

Information compiled by:

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2024

ANNUAL REPORT



2024 HEC HIGHLIGHTS

HEC PERSONNEL

Service Milestones Achieved:

- Brian O'Dell – 35 years
- Daniel Roadcap – 30 years
- Craig Eckard – 25 years
- Jarrett Clem – 25 years
- Amanda Brown – 10 years
- Leslie Stewart – 10 years

James Eye retired after 38 years of service as HEC's Manager of Operations

- Craig Eckard was named as his replacement.

Levi Zirkle – Promoted to Lineman

Rob Dean – Promoted to Lineman

Colby Higgs – Promoted to Lineman Step II

Martin Donaire – Promoted to Lineman Step IV

Ross Detamore – Promoted to Lineman Step III

HEC welcomed four new employees:

- Jessica Simmers
- Brett Fix
- Cole Wisman
- Dante Mazariegos

SAFETY

Received 2nd place in the 2023 APPA (American Public Power Association) Safety Awards of Excellence

0 OSHA (Occupational Safety and Health Administration) reportable injury – no lost time



72,019

Total Hours Worked

41

Average Employee Count

Completed CPR/ 1st Aid Training for all required employees

Bucket/Pole Top Rescue Training for all lineman

Completed monthly safety meetings for employees

Completed dielectric testing for all trucks, equipment and hot line tools

TRAINING

Three employees graduated, in April, from the Lineworker Technician Apprenticeship Program through Northwest Lineman College and VMDAEC

Five employees currently enrolled in the program, including three new employees that started in 2024

COMMISSIONERS*

Michael Gochenour was sworn in for his first term in February 2024

**Commissioner term length is 3 years with the ability to serve for no more than 2 successive terms*



RELIABILITY

Received 2023 Certificate of Excellence in Reliability in April 2024

Top 25% of nationwide utilities based on SAIDI

Significant Outages in 2024

- Tree limb fell across a 3-phase line and caused an outage for 81 minutes affecting 1,906 customers in April 2024. This outage included customers on 2 different circuits that are temporarily tied together due to the RT. 33 VDOT Bridge Project.
- Insulator failure caused an outage for 45 minutes affecting 1,910 customers in November 2024. This outage included customers on 2 different circuits that are temporarily tied together due to the RT. 33 VDOT Bridge Project.
- Underground terminator failure caused an outage for 15 minutes affecting 1,107 customers in June 2024.



2024 Reliability Indices

HEC continues to have outstanding reliability shown by the reliability indices being less than the median and regional averages for SAIFI, SAIDI, and CAIDI and being greater than the median and regional averages for ASAI.

SAIFI – .261

(.37 – Median / .63 – Region)

System Average Interruption Frequency Index represents the average number of times a customer experiences an outage during the year.

SAIDI – 15.648

(26.1 – Median/52.9 – Region)

System Average Interruption Duration Index represents the total number of minutes of interruption the average customer experiences.

CAIDI – 59.984

(75.6 – Median/85.5 – Region)

Customer Average Interruption Duration Index is the average time required to restore service.

ASAI – 99.9970

(99.995 – Median/99.989 – Region)

Average Service Availability Index is the ratio of the total number of customer hours that service was available during a given time period to the total customer hours demanded.



COMMUNITY ENGAGEMENT

\$25,182

Charitable Giving

\$31,782
TOTAL

\$6,600

Community Support

Energy Share Program

People Helping People

- Customer Donation – \$5,858
- HEC Match – \$5,858

The Salvation Army

- Customer Donation – \$5,858
- HEC Match – \$5,858

Bowl For Kid’s Sake Team Sponsor

**Hburg/Rham Dept. of Social Services
Santa Program**

Harrisonburg

Downtown Renaissance

**Sustaining Sponsor for Fireworks/Skeleton
Festival/Veterans Day Parade**

**Explore More Discovery Museum
Night at the Museum Sponsor**

Our Community Place Gala

Massanutten Technical Center

SUSTAINABILITY

- VMEA (Virginia Municipal Electric Association) started negotiations with RWE to install a Battery Energy Storage Systems (BESS) in Harrisonburg for cost reductions. Negotiations continue into 2025.

