

Rachel Johnson (00:16):

Welcome back to Co-Op Energy Talk. I'm Rachel Johnson and I am your host for the board Meeting brief podcast. And you are listening to our podcast for the board meeting on Monday, May 19th. A couple things I wanna update you on, but I also have a, a special guest who is not new to you. Joining me today, Courtney Doyle, our, our normal podcast host is gonna join because she gave a special presentation to the board this month that I wanted us to talk about together. Thanks for joining me, Courtney. Yes, anytime excited to talk about the survey. I know. So we're like co-host. It's, it's actually like a hosting dual, so we'll, we'll, oh, a duall. Yes. Yes. So we'll, we'll see who wins in the end. But let me, uh, first just go through a couple things in the board meeting and then we're gonna spend some time talking about the survey presentation that Courtney gave.

Rachel Johnson (00:57):

One thing that the board did this month is, uh, updated a board policy. So some of you may remember, I think I talked a lot about this last year, but the board went through like a comprehensive review of all of the board's policies last year. Kind of updated most of 'em and approved brand new policies or approved updated policies. But what we, the decision we made at that time is we would keep a standing board policy committee going forward and every single year they'd meet one or two times and review a couple policies and make recommendations. So we're just constantly reviewing our policies as opposed to having to do it all at once. This board meeting, they made a recommendation for one policy update to the whole board, which is the board's code of conduct policy. And the main change in that code of conduct policy or not really change, it was mostly just kind of modernizing it was to make the rules for board member confidentiality a little clearer.

Rachel Johnson (01:45):

So just making sure that if we are as a organization discussing anything that's particularly strategic, tied to critical infrastructure, tied to things like cybersecurity or contracts we're negotiating, that those things must be held confidential by board members and that that confidentiality is enforceable, made that update to the code of conduct policy, recommended it to the board. The board approved it today. The next time the policy committee is going to review policies will likely be later this summer. So there will likely be another round of policy updates at that time and I will keep you in the loop. The other thing we talked about today in the board meeting is tied to strategic planning. I think I've been talking about this for a little bit too. This is some work we've been doing for several months and now we've been slowly bringing issue area strategic plan action plans to the board for their feedback.

Rachel Johnson (02:32):

And then we're gonna finalize that into a strategic plan which they will adopt. The two areas we talked about this month were rates and equity on the rates side of things. Uh, we just kind of talked them through a kind of about a two year process we're expecting or planning to, to undergo, to really evaluate our rate structures. And the first step in evaluating our rate structures is evaluating our cost and what impacts our cost, and then making sure that we are fairly, fairly passing those costs through to the right people. And so that, that's gonna take some work. We're gonna use an outside consultant for that work. But the other thing that we're gonna do in parallel with that, that I want all of you listening to know about is we are going to hold some member focus groups to get feedbacks from our members about kind of your perceptions on rates and what you would like us to consider as we, uh, I guess I would just say kinda like build rates from the ground up as opposed to assuming we're gonna keep updating the structure we have.

Rachel Johnson (03:26):

So if you are interested in that, if you are someone who is engaged, paying attention cares a lot about the co-op and has a, a passion for rates, please just reach out directly to me. You have my contact information

on the website and I will make sure that you are on our list of people to reach out to 'em and get ready to put those focus groups together. The other strategic action area we talked about was equity management. The co-op targets keeping our equity at about 40%. Our board policy says we will keep it above 35%. All of those are very healthy equity positions, but one of the things we're kind of starting to have to think through is what might happen with our equity as we manage through a major capital outlay in the form of new facilities. And I'll talk a lot more about that in the next month or two, but as we kind of start planning for that, we also need to be planning for how we'll manage equity.

Rachel Johnson (04:16):

The other trigger in the equity kind of conversation is capital credit retirements. So thinking through how we make sure we're able to sustainably retire capital credits in the coming years, keep our equity where we need it to be, and have just a little bit more regular long range financial forecasting as a part of that. So talk them through our approach to that and kind of what they can expect in metrics and deliverables. Got a lot of good feedback, so we'll keep working on that particular side of the strategic plan going forward. So that was one and two. Number three is the thing. Courtney's actually here for <laugh>. Courtney gave a special presentation to the board on our most recent all members survey, which we performed in March. So thank you to all of you who took the time to fill that out. Um, very similar to the types of surveys we've done in the past where we're just really generally trying to get at overall member perception of our core services, how good or bad how we're doing in terms of delivering high level value to you all. And when I looked at the survey, Courtney, and when you presented it, the thing that stuck out to me is I felt like there was like a lot of good news in there. Do you wanna Yeah. Give some highlights?

