

OHIO'S ELECTRIC COOPERATIVES CURRENT



Photo Credit: Moeller Brew Barn

Cheers to Brewing a Big Economic Impact!

At this most festive time of the year, craft beer is a popular part of family and friend gatherings. But the economic impact of craft breweries is celebrated year-round, especially in the Ohio communities that are home to Moeller Brew Barn and BrewDog USA.

From submarine engineer to job-generating chief brewing engineer.

Moeller Brew Barn founder Nick Moeller studied mechanical engineering at Ohio State University, then spent 13 years working in mechanical engineering roles at Puget Sound Naval Shipyard and Portsmouth Naval Shipyard helping keep the U.S. Navy's ships fit to fight.

In 2014, Moeller and his wife moved their young family back to their hometown of Maria Stein, Ohio. As Moeller put it, "There were no submarines and no good beer. I had been brewing with friends since 2007 and had scratched out several business plans. I thought I could build a destination brewery in Maria Stein and wanted to be the first to market."



Photo Credit: Moeller Brew Barn

REDLG program multiplies economic impact with Revolving Loan Fund to support new and growing businesses.

Moeller's original plan was to build the Brew Barn on a 16-acre site he co-owned, but it wasn't zoned for commercial use. Moeller's land use research led him to Maria Stein's Marion Industrial Park, where he quickly struck a deal. Moeller purchased the site in May 2014 and opened one year later.

Here's how the REDLG program impacted the development of Moeller's Brew Barn:

- ◆ Certain phases of Marion Industrial Park were created with support from a U.S. Department of Agriculture (USDA) Rural Economic Development Loan and Grant (REDLG) program. REDLG provides funding to support rural projects through local utility organizations.
- ◆ Midwest Electric used a \$300,000 REDLG grant to provide a low-interest loan to Mercer County to help finance construction of water, sewer, and road infrastructure for Marion Industrial Park.
- ◆ As Mercer County repays the infrastructure loan, payments go into Midwest Electric's Revolving Loan Fund (RLF) which is lent at 2% interest currently to private businesses for capital and real estate investments.
- ◆ Nick Moeller secured low interest loans from Midwest Electric's RLF in 2015 for start up of the Brew Barn and in 2019 for a major expansion. "The REDLG program really helped get our project off the ground," said Moeller.



Photo Credit: Moeller Brew Barn

Moeller's Maria Stein Brew Barn was just the beginning.

1. **The original Brew Barn in Maria Stein** opened in 2015. A significant expansion in 2019 increased fermentation capacity from 90 to 315 barrels and added kitchen operations, including a brick pizza oven.
2. **Moeller Brew Barn's Troy location** opened in August 2019 in a renovated structure that formerly housed the historic First Lutheran Church. Troy has 40 barrels of fermentation space, with 10 barrels brewed at a time. Faucets are tapped directly from the horizontal serving tanks which maximizes use of space and product freshness.



Photo Credit: Moeller Brew Barn

4. **The Monroe Brew Barn** is the newest location with a 50-barrel brew house. Moeller referred to its 1,100 barrels of fermentable space as the “big guy system.” The Monroe facility can produce 24,000 barrels annually, allowing Moeller to continue their growth trajectory. Production volume at Monroe could double with the addition of more tanks.
5. **Distribution to retail stores** started in 2015. Moeller Brew Barn products are now distributed to 67 of Ohio’s 88 counties.

“When we started out, the closest brewery was a 50-minute drive,” said Moeller, “now there are four in our county. The folks at Midwest Electric thought Moeller Brew Barn was worth a shot.”



Midwest Electric, Inc.

A Touchstone Energy® Cooperative 



Photo Credit: Moeller Brew Barn

3. **The Dayton taproom** opened in 2021 in the heart of the Water Street District adjacent to the Dayton Dragons minor league baseball team’s home field. It’s brewing facilities are comparable to the Troy location.



Photo Credit: Moeller Brew Barn

Midwest Electric’s REDLG grants support employment growth and help reduce electricity costs.

Midwest Electric serves 11,000 commercial and residential members in seven west central Ohio counties including the diverse mix of businesses in Marion Industrial Park in Maria Stein, Ohio.

In addition to Moeller Brew Barn, the park’s 51 lots are home to welding, trucking, manufacturing, construction, agriculture, insurance, fitness, daycare, and beauty salon and spa businesses. Mercer Health recently broke ground for a medical facility in the development.

“We continue seeing growth in commercial accounts and the REDLG grants have been an important element for sustaining growth,” said Joel Johns, business development coordinator with Midwest Electric. “Midwest Electric’s four USDA REDLG grants were awarded in 2005, 2013, 2018, and 2021 and total \$1,036,675. A fifth REDLG grant application pending.”

With the REDLG grants, Midwest Electric has:

- Awarded \$2.67 million in low-interest loans to 19 recipients
- Helped maintain, create, or attract approximately 645 area jobs
- Helped grow their commercial load from 15% to about 30-35% of sales over 15 years

Johns noted that spreading infrastructure investments over more users helps keep electricity costs down for all cooperative members.

The Fastest Growing Beer Company in the U.S.

BrewDog opened its U.S. headquarters in Canal Winchester, Ohio, in 2016 and growth has been as bubbly as its craft brews.

Although some sectors of the craft beer industry are not growing as rapidly as the pre-pandemic pace, BrewDog is an exception.

