



## A New Year's Message From The CEO By Roger Andrade

**A**s we enter the new year, I wanted to make sure to wish you all a happy 2019; I hope you were able to welcome the year with loved ones in good spirits and thanking God for all the blessings bestowed upon us throughout 2018.

Personally, I have always found the idea of a new year exciting. Although we need to be thankful and make meaningful the time allowed on earth, ringing in a new year gives everyone a chance to pause, reflect and reset in preparation for the coming year. Although, I do not personally believe we need rambunctious celebrations in order to create new beginnings, set goals or reflect and be thankful. In today's fast-paced environment, it is good to have a universally known beginning and end, to allow us that time to partake in those reflections, plans and resolutions.

It is in those moments that we allow ourselves to re-energize, and, at times, reassess priorities in our lives.

Now that we are a few days into the New Year, I find it important to share with the membership a look ahead and a glimpse of what the New Year may bring us. First a quick look back.

The year 2018 brought many changes to the Cooperative, some planned, and a few unexpected surprises along the way. As we entered 2018, management and the board knew that we needed to implement a new rate design based on the results of a cost of service study. This resulted in the full deployment of Time of Use rates. Leading up to that, the Cooperative regularly evaluates all of its business units to ensure they are performing well and holding their own. Such was not the case (and for a while) in our satellite internet business, RioNet. The decision was made (but not before we ensured that our internet business members were taken care of) to divest ourselves from the internet business. Fortunately, that did not result in reduction of employment at the Cooperative; but rather improved focus on our primary business, which is to deliver safe, reliable and affordable energy to our members. Another major change realized in 2018 came when the board of directors embarked and subsequently culminated a process of succession that began approximately 4-5 years ago with initial serious discussions dating back to 2010, as our then board president, Mr. Rowdy Holmsley recounted back in April of last year as part of his 2016 Annual Report. 2018 also saw the completion of two new substations built to serve new large industrial load and provide redundancy and reliability to our existing members in those areas, one of which is currently in operation, the second slated to be energized this month. Finally, on some of the highlights of last year, the Cooperative experienced an increase of approximately 100 Million plus kilowatt-hour sales in comparison to 2017, which represents an increase of approximately 30% of overall energy sales.

With the US leading the world in crude oil production and the great Lone Star State at the epicenter of such production, 2019 is expected to continue the trend in substantial growth throughout our service territory. Such giant leaps in growth, inherently, bring other needs and issues to be addressed. With that in mind, we will be going through strategic planning in the first quarter of 2019. This will allow us to assess the performance of our prior goals and realign our efforts to match the current and future needs of the Cooperative. Along with strategic planning, we will begin the process of updating our Long Range Plan, as well as, develop our Construction Work Plan (CWP). With the significant investments in infrastructure, as well as, the new construction to serve new loads, it is important to keep our finger on the pulse and ensure that future system improvements are employed where most needed and in line with studied and analyzed projected growth. Along with the goals previously described to be undertaken this year, we have quite the list of projects that, pending board approval, will be the guide to continuous improvement throughout Co-op territory. Feel free to browse through some of those in our "Coming Attractions" section.

This past year was personally enlightening, and the interactions I have had with a few of our members has had positive takeaways. Although not every interaction was to provide praise or positive feedback, the result is a member contact that will allow us to grow and improve. This year will bring its own challenges, but I am sure working together, keeping focused on our priorities and putting our members first, we can realize great things! God bless you, and may you have a happy and prosperous 2019!