

ENSURING DEMOCRATIC PARTICIPATION AT COOPERATIVE & MUNICIPAL UTILITIES

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EXECUTIVE SUMMARY

To serve the public interest, our energy systems must enable public participation in decision-making about the source of power and its cost to consumers. Such participation is particularly appropriate for members of electric cooperatives and customers of municipally-owned electric utilities, but these utilities frequently limit or preclude opportunities for public engagement, effectively concealing important decisions related to the clean energy transition or the cost of power.¹ Virginia must pursue policies that open deliberations to democratic participation at these utilities, provide a degree of public oversight, and promote fair board elections to create a framework for dialogue between the utilities and the people they serve.

CHALLENGE

Consumers at electric cooperatives and municipal utilities in Virginia are subject to wildly varying opportunities for participating in decision-making at their utility, opportunities which are determined simply by who their utility is rather than by a statewide standard. Most of Virginia's thirteen electric cooperatives do not meet the standards for democratic member control established by the electric cooperative's trade association. For example, the National Rural Electric Cooperative Association recommends that, as democratic organizations, co-ops should permit members to actively participate in policy-setting and decision-making by interacting with their member-elected board of directors.²

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And yet, many cooperatives in the Commonwealth do not permit members to attend board

of directors meetings, nor do they make minutes from board meetings accessible to the public. Others even engage in the practice of proxy voting in board elections, a practice which provides a substantial – and insurmountable – advantage to an incumbent candidate.

Neither do the sixteen municipal utilities in Virginia adhere to uniform standards for public participation, nor are they regulated by the State Corporation Commission. Further, the methods for appointing utility directors vary by municipal utility and lack standard application and selection processes. Holding and exercising power over our energy systems, while operating in an opaque manner towards consumer stakeholders, is undemocratic.

SOLUTION

We can address divergent public participation policies across cooperative and municipal utilities in Virginia by establishing standards these utilities must satisfy to ensure that the households they serve have the opportunity to offer input into the management of their energy system. By requiring utility boards to allow members of the public to attend board meetings and mandating a full and fair selection process for governing officials, we can ensure that customers are kept informed of issues at their utility.

By requiring minutes from utility board meetings to be made readily and publicly accessible, we can ensure that these utilities are operating in a transparent, responsive manner.

Finally, by mandating direct, fair, and accessible utility board elections at each utility in the Commonwealth, we can ensure that interested members do have an opportunity to become more involved in the governance of their energy system.

POLICY RECOMMENDATIONS

Require electric cooperatives and municipal utilities to permit customers to attend meetings of the board of directors both in-person and virtually via livestreaming, and to ensure that all customers are informed about the date, location and agenda for these meetings at least 10 days in advance.

Require electric cooperatives and municipal utilities to make board meeting minutes publicly available by posting minutes in utility offices and online, and by posting any recorded videos from these meetings online, in a sincere effort to make meeting minutes available to all customers.

Require electric cooperatives and municipal utilities to fill board vacancies by holding fair, accessible, and direct board elections and prohibit the opaque practice of proxy voting in board of directors elections.

Migratory Birds

Image credit: Tori Kennedy

