

Municipal Electric Utilities of Wisconsin



Annual Report to Membership

December 2018

Celebrating a big birthday typically prompts taking a good look in the mirror and reflecting on major milestones, successes and challenges throughout the years. It's also a time to set new goals for the future. In 2018, MEUW did just that – pausing to revisit the vision and goals of MEUW's founders and to celebrate the organization's 90 years of existence, and then putting plans in place to sustain the association for years to come.

To start the strategic planning process, early in the year, the Board of Directors launched the ENERGY Project. The first step was to learn – to learn what member utilities need most at a time of change in the industry, to learn what kind of association MEUW needs to become, and to learn how to be stronger and more effective in sharing the public power story with those who need to hear it.

The ENERGY Project resulted in a robust collection of feedback and ideas for helping MEUW to be a better association. Those ideas were prioritized into five key areas:

Priority #1: To affirm MEUW's purpose and structure. To collect feedback and thoughts on MEUW's perceived value, I traveled across the state to meet with member utilities and MEUW employees to hear first-hand what they thought MEUW was doing right – and what could use improvement. It quickly became clear we needed to update our mission and vision statements.

Ultimately our vision statement was condensed to simply read: "To unify and strengthen community-owned utilities." Our mission, however, required a more substantive change. Previously, MEUW's mission was, "To be the most relevant and recognized resource of choice on municipal utility issues," but today we know that it's not enough to be recognized as a resource, we must deliver value and make a difference. A change was needed, and the MEUW Board responded by amending (and streamlining) the mission: "To deliver exceptional programs and services members value."

Priority #2: To revive member engagement. To be successful, MEUW and its member utilities must be active participants in strengthening the voice of public power in Wisconsin. In other words, we don't just want you to pay your member dues every year, we want to give you opportunities to help MEUW unify and strengthen public power in our state. The manner in which members choose to engage will vary – it could mean holding a MEUW leadership position or serving on a committee, taking a training course, attending a networking event, helping your neighbor utilities with a mutual aid event or enrolling in the Regional Safety Management Program.

One way we hope to increase member engagement is through more frequent and substantive communications. The big communications news for 2018 was the launch of a new electronic publication, *MEUW Weekly*. This publication was designed to streamline the number of messages received by MEUW and keep members abreast of what's going on every week. And we've received a lot of positive feedback about this new approach.

In addition to *MEUW Weekly*, we've also expanded our communications by establishing a more active and up-to-date website presence (new stories are highlighted on the home page every week) and building a stronger social media presence through both Facebook and a new Twitter page.

We also launched a new "live" training calendar to give members access to training locations and the most up-to-date

Continued on next page

Our Mission

To unify and strengthen community-owned utilities

Our Vision

To deliver exceptional programs and services members value



schedules. We will continue to identify meaningful benefits for members and focus on member engagement in 2019 and beyond.

Priority #3: To assess and enhance our training initiatives. For much of MEUW's history, association activities revolved around comprehensive training programs and that remains a large part of how we continue to serve our members today.

Over the summer and with the full engagement of the Safety and Education Committee, MEUW hired new instructors and revamped the Job Training and Safety Program; it even got a new name – the Electric Utility Safety and Training Program. With new faces and new processes, we hoped to revitalize the program and offer exceptional, comprehensive job training, which we know is absolutely critical to all of our members. After only a short time, we're seeing a renewed level of enthusiasm for our worker training program.

Our Regional Safety Program is also blossoming, reaching beyond our members and into the communities that they serve. Going forward, we hope more members and member communities will take advantage of what this comprehensive, customizable program has to offer.

We continue to expand our special training offerings. We recently held a well-attended seminar on the NESC Code, and in February we will host the Lineman "U" to provide enhanced training to already experienced lineworkers. We are also exploring a new Leadership Academy for budding utility leaders. Not intended to replace our existing management training program, this series will focus on teaching the critical leadership skills employees need in order to effectively manage organizations, not operational or tactical utility skills. We plan to host a focus group about this prospective new training program at our 90th annual conference to be held in Delavan in May.

Additionally, MEUW's agenda for the near term includes creating stand-alone, day-long classes aimed at improving operational skills for both managers and non-managers. Class topics could range from crisis communications, to learning about legal requirements and regulatory changes to improving business writing skills. We're looking forward to gathering members' input about the topics that are most relevant in these changing times.

Priority #4: To strengthen our relationship with regulators and legislators. Clearly our clout as an association hinges on the strong ties and trust that elected officials and regulators have in municipal utility leaders. Throughout 2018, we continued to find ways to make these important connections.

