

# Current Communicator



MEMBER NEWSLETTER  
OF CENTRAL VIRGINIA  
ELECTRIC COOPERATIVE

March 2024 VOLUME 32, NUMBER 1

## United We Light

Transforming Lives  
in Guatemala

## CVEC Mourns Loss of Director

Remembering Director  
Gloria W. Vest

## Upcoming Rate Increase

New Rates for June 2024

## A Letter from the CEO

On January 3, the Cooperative and Fluvanna County lost a beloved Director and friend when **Gloria W. Vest passed away**. Mrs. Vest served the membership for 23 years, representing the East District counties of Fluvanna, Louisa, and Orange.

CVEC is working to fill the vacancy left by Mrs. Vest's passing, as well as an additional director vacancy position in the West District after **Director Henry Chiles announced his plans to retire**. Mr. Chiles will continue to serve until his successor has been appointed. Members in both the East and West districts were notified of the vacancy via a special mailing. Interim directors will be appointed in accordance with the bylaws and will stand for election at the 2024 Annual Meeting in September.

We are being delighted with signs of spring, but many **CVEC members experienced higher than normal electric bills as a result of a prolonged cold spell in January**. Sustained, below-average temperatures led to significantly higher usage for electricity consumers across the state. CVEC members used nearly 18,000 more kWh in January than in December 2023.

CVEC is a distribution cooperative and relies on transmission lines owned by Appalachian Power and Dominion to deliver electricity from generation plants to our substations. Appalachian Power and Dominion are upgrading several of those transmission lines and upgrades are necessary to ensure that our substation equipment is adequately sized to receive the electricity. CVEC does not determine the timeline for making necessary upgrades and these projects come at a time when interest rates and construction costs are already high due the economy. **The anticipated cost of the upgrades will be about \$35 million.**

To help offset these costs, **CVEC anticipates another rate increase of about 4% of total revenue that will go into effect in June of this year.** We understand the impact that a rate increase has on the membership and the decisions are not taken lightly. CVEC is continuously looking for ways to reduce costs and improve operational efficiency, including advocating for our members' best interest with lawmakers and process improvement initiatives. We encourage our members to increase efforts to save energy within the home and monitor usage online in the member portal or via daily text alerts.

CVEC members are important and we look forward to serving you in 2024!

**Gary E. Wood**  
President & CEO

# CVEC Lineman Transforms Lives in Guatemala

Dirt floors, hammocks for beds, and no electricity may sound like something from the wild west, but for many Guatemalans it is a reality still today.

In October, CVEC Lineman Allan Thacker joined 18 fellow linemen from the Virginia, Maryland & Delaware Association of Electric Cooperatives (VMDAEC) to bring electricity to 500 residents in the rural village of Santa Isabel, Guatemala. For 19 days, the United We Light Team battled extreme heat, rough roads, political protests, fuel shortages, and flat tires in order to construct and energize 5.5 miles of line and make 103 service connections. The team also installed lights and fans in homes, as well as in each of the school's classrooms.

Many in the village were excited about their children not having to do homework by candlelight, while others were excited about having lights on the soccer field and being able to start new business ventures.

This project was completed with support from the NRECA's International initiative, the VMDAEC, and Empresa Municipal Rural de Electricidad (EMRE).



Scan the QR Code to hear more about Allan's experience in Guatemala.

## Democratic Member Control

CVEC is a member-owned electric cooperative. Each year, CVEC holds an election at the Annual Meeting to select members to serve as directors and represent the membership in setting policies and making decisions.

**SAVE THE DATE!**  
**CVEC's 87<sup>th</sup> Annual Meeting**  
**September 18, 2024**

Members interested in running for a director position can make a "Member Petition Nomination," which must:

- List the name of the nominee;
- Indicate the director position for which the Member Petition Nominee will run;
- Contain the printed names, addresses, and original signatures of at least 100 CVEC Members;
- Use the Member Petition Nomination Form contained in the Director Candidate Packet, which is available from the Cooperative.

