

## America's Cooperative Electric Utilities

### The Nation's Consumer Owned Electric Utility Network

Electric cooperatives are an integral part of the \$364 billion U.S. electric utility industry. They play a critical role in our nation's economy and in local communities.

#### Electric cooperatives are:

- private independent electric utility businesses
- owned by the consumers they serve
- incorporated under the laws of the states in which they operate
- established to provide at-cost electric service
- governed by a board of directors elected from the membership, which sets policies and procedures that are implemented by the cooperatives' professional staff

Distribution cooperatives deliver electricity to the consumer. Generation and transmission cooperatives (G&Ts) generate and transmit electricity to distribution co-ops.

In addition to electric service, electric co-ops are involved in community development and revitalization projects, e.g., small business development, jobs creation, improvement of water and sewer systems and assistance in delivery of health care and educational services.

#### Facts at a Glance

- 864 distribution and 66 G&T cooperatives
- serve 42 million people in 47 states
- 18 million businesses, homes, schools, churches, farms, irrigation systems, and other establishments in 2,500 of 3,141 counties in the U.S.
- 12 percent of the nation's population are customers of rural electric co-ops

#### To perform their mission, electric cooperatives:

- own assets worth \$112 billion (distribution and G&T co-ops combined)
- own and maintain 2.5 million miles, or 42%, of the nation's electric distribution lines, covering three quarters of the nation's landmass
- deliver 10 percent of the total kilowatt-hours sold in the U.S. each year
- generate nearly 5 percent of the total electricity produced in the U.S. each year
- employ 70,000 people in the U.S.
- retire \$545 million in capital credits annually
- pay \$1.4 billion in state and local taxes

#### Compared with other electric utilities:

- Co-ops serve an average of 7 consumers per mile of line and collect annual revenue of approximately \$10,565 per mile of line
- Investor-owned utilities average 35 customers per mile of line and collect \$62,665 per mile of line
- Publicly owned utilities, or municipals, average 46.6 consumers and collect \$86,302 per mile of line

## **Statewide Associations**

In 38 of the 47 states in which electric cooperatives operate, statewide associations provide a unified voice that speaks to the general public, regulatory bodies and state legislatures on behalf of their members. These associations are voluntarily supported, governed by representatives of the member cooperatives and offer commonly desired services. Thirty-two statewide associations publish newspapers or magazines for the co-op consumer-owners, reaching more than eight million readers each month.

## **National Representation**

The National Rural Electric Cooperative Association (NRECA) represents the national interests of cooperative electric utilities. NRECA provides legislative, legal and regulatory representation; medical insurance and financial services; education and training programs; business consulting; a weekly newspaper and a monthly magazine. NRECA and its member cooperatives also support energy and environmental research and administer a program of technical advice and assistance in developing countries around the world.

## **NRECA Chief Executive Officer**

In March 1994, Glenn English became the fourth chief executive officer of NRECA. He is the leading spokesperson for the nation's consumer-owned cooperative electric utilities.

Before coming to NRECA, English was a 10-term Congressman representing Oklahoma's 6th District. He served on the House Agriculture Committee with assignments on several subcommittees, including service as chairman of the House Agriculture Subcommittee on Conservation, Credit, and Rural Development, beginning in 1989. As chairman, English worked directly on legislation affecting rural development programs, including rural electrification and telecommunications, and pursued an aggressive agenda to revitalize the economy of America's rural communities.

He also was a senior member of the Government Operation Committee and Chairman of the Subcommittee on Government Information, Justice, and Agriculture from 1981-89. During that period, the subcommittee monitored the Rural Electrification Administration (REA) -- now the Rural Utilities Service -- an agency of the U.S. Department of Agriculture.