Courtney Doyle (05:13):

Yeah. A lot of good news across the board. So you may remember, we also surveyed last year in 2024, so pretty much in every area, every question we asked both last year and this year, we saw an increase in our scores from our members or they held really steady because we do have a lot of scores that are already really high, which is great news. I think it's also too important. Uh, we, we don't measure satisfaction. I think that's something that a lot of people assume. We wanna measure more than satisfaction. We wanna make sure we're having a relationship with our members. So what we measure is actually called the member loyalty index. And so out of a scale of a hundred, uh, our score was 85 last year. This year it was 87. So a lot of good, uh, increases there. We had

Rachel Johnson (05:56):

Did, um, real quick before you go on from that one, just for context, I found it interesting that the nationwide average for the member loyalty index is in 82. So not only a little increase in our score over last year, very much an in line with where we've been in historic years, also better than everybody else.

Courtney Doyle (06:14):

<laugh> doesn't hurt, right? <laugh>,

Courtney Doyle (06:17):

I think a place, right? We always talk about how proud we are of our reliability and it always feels good when the members you, you can survey and see that the members also feel that. So our, our scores on providing reliable service were some of the highest scores out of all the questions we asked. Um, so that, that felt really good. We also asked about some, you know, member service communications preferences, right? We wanna make sure we're delivering information to our members the way they want to receive it, because then you're more likely to hear the message. And so some great insights on that in case you're curious. Phone and email are the top ways members like to seek their member service, but text wasn't too far behind that. So we're gonna look at leveraging text communications a little more for that. As far as,

you know, work plan notifications very similar. Uh, prefer text or email, more of that digital communication versus maybe a, a postcard or a letter or things like that in the mail.

Rachel Johnson (07:12):

One of the things Courtney pointed out in the presentation to the board that kind of surprised me was that right now at least members don't prefer online chat, which I found fascinating and helpful because we had been kind of talking about putting a lot of resources and rolling out online chat, well, that's not what people want. We shouldn't put resources there. So I found that very, very interesting. However, a clearly strong preference for self-serve, which is also good to know, right? So people are, are very much wanting to be able to like, without necessarily having to call or having to come in person, be able to log into SmartHub and do everything they wanna do on their own, which I get 'cause I'm, I'm exactly the same

Courtney Doyle (07:47):

Way. Yeah. Well and it helps us, it just kind of reaffirms, right? We look at our own behaviors a lot to say, is this how my members wanna do it? And then you get to ask them and they get to tell you. And it helps us kind of narrow in, like you said, where do we wanna put our resources? Where do we wanna put our efforts into expanding or making things better for our members? So that was a clear spot. Um, we also asked, you may remember in 2024 if you took both surveys, we asked members to weigh in kind of on where they prioritize reliability versus lower rates. And so in 2024, about 76% of the members we surveyed said they would prioritize reliability. And uh, this year that number actually went up. 78% said they would prioritize reliability, which obviously our goal is to provide reliable electricity at the lowest possible rate. But we've been in this situa this environment where costs are going up and so our rates also have to go up. So we're just making sure that we're balancing that the way that our members want us to. And based on this feedback, I think we've done a really good job of that.

Rachel Johnson (08:50):

Yeah. And, and the other thing we took some time to talk about with our board and just as Courtney and I have talked through the survey results in general is ultimately what all of this is kind of circling around is the idea of a value proposition. So you have reliability, you have certain, um, service, uh, options, whether it's text or chat or whatever. You have the courteousness of your employee, you have all these different things and then you have the cost for that. And what we want and what we're kind of constantly trying to thread is a very narrow needle where all of that comes together for the members in the form of what feels like an incredibly good value proposition. And so that's gonna be a space where I think you'll see us talk more and more and more about what we're doing to bring value to our members and provide the highest possible value to our members. It's not possible to deliver better and better and better reliability at the exact same time the rates go down. That's not a realistic goal, but what we can do is make sure that the things we're doing align with what the members want and therefore their perception of the value they're getting stays, stays high and gets higher.