Member Petition Nominations must be delivered to the Cooperative at least 75 days prior to the Member Meeting.

For more information, please view Section 4.4 of the Bylaws located at [www.mycvec.com](http://www.mycvec.com).



# Infrastructure Upgrades Increase Reliability

*CVEC is continuing its most aggressive construction work plan to date.*

Maintaining an electric system that spans 4,500 miles is no easy task. This year, CVEC is performing all normal maintenance to the distribution system. In addition, CVEC is continuing to upgrade several transmission lines and substations due to a conversion to higher transmission voltage on both Appalachian Power and Dominion Energy transmission lines. CVEC has been fortunate to secure the equipment needed to complete the upgrades, despite supply chain issues for utilities across the nation.

In the third quarter of 2023, contract crews completed the rebuild of the 138kV transmission line (previously 46kV) that connects CVEC's Gladstone and Tower Hill substations. Work is underway to upgrade the equipment within those substations so they can receive higher transmission voltage from Appalachian Power's transmission line upgrade project.

Early this year, work was completed on Soapstone, a new 138kV substation to replace the old, wooden-framed 46kV Schuyler substation. Members in Nelson, Albemarle, and Buckingham that were served by the Schuyler substation were permanently switched to Soapstone in mid-February. The Schuyler substation will be dismantled and removed later this year.

While the cooperative performs regular maintenance and upgrades on the distribution system, Soapstone is the first brand new substation construction for the cooperative in years. In addition to allowing CVEC to continue to receive electricity by way of Appalachian Power and Dominion's transmission lines, these substation upgrades will increase reliability for CVEC members.



*The wooden-framed Schuyler substation*



*The new 138kV Soapstone substation*



*Closing the switches to energize the Soapstone substation*

## NONDISCRIMINATION STATEMENT

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# CVEC Mourns the Loss of Director Gloria W. Vest

The entire CVEC family was deeply saddened to hear of Mrs. Vest's passing on January 3, 2024.

Gloria Vest served members in the East District for over 20 years, representing Fluvanna, Louisa, and Orange counties. She was an accomplished Director, earning her certification as a Rural Electric Board Director from the National Rural Electric Cooperative Association (NRECA) and recently achieved Director Gold status, the highest level of training from NRECA for directors. She served as Secretary for the Board for three separate terms and served on the Virginia, Maryland and Delaware Association of Electric Cooperatives Educational Committee.

The CVEC Board of Directors resolved to dedicate its Community Room at the office building in Palmyra to express their gratitude to the first two female directors. Mrs. Vest was the second female director to be elected to the CVEC Board. The Harlowe-Vest Community Room was named and dedicated in December 2017.

Director Vest was an instrumental member of the CVEC Board during the rural fiber broadband project. She and her fellow directors understood the need for reliable and affordable high speed internet and approved a pilot program that would later transform lives as CVEC's wholly-owned subsidiary, Firefly Fiber Broadband<sup>SM</sup>.

As a life-long and well-respected member of Fluvanna County, Mrs. Vest exemplified dedication and concern for her community. She retired from her position as the Deputy Treasurer for Fluvanna County in 2017. Mrs. Vest served with the Fluvanna Volunteer Rescue Squad since 1973 and as the Squad's Treasurer for more than 20 years. She was also very active in Evergreen Baptist Church and volunteered in several non-profit community organizations.

Mrs. Vest was a pillar of strength, determination, and stewardship and CVEC is immensely grateful for the 23 years of service that she provided to the cooperative and its 39,000 members. She will be greatly missed by the CVEC staff, members, employees, and fellow board members, as well as the residents of Fluvanna County.



## We've Updated our Phone System

	 <b>New Voice</b> Same number, but new sound. You will hear a new voice recording when calling CVEC.	 <b>New Menu Options</b> We've included a new option to reach Firefly Fiber Broadband™ as well as an option to hear the menu in Spanish.	 <b>Call Recording</b> Calls will be recorded for quality assurance and training purposes.	 <b>Member Privacy</b> Your privacy is important to us. Call recording will be paused when a member provides sensitive information.
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# Rate Increase

CVEC is committed to keeping rates affordable while providing safe reliable electric service.

