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Glades Electric

KNOWS S.W.O.T.'s GOING ON!

A pilot would not take to the air without a flight plan, nor would a captain leave the dock without charts. Likewise, the management at Glades Electric does not attempt to navigate today's fast changing business world without a plan! And, similar to a flight plan and charted course, GEC's plan must have a starting point, waypoints and a destination or goal.

Determining a starting point is not an easy task, but is vital to the planning process. That is why GEC is proud to have recently completed our fifteenth annual Strategic Planning session!

This year's meeting was a bit different than previous ones. In prior years GEC utilized a professional outside facilitator with industry knowledge but no direct connection to distribution cooperatives. This year, Glades Electric invited John Hewa, General Manager of Talquin Electric Cooperative, Inc. headquartered in Quincy, Florida and serving Gadsden, Leon, Liberty and Wakulla Counties. Mr. Hewa's experience also includes serving as Utilities Director for a municipal system in Northern Virginia where he was responsible for overseeing the delivery of Water, Wastewater, Electric and Telecommunication services.

Mr. Hewa holds a Bachelor degree in Electrical Engineering from the University of Tennessee and Masters degree in Engineering Management from the University of Tennessee and is a licensed Professional Engineer. Additionally, Mr. Hewa serves on the Board of Directors of Seminole Electric Cooperative, the Generation and Transmission Cooperative, headquartered in Tampa, from which Glades Electric purchases power.

The result of having a facilitator who is a current General Manager of a distribution cooperative, electrical

engineer, and experienced in other aspects of utilities (water services) was a very open discussion of challenges faced by other organizations in the same industry as GEC. It provided all participants with insight and understanding that, although each cooperative serves an entirely different demographic, the issues are remarkably similar. Conversely, though the organizations provide similar services, each faces unique challenges. Both Glades Electric and Talquin Electric benefited from Mr. Hewa's participation!

John Hewa, General Manager of Talquin Electric Cooperative, addresses the GEC Planning Team



STRATEGIC PLANNING

The process begins with a S.W.O.T. (Strengths, Weaknesses, Opportunities, and Threats) analysis performed by the Planning Team. This group is comprised of employees selected from every level of each department within the cooperative. Glades Electric believes it is important to get input from a broad cross-section of personnel. The Planning Team is combined with the Board of Trustees, General Manager and Senior Staff who, with the guidance of the facilitator, “dissect” the cooperative.

Crucial to formulating a strategy is an open and honest discussion in terms of weaknesses and threats. Glades Electric is fortunate to employ people who take this responsibility seriously and care about the members’ interests. Information that might otherwise not surface is openly discussed because of the teamwork and trust enjoyed by our Board of Trustees, Senior Staff, and all employees. With careful guidance of the facilitator, a vast amount of information is gathered from every level of the organization, drawing from the diverse viewpoints of each participant. Repetitive themes and patterns are gleaned from the compiled lists and 4 to 5 goals are set to address the prominent weaknesses and threats.

Each goal is assigned specific, realistic and measurable action steps which, via the Harvard Business School’s Balanced Scorecard system, are tracked by the appropriate department. These action steps are, in large part, how each department structures its budget for the coming year. Progress on each action step is reported at every month’s staff meeting and adjusted as goals are met.

Strategic Planning is Glades Electric Cooperative’s yearly commitment to determining a starting point. Discussing strengths, weaknesses, opportunities and threats helps identify clear skies and smooth sailing as well as potential turbulence and hidden dangers. Establishing action steps set the “waypoints” by which the organization is guided toward its goals.



Left to Right: John Hewa, General Manager of Talquin Electric, and Tommy Todd, General Manger of Glades Electric



Above and Below: Glades Electric employees and board directors participate in discussion during the 15th annual strategic planning retreat





In 1960, fifteen electric cooperatives in Georgia met and agreed to go together and form a new cooperative with the mission of providing materials necessary for the distribution cooperatives to serve their members. They believed that by bundling their buying power together they could get cheaper prices. Out of that meeting, the Georgia Rural Electric Service Cooperative or GRESOCO for short, was born. Almost immediately, the member cooperatives of GRESOCO began to see the power and benefits of buying collectively versus individually. GRESOCO was offering not only lower prices, but easier availability to the material and substantially faster service than the traditional for-profit material vendors.

