COPPER VALLEY ELECTRIC



A Touchstone Energy® Cooperative

2022 Director Election

Meet the Candidates

The CVEA Board of Director election is fast approaching. Ballots will be mailed by March 31 along with candidate biographies, and your official annual meeting notice.

To be counted, return ballot envelopes must have a valid signature and be received in the designated post office box by 5 p.m., Tuesday, April 26, 2022.

Candidates have been nominated via the petition process. You, as a CVEA member, will soon have the opportunity to exercise your right to vote. Please exercise this right.

Per CVEA Bylaws, a minimum of 10 percent of the district membership must return their ballots to constitute a valid election. For this reason, even though there may be only one candidate for the open seat in Valdez, the co-op still needs you to vote.

All valid ballots returned by the deadline will be entered to win a \$50 CVEA energy credit.

To learn about the candidates,

they were asked to respond to three important questions. The questions are listed here and the candidate responses follow.

Question 1

What knowledge, skills, and experience will you bring to CVEA's Board of Directors?

Question 2

What do you feel are the co-op's biggest challenges in the next five years, and what will you contribute to overcoming these challenges?

Question 3

If elected as a CVEA Director, how will you balance the desire to keep rates low with the need to complete expensive maintenance projects necessary to ensure system reliability?

*denotes incumbent



Andy Hess Copper Basin District

Question 1

I have been directly involved with the electric utility industry for over 40 years. I have a clear understanding of what project efficiency should look like. I served as an officer for IBEW and have a good working relationship with both sides of labor

Question 2

Maintaining a good relationship with industrial customers for joint projects that benefit both parties. I will maintain a knowledgeable understanding of utility projects and be able to explain them to customers. I will encourage customer involvement.

Question 3

I consider a Director as an ambassador between the customer and the utility. I will actively keep customers informed, and the utility aware of customer concerns. I am not shy about asking hard questions.



*Yvette Delaquito Copper Basin District

Question 1

I have been an active Director for a limited time, but being self employed, I value the importance of managing a budget and watching all expenses closely. I have successfully completed the Credentialed Cooperative Director (CCD) classes though NRECA, along with numerous classes to gain knowledge for board leadership. These classes educate and fulfill my fiduciary responsibilities to the Membership. If elected, I will continue to serve all members and look for ways to explore electrical cost savings and efficient, reliable electric service.

Question 2

The biggest challenge is the 'how to' produce energy needs with renewable energy. This is directly affected by the constant federal regulatory changes, which directly affects the members' monthly bills through rising fuel costs. It

is imperative we continue to explore ways to decrease diesel fuel usage by assessing options for fossil fuel-free energy.

Question 3

I will continue to support the review of alternative measures for power generation through fossil fuel-free energy options. It is imperative for equipment maintenance for power plant operations so dedicated efforts for supporting and analyzing this exploration is imperative to keep our current facilities in good working, efficient operations. Working together as a Board for the benefit of the Cooperative is key as we explore alternative energy options and make decisions for the Membership. I assure the Membership that I will continue to make sound decisions by not allowing significant changes that will negatively impact our members.



*Jan Maslen Copper Basin District

Question 1

My work experience spans 26 years with the federal government in business administration and finance. This background provides me the ability to ensure the Cooperative's funds are managed and spent responsibly. My experience overseeing the commercial services program at Wrangell-St. Elias National Park & Preserve has allowed me to establish successful working relationships with a wide variety of organizations and community members. I have extensive experience as a board member and can provide vision and leadership to advance the goals of CVEA and be a trusted spokesperson for the members.

Question 2

Challenges include finding solutions for high winter energy costs, increasing system reliability, reducing dependency on fossil fuel, developing/finding alternative renewable energy sources and partnerships/funding sources for expansion projects, and succession planning. To help overcome these challenges I will continue to enhance my knowledge, elicit feedback from the Membership, and direct management in accomplishing these goals. I will help ensure the cooperative remains financially healthy, establishes sound business management practices and continues to maintain a safe and viable workforce.

Question 3

Balancing low rates with the need to complete expensive projects is difficult and something the Board and staff wrestle with continually. Maintenance projects that provide reliable service is a necessity but requires funding which can affect rates. It requires transparency, education and communication with members; promoting the cooperative business model and benefits of membership. It also requires professional development for staff, ongoing budget review, working with elected officials, and most importantly developing partnerships and seeking alternative funding from local, state and federal organizations. Continues on page 8

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Meet the Candidates

Continues from page 5



*Dan Stowe Valdez District

Question 1

Having served on the Board since 2010, I am familiar with the needs and goals of our cooperative. With my engineering background, and 63 years experience working in design and construction, I know what is required to complete a project. Attending regional and national Co-op meetings I know where we should plan to be in the future.