HEC Weatherization Program through CHP (Community Housing Partners)



25 Single Family Homes
in Queue for Services



HEC issued \$1,200 to 12
pre-qualified customers for
completing CHP's application



9 Homes
Weatherized



7 New Heat
Pumps Installed



18 Energy
Audits Completed

- Completed 2 in-house Energy Audits in 2024.
- Ended 2024 with nearly an 80% subscribed rate to Friendly City Solar.
Upped subscription rate to 100% of Monthly usage (from 50%) in February 2024
- Revised the Solar Net Metering Cap from 2% of Peak System Load for installed capacity to allow for no more than \$300,000 estimated net cost per year for net metering installations in August 2024.
- HEC installed transformer for charging 2 new Electric School buses owned by the City Schools.





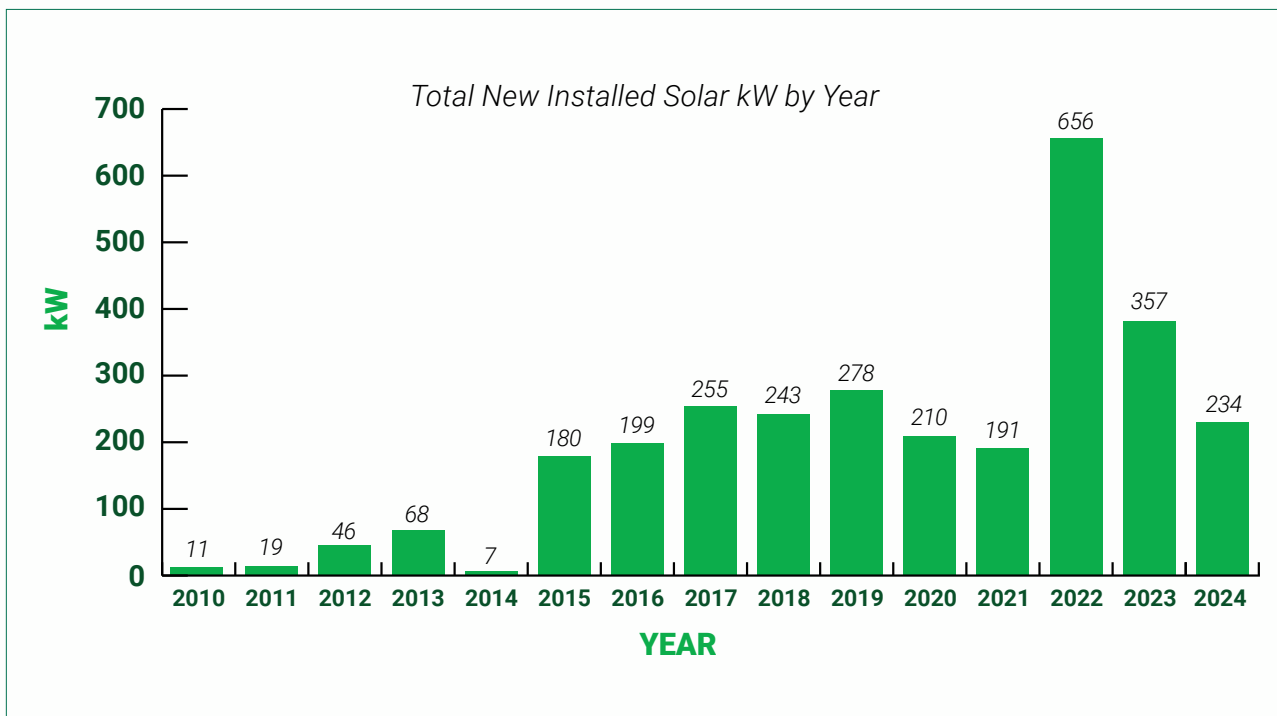
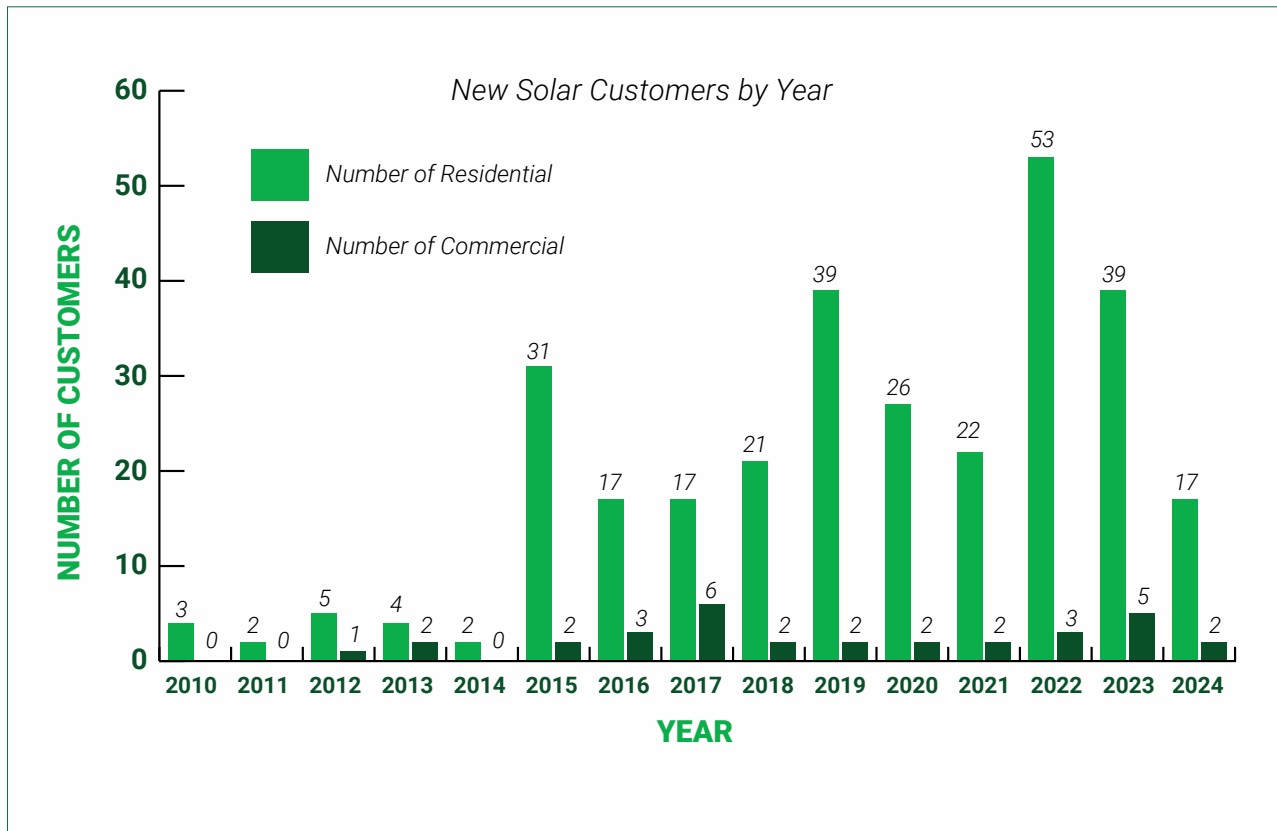
SUSTAINABILITY *CONTINUED*