For example, in May, General Managers from six member utilities attended a forum with staff from the Public Service Commission (PSC) to discuss Grid Modernization efforts. It was an excellent opportunity to exchange ideas and explore how optimizing grid investments can help to better meet customers' changing expectations.

Also in May, Martin Day, Division Administrator for Energy Regulation, was a featured speaker at MEUW's 89th Annual Conference and highlighted the value of having municipal utilities work closely with PSC staff. By continuing to host presentations such as this, we can help our member utilities gain greater insight into our state regulators' oversight strategies and policies ... and also provide a forum to ask questions.

And in July, City Utilities of Richland Center hosted 12 staffers from the PSC for a "Municipal Utility Field Day" to showcase for staff, including many newcomers, how municipal utilities operate. This was an important event to not only help educate PSC staff about municipal electric utilities, but also an opportunity to highlight the successes of our members, discuss challenges and address questions. A similar event is planned for 2019.

Municipal utilities also played a role in this year's elections, through Friends of Public Power. In fact, our Friends of Public Power conduit and political action committee experienced solid fundraising and a sizeable disbursement cycle for the period ending with the 2018 mid-term elections. Thanks to more than \$8,000 in contributions, we were able to support candidates of both parties and build understanding about public power in Wisconsin.

Priority #5: To make MEUW a great place to work. MEUW's ability to stabilize its operations will grow if we are able to attract and retain a talented and highly engaged staff. We've taken steps in 2018 to listen to and understand what's important to MEUW employees. With some minor changes to our employee handbook to clarify policies and a renewed focus on employee development, we're taking steps to improve our ability to strengthen our team's performance and morale.

We've used member feedback to make changes over this past year – with the goal of becoming a stronger association. We hope you've already noticed some improvements and are starting to see increased value from your MEUW membership. Your continued feedback, engagement and support will help us as we move forward.

An association like MEUW would not have survived for 90 years without the determination, foresight and persistence of the transformational leaders who came before us. We have the important responsibility of carrying on the work and traditions they began – for the benefit of public power in Wisconsin and to help all MEUW members to be stronger and more unified in the future. Thanks for your support.



Tim Heinrich
Executive Director



ENERGY Project Helps Shape MEUW's Future

What do you see as the primary purpose of MEUW? How can MEUW be more valued in the future? These were just two of the questions MEUW asked of its members in a self-evaluation effort MEUW launched in 2018.

Why did MEUW start the ENERGY Project?

Every organization needs to reinvent and reinvigorate itself from time to time

Now is the time for MEUW to do just that

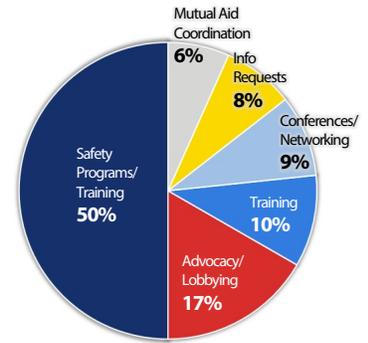
Enhancing MEUW services is the primary objective

Responsibility to shape the future of MEUW rests with all of us

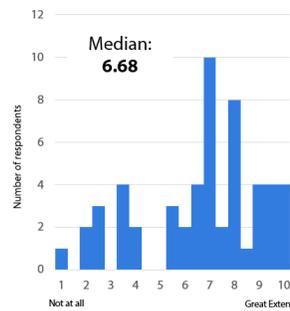
Generating strong interest and involvement in MEUW is vital

Your input and participation is essential

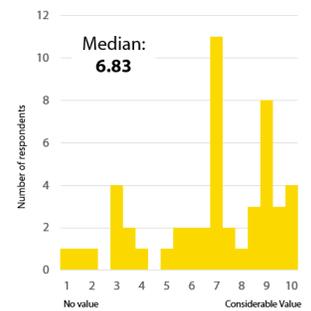
What is the primary purpose of MEUW?



To what extent is MEUW currently fulfilling its purpose



Rate the overall value of MEUW to your utility



New Hires Help Strengthen On-the-Job Training Program

MEUW was successful in attracting two exceptionally strong candidates for the Electric Utility Safety and Training Coordinator role. Randy Larson and Mark Zielsdorf joined MEUW in August 2018 to provide on-the-job training to lineworkers and other electric personnel, and both made an immediate impact to help stabilize and strengthen MEUW's training offerings.



Randy Larson



Mark Zielsdorf

Randy brought more than 25 years' experience as an apprenticeship lineworker instructor for Chippewa Valley Technical College. Prior to becoming an instructor, Randy was a journeyman lineman for Richland Center Utilities.

