

Electric Cooperatives

Power For People, Not For Profit



Jessica Nelson
General Manager
Golden State Power
Cooperative

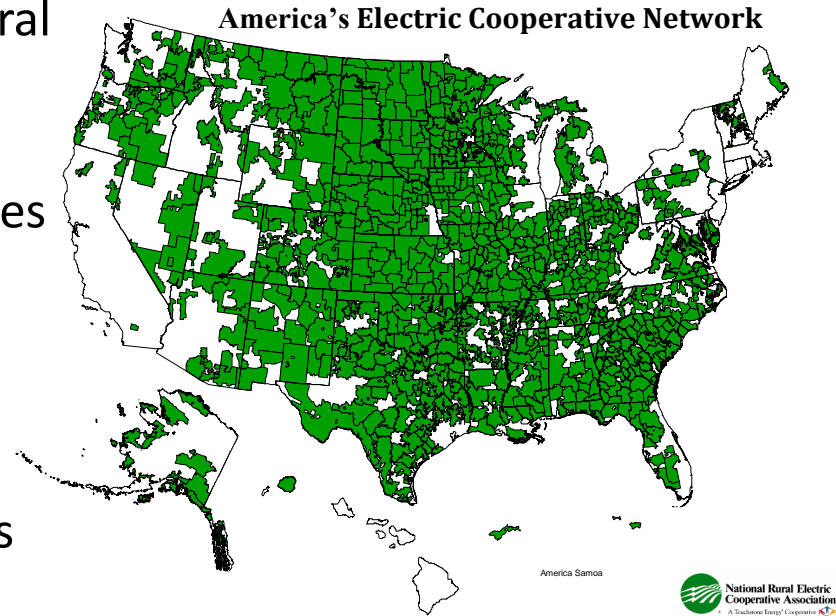
Cooperatives are Rooted Principles



In 1844, the Rochdale Society of Equitable Pioneers in Rochdale, England formed the principles on which co-operatives around the world continue to operate.

Electricity for All!

- As late as the mid-1930s, nine out of 10 rural homes were without electric service.
- The federal Rural Electrification Administration, now called the Rural Utilities Service (RUS), was created in 1935 by Franklin D. Roosevelt
- Provides low-cost financing to bring electricity to rural, unserved areas
- Electric co-ops now serve 19 million homes and businesses



How Electric Cooperatives Energized Rural America

1844

Cooperative principles established in England.

1935

President Franklin D. Roosevelt creates federal Rural Electrification Administration (REA) by executive order.



1937

53,000 total miles of co-op lines constructed.

1940

180,000 miles of rural lines built; another 80,000 coming.



National Rural Electric Cooperative Association

1942

National Rural Electric Cooperative Association (NRECA) forms to represent co-op interests nationally.

1962

Electric co-ops serve 5 million Americans; NRECA joins with U.S. Agency for International Development (USAID) to bring electricity to developing nations.

2010

75 years after creation of REA, 900-plus co-ops in 47 states serve 17 million homes and businesses.

California Electric Cooperatives



Golden State Power Cooperative

3 Electric Cooperatives

17,000 Members

4,400 Miles of Powerline

310 GWh Sold in CA
($<0.1\%$ State Energy Sales)

Serving the “Unprofitable” Regions

Consumers Per Mile of Powerline

**Municipal
Utilities**



**Investor-
Owned
Utilities**



**Electric
Cooperatives**



Less Than 5 Per
Mile in CA!