HEC Energy Save & Earn Rebate Program 2024 Totals *(29 Participants)*

APPLIANCE TYPE	REBATE AMOUNT	QTY. ISSUED	TOTAL AMOUNT
Clothes Dryer	\$100	10	\$1000
Clothes Washer	\$75	12	\$900
Water Heater <i>(standard)</i>	\$80	3	\$240
Water Heater <i>(heat pump)</i>	\$250	3	\$750
Air-source Central Heat Pump	\$400	6	\$2,400
Mini-split Heat Pump	\$175	0	\$0
Refrigerator	\$80	5	\$400
Chest Freezer	\$75	0	\$0
	TOTAL	39	\$5,690



Growth in Harrisonburg Solar





MAJOR CAPITAL PROJECTS COMPLETED IN 2024

- Reservoir Street Substation #1 Power Transformer and Oil Circuit breaker replaced
- Replaced roofs on Maryland Avenue and Reservoir Street Substation Control Houses
- Installed new phone system
- Replaced Vehicle for Metering Department
- Replaced parallel 1000 MCM cables from Port Rd Station to JMU Substation, shoring up our alternate supply to the University.

MAJOR CAPITAL PROJECTS **STILL IN PROGRESS**

Construction of Ridgeville Substation broke ground in May 2023.

- Davis H Elliot contractors “cut in” the 69kV transmission line September 2024
- Power Transformer was Energized November 2024 but was found to have an internal defect, factory will be repairing.

