InTouch

WITH MEMBERS OF BUTLER COUNTY RURAL ELECTRIC COOPERATIVE

August 2024

Your Touchstone Energy® Cooperative











Joel Noelting

Craig Ohloff

Chris Wehling

Dawson Testroet

BCREC employees on the move

Joel Noelting, journeyman lineman: Noelting joined Butler County REC in 2020 as an apprentice lineman. We are proud to announce that he has met the Department of Labor requirements and is now a journeyman lineman for our Allison crew. To reach this status, Joel had to complete three program areas: written (testing over eight steps and a comprehensive exam), evaluation of technical skills (show competency in over 70 skills), and on-the-job training (7,000 hours, including 1,000 hours of energized work).

Craig Obloff, coordinating crew chief: A 13-year employee, Ohloff was promoted from crew chief to coordinating crew chief. He is now responsible for the daily coordination of our Allison crews.

Chris Wehling, member service advisor: In 2008, Wehling became an employee of Butler County REC. He began as an apprentice lineman, became a crew chief, and then was named the Allison line crew coordinating crew chief. With the retirement of Abe Stirling, Wehling has moved into the Allison member service advisor position.

Dawson Testroet, apprentice lineman: Testroet began his lineman career with Butler County REC in July. From Greene, Iowa, he attended Northwest Iowa Community College, Sheldon. He will work out of the Allison warehouse and be on call with the Horton crew.

Congratulations, Joel, Craig, Chris, and Dawson! We appreciate your service to our members.



BILL REMINDER

Members should receive their Butler County REC power bill by the 10th of the month.

If you have not received your bill by the 10th of the month, be sure to give us a call or log in to SmartHub to view and pay your bill.

Need help signing up for SmartHub? Visit our website, download the app, or give us a call!

WORD FROM



Craig Codner, CEO ccodner@butlerrec.coop

ou expect reliable electricity from Butler County REC, so how do we deliver on that promise, especially considering power capacity concerns?

A complex network of electricity generators and tens of thousands of miles of electrical lines work together to ensure that enough electricity is available to our members during the dog days of summer and on the coldest winter morning.

The key to meeting the energy needs so essential to your quality of life is balancing electricity supply with demand. While that may sound simple, there is a complex web of facilities and organizations that work together to make it happen each day.

Regional transmission organizations (called RTOs) coordinate, control, and monitor the electric grid across several states in a region. Think of them as energy traffic managers on an interstate highway system, regulating the number of cars – in this case, electricity – and their destination.

On some days there is an imbalance in the system that could lead to rolling power interruptions or blackouts. In those cases, supply can't keep up because power plants that

Ensuring reliability as dispatchable power supply tightens

generate electricity are being closed faster than new producers come online. This can lead to stranded costs, meaning while we are still paying for an asset for example, a power plant—it declines in

value much faster, and we are not receiving revenue to help pay for the asset. In most cases, traditional large-scale power suppliers such as coal and nuclear plants are being closed and replaced by alternatives on a much smaller scale. And this gap is closing more quickly despite the development of new natural gas-fueled power plants.

As more electric utilities are forced to pursue zero- or low-carbon initiatives by 2035 and beyond, this challenge will grow more complex. So, what is the answer?

Electric cooperatives and others in the energy sector will continue to develop renewable options and pursue new technologies for baseload dispatchable generation generation such as coal and nuclear that can be called on at any time. But absent new large-scale alternatives and advances in energy storage, the stalwarts of today's energy fleet—coal and nuclear energy facilities—must continue to operate in many regions. In some, they remain the most cost-effective options for producing electricity.

Looking ahead, we are already planning for your future needs, with the help of Corn Belt Power Cooperative and Basin Electric Power Cooperative, our generation and transmission resources, anticipating the service expectations of the communities we serve—the over 1,800 miles of line we maintain.

