than 500 electric providers in 34 states, including approximately 200 co-ops.

"We do the heavy lifting so the co-ops don't have to," says Yenter. "We create and manage these robust marketing and technology tools and deliver them to utilities and co-ops. That allows us to share the costs and keep it affordable for everyone. We had a vision to help utilities of all sizes, and we've been able to grow from a half-dozen in 2017 to more than 500 today." The Seattle-area company monitors the ever-changing landscape of models, rebates and incentives to ensure members have current information. The content is also mobile-ready, so members can access it on any device.

"They show specs of all EVs and the current tax incentives associated with each model," says Jenkins. "The savings calculator also lets you compare the fuel costs of EVs to those of most vehicles with gas or diesel engines since the 2000 model year."

Harrison REMC Energy Advisor Nick Geswein sees ChooseEV as a key part of his co-op's efforts to be an energy partner to members. "We believe interest in EVs will increase rapidly in the next couple of years and we want to get out in front of that demand. It's an opportunity to help members save on fuel while growing the co-op's load."

Yenter adds, "Every fossil fuel vehicle that sells in your service territory is 10 years of kWh you won't sell. That represents between \$3,000 and \$4,000 in lifetime value per vehicle."

"The savings calculator lets you compare the fuel costs of EVs to those of most vehicles with gas or diesel engines since the 2000 model year."

CHAD JENKINS

Renewable Energy Project Developer

Harrison REMC will be purchasing an EV of its own. "We plan to use it at the office, park it out front so members can see it and bring it to events," Geswein explains. The co-op is also planning to allow members to take test drives. "They can schedule an appointment, and the staff will ride along with them."

Yenter praised the Hoosier Energy and member system teams for their willingness to integrate the platform into their communications efforts. "They've come onboard very quickly ... faster than any of the other G&Ts we've worked with," he notes.

Geswein believes it's critically important for co-ops like his to share the EV story. "If nobody's out there advocating for the technology and talking about the pros and cons, it probably won't take off," he suggests. "And that would be a missed opportunity for our members and for us as a utility. As new technology evolves, we need to continue to be the resource for our members."

THE ELECTRIC VEHICLE EVOLUTION

AUTOMOTIVE INDUSTRY SPEEDS TOWARD ALL-ELECTRIC VEHICLES IN THEIR FLEET

With Tesla firmly in the all-electric vehicle sales lead, other automotive manufacturers are quickly shifting to add electric vehicles (EV) to their lineup. This transition is causing some manufacturers to change their business models as they adapt to consumer demand.

During the past decade, EVs and hybrids have helped auto manufacturers meet environmental compliance standards. As tailpipe emission regulations increased, manufacturers added these vehicles to their fleet.

Consumer acceptance of EVs remains low as sales of plug-in models accounted for only 2.4 percent of the overall U.S. market in 2019 according to J.D. Power. Reserved growth in this segment is taking place as the variety of vehicles increase and prices decrease.

Since March, the slow growth has been compounded as the world responds to the pandemic and consumers stay out of showrooms. If the price at the pump remains low throughout the year, this could also adversely affect EV sales in the near-term.

To boost sales, manufacturers – such as newcomer to the EV market, Volvo – are providing generous incentives. The Swedish company has stated that half of its vehicles will be electric by 2025. Their first all-electric vehicle is the XC40 Recharge — an SUV with 200 miles of range and 408 horsepower. To market and sell this vehicle, Volvo states that it will pay for one year of electricity for every EV they sell.

In Detroit, General Motors (GM) CEO Mary Barra has big plans for EVs. Barra told Bloomberg News that GM plans on selling a million electric vehicles a year globally by 2025.

The GM plan includes more than 20 EV



Photo courtesy Volvo.com

ELECTRIC VEHICLE INCENTIVE: Volvo is entering the electric vehicle market with the XC40 Recharge. The manufacturer will pay for one year of electricity to boost sales.



The growth of electric vehicles

By the end of 2022 there will be 78 plug-in hybrid and EV cars and SUVs to choose from. This is up from just four models available in 2015 according to AlixPartners, a global consulting firm.

models within the next three years. These models will use advanced batteries, motors, electronics and vehicle architectures that can be used across their model lineup.

For now, General Motors has entered its fourth year of production for the all-electric Chevy Bolt. With 238 miles of range and 200 horsepower, the small, \$37,000 five-door hatchback is gaining attention from consumers as it has an attractive price and competitive range.