Question 2

We need to continue our search for environmentally friendly additional energy sources. With my financial background as a project engineer I can determine if the proposed new energy source would be economically right for CVEA. In addition I feel we need to continue

to replace and upgrade aged equipment. As I am familiar with the operations and with the CVEA management team, I will work with them to determine where our needs are.

Question 3

With my financial background working as a project engineer for 63 years I have the knowledge needed to evaluate our maintenance needs vs the capital required now and in the future to meet those needs

Want Your Vote to Count?

When you vote on CVEA business, such as the board election coming up in April, you are required to sign the ballot envelope. If the signature does not match the signature on the membership card on file with CVEA, the vote cannot be counted.

For residential customers, if you have changed marital status, or names, please contact CVEA to make sure those changes are reflected on your signature card. If you receive a card in the mail, please complete and bring to your local CVEA office or mail it in.

Organizations, businesses, and associations usually have board members who are authorized to

transact business for the group. The person who signs the election envelope must be an authorized signer on the account.

If your board of directors or executive officer has changed in the past year, then it is time to update your CVEA membership card.

Please update your information as soon as possible. If you have questions or are unsure what is on your residential or business signature card, please stop by either office or call 822-3211 in Glennallen or 835-4301 in Valdez.



Maintaining Rights-of-Way

By Michael Rovito

The power lines running through conspicuous breaks in the trees are traveling through a passageway meticulously maintained by your local electric cooperative.

With goals of safety and reliability driving vegetation management, co-ops spend considerable time and money ensuring routes are clear of safety hazards so electricity can dependably travel from power plants to consumers.

Known as rights-of-way, these utility-owned sections of land—often running next to or through private property—are essential to protecting power lines. But challenges abound.

From long growing seasons to longer wildfire seasons to spruce beetle damage to trees, electric cooperatives have a lot to plan for when it comes to right-of-way maintenance.

Don't forget the risk of vegetation growing outside a coop's legal right-of-way, which poses a risk of falling into a right-of-way and contacting power lines. While electric utilities in Alaska often work with landowners to address danger trees on private property, vegetation outside a right-of-way still poses a significant risk to power infrastructure.

Vegetation management plans are unique to each cooperative. Local control is essential to developing a plan appropriate for each utility's service area. An electric co-op in the Arctic, where trees do not grow, has a far different approach to right-of-way management than their counterparts in south-central Alaska and the Copper River Basin, where forests and vast distances are the norm.

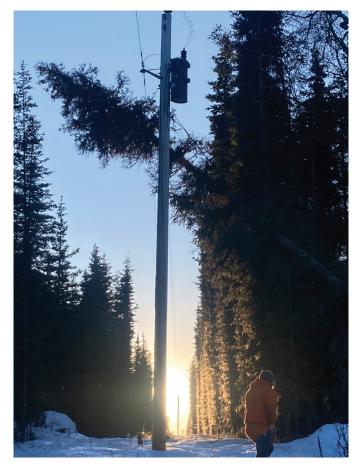
At Copper Valley Electric Association, CEO Travis Million says taking a proactive approach to vegetation management ensures the best-laid plans are carried out.

"I believe the most important part of the vegetation management plan is to execute it," Travis says. "It's one thing to have a well-put-together plan, but if it is not being followed it doesn't matter how good the plan is."

Making vegetation management a priority is often difficult, but it's the right thing to do. As the climate changes, electric utilities face new challenges to protecting their power lines, according to John Burns, CEO of Golden Valley Electric Association in Fairbanks.

"In the Interior, we continue to see an increase in outages caused by trees from outside the right-of-way leaning into the right-of-way," John says. Vegetation management is vital to our mission of providing safe and reliable electric power to our members.

"Successful vegetation management means fewer outages and, in the case of outages, clear rights-of-way enable crews to access and patrol lines more quickly to determine the cause



A tree growing outside the right-of-way leans toward power lines following a winter storm in the Interior. Vegetation growing outside a utility's right-of-way is beyond the utility's legal control. PHOTO COURTESY OF GOLDEN VALLEY ELECTRIC ASSOCIATION

of an outage and make repairs."