The Canal Winchester brewery produces all the BrewDog beer that is distributed in the U.S., currently to about half the country.



BrewDog is a prolific creator of both alcoholic and non-alcoholic beverages, including:

- Craft beers for all tastes which are brewed onsite
- Vodkas, gins, and rums distilled onsite
- Non-alcoholic beers and cocktails which are hugely popular and can be distributed to any state
- Both non-alcoholic and hard seltzer that are produced in a partnership arrangement

BrewDog currently has 144 employees in Canal Winchester, plus a salesforce throughout the U.S.

South Central Power Company’s electricity infrastructure has more than kept pace with BrewDog’s exponential growth.

“BrewDog is served by a substation immediately adjacent to their 42-acre site,” said Kyle Heavrin, South Central Power’s director of energy services and business development. “Before BrewDog came online in 2016, South Central Power rebuilt some circuits to enhance redundancy.”

Heavrin continued, “Redundancy (contingency support via a back-up substation) is great, but our main focus is reliability (how often and for how long service is interrupted). At every level we are continuously rebuilding and expanding capacity.”



- South Central Power currently has 75 distribution substations and is continuously building, rebuilding and adding capacity.
- A new 25-megawatt distribution substation for Canal Winchester is planned to come online in 2024 and will include capacity for additional transformers for future growth.
- Planning for a new 100MVA transmission substation in the Canal Winchester area is underway. The cooperative is actively working to strengthen and bring additional transmission support online.
- Spending for annual vegetation management to maintain rights-of-way and help prevent power outages topped \$12 million in 2022.

BrewDog is the world’s first carbon negative brewery, despite an international footprint with four breweries and more than 100 bars and restaurants.

“Sustainability is a huge priority for Scotland-based BrewDog,” said Lucas Haire, development director for Canal Winchester, Ohio. Haire noted that BrewDog’s sustainability initiatives include:

- Climate action plan
- Waste recovery program
- Planting a forest
- Cultivating a hops farm
- Planning for transition to an electric vehicle delivery fleet
- Exploring sustainable sanitary discharge pretreatment options to reduce the brewery’s biologic volume
- Planning solar power for its Canal Winchester brewery and hotel



South Central Power’s role with customers exploring solar power is to provide support and help them meet renewable energy goals.

“We help make sure customers size the solar array appropriately to achieve their goals, whether that is to partially or fully offset their load,” said Heavrin. “It doesn’t have to be a physical connection. Energy credits for the kilowatt hours used can be purchased through the power market.”

South Central Power has close to 700 residential solar arrays and about 10 commercial solar arrays, plus the cooperative operates its own arrays.

BrewDog's DogHouse Hotel named one of the best places to visit by Time magazine.

The world's first hotel inside a craft brewery opened at BrewDog's U.S. brewery in 2018. The 32 beer-themed rooms feature draft beer on tap.

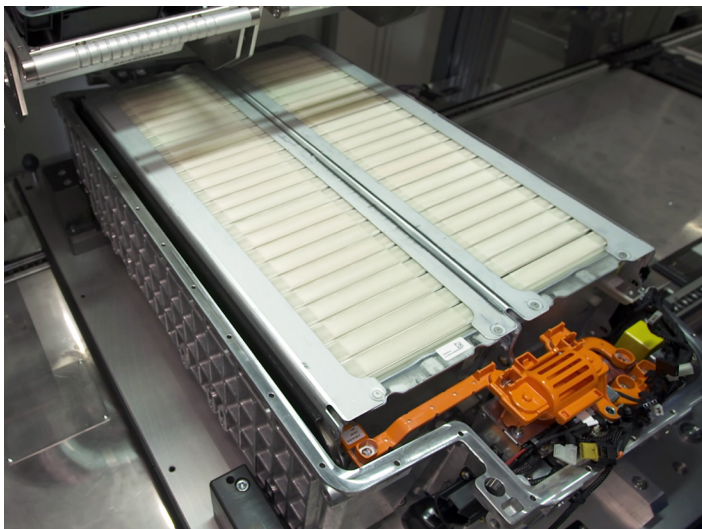
Time magazine included DogHouse Hotel in the "To Stay" section of its 2019 list of 100 greatest places on Earth, based in part on originality, sustainability, and innovation ratings.

"The craft beer hotel is a huge draw for travelers from the Midwest and Northeast," said Haire. "The economic impact is multiplied through bed tax revenue and as visitors explore other breweries in the region."



Photo Credit: BrewDog USA

South Central Power serves four of the six local breweries on the **Route 33 Brew Trail**, including BrewDog, said David Glass, business development manager for the electric cooperative. "The extensive aquifer underlying the Fairfield County region has a mineral quality that is similar to Belgium. It's ideal for brewing Belgian-style beer."



Capacity is available to support transmission-served loads.

South Central Power is one of the U.S.'s top 20 largest electric cooperatives, serving close to 130,000 customers from central Ohio south to the Ohio River.

South Central Power has the transmission resources to support very large energy-intensive loads such as data centers, battery manufacturing, and food processing.

"The cooperative is well positioned to serve anything of any scale. Plus, we have the values and benefits of being a cooperative," said Glass.

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February 6-8, 2023
Bonita Springs, Florida

**Site Selectors Guild 2023 Annual
Conference**
March 29-31, 2023
San Antonio, Texas

**Industrial Asset Management
Council (IAMC) Spring Forum**
April 1-5, 2023
Biloxi, Mississippi

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