New EPA power plant rules threaten grid reliability In April, the Environmental Protection Agency (EPA) released four

Agency (EPA) released four major new regulations for the electric industry, including a much-anticipated rule to cut emissions from power plants, a sweeping move that will aggravate reliability concerns for electric cooperatives and other utilities nationwide.

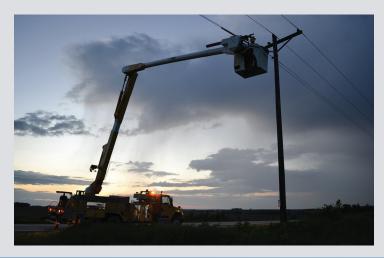
The power plant rule constrains existing coal and new natural gas plants by requiring them to install carbon capture and storage (CCS) technology that is not yet reliable or commercially available.

The rule will force the early closure of electricity generation sources that are available 24/7 (dispatchable generation) and will also impede the construction of new natural gas plants. The timing of these sweeping new rules is particularly troubling as electric utilities face a surge

in demand for electricity from factors like transportation electrification—electric vehicles—and the rapid expansion of data centers to support artificial intelligence, e-commerce, and cryptocurrency.

Under the new rule, existing coal-fired power plants that plan to operate past the start of 2039 must install CCS to capture 90 percent of emissions by 2032. The rule also requires new natural gas plants that operate more than 40 percent of the time to install CCS and capture 90 percent of their carbon emissions by 2032. These standards, and their reliance on unproven CCS technology, will undermine electric reliability. In addition, it is estimated that the technology may use between 10 and 40 percent of the plant's capacity.

Electric cooperatives understand the need to keep the lights on at a cost local families and businesses can afford. Clean energy technologies must be balanced with generation sources that are always available to ensure a reliable electric grid.



AUGUST 8-18 2024 IowaStateFair OFFICIAL SPONSOR

Connect with your co-op at the lowa State Fair!

The Touchstone Energy Cooperatives of Iowa are pleased to once again sponsor the 4-H Exhibits Building at the 2024 Iowa State Fair. Butler County REC is proud to be a Touchstone Energy member, which means we're part of a nationwide network of locally owned coops that provides resources and leverages partnerships to help member-consumers use energy wisely.

If you're planning a visit to the Iowa State Fair from August 8-18, make sure to stop by and see us in the air conditioned 4-H Exhibits Building on the southwest corner of the fairgrounds.

Electric co-op staff from across the state will hand out plastic hard hats and suckers for the kids while supplies last. Kids can also try on some lineworker safety gear and take fun photos in our co-op safety selfie station.

We look forward to connecting with our cooperative members at the Iowa State Fair this summer. Please stop by our booth and say hello!



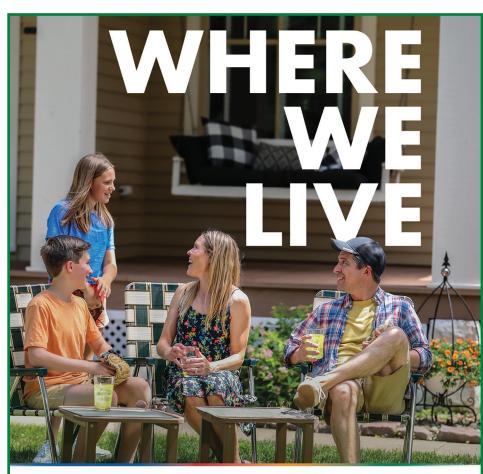


Employees' Commitment to Community

Despite the heat, humidity, and a couple of rain showers, employees from your electric cooperative served grilled hot dogs, chips, and water to 250 kids and parents attending Kids' Day at the Butler County Fair in Allison this summer.

We appreciated everyone who stopped by to grab lunch and visit with us.

Employees who volunteered their time were (left to right): Alesha Wedeking, Macy Endelman, Mandy Brouwer, Anne Gardiner, Sandi Miller, John Groen, Mike Miller, Katie LaBree, and Lori Roose.



