

# Coos-Curry Electric 2005 Highlights

- The financial health of the cooperative vastly improved in 2005, due in part to receiving a waiver of \$2.1 million in IRS penalties, a cost-reduction philosophy, conservative financial planning, debt restructuring for better interest rates, careful oversight and favorable wholesale power rates. As a direct result of the more favorable wholesale power situation, members received a one-time rebate of a portion of their 2005 energy use in December.

- The Board of Directors approved capital credit distribution for 1971 and will make a decision regarding distribution of 1972 capital credits late 2006.

- Seeking cost-effective ways of doing business, CCEC selected 200 members in rural areas served out of the Geisel Substation to participate in testing new automated meter reading technology (AMR). The pilot project, intended to gain experience with the new equipment and technology, to train employees on installation and testing and to verify the assumptions made in projecting costs and benefits, far exceeded expectations and the cooperative quickly moved to a systematic deployment throughout the service territory to gain efficiencies and capture cost-savings.

- More than 2,800 poles were inspected, more than 100 rotten poles were replaced and 2,700 poles were treated. As part of normal safety inspection requirements, 50 percent of the cooperative's overhead distribution system and 530 underground installations were inspected.

- Member services installed a new telephone system and answered nearly 70,000 of your telephone calls. Engineering and operations designed and built 319 new services.

- The maintenance work CCEC did to prepare for winter storms and protect the safety and integrity of the electrical system paid off this year. Crews cleared 83 miles of primary overhead facilities. The \$1.2 million cost to remove or trim trees near electrical facilities meant shorter and less frequent power outages, even with winds exceeding 86 mph, roads slipping and trees toppling out of the water-saturated ground.

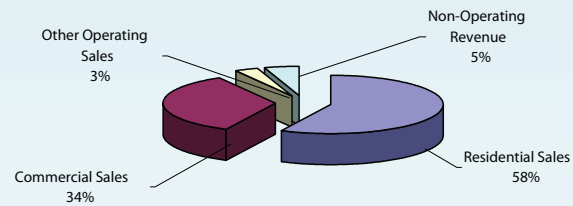
- The cooperative adopted a philosophy of placing costs where incurred. Line extension policies charge members who benefit, fees reflect cost of providing service to members using that service, work orders accurately reflect true cost and the use of cooperative equipment must be reimbursed.

- Policies have been put in place to treat all members fairly and equitably, including recovering more of the

fixed costs through the monthly minimum charge and passing on wholesale power rate increases or decreases when they occur. ■

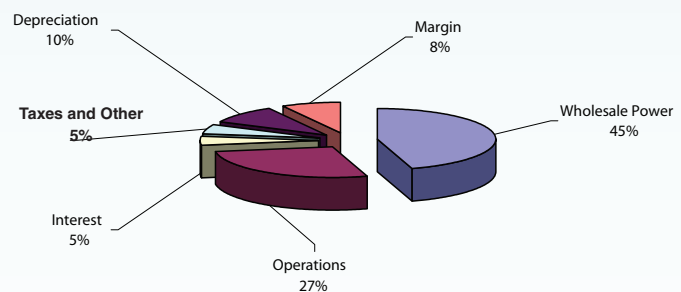
## 2005 Revenue Dollar

### Where it came from



Residential Sales	\$16,039,520	57.3%
Commercial Sales	\$9,621,260	34.3%
Other Operating Sales	\$935,134	3.3%
Non-Operating Revenue	\$1,415,335	5.1%
<b>Total</b>	<b>\$28,011,249</b>	<b>100%</b>

### How it was used



Wholesale Power	\$12,704,017	45.4%
Operations	\$7,609,847	27.2%
Interest	\$1,298,512	4.6%
Taxes & Other	\$1,414,098	5.0%
Depreciation	\$2,733,372	9.8%
Margin	\$2,251,403	8.0%
<b>Total</b>	<b>\$28,011,249</b>	<b>100.0%</b>

## Coos-Curry Electric Cooperative, Inc. Notice Of Annual Meeting

The Annual Meeting of the Members of Coos-Curry Electric Cooperative, Inc. will be at the Event Center on the Beach (Curry County Fairgrounds) Gold Beach, on Saturday, June 24, 2006.

Registration will begin at 9 a.m. In addition to the business meeting, an informational health fair, pie contest and barbecue luncheon will be provided. The business meeting is scheduled to begin at 11 a.m.

The order of business to be transacted will be according to Article II, Section 7 of the By-Laws and will include:

- Reports of Cooperative Officers.
- Review of the 2005 Financial Report.
- Election of Directors for Districts 1 and 3 for terms of three years each and for District 4 for one (1) year (remainder of term) —candidate profiles are below.
- Transacting other business as may come before the board.

Dale L. Thomas  
Secretary

### Directors To Be Elected By the Membership To Represent Three Districts

#### Nominee Profiles

#### District 1 Brookings/Harbor Area

##### **Terry C. Hanscam, Incumbent**

Nominated by Committee\*. Credentialed Cooperative Director (CCD); Director since 1991; self/employed business owner; currently CCEC board president, ORECA vice president and SCBE board chairman; formerly president Brookings-Harbor Chamber & RC&D; Curry County Commissioner, member of port and county budget committees, Community Action and Workforce Investment boards, Oregon RC&D Council, and chairman of CCD Economic Development Corp.

##### **John G. Herzog**

Nominated by Petition\*. I have grown up in Brookings; I've raised a family and been married 30 years; Worked for UPS 24 years; Coached Little League, PeeWee Basketball; I've been to Russia and Honduras on mission trips with my church; Served on the Brookings Planning Commission; and look forward to serving you, the members of CCEC as director.

#### District 3 Gold Beach Area

##### **Gary R. Schlottmann**

Nominated by Petition\*. Journeyman Electrician-lived in Aloha, Oregon, working with father and brothers in the electrical industry; moved to Gold Beach in 1990; participate in the community as a Cub Scout leader and coaching baseball; currently on the School Budget Committee; self-employed in Gold Beach; has 37 years of experience in the electrical field.

##### **Dale L. Thomas, Incumbent**

Nominated by Committee\*. Credentialed Cooperative Director (CCD); Director since 2003; Spearheaded Coos-

Curry Electric turnaround emphasizing financial stability and fairness; 25 years of CEO and corporate board experience; Creating local jobs on CCD Business Development and Regional Investment Boards; Chairman, Curry Health Foundation; Rotarian and 2001 Gold Beach Citizen of the Year; Dedicated to keeping member/owners informed.

#### District 4 Port Orford/Langlois Area

##### **Gary D. Doran, Incumbent**

Nominated by Committee\*. Incumbent Director since November 2005; Educated in electrical and telecommunication technology; Served on city council and as mayor; Interaction with many leaders both political and agencies; Involved in many committees, commissions and boards; Presently serve on the county and city budget committees; Married for 41 years and do child foster care.

##### **Daryl C. Robison**

Nominated by Committee\*. As an experienced cooperative director and 22 years of electric utility experience in accounting, finance and management, I will work to maintain low electric rates while maximizing service to the member/owners. As a strong advocate for the cooperative philosophy, I will promote open, honest and fair representation.

#### *\*Explanation of Nominating Process for Director*

*A candidate may qualify to be placed on the election ballot in two ways:*

*1. The Board of Directors appoints a committee on nominations within each district consisting of not less than three members. Each committee prepares and submits a list of one or more nominations for director.*

*2. Any 15 or more members in a district may make other nominations for that district by signing a petition.*