





2024 DAIRYLAND DIRECTOR REPORT



by Dan Korn, Director Representative to the Dairyland Board

The safe, reliable, and costcompetitive delivery of electricity to all members when and where they need it is a complex process. Vernon Electric Cooperative is one of 24 distribution cooperative members of Dairyland Power Cooperative (La Crosse). As Vernon Electric's director representative to Dairyland, I am pleased to recap some 2023 highlights.

Dairyland's generation portfolio is a mix of renewables (solar, wind, hydro, biomass) and always-available baseload generation resources, such as natural gas and coal. Dairyland prioritizes projects that will strengthen reliability, reduce carbon emissions, and support more renewable generation. Since 2014, Dairyland has retired 579 megawatts

(MW) of coal and is exploring the viability of emerging technologies, including pumped storage hydro, small modular nuclear reactors, and longduration battery storage.

The Nemadji Trail Energy Center (NTEC) is a proposed 625 MW combined-cycle natural gas plant in Superior, planned in partnership with Minnesota Power and Basin Electric Power Cooperative. It is a critical-capacity resource that will provide reliable power on-demand, in any weather. In December, the U.S. Department of Agriculture's Rural Utilities Service (RUS) issued its second Finding of No Significant Impact (FONSI) for NTEC. The project is in the final stages of the permitting process.

There are 161 renewable generation

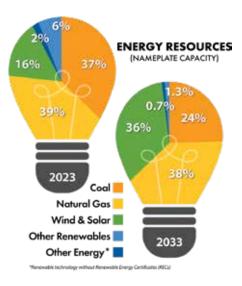
projects dependent upon the completion of the Cardinal-Hickory Creek transmission line between Dubuque

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from 115 projects last year). Dairyland, ATC, and ITC Midwest are co-owners of the project. Last December, the eastern half of the 102-mile line was energized with the remainder of the project expected to be in service later this year.

Last year, Dairyland won a competitive bid from the Midcontinent Independent System Operator (MISO) to develop, own, and operate a 345 kV line from the Mississippi River near Alma to the Tremval substation in Blair. The

> Alma-Blair Transmission Project will foster the delivery of renewable energy and strengthen regional reliability.

These projects are critical pieces for a lower-carbon future; however, power plants and transmission lines cannot be constructed overnight. When permitting, red tape delays timelines—jeopardizing electric reliability, stalling progress on the clean energy transition, and increasing costs-Dairyland advocates on Vernon Electric's, and its other members', behalf both at the state and federal levels.

Dairyland's John P. Madgett (JPM) Station (Alma) underwent a 10-week outage in Spring 2023 when employees and more than 200 business partners completed a turbine overhaul and precipitator upgrade. The precipitator collects fly ash, which reduces emissions and is sold as an additive to cement and concrete applications. The precipitator upgrade resulted in twice as much fly ash being collected.

JPM is critical to regional reliability and financially beneficial to members. The value of always-available baseload generation was demonstrated during an August heat wave when temperatures, humidity, and electricity demand were high, and wind resources were low. The Dairyland system set an all-time peak load of 1,177.5 MW on Aug. 23.

Growth & Grants Dairyland's Economic Development team works with Vernon Electric and other cooperatives to support innovation and load growth through business and community development opportunities. In 2023, the Dairyland system had 28 new projects, totaling 15 MW, and secured more than \$4 million in economic development funding. With Dairyland's assistance, Vernon Electric was awarded over half a million dollars of zero-percent Rural Economic Development Loans from the USDA for Vernon Acres Senior Living and the Coon Creek Fire Department. As these loans are paid back, the money will establish a low-interest, revolving loan fund to be used for economic development in our service area.

Additionally, Dairyland was awarded more than \$20 million in grant funding to support middle-mile infrastructure, a microgrid project and long-duration energy storage project.

Financial Strength Regionally, Dairyland's wholesale electricity rates are among the lowest. The 2024 budget was approved with a 1 percent average wholesale rate reduction for Dairyland's member cooperatives. This will allow Vernon Electric to keep rates stable in 2024. Across all 24 member cooperatives, in 2023, Dairyland returned

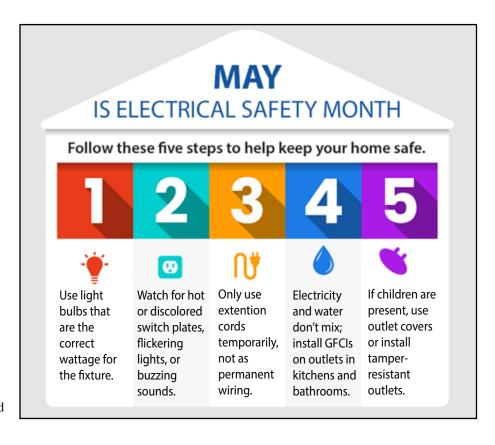


\$11.9 million in power cost and revenue volatility adjustments and \$5.1 million in capital credits. Vernon Electric's returned portion for both was \$561,156 which the Board earmarked for rate stabilization.