We take pride in serving you and go the extra mile in everything we do. We are part of our communities. We are here for our members. Contact us with auestions: 888.267.2726.



Grid reliability assessment released

his spring, the North
American Electric Reliability Corporation (NERC) released a report outlining their 2024
Summer Reliability Assessment. In the report, NERC raised concerns regarding several regional transmission organizations (RTOs) and their challenges related to electric generation and transmission this summer.

What does that mean and how will Butler County REC continue to work with its industry partners to safe guard reliable and affordable electricity?

NERC's Summer Reliability Assessment Thankfully, the

regional transmission operator (RTO), Southwest Power Pool (SPP), of which Butler County REC is a participant, is not listed in a risk category this summer.

SPP and Corn Belt Power, our power supplier, have worked diligently over the course of several years to maintain reliable electric service, even in the case of drastic changes in weather.

What is SPP? What do they do?

SPP, our RTO, is also referred to as a Balancing Authority. SPP maintains the balance between the demand for electricity and the generation (or supply) of electricity from generation resources within its 14-state footprint. The organization balances demand and generation continuously in real-time between its 111 member companies, including Corn Belt Power, ensuring enough energy is transmitted across high-voltage power lines to where it is needed at the exact moment when it is needed. This is crucial because if supply and demand are out of balance, costly damage can occur to parts of the grid and large areas of the country can lose power.

Think of it like air traffic controllers. Air traffic controllers don't own airports or airplanes. They simply

control the traffic to keep things moving smoothly. SPP doesn't own or operate power plants or transmission or distribution lines. They exist to ensure a steady flow of power.

What does this mean for our members?

The way we generate electricity is rapidly changing. More and more, renewable energy sources like wind and solar power are coming online, while traditional sources like coal, nuclear, and natural gas are being retired. Butler County REC believes in and advocates for an all-of-the-above energy approach. All-of-the-above promotes the idea that the United States depends on a reliable and sustainable fuel supply that includes developing and incorporating domestically produced renewable energy resources to supplement baseload generation that includes biofuels, natural gas, nuclear, hydropower, and coal.

The electric grid is made up of thousands of generating stations and millions of miles of line. A power plant outage or natural disaster could have an impact on SPP's projections. Butler County REC, Corn Belt Power, and Corn Belt Power's primary power provider Basin Electric Power Cooperative are well-positioned to meet this summer's peak demand. And, as we have always done, we will communicate potential issues with you as they arise.

What is Butler County REC doing?

We continue to work with policymakers and regulators on a state and

federal level for a sensible all-of-the-above generation approach.

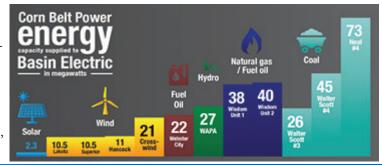
The ongoing energy transition must recognize the need for time, and technol-

ogy development, while including all energy sources to maintain reliability and affordability. A resilient and reliable electric grid that affordably keeps the lights on is the cornerstone of our rural economy.

Electric cooperative families and businesses rightfully expect the lights to stay on at a price they can afford. To maintain the reliability of your power supply, we must adopt an all-of-the-above strategy that includes renewable energy as well as dependable resources we have come to rely on like coal, natural gas, nuclear, and hydropower. This diverse energy mix is essential to meeting those expectations day in and day out.

We are keenly aware that the sun doesn't always shine, and the wind doesn't always blow. While we support and encourage the development and use of renewable energy, the intermittent nature of renewables means there may be times when there simply isn't enough of it to keep the lights on all the time. Its place is to supplement a reliable and affordable baseload generation mix. That's why we must continue to recognize the value of and operate baseload generation plants now and into the future.

Our mission remains the same. We are here to provide you with safe, reliable, and affordable electricity that is also environmentally responsible. We will continue to advocate on your behalf and do everything we can to continue to live up to that mission.



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