

From the Boardroom - October

The board meeting on Oct. 27 was filled with presentations, which are summarized below.

Prior to the Consolidated Electric Cooperative board meeting, the Bright Energy and Consolidated Gas subsidiaries had their annual meetings. These were brief meetings, but did provide an opportunity for Roger Stewart, incoming general manager and VP, to provide an operations update.

The CEC board meeting started with Wes Reinhardt, VP/CIO Consolidated Electric Cooperative, providing a review of capital credits retirement, the financial policy and the secretary's certificate for the work plan resolution. Later in the meeting, Reinhardt reviewed the revised trustee expense form.

Phil Caskey, VP operations and engineering, demonstrated how a fall arrest safety belt for climbing poles functions. Caskey then provided a review of the Rural Utilities Service Form 300 pertaining to operations and maintenance expenses. The form summarizes system maintenance and the documentation that supports those investments in the distribution system. Caskey also provided an explanation of the functions and services provided by Buckeye Power and Ohio Rural Electric Cooperatives.

Pam Hawk, VP marketing and member services/human resources, then provided a summary of the Members Advisory Committee (MAC) meeting that took place on Oct. 21. This meeting was the second MAC meeting and was intended to provide us with two-way communication with our members. Hawk then reviewed the R&S resolution to eliminate the cost of living increase option from defined benefits retirement plan.

Dick Gearhiser, trustee, provided a brief update to the trustees regarding both subsidiary companies' annual meetings.

Larry Roof, trustee, reviewed board policy 108 pertaining to trustee compensation and shared progress that is being made with his committee. The former office building in Delaware was sold.



Our Energy, Our Future

A Dialogue With America

Will reliable electricity become an unaffordable luxury for low-income Americans? We hope not, but today Americans are in an energy crisis.

The problem lies in making required environmental changes that are driving energy costs up. The rising cost of fuel combined with the rising cost of building new generation mean that electric rates will increase even if we do nothing to address climate change.

Times are hard for many Americans. The downturn in the economy will increase the numbers of Americans who cannot afford to pay their electric bills. In the fall of 2007, Excel Energy reported that 72,000 customers faced the prospect of having their electricity shut off for non-payment. The great achievement of Franklin Roosevelt's rural electrification program – affordable electricity for all Americans – is at risk.

The energy proposals being debated in Congress all entail further increasing the cost of what has become a necessity in American life: reliable electricity.

Facts on cost:

The price of coal – the fuel for over half of America's power plants – has doubled since last year while the cost of natural gas – another common fuel and currently the only reasonable alternative – is more expensive and volatile.

A growing reliance on more expensive unconventional sources and liquid natural gas, combined with higher natural gas demand from the electrical sector, will put increased stress on electric costs.

The cost of building new power generation is rising: A \$1 billion plant built in 2000 would cost \$2 billion today. The typical household in America spends about \$1,400 per year on electricity, or more than 2 percent of median annual income, and for lower income households it represents over 8 percent of income.

A 2008 Environmental Protection Agency analysis of the Warner-Lieberman bill to cap carbon emissions projected that under the bill electricity prices would increase 44 percent in 2030 and 26 percent in 2050.

So how do we meet national climate change goals without making electricity unaffordable? If Americans want to keep electricity safe, reliable and affordable, Congress and America's electric cooperatives must work together. Join other American consumers who have asked their elected officials tough questions about our energy future. It's simple, just log onto www.ourenergyyourfuture.coop and click the Contact elected officials link. Begin a dialogue for your future!

Source: www.ourenergy.coop