## **Media & Public Relations Contacts**

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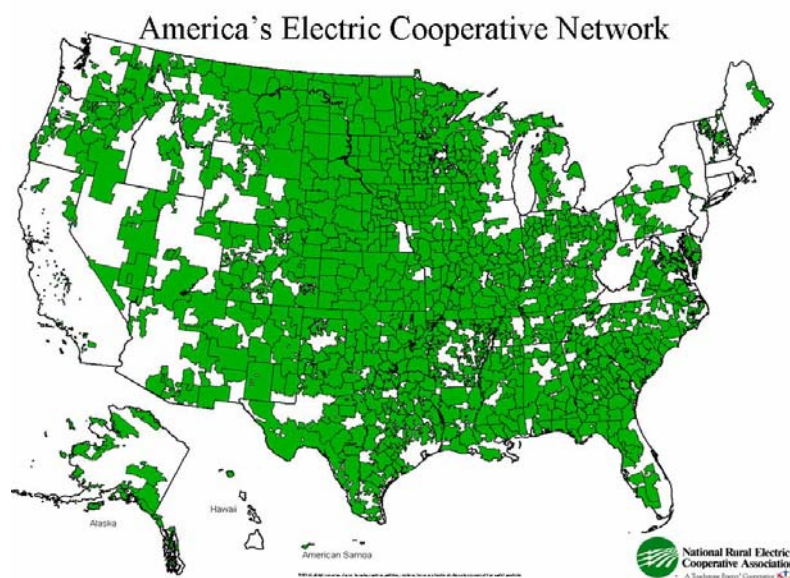
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## Electric Utility Comparisons (2008 EIA data)

	<u>Investor-Owned</u>	<u>Publicly Owned</u>	<u>Cooperatives</u>	<u>Total</u>
Total Revenue (billions).....	\$277	\$50	\$37	\$364
Number of Organizations .....	220	2,000	930	3,150
Number of Total Customers.....	104 m	21 m	18 m	143 m
Size (median number of customers).....	400,000	2,000	12,500	
Customers, % of total.....	73%	15%	12%	
Revenues, % of total.....	76%	14%	10%	
KWh sales, % of total.....	73%	15%	10%	

	<u>Investor-Owned</u>	<u>Publicly Owned</u>	<u>Cooperatives</u>	<u>Total</u>
Sales (billion kilowatt hours)				
Residential .....	952	205	223	1,380
Commercial.....	1,056	211	82	1,336
Industrial.....	692	155	89	1,009
Other .....	4	4	0	8
Total .....	2,704	575	393	3,733

	<u>Investor-Owned</u>	<u>Publicly Owned</u>	<u>Cooperatives</u>	<u>Total</u>
Miles of Distribution Line .....	50%	7%	43%	
Customers per mile of line (density).....	35	47	7	34
Revenue per mile of line .....	\$62,665	\$86,302	\$10,565	\$60,827
Distribution plant per Customer.....	\$2,229	\$2,309	\$2,845	\$2,362
Assets (billions).....	\$702	\$178	\$112	\$992
Equity (billions).....	\$230	\$55	\$34	\$320



## Source Notes:

Energy Information Administration (EIA) Electric Sales, Revenue, and Price 2008.

[http://www.eia.doe.gov/cneaf/electricity/esr/esr\\_sum.html](http://www.eia.doe.gov/cneaf/electricity/esr/esr_sum.html)

"Total retail revenues in 2008 were \$363.65 billion"

Investor-Owned statistics includes IOU affiliates engaged in competitive retail markets; sales data does not add to total because sales from federally owned utilities not shown

The number of cooperatives, 864 distribution systems and 66 G&Ts, includes a small number of rural public power districts considered part of the rural electric network.

Density and distribution plant per customer data is 2003.

Co-op financial data is from the 2007 RUS Form 7 (and CFC Form 7, if available).

EIA: Energy Information Administration (a part of DOE), Washington, DC.

RUS: Rural Utilities Service (a part of USDA), Washington, DC.

CFC: Cooperative Finance Corporation, Herndon, VA.

Posted to NRECA.coop at:

<https://www.cooperative.com/library/coopfacts/data/facts.htm>

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