



Rio Grande Electric Cooperative, Inc.

UP DATE



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A Message From The General Manager/CEO

By Daniel G. Laws

Survey Reveals Mistaken Ideas

We recently conducted a survey of the Rio Grande membership for the purpose of determining whether we are hitting the mark. Consumer satisfaction is obviously a significant measure of how well we perform as a board of directors, management and employees. And, after all, it doesn't really matter how good a job we do, if you believe we are not doing a good job. So we asked!

The survey was taken by telephone, and included calls in the evening. A random selection of members from across the system was chosen in sufficient quantity to make the survey statistically valid. Ten questions were asked of each participant, and comments were solicited, as well. The end result, as I mentioned last month, was that 89% of members were satisfied! That's good news to us, and, as I am sure you realize, it's our goal to see everyone completely satisfied. However, we recognize that is unrealistic, but we continue to try.

Although the results of our survey were very good, there were some comments I found very troubling. Accordingly, I want to address those over the next few months. Number one on my hit parade is the mistaken idea that we use substandard materials when constructing and repairing lines. And secondly, that those faulty materials lead to excessive outages.

Rio Grande Electric Cooperative borrows loan funds from the federal agency known as Rural Development Utility Programs (RDUP, also formerly known as Rural Utility Service, RUS and Rural Electrification Administration, REA). This federal agency dates back to the New Deal, which was formulated in the 1930's. Since RDUP is Rio Grande's primary mortgage holder, it has a vested interest in all phases of the business. Of particular interest to RDUP, is the type of materials its borrowers use when constructing and maintaining lines.

Only those materials contained on RDUP's list of approved materials can be used. I am sure it comes as no surprise that before materials can be incorporated on the approved list, they must undergo rigorous testing; tests such as ultra-violet tolerance, tension, compression, and tinsel strength. In addition, all materials are evaluated based on form and fit, to determine how well they comport with RDUP construction standards. In other words, an insulator rated for 18,000 volts must also be interchangeable with every other brand of insulator rated for 18,000 volts. All materials that make the approved list are of the finest quality available to the industry.

With that said, occasionally outages occur with the cause being material failure. Typically, these failures are the result of fatigue, more than anything else. However, there have definitely been manufacturers that have an occasional "bad batch". In those cases, we go back to the manufacturer for reimbursement of the expense created as the result of a "bad batch". Unfortunately, the outage they caused can not be fixed, and the clock can not be turned back. These types of outages, fortunately, represent a very small percentage of the outages we experience month-in and month-out.

High quality materials, strict construction standards, and qualified, dedicated employees are all reasons that Rio Grande Electric Co-op is your **"Home Team Advantage"**.