In recent years, two major factors beyond the control of CVEC have pushed costs up significantly. The first factor is power costs that spiked in 2022 added \$12 million in unexpected charges that our rates did not recover for power supply that year. Those costs are still being recovered through a higher power cost adjustment (PCA) charge, which remains above 2 cents per kWh for 2024 and will reduce once the full amount of the deferred power costs is recovered. If the power markets do not have additional unexpected spikes this year, the PCA should reduce after 2024.

The second factor is the requirement to rebuild multiple substations and transmission lines to match the higher voltage from transmission upgrades on Dominion Energy and Appalachian Power lines. Dominion Energy upgraded a transmission line from 115 kV to 230 kV, requiring CVEC to rebuild and/or upgrade Midway and Kidds Store substations. The Appalachian Power transmission line connecting Gladstone substation is being upgraded from 46 kV to 138 kV, requiring CVEC to rebuild Gladstone and Tower Hill substations, as well as the CVEC transmission line between them. In addition, upgrades to the Appalachian Power infrastructure in Schuyler required CVEC to build a new substation in a different location to serve the CVEC members who had been served by the former Schuyler substation. CVEC had no option for managing the timeline on these investments because the CVEC infrastructure had to be upgraded to match the new delivery voltages of the transmission providers.

CVEC also completed several previously planned internal system upgrades in recent years with the rebuild of the Cash's Corner substation and the rebuild of the transmission line from Midway to Martins Store and Wintergreen. Together, these projects have required investment of more than \$25 million in the past few years. CVEC has also experienced a 40% increase in material costs and increase in fuel and contract labor costs since 2018. While the upgrades will strengthen the system, the increased debt for these investments will not be fully recovered under our present rates.

As a result of these combined increased costs, CVEC will be required to increase base electric rates this year. The impact of the increase is expected to be 4% of total electric revenue, or about \$6 more for 1000 kWh. The final cost of service study is still being completed, but CVEC plans to file the rate increase with the Virginia State Corporation Commission by May 1 and rates will go into effect on June 1.

The CVEC management and Board of Directors understand the impact of higher rates on our members' households. We have successfully minimized rate increases from 2018 until last fall. Moving forward, we will work to mitigate increasing power costs in the future by using technology to improve system performance and increase reliability, optimizing our workflows to minimize the need for additional personnel, and reducing load at peak times.

Members will be provided with the official notice via several methods including bill inserts, email, the CVEC website, and local newspaper notices. Information about the rate increase and frequently asked questions will be posted to [www.mycvec.com](http://www.mycvec.com) later this spring.



Visit [www.mycvec.com](http://www.mycvec.com) to view member billing options such as prepaid and levelized budget billing. Members can also explore ways to reduce energy consumption and save money on the "Save Money" page at [www.mycvec.com](http://www.mycvec.com).