Today, fifty years later, under the innovative and progressive guidance of CEO Jere Thorne, price, availability and service continue to be the standards by which GRESOCO measures their performance and those values seem to have worked. GRESOCO has grown to become a \$215 million a year company, with 93 employees in six offices and five warehouses spread out across the southeastern states. Those 15 original members have grown to 113 cooperative members in six of those states.

You may ask, why is this important for me to know as a member of Glades Electric? Well, in 1997, salesman Mike Williams made his first call on a Florida electric cooperative. Immediately, the Glades Board of Trustees voted to join GRESOCO and we began having them bid on our material needs. The results have been remarkable. Right from the start of our association with them, the costs of our materials plummeted compared to what we had been paying the for-profit companies. Even though their closest office was Dothan, AL, we could get materials overnight where before we often waited for weeks. This new low cost provider, allowed us to greatly expand our System Restoration Program and more quickly improve our quality of service to each of you.

For the last few years, Glades Electric averages doing about \$2 million a year in business with GRESOCO. What makes the arrangement even better is not only do they remain the low bidder on over 95% of all the materials we buy, but since it is still a cooperative and we are a member, we get capital credits from them every year. Since we began doing business with them in 1997 they have saved us hundreds of thousands of dollars on our purchases and written GEC capital credit checks totaling \$259,049. And on top of that we have over a million dollars of equity in the company.

In 2001 GRESOCO changed their governance from every member having a vote to a nine member Board of Directors,

much like we have at Glades Electric. Our General Manager, Tommy Todd, was elected to the new Board and has remained a member since. He currently is serving a two year stint as Chairman of the Board. He is the first manager of a non-Georgia cooperative to hold that position.

Over the years, GRESOCO has become much more than just a material supplier to Glades Electric. They provide an invaluable service of offering professional engineering advice on new technologies and whether or not they will work for Glades. Following hurricanes and tropical storms the last few years, GRESOCO has been the first on the scene with a trailer loaded with materials designed specifically for Glades to expedite restoration. But most of all, GRESOCO has become a partner with Glades Electric. Jere Thorne and his team care about our cooperative and our members. They are always there for us.

Those fifteen cooperatives in Georgia back in 1960, surely had no vision of GRESOCO becoming what it is today. Many of the original members have passed on. Surely, they are looking down with great pride at what they started. At Glades Electric we salute those humble beginnings and the outstanding organization they have grown to become.

GRESOCO makes "Neighbors Working for Neighbors" a little easier and a whole lot less expensive.



Jody Dotson, Power Supply Manager, accepts GEC's dividend check from GRESOCO's Roy Lumsden, Account Manager/South Territory, and Todd McLellan, General Manager/Florida Division

Glades Electric Cooperative is committed to providing the best possible service to each of its members and has procedures in place to ensure that happens. If you or someone living in your home whose electric service is medically-essentially necessary, GEC has a procedure in place to protect that individual's needs. Please review the policy printed below and contact a Customer Service Representative at your local office for the certification form necessary to be a part of this program.

Medically-Essential Service Disconnect Policy 405.5

OBJECTIVE:

To establish policy to provide guidance in the disconnect process of members whose electric service is medically-essentially necessary.

CONTENT:

DEFINITION

The term "Medically Essential" means the medical dependence on electric-powered equipment that must be operated continuously or as circumstances require as specified by a physician to avoid the loss of life or immediate hospitalization of the customer or another permanent resident at the residential service address.

NOTIFICATION

On an annual basis GEC shall provide written notice to all active members the explanation of the certification and application process for medically essential service.

CERTIFICATION PROCESS

GEC shall provide upon request a Physician's Certification form. The certification of a member's electricity as medically essential electric service requires the member to complete forms provided by GEC and submit a form completed by a Physician licensed to practice in the State of Florida, which states in medical and non-medical terms why the electric service is medically essential.