The Alaska Legislature has a solution to the financial impact caused by vegetation from outside the right-of-way. House Bill 29 and Senate Bill 110 would make clear that an electric utility is not liable for damage, personal injury or death caused by vegetation outside the right-of-way contacting power lines. The bills do not prevent an electric utility from being sued, but they do provide the court with clear direction for how to handle a damage claim when that damage was caused by vegetation outside a utility's control.

The main purpose of the legislation is to protect Alaska electric consumers from higher rates stemming from lawsuits related to damage caused by vegetation outside a utility's control. Other states have seen the financial impacts of that.

The challenge of providing power in Alaska is tackled routinely by electric utilities, which have overcome weather, remoteness and logistical challenges. Vegetation management is one aspect of a refined process meant to keep electricity safe, reliable and affordable.

By clarifying liability issues around vegetation outside an electric utility's legal right-ofway, the Legislature can protect consumers from unreasonable increases to power costs. ■

COPPER VALLEY ELECTRIC



Studying the Feasibility of Micro Modular Reactors

Copper Valley Electric Association (CVEA) located in Glennallen, Alaska is collaborating with Ultra Safe Nuclear Corporation (USNC) headquartered in Seattle to determine the feasibility of building the first commercial installation of a Micro Modular Reactor (MMR[®]) Energy System in Alaska. The study is designed to determine the technical feasibility, social acceptance, location, cost, and operating specifics of what is projected to be a 10-megawatt electric micro facility utilizing innovative advanced nuclear technology. If results are favorable, this will be the first deployment of a civilian microreactor in Alaska.

CVEA is a cooperative utility that provides electrical and heat services to more than 3,800 business and residential customers stretching north 160 miles from Valdez to Glennallen and

spanning 100 miles east to west from the Tok Cutoff highway into the northern reaches of the Matanuska Valley. CVEA is not interconnected to any other electric utility and is dependent on expensive and volatilely priced liquid fossil fuels to provide 30 percent of the Cooperative's annual generation requirements, virtually in all the winter months when less hydropower is available.

USNC is an advanced energy company focused on the delivery of safe, commercially competitive, clean, and reliable nuclear energy to markets throughout the world. The Seattle-based company designs, licenses, manufactures, and develops clean energy technologies. The USNC MMR will utilize proven reactor technologies, modern manufacturing and construction techniques, and a state-of-the-art fuel design to produce zero-carbon, heat and electricity safely, reliably and at a cost-effective rate. Although a specific site has not been chosen, the MMR is designed to be built offsite and transported for final assembly on a site roughly the size of a baseball field.

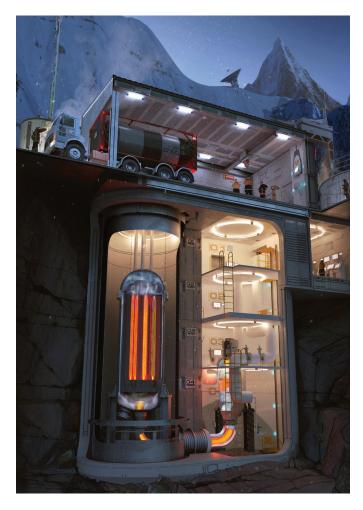
The USNC microreactor was designed specifically for remote applications that are difficult to support with conventional baseload or renewable power. "We want to prove to Alaskans that our technology can meet Alaska's unique energy needs by providing reliable and clean power to small populations dispersed across vast distances, despite harsh climate, geography, and other environmental conditions," said USNC CEO, Francesco Venneri. CVEA is an ideal utility for the MMR site as it is an islanded electric system that is on the state's road system, which will facilitate access during construction and eventually make it easier for onsite observations, staffing, and high-speed broadband communication necessary for security and operations.

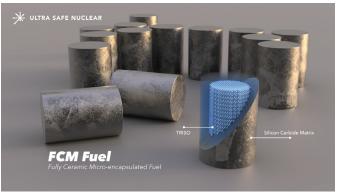
An objective of CVEA's strategic plan, approved by its Board of Directors in 2021, is to reduce the Cooperative's reliance on liquid fossil fuels in favor of a cleaner, economic power supply while increasing energy independence. According to CVEA CEO, Travis Million, "Priorities for CVEA are to study the application of MMR technology in decarbonizing the utility's energy portfolio, increasing efficiency, lowering the cost of operations and stabilizing winter rates when an increase in diesel generation would be necessary." This project is intended to replace liquid fossil fuel generation and result in a significant reduction of CO2 and other pollutants. In comparison to traditional nuclear power plants, USNC's MMR uses virtually no water, produces less nuclear waste, and utilizes fuel that is virtually indestructible and specifically engineered to not leak radioactive products or experience meltdown.

