

## MESSAGE FROM THE PRESIDENT AND CEO

# What's in a service charge?

As a member of Hancock-Wood Electric Cooperative, you make an investment in the co-op every time you pay your bill. This collective investment in the co-op benefits you and the community immediately — and over time. This investment is important for the cooperative to keep up with everyday expenses. So, what exactly is this monthly investment, and how do you benefit from it?

The service charge is a monthly investment that helps your co-op cover the expenses of maintaining the overall electric system. Combating cybersecurity threats and maintaining poles, wires, substations, and co-op equipment takes strategic planning and significant resources. The service charge ensures all equipment operates properly and the staff is trained and ready, so the lights turn on when you need them. Each month, our cooperative has a fixed cost paid to help maintain our system. This cost exists even when no electricity is used; we are still required to pay our loans, insurance, and taxes, building and fleet maintenance, and most importantly, maintain our system equipment so your lights will turn on when you need them.

Regardless of how much electricity a particular family uses, the cost of delivering power to that house is the same. The service charge represents the minimum electric system required to provide service to each member. As a not-for-profit electric cooperative, we believe most of our operational costs should be spread fairly and equitably across all our members, regardless of the level of electricity use. That is why every member pays the service charge each month to cover basic operational costs. Members are charged based on the rate class you are in.

Large utilities like AEP and First Energy also have service charges, but theirs are typically lower due to the characteristics of the areas they serve. Large utilities serve over four times as many customers per mile as your co-op serves. This allows utilities like AEP to spread similar fixed costs over a much larger customer base. For example, large utilities typically build a mile of distribution line and serve, on average, 30 customers. Due to the rural nature of many Hancock-Wood distribution lines, your cooperative averages just over

seven members served per mile of line.

Overall, all members benefit from the same service. This gives each co-op member an equal share in Hancock-Wood's operation. Your monthly investment ensures you have access to safe, reliable, and affordable power when you need it. We appreciate and value the investment you make in the co-op each month, and we strive to use that investment wisely for the benefit of all members of our community.



**Bill Barnhart**  
PRESIDENT & CEO

Next month, we will discuss how your rates are determined, rate components, and challenges faced by the cooperative. To learn more about the service charge, please visit our website at [hwe.coop](http://hwe.coop). On our website under the residential tab, you will find the "Understand Your Bill" option; this is an example of what your bill looks like each month. It's a complete breakdown of each cost you see on your bill, such as your service information, your 13-month use history, your meter reading section, a breakdown of your monthly charges, and messages from us each month. Members can also call our office to learn more about your bill.



## Annual meeting highlights

Thank you to all who virtually attended the 2022 annual meeting on June 11. Members can watch the recording on our YouTube page. The following trustees were reelected by their respective districts:



**Duane Fry**  
DISTRICT 6



**Lee Anne Dierksheide**  
DISTRICT 3



**Ron Riegle**  
DISTRICT 9

The membership also voted to change the nomination process for the board elections to a petition process.

Other highlights from the meeting include:

William Barnhart was named the seventh president and CEO of Hancock-Wood Electric following the retirement of George Walton.

The cooperative received an 86 customer satisfaction score, which was slightly higher than the all-Ohio average score.

The board approved to return \$2.3 million in patronage to members in 2021.

The cooperative has established an active role in economic development by establishing Partners Inc. Through Partners Inc activities, the cooperative was able to secure service territory and provide electric service to a new commercial member.

In 2021, the average member experienced 1.3 outages and a total of 101 outage minutes for the year. Hancock-Wood crews responded quickly and safely to address outage issues. Even though our electrical system totals almost 1,587 miles of line and covers ten counties, the average length of an outage was only 77 minutes.

To address member demand for renewable energy sources, Buckeye Power, in collaboration with Hancock-Wood Electric Cooperative, is developing an expansion to OurSolar, a community solar program developed and operated by Ohio's Electric Cooperatives.

### AT A GLANCE

**\$2.3 million**  
RETURNED TO MEMBERS

AVERAGE OUTAGE  
LENGTH  
**77 minutes**

**86** ACSI CUSTOMER  
SATISFACTION SCORE

**1.3**

OUTAGES PER  
MEMBER

**10** COUNTIES  
SERVED



# *Thank you for joining us for our* MEMBER APPRECIATION DAY!



# Think Energy \$mart *with Bruce*

## Measure your indoor relative humidity



According to the EPA, indoor relative humidity, or RH, should be between 30 and 50%. To measure humidity, I recommend a portable digital humidity meter, a small inexpensive (\$10–\$30) device that is available at most home improvement stores. Check the RH level

in several areas of your home, especially the basement. If areas of your home do not register in the recommended range, mechanical humidity control may be required.

The most common area where too much moisture is a concern is a basement. The cool temperatures of a basement allow for moisture in the air to condense and be absorbed into the contents of that area, causing mold and mildew. If you use a dehumidifier to remove excess moisture, keep in mind these tips.

- Be sure the air filter on the dehumidifier remains clean to allow good airflow around the unit.
- Place the dehumidifier in an area that can access the largest area of your basement and open closets and storage areas to ensure no areas remain damp.
- Place your portable humidity meter approximately 10 feet away from your dehumidifier to be sure you are keeping your humidity under 50% in the targeted space.
- To maximize energy efficiency, do not program the unit to just operate constantly. A dehumidifier with the compressor running all the time will cost you about \$45 per month in electricity. Set the dehumidifier to maintain 45 to 50%.
- Be sure the temperature of your basement is warm enough to operate a dehumidifier. Most units require a minimum temperature of 65 degrees to work properly.

### CONTACT

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### WEBSITE

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### BOARD OF TRUSTEES

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**Ed Crawford**

**Duane Fry**

**Charles Beagle**

**Ron Riegler**

**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](mailto:leslie.guisinger@hwe.coop)

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