

Electric Consumer Bill Of Rights

Electric cooperative utilities are unique in that they are owned and controlled by the consumers they serve. In an evolving restructuring of the entire electric industry, electric cooperatives are vigorously pursuing policies that will protect the individual and economic interests of all consumers; included among these interests are:

- The right to have access to reliable, affordable and safe electric power. The availability of reliable, affordable and safe electric power is a necessity for life issue, as well as an important factor that drives the country's economic engine. Consumers have a right to expect reliable, affordable, and safe electric power. Consumers have a right to expect uniform standards of electric power across the country as they travel or move. Each sector of the electric utility industry is different: each is structured differently, financed differently and, aside from the provision of electric service, organized for different purposes. All electric utilities receive federal assistance and the form of federal assistance is different for each sector. In an era of competition, consumers should expect to have many choices. However, all energy providers should have the obligation to provide reliable, affordable and safe electric power. The obligation of lawmakers is to recognize the differences among electric utilities and to treat them differently in legislation.
- The right to join together to establish and operate a consumer-owned not-for-profit electric utility. Current consumer protection depends on government regulation, local service territories, and voluntary cooperation among thousands of utility systems with local service obligations. If that system is to be replaced with competition, where "big dogs eat first," where utility systems are allowed to become huge combines remote from local consumers, and where energy providers are free to choose the customer class that provides them the most profit, consumers must have a way to protect themselves. All electric consumers must have the right to join together to establish and operate a consumer-owned electric system to provide themselves with electricity according to their own needs.
- The right of consumer-owned not-for-profit systems to be treated fairly and recognized as a unique form of business. Electric cooperatives (co-ops) are independently owned business enterprises incorporated under the laws of the state in which they operate. Electric cooperatives are owned and controlled by the consumers they serve. The co-op difference resides in consumer ownership and control. Thus, for co-ops to be treated fairly by government regulation, they must be recognized as a unique form of business, different from investor-owned or community-owned systems. As recognized by the federal courts, since the consumer owns the cooperative, there is no motive for the cooperative to mislead, cheat, overcharge, or act in any way that is not in the consumer-owners' interests.
- The right to elect representatives to manage their consumer-owned form of business to best meet their needs. Electric cooperative consumers (members) participate in the operation of the co-op by electing a board of directors from among its co-op consumers to establish the co-op's basic policies, goals and strategies, as well as to determine the rates and types of service(s) they wish to receive. In a competitive environment, consumer-owned and controlled cooperatives will be a more important discipline in the marketplace and a more important force for innovation as long as local ownership, local control and local autonomy are not abridged through unnecessary government regulation.
- The individual right to privacy that assures information about consumers will not be released without their prior express consent. Historically, consumer-owned cooperatives have advocated levels of information disclosure beyond industry standards but necessary for judging the performance of utility systems. Recently, however, discussions on energy policy have included the idea that utility systems

- should be required to collect and divulge extraordinary consumer specific information. Consumers should have the right to determine how information collected about them is used. Consumer-owned cooperatives should not be required to collect or to divulge consumer specific information.
- The right to determine the scope of energy services to be furnished through their consumer-owned not-for-profit utilities. In a competitive environment, consumer-owned cooperatives, with their local ownership, local control and local autonomy provide a fast, efficient and flexible way for consumers to address their needs.
 - The right to use consumer-owned not-for-profit utilities to provide additional services that meet the needs of their consumers and communities. All electric consumers must have the right to join together to establish and operate a consumer-owned electric system, if they so choose. In addition, consumers must retain the right to use their cooperative as a means to meet their needs and expectations over time.
 - The right to work in cooperation with other consumer-owned entities with common goals. Consumer-owned cooperatives should be able to work together to provide a countervailing balance of power in the marketplace to the huge investor-owned combines that are likely to result from deregulation. Consumer-owned cooperatives should be able to work together to provide an open window into the operation of a competitive electric market for all consumers. Consumer-owned, not-for-profit cooperatives should be able to work together to provide a "yardstick" by which all consumers can measure the performance of the market and market participants.

This Electric Energy Consumer Bill of Rights was overwhelmingly approved by the membership of NRECA at its 57th Annual Meeting in March 1999.