Mark brought two years' experience as a job training instructor, including one year with MEUW, beginning in May 2016. Prior to becoming an instructor, Mark was lineman and lineman supervisor for Upper Peninsula Power Company and had previously worked as a lineman for Wisconsin Public Service Corp. in Sturgeon Bay for more than 16 years.

MEUW Still Going Strong After 90 Years!

On Oct. 17, 1928, utility leaders from 10 communities gathered in Kaukauna for the purposes of organizing the Wisconsin Municipal Utilities Association. The idea for the new organization was borne from an impression that the private utilities were better organized to tell their story to a special legislative committee studying electric utilities. The small group of leaders worked quickly, drafted bylaws, elected officers and presented a unified front in defending public power in Wisconsin. MEUW's history is built on these type of stories and the resiliency and will of a generation of leaders who advocated for community-owned utilities and what local control meant to their customers.

In celebration of MEUW's 90th anniversary, we took steps to introduce or re-introduce the association to our stakeholders. Those efforts included publication of a lengthy edition of *Live Lines* tracing the organization's history and chronicling stories that shaped its structure and focus. The celebration will culminate in MEUW's 90th Annual Conference to be held in May 2019.



2019 Dates to Remember

**JAN
16-18** **MEUW/WECA Joint Superintendents' Conference and Expo**
Wisconsin Dells

**FEB
4-6** **Lineman "U"**
Eau Claire

**MAR
18-20** **Watt-Hour Metering Workshop**
Green Bay

**MAR
26** **Credit and Collection Seminar**
Marshfield



Customer Service Roundtables

April 25 – Cashton
April 30 – Hartford
May 2 – Waunakee
May 9 – Wisconsin Rapids
May 21 – Kaukauna

**MAY
15-17** **90th Annual Conference and Business Meeting**
Delavan

**SEP
26** **Accounting and Customer Service Seminar**
Wisconsin Dells

Management Training Program

Marshfield

**FEB
27** **Session A:**
Communication, Time and Project Management

**JUN
5** **Session B:** Effective Skills for Leadership and Team Building

**OCT
16** **Session C:** Utility Planning and Risk Management

For more information or to register, please visit  www.meuw.org

Thank you for your membership in MEUW!

2018 By the Numbers

145

Number of registered MEUW member attendees for the January 2018 MEUW/WECA Joint Superintendents' Conference held in Wisconsin Dells – registration is now open for the 2019 event to be held Jan. 16 to 18 at Glacier Canyon Lodge.

Number of people who attended one of the six MEUW District Dinners held in October and November – attendees provided valuable feedback that will be used in planning future association gatherings across the state.

92

8,400

Total dollars collected for the **Friends of Public Power** through fundraising efforts in 2018 – dollars donated by individuals are used to support candidates of both political parties and help educate about the benefits of public power.

5

Number of Board Members who served on the Selection Committee to hire MEUW's new Executive Director.

Number of new graduates who completed MEUW's Management Training Program in 2018 – each graduate receives a plaque after completing all six sessions in the program.

16

20

Number of "new" ideas presented for consideration by the MEUW Board of Directors during a strategic planning exercise in September – each of the ideas was prioritized for further exploration and inclusion in the association's long-term strategy currently under development.

286,613

Number of customers served by municipal electric utilities in Wisconsin; representing approximately 11% of electric customers in the state.

32

Number of printed pages of a special edition of *Live Lines* produced in connection with MEUW's 90th Anniversary – a must-read about the origin and history of the association.

85

Response rate (as a percentage) to a February online survey that collected member feedback for MEUW's ENERGY Project.

41

Number of member utilities represented at MEUW's 89th Annual Conference held in La Crosse in May 2018 – as a benefit of membership in 2019, each utility will be provided one complimentary registration to attend the association's 90th Annual Conference, which will be held May 15 to 17 at the Lake Lawn Resort in Delavan.

