

MESSAGE FROM THE GENERAL MANAGER

Cooperatives insulate members from price volatility



Bill Barnhart
PRESIDENT & CEO

The prolonged hot, humid weather that hung over Ohio this summer drove electric bills up, causing many electricity consumers to exceed their expected utility expenses.

Hancock-Wood Electric Cooperative members weren't immune from sticker shock based on the weather, which pushed people to stay indoors more and caused air conditioners to run longer to keep inside temperatures comfortable. Higher electricity use meant higher-than-usual electricity bills for many members.

Unlike customers of investor-owned utilities, though, our members were mostly insulated from the sharp spikes in electricity rates that come with increased demand in extreme weather. In June, electricity rates for many AEP Ohio customers increased by more than 25%. The reason cited for the rate hike was the high price of electricity caused by high demand and limited supply.

Hancock-Wood operates on a different business model, which is designed to provide electricity to members at cost, and to keep those costs as low and stable as possible.

Generation ownership

Investor-owned utilities, like AEP Ohio, Toledo Edison, and Ohio Edison don't generate electricity but instead purchase it through an auction by the regional transmission organization that manages the electric grid for Ohio and 12 surrounding states. Because of surging demand, including ever-growing usage from data centers and high summer temperatures, and decreased generation, exacerbated by the premature retirement of fossil-fuel power plants, auction prices have been rising steeply.

Hancock-Wood is protected from much of this market volatility because we do not rely on purchasing energy in electricity auctions. Not only are we member-owned and not-for-profit, but Hancock-Wood is a part-owner — along with Ohio's other electric co-ops — of Buckeye Power, which generates and transmits the electricity that powers our co-ops. Buckeye Power's generation facilities include the coal-fired Cardinal Power Plant; the Mone and Greenville natural gas plants; and various solar arrays (the largest of which is on Hancock-Wood

lines), hydropower from upstate New York, and renewable energy from biogas from livestock farms and landfills like the Hancock County generating station. Owning our own generation, provided at cost — with no mark-ups for profits — allows cooperatives to maintain more stable rates for our members.

Buckeye Power generates sufficient electricity for the 1 million Ohioans who rely on it. In fact, Buckeye Power sells any excess power it produces and the revenue earned helps to offset the rising costs of fuel, transportation, and supplies — and some is returned to local distribution co-ops like Hancock-Wood as capital credits.

Cost increases

While we're protected from sharp swings in the auction price of electricity, co-ops are not exempt from ongoing growth in the costs of generating and transmitting electricity. Because we provide members electricity at cost, when those expenses increase, so do our rates, but in smaller increments and less frequently.

Electric cooperatives like Hancock-Wood have fewer consumers to share the costs of building and maintaining distribution infrastructure. Our co-op averages just seven residential consumers per mile of line, while the state's IOU's average 28. Yet, because of our cooperative business model — including ownership in generation — we maintain highly competitive rates. For July 2025, a Hancock-Wood Electric residential member using 1,000 kWh paid \$177, while neighbors with the same usage on AEP lines paid \$202.80 and Toledo Edison customers paid \$181.25. Electricity consumers across the state faced higher rates than last July, but Hancock-Wood members paid just 1.14% more, while many IOU customers saw increases of more than 11%. This price comparison doesn't even take into account the refund of capital credits that many members received on your December electric bills.

As a Hancock-Wood Electric member, you can rest assured that your co-op will always keep your rates as low as possible while maintaining the cooperative's financial health and providing the reliable electricity you need and expect.

Operation Round Up grants more than \$18,000 to local nonprofit organizations

Hancock-Wood automatically adjusts members' bills to the nearest dollar and then combines each amount for grants to local organizations and individuals in need.

For example, a monthly bill of \$52.73 is rounded up to \$53.00. The additional 27 cents will be contributed to Hancock-Wood's Operation Round Up fund, managed by the HWE Community Trust Fund Board of Trustees. On average, a member would contribute \$6 annually to the fund. These pennies, nickels, and dimes have helped raise more than \$1,099,382 to benefit area charities since Operation Round Up's inception in 2008.

The following organizations received funding through our Operation Round Up program in August:

- Elmwood Local Schools — \$2,750
- Kelleys Island Local School District — \$3,130
- Allen Township Fire Department — \$2,891
- Hancock County Educational Service Center — \$5,000
- Vanlue Fire Department — \$3,000
- McComb Elementary School — \$1,750



Volunteer needed for Community Trust Fund board

In October, members in districts 1, 2, 3, 4, 7, or 9 are eligible to run for our Community Trust Fund Board of Trustees. The CTF board is a five-member board, separate from the Hancock-Wood Electric Cooperative board, that reviews all the Operation Round Up grant applications quarterly and approves applications for assistance, based on demonstrated need and funds available.

Operation Round Up is a program which rounds up participating member's bills to the nearest dollar then combines those small amounts to provide grants to local organizations and individuals in need. The funds have helped support our local communities in the 10 counties served by Hancock-Wood Electric since 2008.

The board is responsible for reviewing applications prior to their quarterly meetings on the third Monday of February, May, August, and November and attend four board meetings per year.

If you are interested in running for the CTF Board, please contact Leslie Guisinger at leslie@hwe.coop or 419-257-5015. Applications must be received by Oct. 20, 2025.



Prism Propane has all your propane needs!

- Residential heating
- Commercial heating
- Forklift cylinder refill
- Propane autogas
- Agricultural gas
- Grill cylinder refill

Ohio Counties We Serve:

Allen County • Hancock County • Hardin County •
Henry County • Putnam County • Sandusky County •
Seneca County • Wood County • Wyandot County

**Call 877-887-7476
for pricing details.**



▶ Welcome Cole Gibson, Lineman I

Hancock-Wood is excited to welcome Cole Gibson to the cooperative as a Lineman I. Cole is from Deshler, Ohio, and previously worked with AEP. He enjoys spending time with his wife and two boys, as well as hunting and fishing. Cole is a fan of Ohio State football and the Minnesota Vikings.



Free energy audit

Did you know Hancock-Wood offers a free energy audit at your home? Our energy advisor, Bruce, can visit your home and help you better understand your energy use and offer some solutions to be more energy efficient. Just call our office at 800-445-4840 to schedule a time.

CONTACT

800-445-4840
FAX: 419-257-3024

WEBSITE

www.hwe.coop

OFFICE

1399 Business Park Drive South
P.O. Box 190
North Baltimore, Ohio 45872-0190

BOARD OF TRUSTEES

William Kale
Chairman

Lee Anne Dierksheide
Vice Chair

Duane Fry
Secretary

Charles Beagle

Ed Crawford

Tim Phillips

Max Rader

Jim Rose

Brian Terry

Bill Barnhart

President and CEO

PAYMENT OPTIONS

online, dropbox, office, by phone, or
automatic bill pay

HAVE A STORY SUGGESTION?

Email your ideas to:
leslie.guisinger@hwe.coop

Members First! 
HANCOCK-WOOD
ELECTRIC COOPERATIVE
A Touchstone Energy® Cooperative