Million said, "CVEA and USNC will engage with communities and hope to earn their support by listening to and considering local interests throughout all phases of the project." Intentional, community-based conversations to offer opportunities for CVEA members and interested Alaskans to ask questions or provide input on the proposed project will take place over the next several months while technical and economic assessments are completed. The feasibility study is expected to be completed this summer.

Prior to CVEA's public announcement regarding the project, Governor Dunleavy introduced Senate Bill 177 to streamline the permitting process for micro nuclear reactors in Alaska. Since that time, HB299 has been introduced in the House of Representatives. CVEA supports the effort and the legislation.

For additional information regarding this project, visit cvea.org or contact Travis Million at tmillion@cvea.org.





OPPOSITE PAGE: A basic powerplant layout for a single microreactor unit. TOP: Reactor Citadel internals, showing the reactor, the graphite core, and the helium-molten salt heat exchanger. ABOVE: USNC patented fully ceramic micro-encapsulated fuel pellets.

PHOTOS COURTESY OF USNC



Board of Directors

Lon Rake, President Will Stark, Vice President Dan Stowe, Secretary Yvette Delaquito, Treasurer Paul Kildal, Director Jan Maslen, Director Jeff Saxe, Director Mark Shorten, Director

P.O. Box 45 Glennallen, AK 99588 www.cvea.org

Copper Basin District 907-822-3211 Mile 187 Glenn Hwy. **Valdez District** 907-835-4301 367 Fairbanks Dr. After hours outage line 866-835-2832

Important Dates

<u>March</u>

CVEA Board Meeting: The March meeting of the Board of Directors is 1 p.m. Thursday, March 17, 2022, in Valdez

April

CVEA Board Meeting: The April meeting of the Board of Directors is 1 p.m. Thursday, April 21, 2022, in Glennallen

Voting Deadline: Director election ballots must be received in the correct CVEA mailbox by 5 p.m., Tuesday, April 26, 2022 *don't forget to sign the back of the ballot envelope

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CVEA Annual Meeting: The 2022 Annual Meeting is Tuesday, May 3, in the Valdez District, and Thursday, May 5, in the Copper Basin District. Registration begins at 5:30 p.m.

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Save the Date 2022 CVEA **Annual Meeting**

Valdez: Tuesday, May 3 Copper Basin: Thursday, May 5

Copper Valley Electric Association, Inc., invites you to the 2022 Annual Meeting of Members. The CVEA Annual Meeting is your chance, as a member-owner, to find out what is going on at your electric cooperative.

This year's meeting will be Tuesday, May 3, in the Valdez District at the Valdez Civic Center, and Thursday, May 5, in the Copper Basin District at the Glennallen Community Center (formerly Murdock Center). Registration begins at 5:30 p.m. and the business meeting begins at 6 p.m.

The purpose of the meeting will be to hear reports, learn about CVEA projects and issues, ask questions about your cooperative, accept director election results, and transact any other business that may come before the Membership.

In addition to learning valuable information, every member signed in by 6 p.m. will be eligible to win a ton of cool prizes, including a \$1,000 cash grand prize, and will receive a \$10 credit on their power bill! Don't be late!

In April all cooperative members will receive the official notice of the annual meeting in the mail, along with the 2021 Annual Report, and the 2022 Director Election materials. Director candidate profiles, a ballot, and a stamped return envelope will be included. Co-op members in the Copper Basin District will select two candidates and members will select one candidate in Valdez. As a member of your cooperative, the single-most important action you can take is to vote for your Board representatives.

Per CVEA Bylaws, a minimum of 10 percent of the district membership must return their ballots to consitute a valid election. For this reason, even if there is only one candidate, we still need you to VOTE!

Ballots must be received in the designated CVEA post office box by 5 p.m., Tuesday, April 26, 2022. When voting, please remember the back of the ballot envelope must be signed by the member whose signature is on file. If you are unsure what is on your signature card, or need an update, please stop by either office or give us a call at 822-3211 or 835-4301 prior to March 17, 2022.

This year, all valid ballots received by the deadline will be entered into a drawing for a \$50 CVEA energy credit!

So, please, when you receive your ballot, make your voice heard and exercise your right to vote!