Courtney Doyle (09:53):

Yeah. And, and also, right, investing in those additional resources, one of the things that I see area for us to grow is additional room to invest in resources for members to help, uh, efficiently use their energy mm-hmm <affirmative>. Or, or could have a little more control or a little more visibility and into how they're using energy so that their behaviors can then change over time as they can kind of monitor it themselves. That was a place where I see we can put some time and effort. So separating right. Value of course is reliability, very much so. But there's also these other places that we were able to glean from the survey results where we may be able to kind of help boost those things up along with reliability so that members feel that value.

Rachel Johnson ([10:33](#)):

Mm-hmm <affirmative>. Yeah. And Courtney and her team are working on some really cool member programs that will roll out and over the next year in our energy efficiency rebate programs and demand response programs. And I think all of those get at this, this idea of providing service that is valuable and hopefully at the end of the day or end of the month when people pay their bill, let me preface this, even I don't like paying my bills <laugh>, nobody likes paying their bills, but like at the end of the month they pay their bill and they think, you know, that that was worth it. That was worth it. Yeah. Like I, I got good value for that is really kind of the, the benchmark we're chasing. Yep. That's the goal. Yeah. Um, the other thing that we had the chance to talk about and and, and look at in the surveys that I wanted to just kind of end on is this idea of balancing competing interests and as we, as the board and also the senior team work through this need to balance reliability, affordability, environmental stewardship, um, long-term power supply, like there's a lot of the interest that we're investing in one inadvertently is gonna make the other one harder.

Rachel Johnson ([11:31](#)):

Right?

Courtney Doyle ([11:32](#)):

It's that stool you've talked about. Right? Thank you. It's a very careful balance.

Rachel Johnson ([11:35](#)):

Careful balance. And so we asked our members just straight up, right? Like, how good of a job do you think we are doing of balancing interest of reliability, affordability, and environmental stewardship? And I don't, I don't think I'm gonna remember the number off the top of my head, but the score was, I thought really reflective of Yeah.

Courtney Doyle ([11:50](#)):

So if if you put it on a a 10 point scale, the mean was was 8.6. Yeah. So really high, the average right would be seven if you're looking at co-op norms mm-hmm <affirmative>. Um, but 8.6. Yeah. So it's, it's a really good score. But again, I think the more we can educate our membership on what we're doing in those spaces, I expect to see those scores go up.

Rachel Johnson ([12:07](#)):

Yeah. And take feedback on, you know, what should we be doing more of mm-hmm <affirmative>. So, um, overall I, I was really, uh, and I think the board was too really pleased with the results of this survey 'cause it affirmed that the way we are leading the co-op is very well aligned with the priorities of our membership, but also pointed out a couple areas where I think we can do more and continue to improve because it's never done. Yep.

Courtney Doyle ([12:27](#)):

That's right.

Rachel Johnson ([12:28](#)):

So thank you Courtney for the time you took to, uh, come on the podcast and, and talk about that special presentation to the board today and also for the time that you spent kinda educating the board on it. Last thing I'll remind all of our listeners of before I wrap up the podcast, our annual meeting is coming up, it will be on Thursday, June 12th, starting at 4:00 PM at incredible mos. The doors will open and we have

all the things we normally have, right? So you have access to all the food, all the bowling, all the laser tag and games and outside fun stuff from four to five 30. At five 30 the business meeting starts. That's where we'll give you a rousing update on the state of the co-op coming from yours truly. And also announce the, um, results of our board elections. If you haven't voted before the annual meeting, you do have a chance to vote there between four and five 30.

Rachel Johnson ([13:13](#)):

But after the business meeting wraps up, we'll still be there taking advantage of all the fun stuff at incredible mos. All of that is free to you as chair land members. So we hope to see you there. And with that, those are the highlights from our board meeting today. Please don't hesitate to reach out to me if you have any questions. Our next board meeting is Monday, June 23rd. And as always, we will start with member input at 9:00 AM So if you have anything for the board, please swing by our office here in groan. Join us next time for more co-op Energy talk.