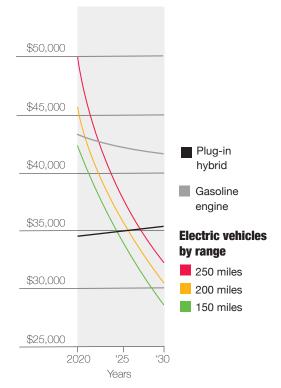
The steady growth of EVs entering the market also ramps up consumer interest. Coops are at the forefront of this change as they work to help member-consumers understand this technology and how they can save by charging these vehicles at home.

Consumer interest in technology is often driven by cost. For manufacturers, this connects to the costs of batteries. This technology is expected to drop from \$104/kWh in 2025 to \$72/kWh by 2030, >>

Estimated vehicle prices by powertrain

During the next decade, the cost of electric vehicles will decrease up to \$15,000. This will be driven by lower battery costs and efficiencies in the manufacturing process through shared platforms underway at major automotive manufacturers.

Sources: The Wall Street Journal, International Council on Clean Transportation



according to the International Council on Clean Transportation. What this means for electric-consumers is that there will be a wide-range of electric vehicles priced to compete with conventional gasoline engine models.

Hoosier Energy and member cooperatives are exploring their roles as EVs enter co-op communities. This has led to the formation of an emerging technology committee. This group is exploring the use of EVs and how that might change time-of-use energy demand.

As automotive technology changes to meet market demand, co-ops are taking proactive steps to be ready for this change – one volt at a time.

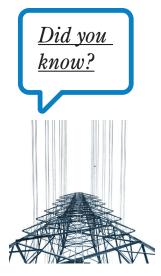


ELECTRIC VEHICLES

Tesla breaks 400-mile-per-charge range with Model S

The distance that an electric vehicle can travel before needing a charge is a factor important to consumers. The first auto manufacturer to hit the 400-mile per charge range is Tesla. The Model S Long Range Plus model has been rated at 402 miles per charge. This type of range can get you from Loogootee, Ind. to Detroit in a single charge.

To reach this goal, improvements have been made to reduce the weight of the vehicle. New tires and rims help reduce aerodynamic drag and efficiency gains have been achieved in the drive unit by replacing mechanical oil pumps with electric pumps to reduce friction.



Advancements made toward self-healing grid

RE Magazine reports that United Power, a Colorado distribution co-op, is working to automate its part of the grid as it moves toward building a self-healing system.

The magazine reports that the co-op is accomplishing its goals through a combination of smart-switching technology, robust fiberoptic communications and SCADA augmented with integrated distribution management system.

The co-op reports that the automation they have achieved so far is helping improve fault management and outage response.

Read more at:

Cooperative.com

Cooperative team gets information pieces to fit



Communications and operations work together to keep members up-to-date

When an outage occurs, operations crews focus on getting the power back on safely. While they're doing that, co-op communicators work to keep member-consumers updated with timely information. This requires a collaboration between the communications and operations teams – a relationship Henry County REMC's Lara Sullivan has been building for several years.

"Being a communicator, I want to get this information out there. I want to explain it the best way I can and use photos and video footage if I can," says Sullivan, Manager of Marketing and Member Services, explaining that not being on the frontline can cause communication delays.

Sullivan gets help from her co-op's operations team, managed by Adam Warwas, who has bridged the gap between her and the line crews during power outages. "They are intent on getting the power on and don't always realize the urgency of letting our

"I just keep myself present for everyone, so that they think about me when anything is going on."

LARA SULLIVAN
Manager of Marketing
and Member Services

members know what's going on," she says. "We have to have information out in the timeliest manner. When we post to social media, we need facts, and we want it to be correct. Our members crave the information."

Sullivan doesn't expect crews to stop what they are doing to communicate with her, which is why the intermediary work by Warwas and his team of on-call supervisors is so valuable. The crews report back to the on-call supervisor on their progress and he relays the information to Sullivan, who then updates members.

When not in a crisis situation, Sullivan builds rapport with the management, operations and administrative teams by coordinating regular meetings and dropping into the crew room to say hello and find out about upcoming projects.

"Staying in touch has helped me know when they're out doing something I can share," she says. "I just keep myself present for everyone, so that they think about me when anything is going on."

