



Rio Grande Electric Cooperative, Inc.

Update



September 2009



A Message From The General Manager/CEO

By Dan Laws

“The Annual Meeting is our opportunity to be accountable to you.”

Probably by now you have guessed that Rio Grande’s Annual Meeting is just around the corner. Every October, we celebrate the Cooperative’s birthday, while across the country the nation celebrates the cooperative form of business. By Presidential executive order, October is National Cooperative Month. It’s a time set aside to recognize the unique contributions of a very unique business model.

The cooperative way of doing business is not based on profits, but rather providing products or services that had not been made available to a segment of our population because it was not profitable to do so. A cooperative is born when a group of individuals comes together and makes the decision to provide themselves with goods and services they need. And, they do so on a not-for-profit basis. You see, in a cooperative, the investors and the customers are one and the same. Not true in for-profit companies.

Rio Grande was born in just such a fashion. Local farmers and ranchers decided it was high time they brought the benefits of electric energy to the country...to themselves. No longer would there be lights to the edge of town and darkness beyond. Rio Grande, over time, became the largest cooperative in the contiguous United States, in terms of service area size. With three Presidential Permits to export energy, Rio Grande is one of the few cooperatives in the Nation to sell energy internationally. And, with 300 meters in New Mexico, Rio Grande participates in interstate commerce. We are steeped in a rich history of commitment and service.

I am sure at least some of you have read with some interest the issues that have been raised at Pedernales Electric Cooperative, in Central Texas. Based on newspaper accounts, committee hearings in the Texas Legislature and indictments by the grand jury, the past manager and board of directors took advantage of their positions. A number of the allegations have proven to be true. I am disappointed by all I have come to know about the excesses that have apparently existed at Pedernales for a long time. I neither defend nor condone their behavior. The reputation of every electric cooperative in Texas has been harmed by the misdeeds of this one. I can only assure you that your board of directors is not self serving, neither are they self-indulgent. They are honest folks who take their responsibility to you seriously.

The Annual Meeting is our opportunity to be accountable to you. You will learn about the activities of the board, management and employees. There will even be entertainment. You will hear about some of the challenges we face together, and hopefully you will come away with a little more confidence than what you came in with. I hope you can be a face in the crowd for this year’s Annual Meeting. I would sincerely enjoy seeing you here in Brackettville for this year’s festivities. We never forget that we exist with your permission, not in spite of it.

Your official director election ballot, candidate profiles brochure, and Reservation/Registration cards will be coming to you by mail this month. Please take part in the democratic election process which makes cooperatives special.