



Rio Grande Electric Cooperative, Inc.

# Up Date

October, 2008



## A Message From The General Manager/CEO

By Dan Laws

*“The cooperative business model  
is an amazing thing. . .”*

If the time line hasn't slipped, you probably received this shortly after the close of our annual meeting. I hope you were in attendance and were pleased with all you saw and heard. Texas law requires all electric cooperatives to hold a meeting of the members annually, at a time and place of the board of directors' choosing. Our conscience requires us to hold the meeting, even if Texas law didn't.

This business belongs to the membership, not the general manager and not the employees. You are the trustees (owners), we are the stewards (caretakers), and so it is important that we regularly report to you how we are taking care of your business. Our employees are frequently reminded that they work for you; it is equally important for you to remember that you own this business, and that carries responsibilities.

You have a duty to be obedient to the bylaws, policies, and tariffs established by your elected representatives, the board of directors. Such matters as paying your bill on time, granting easements in the proper form, not connecting anything to Rio Grande's system that would cause operational problems or risk to linemen, and the list goes on. All of these provisions are adopted by the board with the intention of treating every member fairly. Any time you feel you are not treated fairly, you should bring it to someone's attention.

The cooperative business model is an amazing thing, but it only works well when there is, surprisingly enough, cooperation. Members must cooperate with employees who are only carrying out the policies of the board of directors. Employees must cooperate with members, especially when they have special needs that may not fit the exact letter of the rules, but could be accommodated. And, board members must cooperate with members when they have concerns and try to meet their needs, when it is possible. Needless to say, when it is not possible to meet a particular need, members need to cooperate with board members who are doing the best they can to manage a large business and meet everyone's needs fairly.

When a cooperative ceases to meet its members' needs; when it fails to consider the smallest consumer on the line; if the board of directors is held as more important than the membership, or the employees are held as more important than the membership; then it ceases to be a cooperative. Because a cooperative has its foundation in human relationships rather than stocks and bonds, the death of a cooperative is truly sad. We recently witnessed the near demise of a fellow cooperative due, among other things, to apathy on the behalf of the membership, and an abuse of power by those whom they entrusted to lead the cooperative. The life of that cooperative nearly slipped away while they were not paying attention.

Please pay attention to what is going on here at the Cooperative and be willing to serve on committees, or even the board, when called upon, and ask questions when you are not sure of something. This is National Cooperatives Month, a time to celebrate a business model that brought needed goods and services to a sector of America's population that had been ignored by stock-held corporations. Hopefully, you can also celebrate your ownership in Rio Grande. I sincerely believe we are **“Your Home Team Advantage”**.

**63rd Annual Meeting, Saturday, October 11  
Fort Stockton Middle School, Ft. Stockton, TX**