# Maintaining a Reliable System from Top to Bottom

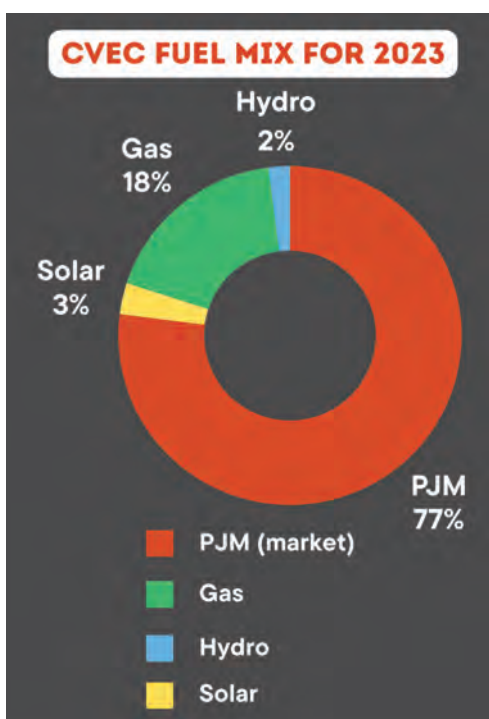
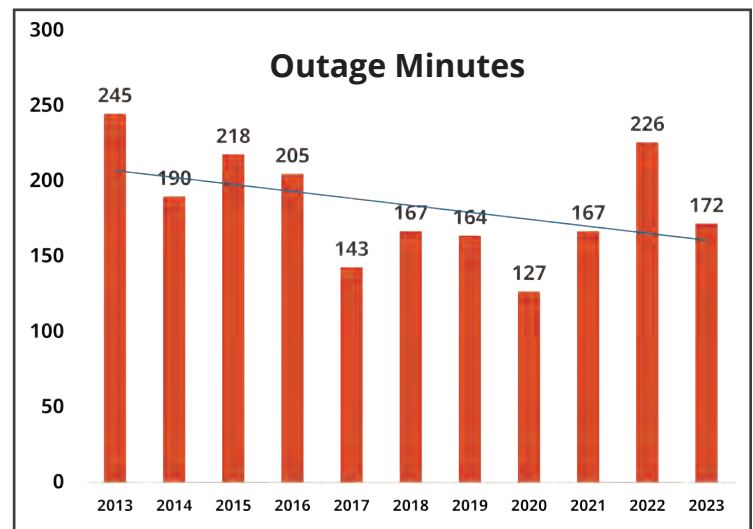
CVEC crews and contractors regularly inspect system components to improve reliability.

Last year, over 20,400 assets were inspected as part of CVEC's Inspection and Maintenance (I&M) program. Nearly 10,000 of those were completed using a CVEC-operated drone, which allows the Operations team to photograph and examine pole-top equipment much more efficiently than with the use of bucket trucks. Additionally, over 10,800 assets were inspected by foot. These assets include equipment on the ground, such as the base of poles and equipment within the substation.

CVEC replaced 572 poles that were either rejected during inspections or as needed for work plan projects. Damage incurred from insects, woodpeckers, and natural aging can reduce service reliability and endanger line crews.

With the addition of fiber, CVEC is able to connect more downline devices to help monitor and troubleshoot problems on the system. In 2023, CVEC connected 20 substations and 20 devices to the fiber network and performed feeder coordination analysis to ensure downline devices are operating correctly. Feeder coordination analysis will continue on a five-year circuit rotation to make sure there are no gaps in device communication as more system improvements are completed.

These efforts are making a difference for our members and your cooperative is working hard to deliver safe and reliable electricity.



## CVEC Receives National Recognition

As one of the first rural cooperatives to have a systemwide fiber network, CVEC was challenged with finding a cost-effective way to securely connect downline devices to the system, allowing the cooperative to use resources more efficiently, balance power load, and improve reliability.

Our IT team accepted the challenge and created an innovative solution that earned CVEC an Honorable Mention for Security Excellence at the 2023 Elevate Awards by Juniper Networks.

The Elevate Awards celebrate the most innovative companies in the world who are using technology to dramatically improve their businesses.

CVEC is proud to receive this recognition and of the improvements being made to benefit members for decades to come.





