



Cold-weather gear helped Dell Power Plant Maintenance Manager Ed Taylor brave bitter cold temperatures.

To our cooperative family:

Thank you for helping us weather the storm

In mid-February, the midsection of our country from the Canadian border to the Gulf of Mexico experienced one of the worst winter storms on record. The impacts—prolonged subzero temperatures, heavy snow and ice—were felt by Associated, your power generator and your network of six transmission cooperatives and 51 distribution cooperatives that deliver your electricity. By keeping reliability of your electric service as the top priority, this cooperative network kept the power flowing and the lights on, even when many electric utilities all around us were forced to implement rolling blackouts.

What was the key? Associated has maintained a balanced mix of generation sources. Energy is produced by coal, natural gas, hydropower and wind. The coal plants were the foundation for keeping the lights on. Natural gas and hydropower played important roles. Wind produced power at times but played a small role in producing energy during the peaks of the storm.

At one point during the worst of the storm, we asked you to conserve electricity. Associated had activated its energy emergency plan, rarely used and only when member demand for energy approaches the limits of our supply. We were not surprised when our cooperative members responded quickly and decisively, lowering demand so that the electricity kept flowing for all. Thank you for demonstrating the best of the cooperative spirit. You made a difference.

This historically severe weather also means Associated experienced cost increases to provide electricity to keep the lights on for members. Energy prices for natural gas, in high demand for home heating as well as generating electricity, and the cost of power purchased from other utilities increased to record highs. While preserving reliability was our top priority, close behind was managing costs by using the least expensive electric generation sources available to us.

While the storm did have financial impacts on many parts of your cooperative network, the homes and businesses we serve did not experience rolling blackouts. Your February electric rates did not go up. The weather did cause you to use more electricity, so you will likely see a higher electric bill from your distribution cooperative for February.

Finally, despite what you may see about some utilities, your cooperatives remain operationally and financially sound, capable of providing the same reliable and affordable electricity today as they did prior to the storm.

Thank you for your trust in us.

**The Board of Directors,
Associated Electric Cooperative Inc.**



To prevent freezing of key power plant components, employees braved the cold to install wind screens.