Sullivan has started getting photos from line crews with messages like, "Just for you." In the past, she might have saved those photos in her files for future communication needs, but now she shares them in the internal employee newsletter.

Sullivan says an example of how the operations and communications teams worked at optimal performance was during a power outage on April 8, a few weeks after the COVID-19 pandemic broke out. Members were already stressed by the novel coronavirus, and then a big storm rolled through the area, leveling trees and poles and leaving members in the dark for hours.

"During that event, I ended up posting about every 20 to 30 minutes instead of my normal report every hour," Sullivan recalls. "I was answering instant message questions more than I'd ever done before. It was constant." >>

ENERGYLINES

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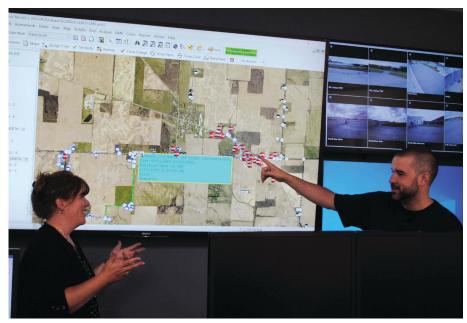
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COMMUNICATION COOPERATION: Henry County REMC Manager of Marketing and Member Services Lara Sullivan discusses an outage response with Manager of Engineering Adam Warwas.

Sullivan says she and the on-call supervisor were in continuous communication. He was able to provide progress updates to help Sullivan keep members informed.

"Even if we didn't know when power would be back on, we could tell members that crews were headed that way," she says. "Although this was one of the most demanding and stressful times for information, it was one of our most successful communication efforts."

CONTRIBUTIONS.

Continued from page 2

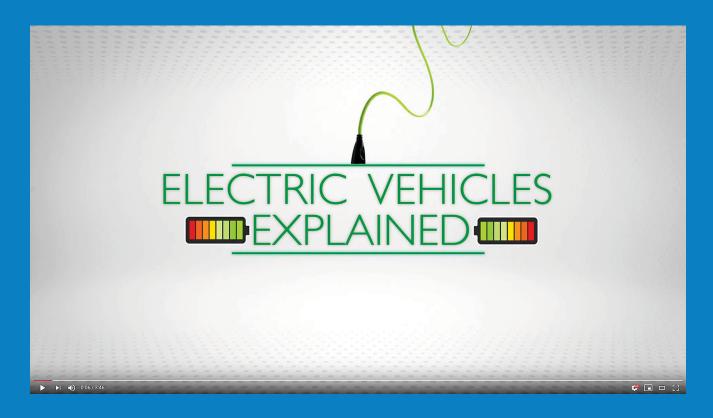
In addition, early in the pandemic, Hoosier Energy answered a call for help from United Way of Monroe County, which was granted \$500, and the American Red Cross-Indiana Region, which was granted \$1,000 to split between the Southeast and Southwest Indiana offices.

Considering whether or not to fund community organizations wasn't a difficult decision, says Scott Bowers, Vice President of Public Policy and Member Services. "One of the seven cooperative principles is 'Concern for Community,' and that is a focal point of Hoosier Energy's community engagement strategy," he explains. "The impact of COVID-19 on people and businesses throughout our service territory has been

significant. The support Hoosier Energy has been able to provide in partnership with CoBank means we embody that cooperative principle."

Being able to partner with CoBank meant that the Hoosier Energy grant had a broader impact for small businesses, organizations and cooperative members. The agencies receiving grants were selected because of being economic development and community-based organizations with strong reputations in Hoosier Energy's service area.

Dant Chesser is grateful for Hoosier Energy and all the businesses, organizations and individuals that have contributed to their three different initiatives. In total, One Southern Indiana has given or loaned \$1.157 million to 123 small businesses. "We've persevered, and luckily, we've had a very generous community."



Video explains electric vehicles, online tools

A recent video produced by Hoosier Energy explains electric vehicles (EV) – from the manufacturers who have EVs, how they are charged and costs. This video helps show the speed at which EVs are gaining interest in the automotive market. The video connects to the Choose EV online tool to help your members on the benefits of EVs.

MORE INFORMATION:

Contact Ben Turner (bturner@hepn.com) to have this video edited for your co-op. View the video at https://youtu.be/F9VBounBLMY.