# A January Cold Spell Leads to Higher Bills

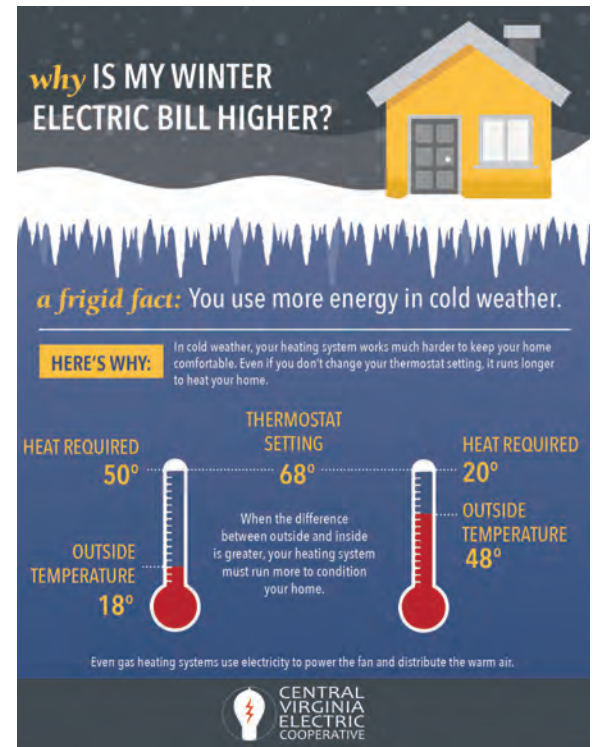
Prolonged frigid temperatures in January gave heating systems a workout as electricity consumers across Virginia battled to stay warm.

The below-freezing temperatures in January caused heat pumps to run almost constantly and consume more electricity just to keep homes at a comfortable temperature. As a result, energy bills for January were higher. This is true for electricity consumers across the state of Virginia, regardless of their electricity provider.

When the outside temperature gets closer to the freezing mark, heat pumps become less efficient and use more electricity to maintain a comfortable temperature inside homes. As you can see from the graphic to the right, the greater the difference between the outside temperature and the thermostat setting, the harder your heating system must work to heat your home.

Members can monitor daily energy usage and compare usage to fluctuations in the weather using the online portal. If you do not have an online portal account, sign up by visiting <https://pay.mycvec.com/onlineportal/>.

CVEC offers many easy and convenient options to help members monitor and stay up-to-date on accounts, including account text alerts and levelized budget billing. For more information on these options, visit [www.mycvec.com](http://www.mycvec.com).



**APRIL IS SAFE DIGGING MONTH.**

**THEY LEARN FROM YOU.**

**CALL 811 BEFORE DIGGING.**

**va811.com**

**CARE**

**Energy Savings Tips:** A well-designed landscape can add beauty to your home and reduce home heating and cooling costs. Plant deciduous trees with high, spreading crowns to the south of your home to block sunlight in the summer and reduce the need for air conditioning. Deciduous trees lose their leaves in the winter, allowing sunlight to warm your home.

Plant evergreen trees and shrubs with low crowns to block winter winds. Dense evergreen trees and shrubs planted to the north and northwest are the most common type of windbreak and can help lower energy used for home heating.

Avoid planting trees below powerlines and around underground transformers. Remember to call 811 before beginning any project that involves digging. For more information about safe planting, visit <https://www.mycvec.com/outage/reliability/right-of-way-management>

Source: [energy.gov](http://energy.gov)



## Central Virginia Electric Cooperative

CORRESPONDENCE: P.O. Box 247 | Lovingson, VA 22949

PAYMENTS: Dept. 1340 | P.O. Box 2153 | Birmingham, AL 35287-1341

(800) FOR-CVEC | [www.mycvec.com](http://www.mycvec.com)

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## CVEC Loves to Serve our Local Communities

Providing electricity isn't the only way CVEC and its employees help our local communities.

"Concern for Community" isn't just a goal for CVEC, it's one of the seven cooperative principles that guides how we operate.

CVEC and its employees proudly serve our communities in many ways. In 2023, the cooperative provided live line demonstrations to local schools and first responders to teach electrical safety. Employees attended career days and VMDAEC's Girl Power event to talk with students of all ages about job opportunities in the electric utility industry.

In December, employees held a Share the Warmth drive to collect coats for a local high school's coat closet, adopted multiple "angels" for the holidays, and volunteered at a local food pantry.



**CVEC is proud to serve our members and our communities.  
Keep an eye out for our red trucks in 2024!**