

America's Cooperative Electric Utilities

The Nation's Consumer Owned Electric Utility Network

Electric cooperatives are an integral part of the \$325 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, many electric co-ops are involved in community development and revitalization projects, e.g., small business development and 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:
- over 40 million people in 47 states.
- 17.5 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.

To perform their mission, electric cooperatives:

- own assets worth \$100 billion,
- 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 67,000 people in the United States,
- retire more than \$500 million in capital credits annually.
- pay more than \$1.2 billion in state and local taxes

Compared with other electric utilities:

- Co-ops serve an average of 7.0 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

Patrick Lavigne
Manager of Media Relations
703/907-5732 fax: 703/907-5531
e-mail: patrick.lavigne@nreca.coop

NRECA Headquarters: 703/907-5500
4301 Wilson Blvd.
Arlington, VA 22203-1860
NRECA web site: www.nreca.coop
Electric Utility Comparisons

<u>Investor-Owned</u>	<u>Publicly Owned</u>	<u>Cooperatives</u>	<u>Total</u>
-----------------------	-----------------------	---------------------	--------------

Number of Organizations.....	220	2,000	930	3,150
Number of Total Customers.....	102 m	20 m	17 m	140 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	74%	16%	10%	

	<u>Investor-Owned</u>	<u>Publicly Owned</u>	<u>Cooperatives</u>	<u>Total</u>
Sales (billions kilowatt hours)				
Residential.....	937	202	213	1,352
Commercial	1,017	207	75	1,299
Industrial.....	725	153	83	961
Other	4	3	0	7
Total	2,683	564	372	3,619

	<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)	\$700	\$200	\$100	\$1,000
Equity (billions)	\$220	\$55	\$31	\$306

Source Notes:

- Industry revenue, sales and customer data is from EIA Form 861.
- Investor-Owned statistics includes IOU affiliates engaged in competitive retail markets
- 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 2006 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>