0 10 20 30 40 50

Income

Average Household

Co-op:

\$86,885

State:

\$111,042

US:

\$96,333

Poverty

Poverty Rate 2017

Co-op:

15.3%

State:

13.3%

US:

13.4%

Electric Cooperatives

Number of consumers served: 8

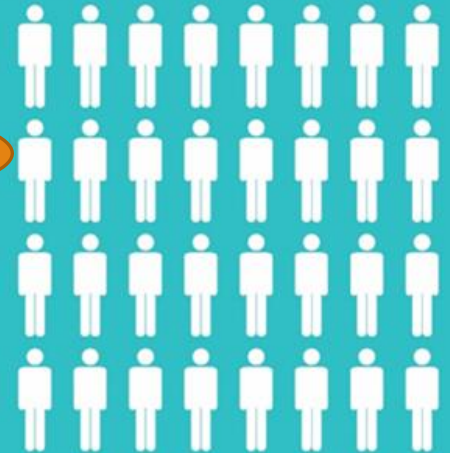


Revenue:

\$19,000

Other Electric Utilities

Number of consumers served: 32



Revenue:

\$79,000

Sources: EIA, 2016 data.
Includes revenue and consumer
averages per mile of line.

How Are Electric Cooperatives Different?

- Electric Cooperatives operate as not-for-profit 501(c)12 organizations.
- CA Public Utilities Code Section 2776: “...organized for the purposes of transmitting or distributing electricity exclusively to its... members ***at cost.***”
- We utilize RUS low-interest financing and work with cooperative financial partners, CFC and CoBank, to make investments in our systems.
- Construction and maintenance standards have thorough oversight from RUS and insurance cooperatives
- We have democratically elected board of directors; but not affiliated with local city or county government
- Transmission often crosses vast tracts of federal land



National Rural Utilities
Cooperative Finance Corporation



FEDERATED RURAL ELECTRIC
INSURANCE EXCHANGE



Member driven. Technology focused.



Electric Cooperative Mission:

MISSION:

- Provide safe, affordable & reliable electric service
- Consumer-focused. Service oriented.
- WMPs help achieve overall mission

WILDFIRE MITIGATION GOAL:

- Reduce risk of wildfire ignition
- Improve resiliency of the electric grid
- Prioritize cost-effective actions
- Minimize unnecessary or ineffective actions



Electrical Cooperatives Obligations under AB 1054

Electrical Cooperatives share the same obligations as Publicly Owned Utilities, as specified in PUC Section 8387:

- ✓ Required to have Wildfire Mitigation Plans in place by January 1, 2020.
- ✓ After January 1, 2020, we must prepare a WMP annually and shall submit the plan to the California WSAB on or before July 1 of that calendar year.
- ✓ Required to do annual updates to the plans and “comprehensive revisions” at least once every 3 years.
- ✓ On or before January 1, 2020, and not less than annually thereafter, present its WMP in an appropriately noticed public meeting to accept comments.
- ✓ Required to have plans independently evaluated.



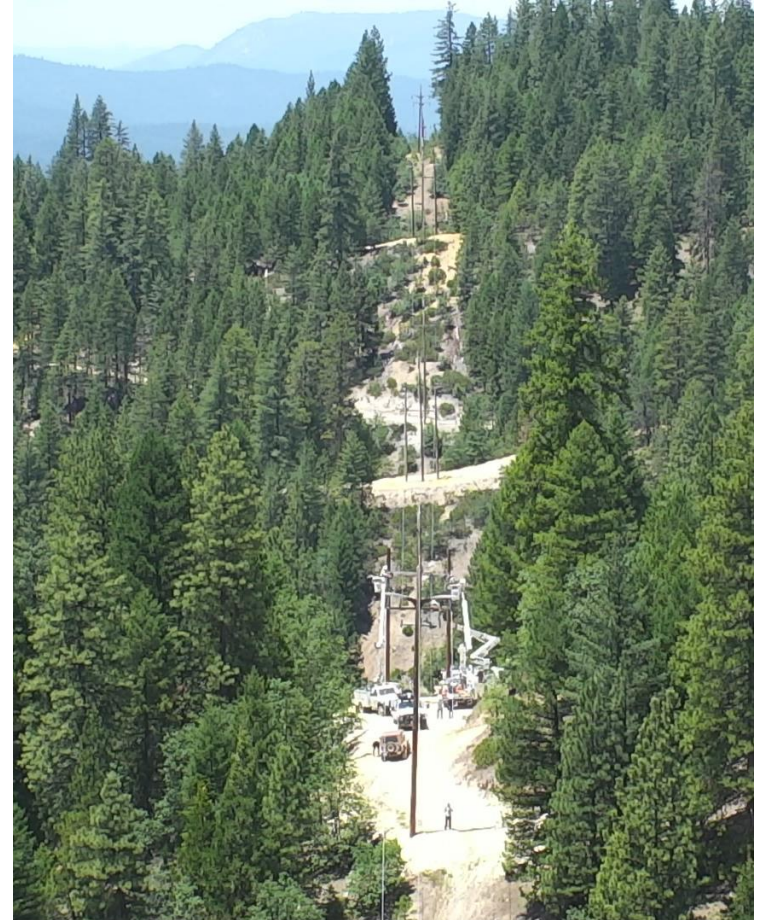
Infrastructure Inspections and Expedited Maintenance