The need for medically essential service shall be re-certified every 12 months. GEC shall mail to the certified customer by regular mail a package of re-certification materials and forms, at least 30 days prior to expiration. All re-certification forms shall be completed and submitted within 30 days after the expiration of customer's existing certification. If not returned within this 30 day period, GEC may terminate the customer's certification of medically essential status.

MEDICALLY ESSENTIAL SERVICE PROCESS:

1. Certification for medically essential service does not guarantee uninterrupted service.
2. Certified customers are responsible for any backup equipment or power supply and a planned course of action in the event of a power outage.
3. GEC will restore service as soon as feasible but cannot assure any preferential treatment in this process.
4. In the event of a planned outage, GEC will attempt to provide written or verbal notification of the service interruption.
5. Customers with certification for medically essential service are not exempt from paying their electric bill as established by other policies and procedures.



We are proud to celebrate National Cooperative month this October. Cooperative businesses are special because they are owned by the members whom they serve, they are found in many industries, and they are guided by a set of seven principles that reflect the best interest of those members. There are more than 900 electric co-ops which serve approximately 42 million Americans.

The seven principles which are at the heart of every cooperative and must be adhered to are listed below.

- Voluntary and Open Membership
- Democratic Member Control

- Members' Economic Participation
- Autonomy and Independence
- Education, Training, and Information
- Cooperation Among Cooperatives
- Concern for Community

At GEC we use these seven principles to guide our every action. By adhering to these principles we are assured to act in the best interest of our member-owners.

We at Glades Electric Cooperative are proud to remain "Neighbors Working for Neighbors."



CHURCH OF THE MONTH

Basinger Christian Brethren Church

16525 Hwy 98 N
Okeechobee, Florida 34972

Sunday Worship 11 am
Sunday Bible Study 6 pm

THIS MONTH'S WINNERS OF THE \$25.00 CREDIT ARE...

- | | |
|----------------|--------------|
| Mary Quinn | #108937-01 |
| Andrene Rudman | #77788720-01 |

Winners only: Just sign your name to this page mail it to FLM \$25.00 Credit
Glades Electric Cooperative
P. O. Box 519, Moore Haven, FL 33471.
or give us a call at 1-800-226-4024



Over 71% of our Members continue to participate in this very worthwhile program. Operation Round Up® assists people in our service area who have exhausted the normal avenues of financial assistance. Sign up today! And your electric bill will be rounded to the nearest dollar and placed into the Roundup fund for deserving individuals and organizations.

As of August 31st, 2010 your Charitable Trust Board of Directors has approved **\$598,951.89 in disbursements**. These funds have provided assistance with food, emergency lodging, disaster relief, and specific emergency needs for **413 individuals** and or families and **86 community organizations**. The Trust **does not** fund mortgage payments, utility bills (electric, phone, water and gas) or budgets of organizations. Organizations who are

involved in our service counties may apply for funding for a specific need or project. The Board of Directors meets monthly to review applications for funding. If you know of a needy individual who deserves some assistance and lives within our service area, please help them complete an application or encourage them to fill one out themselves. Applications can be picked up at each of our three offices: Moore Haven, Lake Placid and Okeechobee. Applications are considered on the 4th Wednesday of every month.

OCTOBER REGULAR MEETING: OCTOBER 27, 2010

The Charitable Trust Board of Directors:

Barbara Hughes.....District 1Moore Haven
 Beverly EavesDistrict 2Hendry County
 Jim HerringtonDistrict 3Ortona & Palmdale
 Doris EvansDistrict 4Lakeport
 Lewis Dixon.....District 5Venus & Hicoria

Lee AndrusDistrict 6Highlands Park
 Audrey Vickers.....District 7Lorida
 David Mc Cadam...District 8Lake Josephine
 Josephine Glenn.....District 9Okeechobee

HENDRY REGIONAL MEDICAL CENTER Emergency Department

Your Operation Roundup dollars continue to support the residents of our service counties in exciting and beneficial ways. On September 7th, Hendry Regional Medical Center was proud to hold the ground breaking ceremony for their new Emergency Department. The Department will encompass 36,639 sq ft of space and house a new emergency room, laboratory, outpatient services department and a surgical suite.