Replacing Oil Circuit breaker at Reservoir St. Substation

Installation of backup generator for Operations Center

Replacing Network Communication Switches

Installing Oil Containment System at Reservoir Street Substation

Replacing Pleasant Valley SCADA Communications and Protection Relays



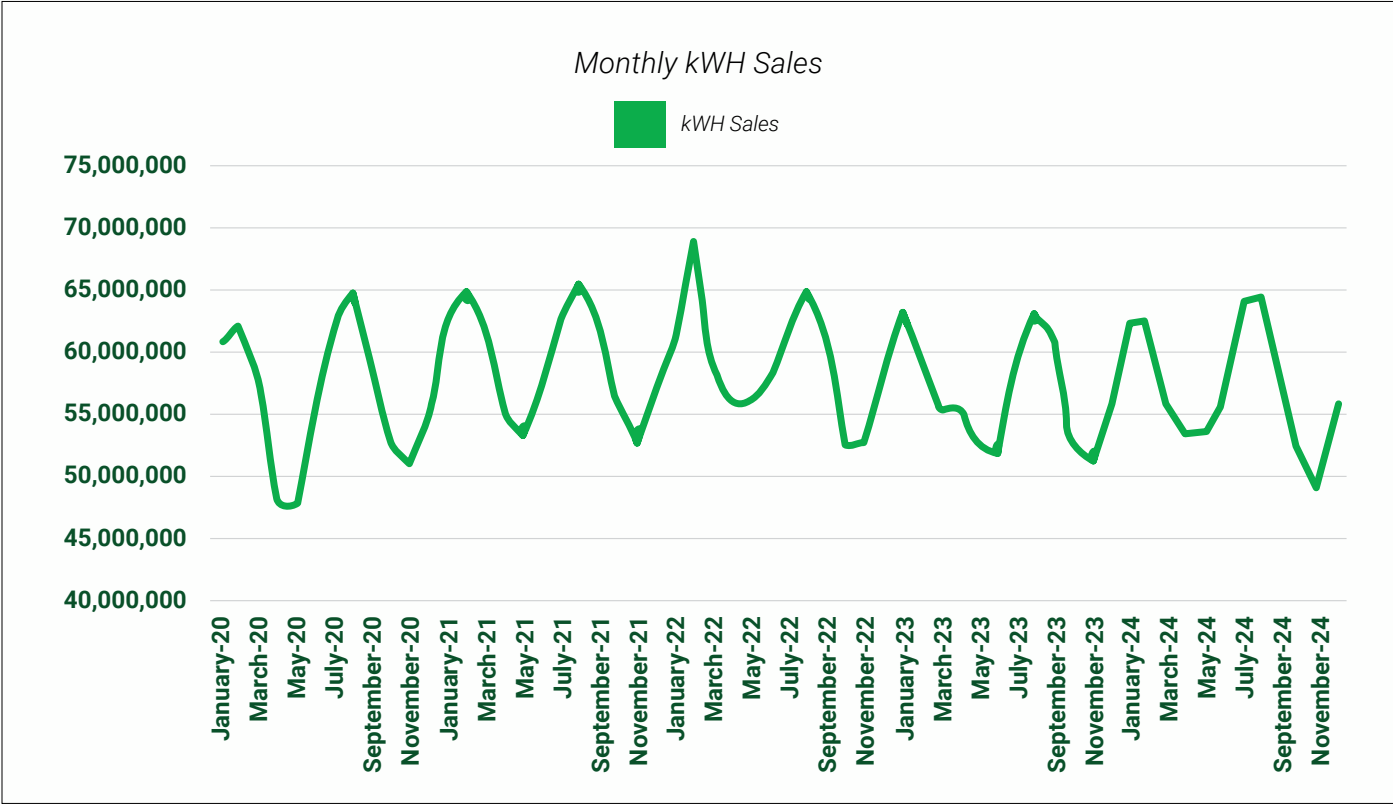
GENERAL HEC HIGHLIGHTS

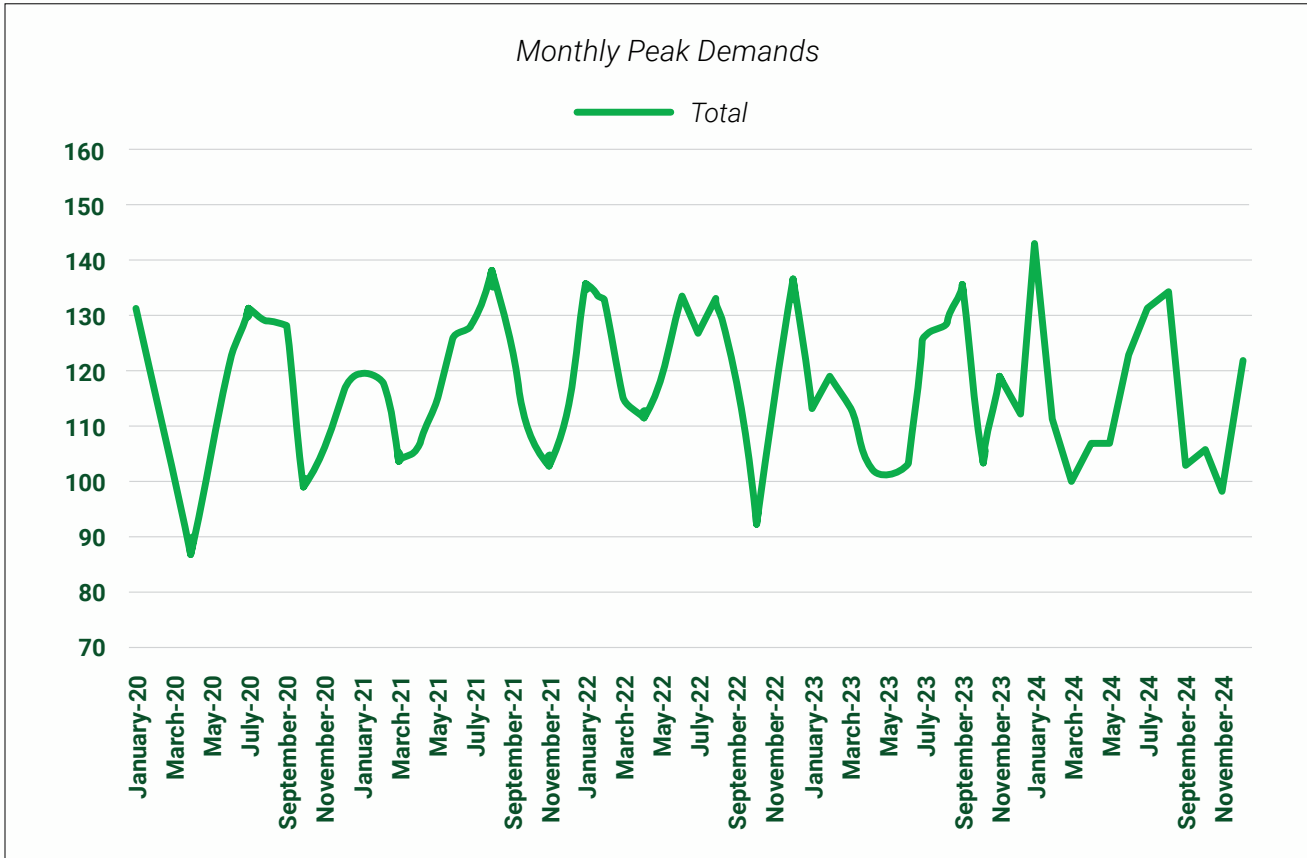
- Two Industrial plants in Harrisonburg ceased operations
- Due to rising power costs from Dominion, HEC instituted a 5% Retail Rate increase on meter readings starting June 2024
- 2023 True Up for HEC amounted to \$478k receivable from Dominion
- BRA (Base Residual Auction) Pricing increased 1,100% for the upcoming planning year. Generation credit for HEC is estimated to increase from approximately \$390 thousand annually to nearly \$4.6 Million.
- In September 2024, HEC sent a crew to Southwest Virginia to assist Bristol Virginia Utilities in the aftermath of Hurricane Helene. HEC crews spent 4 days in Bristol and surrounding counties helping to repair damage and restore power.