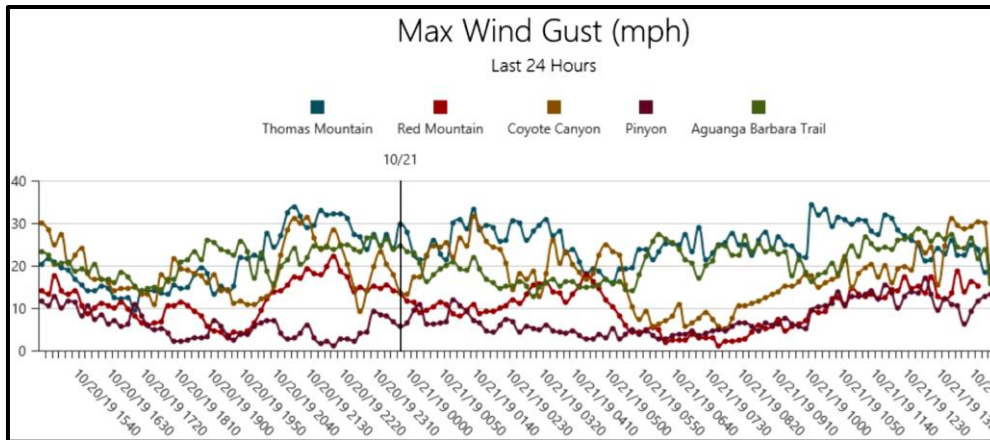
Vegetation Management



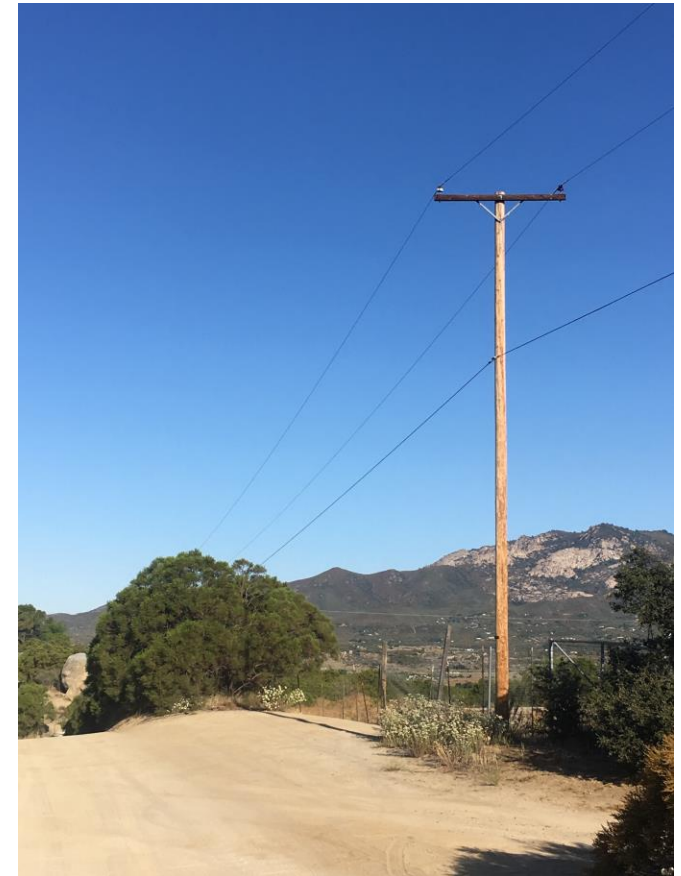
Robust Right-of-Way Saves the Day



Situational Awareness

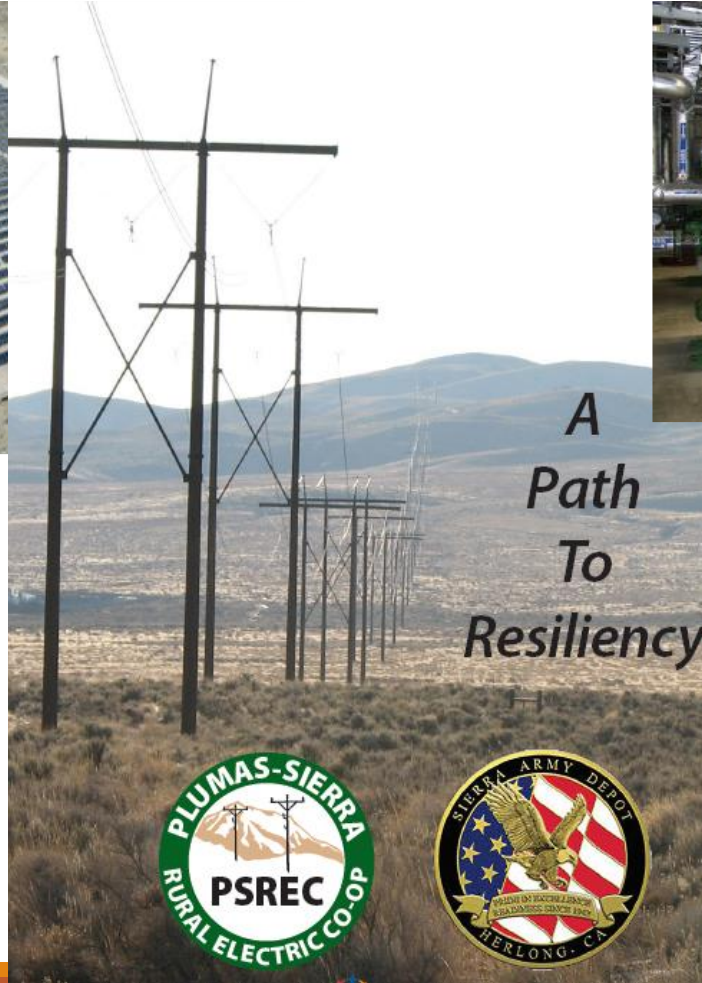


ALERT Wildfire



Building Resiliency

Plumas-Sierra REC



*A
Path
To
Resiliency*



Building Resiliency

Anza Electric Cooperative




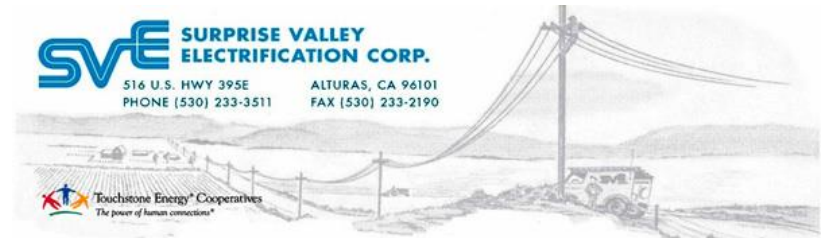


Serving Communities, Not Shareholders



ANZA ELECTRIC COOPERATIVE, Inc.

A Touchstone Energy® Cooperative 



The cooperative model is well suited to nimbly and rapidly respond to evolving consumer expectations and incorporate emerging technology to deliver safe, affordable, and reliable electric service. We are invested in wildfire mitigation and responsive to the communities we serve.