The Glades Electric Charitable Trust Board was glad to provide a monetary donation to the Hendry Regional Medical Center Foundation in support of this project, which will benefit the residents of both Hendry and Glades Counties. The Center plays a huge role in our area as both a healthcare provider and an employer. Charitable Trust Board Director Beverly Eaves attended the Emergency Department groundbreaking ceremony in Clewiston.

Through members' participation in the Operation Roundup Program, the Charitable Trust board of directors is able to make a positive impact in all of our service counties. You are not only supporting community efforts such as this, but are also providing assistance to families and individuals who have fallen on hard times. So if you are not yet participating in the

Operation Roundup Program, please consider joining the 71% of Glades Electric members who are. GEC appreciates you for supporting your neighbors and community.



Left to Right: Glenda Wilson, Executive Director of the Medical Center Foundation, and Beverly Eaves, Charitable Trust Board Director

Co-op News

BOARD OF TRUSTEES

John "Jack" Coxe, President, District 8
Lake Josephine, (863) 655-3056

Shannon Hall, Vice-President, District 4
Lakeport & Brighton, (863) 946-3242

Wallace "Wally" Birge, Secretary/Treasurer,
District 5
Venus & Hicoria, (863) 465-6829

Donnie Lundy, Trustee, District 1
Moore Haven, (863) 946-0402

Barney Goodman, Trustee, District 2
Hendry County, (863) 983-7324

Lee Henderson, Trustee, District 6
Highlands Park, (863) 699-1859

James "Jim" Aul, Trustee, District 7
Lorida, (863) 655-2565

Russell Henderson, Trustee, District 3
Ortona & Palmdale, (863) 946-0865

Irene Lofton, Trustee, District 9
Okeechobee, (863) 467-1219

SENIOR STAFF

Tommy Todd	General Manager and CEO
Jeff Brewington	Chief Financial Officer
Paul McGehee	Business Development Manager
Jody Dotson	Power Supply Manager
Gwen Valentine	Executive Assistant
John Eisinger	Engineering Services Manager
Yvonne Bradley	Manager of Human Resources

MONTHLY MEETING

Glades Electric's Board normally meets the 4th Thursday of each month at 9:00 a.m. at the Co-op offices in Moore Haven, Lake Placid or Okeechobee. The October board meeting will be held on Thursday, October 28, 2010 at 9:00 a.m. in the Moore Haven office. If the meeting date or location is changed, a notice will be posted in all co-op offices.

TELEPHONE NUMBERS TO CALL IN CASE OF POWER INTERRUPTION

1 (800) 226-4024	Moore Haven
1 (800) 226-4025	Lake Placid
1 (800) 226-4023	Okeechobee

GEC's telephones are answered 24 hours a day, 7 days a week, including weekends and holidays.

Please have your Location Number or Account Number handy when you call.

WHAT YOU SHOULD KNOW

GLADES
Electric Cooperative, Inc.

TUNE IN FOR HURRICANE INFORMATION

In the event of a major storm or hurricane causing widespread damage in the Glades Electric service area, GEC will provide the information you need. If there are hurricane-related outages in your area, tune in to the radio stations at the times below. GEC will provide updates twice a day for your area.



WWLL FM 105.7 6:20 a.m. & 4:30 p.m. Highlands County



WWOJ FM 99.1 6:20 a.m. & 4:30 p.m. Highlands County



WWTK AM 730 6:55 a.m. & 4:30 p.m. Highlands County



WOKC AM 1570
FM 100.9 7:15 a.m. & 5:30 p.m. Okeechobee



WAFM FM 100.5
AM 590 7:20 a.m. & 5:15 p.m. Clewiston



Energy Efficiency

Tip of the Month

It may be time to replace your refrigerator. A fridge made before 1993 could cost more than \$100 each year to operate. A new ENERGY STAR qualified model could cut your related energy costs in half. In addition, newer models keep food fresher longer.

Source: U.S. Department of Energy