Historical Customer Growth *(Number of New Connections)*

YEAR	RESIDENTIAL	COMMERCIAL	LOCAL GOV.	STATE	JMU	SYSTEM TOTAL
2020	77	31	6	0	2	116
2021	36	33	0	3	0	72
2022	36	19	5	0	0	60
2023	94	26	5	0	1	126
2024	20	23	5	0	0	48

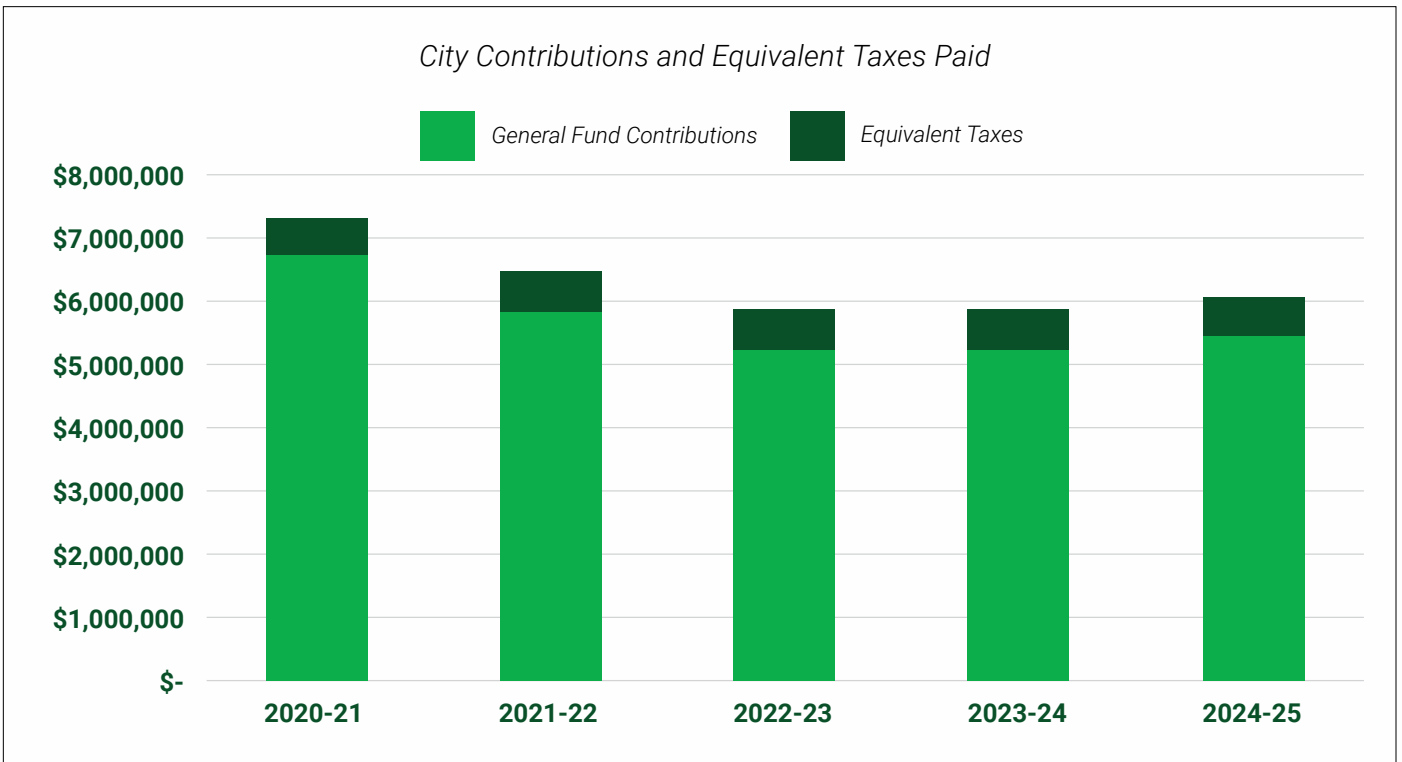
Historical kWh sales





Contributions to the City

HEC is required to contribute 5% of gross revenue to the City's General Fund.



Fiscal Year 23-24, HEC contributed 7% of gross revenue to the City's General Fund.