

Draft Minutes • 69th Annual Members Meeting • Socorro Electric Cooperative, Inc. • April 26, 2014

Index: The 69th Annual Members Meeting of The Members of The Socorro Electric Cooperative, Inc., was held on Saturday, April 26, 2014, at the Finley Gymnasium in Socorro, New Mexico.

Registration: Member registration was held from 1:00 p.m. to 3:00 p.m.

Welcome: Joseph Herrera, General Manager, began the Program by welcoming everyone to the Meeting.

Closed Registration: Manager Herrera announced that member registration was now closed.

Presentation of the Colors: The Presentation of the Colors was done by the Joe C. Montoya Chapter, Disabled American Veterans.

National Anthem: The National Anthem was sung by Ms. Catherine Barela.

Pledge of Allegiance: Manager Herrera led everyone in the Pledge of Allegiance.

Invocation: The Invocation was done by Florencio Saavedra, Retired SEC Employee.

Introduction of Board of Trustees: Manager Herrera introduced the Board of Trustees. (Trustee Cordova did not attend the meeting.)

Introduction of Employees: Manager Herrera also introduced the SEC employees who worked during the meeting.

Introduction of Guests: Manager Herrera introduced the following guests: Joel Bladow, V.P. of Operations & Engineering, Tri-State G&T; Jon Beyer, Marketing Coordinator, Tri-State G&T; Robert Adams, Grassroots Coordinator, NMRECA; (Keven Groenewold, Executive V.P./General Manager of the NMRECA, arrived after the Introduction of Guests).

Grassroots Coordinator Address: Mr. Adams addressed the membership by stating the goal of the NMRECA is to do their best to keep electricity reliable and affordable for all cooperative members. Mr. Adams explained that new regulations were being passed down by the EPA on coal burning power plants and explained why there is still a need for them. Mr. Adams added that New Mexico is leading the way in the generation of solar power. With new rules coming down in June that will affect all power producers, Mr. Adams asked cooperative members to fill out a card from the Cooperative Action Network which would be sent to the EPA, whether the member was for or against proposed EPA regulations. Mr. Adams stated that 4,300 cards had been sent in from New Mexico, thus far, and urged everyone to send in a card.

Manager's Address: Manager Herrera addressed the membership by stating that he was more dedicated than ever to the foundation of SEC's existence by being a strong cooperative, facing new challenges, which are often driven by regulatory pressures.

Manager Herrera proudly announced that for the second consecutive year the SEC had no lost time accidents and that the SEC will continue to strive to improve.

Manager Herrera stated that during his tenure as general manager that the SEC continues to meet mortgage loan requirements and has not had to increase rates to the members. Manager Herrera also stated that SEC line crews construct and maintain on SEC's line rather than using outside contractors which was standard practice.

Manager Herrera explained the new billing process for line extension contracts and how members previously were not being billed for kWh used during the life of the contract but were only being billed for the cost of the line extension.

Manager Herrera also explained the delinquent bill collection process and that he is strictly following policy created before he became the general manager.

Manager Herrera reported that the SEC wrote-off \$150,000 in uncollectible energy accounts for 2012 but every effort will be made to collect on those accounts.

Manager Herrera stated that in 2013 outages were reduced by 23% system wide due to active patrolling of SEC's lines and trees being trimmed along our right-of-ways. Manager Herrera also stated that all available resources were being used to reduce the duration of outages such as computers being installed in the service trucks giving access of information to crews in the field. SEC's facilities in the entire service area have been completely inventoried which will be helpful with outage restoration.

Manager Herrera reported that the 2013 Audit Report has been completed which was reported to be the best audit ever according to the auditing firm of Bolinger, Segars, Gilbert and Moss.

Manager Herrera stated that the SEC is headed in the right direction but there is still a lot of work to do.

Call to Order: Manager Herrera called the meeting to order.

Report on the Existence of a Quorum: Ray Garcia, from Automated Election Services, reported that 146 members registered for the meeting. Manager Herrera announced that 285 registered members were required for a quorum out of 9,490 total members.

Adjournment: There being no quorum present in order to conduct business, President Dorrough called for a motion to adjourn the meeting. A motion was made and seconded from the floor to adjourn the meeting. President Dorrough adjourned the meeting at 3:30 p.m.