Community In 2023, Dairyland focused Cooperative Contributions toward its member cooperatives by donating up to \$1,000 to an organization of their choice in each of the 24 members' service territories. Vernon Electric matched Dairyland's contribution to donate \$2,000 to help Community Hunger Solutions purchase

a used van to haul fresh produce from local farms to its facilities, food pantries, and markets. Dairyland also coordinated a Day of Service event in October, where more than 120 volunteers participated in six community service projects throughout Dairyland's service territory.

Just like directors are elected from our membership to govern Vernon Electric Cooperative, the same applies to Dairyland's Board of Directors. I've had the privilege of being a director of Vernon Electric for 21 years and have been proud to serve as your representative on the Dairyland Board for 20 years.





By Leah Call

ince the beginning of time, man has shaped wood into useful objects utensils, furniture, and building material to name a few. While the craft of woodworking produces items we need and use daily, a skilled woodworker is more than just a builder—he's an artist. That's a designation Vernon Electric Cooperative member and artisan woodworker Tullan Baird graciously accepts.

"I never considered myself an artist, but people have told me I am, so I'll accept that mantle and run with it," noted Baird, whose art will be on display at the upcoming Winding Rivers Art Tour, June 1-2. "I still like to make things that are functional and useful."

Baird crafts a range of artfully useful pieces out of locally sourced and milled hardwoods. He enjoys learning and applying new styles and techniques to his wooden creations. "I like learning new methods of doing things and just playing with what is possible," he said.

One method Baird is currently playing with is hot pipe bending, which involves bending

Artisan woodworker Tullan Baird uses the hot pipe bending method to make elegant shapes out of wood such as the piece at bottom left. Other examples of his work include the cutting board, games, and a lampshade made with hand-planed wood shavings.









"I'm just making creative shapes out of whatever I come across—trying to meld it into something useful that is cool to look at and interesting." - Tullan Baird

thin strips of wood into a variety of shapes and forms. As heat softens the wood strips, they are wrapped around a metal pipe or tube to create elegant shapes and curvatures.

Baird also uses thin hand-planed shavings to make one-of-a-kind lampshades. To do that, he steams the curled shavings to straighten them and weaves them together. "Then I put a heavy varnish on and wrap or build them on the form and attach them to the base," explained Baird, who also makes the lamp base.

The playful creativity Baird applies to his craft is evident in all the pieces he makes. "I don't know what I will use all of the wood for. I'm just making creative shapes out of whatever I come across-trying to meld it into something useful that is cool to look at and interesting."

Creations on Display

Born and raised in Crawford County, Baird rediscovered his passion for woodworking after college. In 2021 he purchased The Liberty Pole Store as a workshop and retail space to market not only his creations but those of others in the area. The historic 150-year-old store hails as the first business established in Vernon County. Baird said he honors that history by "keeping it old school" including an antique cash register and wall-mounted wooden boxed phone.

When not at his part-time job at Johnson's One Stop in Seneca, Baird can be found in his store/workshop. In addition to his artisanal woodwork, Baird does custom and repair work along with furniture refinishing,

windows and doors. "Anything but cabinets is the ABC rule I came up with a few years ago," he quips. "Cabinets are a little boring, and my shop is not set up

The Liberty Pole Store is a stop on the 2024 Winding Roads Art Tour. Tour participants will have the opportunity to purchase Baird's unique lamps, pipebent woodcrafts, framed paintings, toys, creatively shaped cutting boards and more. Baird will also offer handcrafted ulu knives for sale. Ulu knives have a crescent shaped blade and were historically used by indigenous Alaskan people for skinning. "They are not used for skinning now, but are really handy for dicing and chopping," said Baird, whose sister Anneka, a craftswomen specializing in bookbinding, made the sheaths for his knives. Anneka's artistic creations will also be sold at The Liberty Pole Store during the Art Tour.

More details on Baird and the 27 artists participating in the 2024 Winding Roads Art tour can be found on windingroadsart.com.





The 150-year-old Liberty Pole Store serves as Tullan Baird's workshop and retail space.

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