

Cobb EMC Annual Meeting
Mark A. Hackett Remarks
September 21, 2013

180,000 customers are provided electricity by Cobb EMC. These 180,000 customers - us, you and me - have no choice in who supplies our electricity. The fact is that Cobb EMC is a monopoly power supplier with no competition and no regulator.

There is only one thing that monitors Cobb EMC rates - us, you and me. Unlike Georgia Power, Cobb EMC is not monitored by the Georgia Public Service Commission. Cobb EMC is a Member owned cooperative where the customers - that's us, you and I - are also the owners. We elect our Directors. Our vigilance ensures that the company is managed in the best interest of us, the customer/owners.

Sometime in the last 2 decades this knowledge was lost. The customers of this metropolitan EMC, either through the hustle and bustle of their daily lives, complacency if you will, forgot who was in charge. They allowed an unscrupulous group to take over and use our cooperative as their piggybank.

Fortunately, through the efforts of a relatively small group of individuals we were able to return Cobb EMC to the control of the customer/owners and elect an entirely new Board of Directors.

Our new Board has righted the ship and instituted many needed reforms. Their many accomplishments include (and these are just a few):

- The dismantling and sale of the tangled web of for profit subsidiaries that were funneling our money out of the EMC into private pockets,
- The elimination of a gigantic boondoggle to develop an unneeded and expensive coal fired power plant,
- The elimination of a seemingly never ending line of consultants and lawyers feeding at the cooperative trough,
- The introduction of mail in and on-line voting that have resulted in 5 times as many people voting on this years issues as ever before,
- The painful cutting of more than 100 staff in order to bring spiraling costs under control, and perhaps most significantly,
- The implementation of two rate reductions during their short tenure.

This is only a sampling. I for one would like to commend our Directors for their many accomplishments.

However, it is important to remember that the old Cobb EMC, in the decades before the scandals of the last several years, was also a forward moving and respected organization. Complacency and apathy on the part of the customer/owners - us, you and me - allowed corruption to take a stranglehold on our cooperative. If we as customer/owners do not remain vigilant and active, it could only be a matter of time before history repeats itself.

Even now members of our new Board of Directors have widely differing views regarding the amount of customer engagement that is appropriate for Cobb EMC. It is not clear that all of our new Directors have completely bought-in to the concept that Cobb EMC's mission is to serve its customer/owners in an open and transparent fashion.

An example that highlights this issue is that at least twice Cobb EMC has sent recommendations to vote "no" on two proposed bylaw changes without including the positions of the customer/owners who submitted those changes. While the Board is to be commended for including those positions in the initial mailer, it is not reasonable or acceptable that Cobb EMC should use the power of its customer mailing list to present a one-sided position on important issues facing us - you and me - the customer/owners.

As we move forward, it is imperative that we the customer/owners actively participate in the issues facing our cooperative, its management, and its governance. An independent organization has been formed, the Cobb EMC Forum, to provide a vehicle to encourage participation, education, exchange of ideas, candidates for Board seats, and independent review of issues facing our cooperative. Cobb EMC Forum was formed in 2012 by combining Take Back Cobb EMC and the Cobb EMC Customer's Alliance, two groups which were instrumental in the election of Cobb EMC's new Board of Directors.

Three of the five by-law amendments on which you voted this month were authored and submitted by members of the Cobb EMC Forum. We need your support - both from the standpoint of participation in the affairs of your cooperative, and from the standpoint of tax deductible contributions. I encourage everyone to stay involved with Cobb EMC and join the Cobb EMC Forum by visiting our website at www.cobbemcforum.com.

The most important thing to remember is that we as customer/owners are the only ones who can ensure that the past does not repeat itself, and that the new leaf which has been turned by the new Directors of Cobb EMC endures into the future.