

OUR MEMBERS
OUR POWER



2011 Summer Board Meeting
June 20-22, 2011, Arlington, Va.



NRECA

A Tuckman Energy Cooperative 

NRECA Annual Meeting

- ❖ Rescinded 2009 resolution shortening 2014 Annual Meeting (and even years thereafter) to business meeting and other events required by law.
- ❖ Meetings will continue to include general sessions, forums and related events.

RS Plan Funding Policies

- ❖ 2012 base billing rates will not change.
- ❖ Individual co-op may have an increase or decrease in rate if the co-op's average age changes.
- ❖ Accelerated eight-month billing worked in 2011; practice will continue in 2012.
- ❖ No Deficit Reduction Contribution for 2011; outlook was looking good for 2012 & 2013 prior to the last 2 weeks.

Total Margin \$ 4.8 (In Millions)

IN MILLIONS

Member Fee-for Service Programs

\$ 1.1

Non-Member Fee-for-Service Programs

4.6

General Membership Programs

(0.9)

TOTAL

\$ 4.8

Issues Committee Report

- ❖ More than 22 items discussed, resulting in two proposed resolutions and eight proposed amendments to existing resolutions.
- ❖ All resulting items will be discussed by every regional Resolutions Committee.
- ❖ Full report to NRECA Voting Members in late July.

Resolutions Review Committee

- ❖ Committee Chair Wally Wolski reported on May organizational meeting and working groups: member obligations; goals and positions; mechanics and credence; and majority/minority rule.
- ❖ Recommendations to NRECA Board at December Meeting.

CEO Remarks

- ❖ Focus on future needs in time of industry transition.
- ❖ Lack of energy legislation, increase in regulations will make it difficult to maintain affordability and reliability.
- ❖ Political complacency not an option.

Legislative Issues

- ❖ Freight rail reform
- ❖ Coal ash regulation as non-hazardous
- ❖ RUS electric loan program
- ❖ Spectrum legislation
- ❖ Multiple cyber/grid security bills
- ❖ Dodd-Frank financial reform
- ❖ Environmental: internal combustion engines; hazardous air pollutants; pesticides

Regulatory

■ Judge Anthony Scalia

- Ruled a regulation is equal to a law unless congress specifically acts or directs to the contrary.

Legal Issues

- ❖ Class-action lawsuits
- ❖ Pole attachments
- ❖ Radio spectrum interference & GPS

CEO-to-Member Email Program

- ❖ Messages about current events affecting electric bills and what co-ops are doing to keep bills affordable.
- ❖ Working with state associations to roll out to all member systems.

CEO-to-Member Email Program

- ❖ Participating CEOs are getting good feedback from consumer-members:
 - Delivery rates are high – over 98%.
 - Unsubscribe rates are low – about 0.2%.
- ❖ More info: ceoemail@nreca.coop

Other Communication Activities

- ❖ International Year of Cooperatives 2012 materials available in October.

New for Directors

- ❖ New Director Orientation explains co-op business model, basic roles and responsibilities; 30 minutes; no cost.
- ❖ “In the Boardroom” web conferences with real-time instructor via Internet.
 - Creating a culture of safety
 - Board performance evaluation
 - Capital credits

Insurance & Financial Services

- ❖ Medical plan increases will be in line with, if not lower than, most other plans.
- ❖ Total investments increased 5%.
- ❖ Campaign underway to promote Electronic Explanation of Benefits.
- ❖ CBA Customer Satisfaction survey = 87% “satisfied” or “very satisfied.”