MEUW 2018-19 Board of Directors



Executive Committee



President:
Paul Hermanson
Lake Mills
p: 920-648-4026



First Vice President:
John Murphy
Elkhorn
p: 262-741-5129



Second Vice President:
Brian Knapp
Shawano
p: 715-526-3131



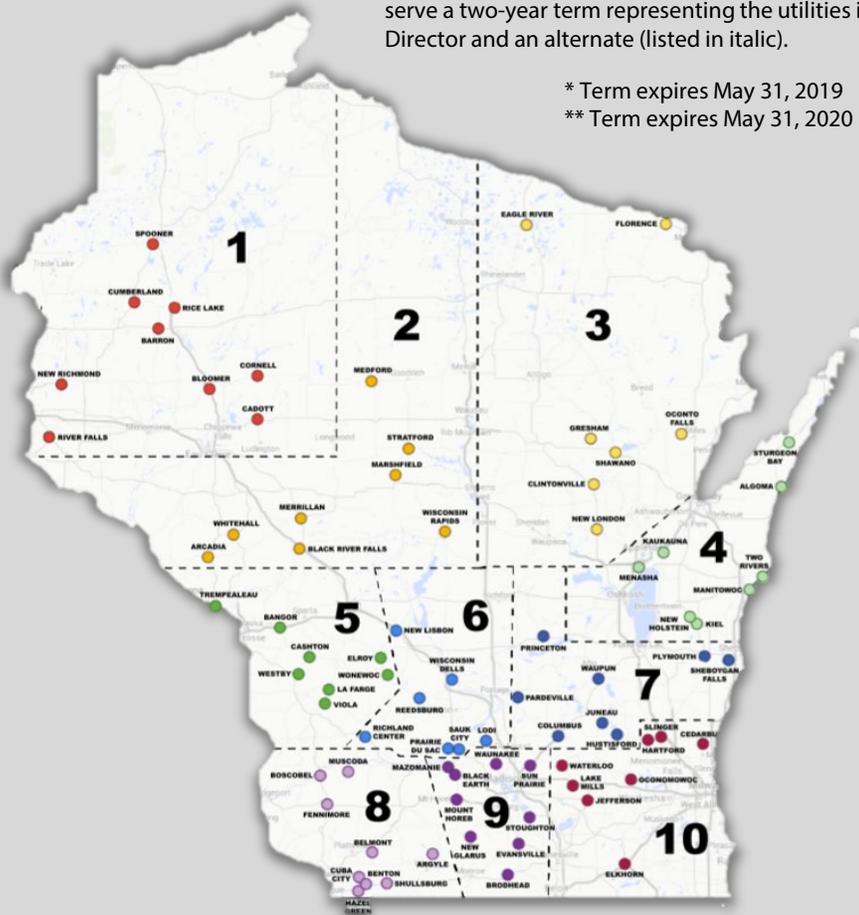
Secretary/Treasurer:
Tim Herlitzka
Waunakee
p: 608-849-8111



Past President:
Randy Jaeckels
New Holstein
p: 920-898-5776

Members of MEUW's Board of Directors are elected at the association's Annual Business Meeting and serve a two-year term representing the utilities in their respective district. Each district has one Director and an alternate (listed in italic).

* Term expires May 31, 2019
** Term expires May 31, 2020



- * District 1
Leo Diehl, Rice Lake | p: 715-234-7004
- ** District 2
Tim Putz, Arcadia | p: 608-323-7347
John Fales, Medford | p: 715-748-3211
- * District 3
Greg Kuhn, Oconto Falls | p: 920-846-4507
Brian Carroll, Gresham | p: 715-787-3244
- ** District 4
Melanie Krause, Menasha | p: 920-967-3412
Cliff White, Sturgeon Bay | p: 920-746-2820
- * District 5
David Bekkum, Cashton | p: 608-654-5160
Ron Janzen, Westby | p: 608-634-3416
- ** District 6
Dale Bender, Richland Center | p: 608-647-2434
- * District 7
Randy Posthuma, Waupun | p: 920-324-7920
Eric Anthon, Columbus | p: 920-623-5912
- ** District 8
Troy Wardell, Muscodia | p: 608-739-3390
Mike Reynolds, Boscobel | p: 608-375-5030
- * District 9
Rick Wicklund, Sun Prairie | p: 608-837-5500
Jeff Peterson, Brodhead | p: 608-897-2505
- ** District 10
Joe Pickart, Oconomowoc | p: 262-569-3197
Brian Rhodes, Hartford | p: 262-670-3701

- At-Large Directors:
- * Jem Brown, Wisconsin Rapids | p: 715-423-6323
 - * Lonnie Pichler, Kaukauna | p: 920-766-5721
 - ** Nilaksh Kothari, Manitowoc | p: 920-686-4351
 - ** Scott Adler, Jefferson | p: 920-674-7711

Executive Director:
Tim Heinrich
theinrich@meuw.org
p: 608-478-0998

Manager of Safety Services:
Mike Czuprynko
mzczuprynko@meuw.org
p: 608-478-2530

Member Services Specialist:
Mallory Conratt
mconratt@meuw.org
p: 608-478-2528



www.meuw.org



@MunicipalElectricUtilitiesofWisconsin



@MuniElecWis