

Testimony of Donna West, Member, CEC Board of Directors

In Support of HB 999 – the Member-Regulated Cooperatives (Rural Broadband for the Eastern Shore Act of 2020)

Good afternoon, Mr. Chairman (or Madame Vice Chair) I am **Donna Richardson West, Member of the Board of Directors for Choptank Electric Cooperative**. I was **elected** by fellow cooperative members to serve on the Board to represent Worcester County.

I am a life-long Snow Hill resident and farmer, working with my parents, son, and grandsons, on our family's grain and trucking operation in Worcester County. Our family farm, which dates back to 1767, was inducted into the Maryland Agriculture Hall of Fame earlier this year.

The one thing I have been hearing about and experiencing myself for years is the hardship that lack of broadband causes our community. We have had over 1000 letters of support from members as we have discussed our broadband plan. Our written testimony includes excerpts from members.

- Many of our members describe taking their kids to McDonalds, the library or a local business parking lot at night to get Wifi to do their **homework**.
- Some express not having access to medical specialists through **tele-health**.
- Others say they can't conduct their **home businesses**, or work from home like their colleagues in populated areas.

I'd like to take you back in history a bit.

In the 1930's when the populated areas were getting electricity, the rural areas were getting left behind. It was not economically feasible for independently owned companies to deliver power to these areas. President Theodore Roosevelt recognized the increasing disparities between rural and city life. A study was done and concluded that the lack of electric power on farms was an obstacle to improving rural America. Any of this sound familiar? In 1936 the Rural Electrification Act was passed. Co-op's were created to provide services that were not economically available in any other way. It was going to cost Independently Operated Utilities 1800 to 3000 dollars a mile to run electric to the rural areas. Co-op's were able to deliver electric costing between 500 and 800 dollars.

This is the purpose of a co-op. A co-op is a nonprofit business that is owned and operated by and for the benefit of its members. A cooperative is formed when an unmet need is identified. This is what we, with the passage of HB 999, are capable of doing with Broadband. The studies that we have done show that **as a member regulated coop**, we will be able to deliver

broadband to our rural areas for a significantly less amount than privately owned providers. That difference is the difference between making this a reality or a dream. **BUT** we have to be allowed to use our existing assets as a member regulated co-op to make our plan financially work.

I understand there's concern about how we would be held accountable as a Member regulated Co-op. You have heard the procedural policies that would be in place but let me go a step farther. There are 4 words that describe a Co-op. Integrity, Accountability, Innovation, and Community. I'd like to expand on a couple of these.

Integrity:

1. Our Board members are **elected community members**. As I stated my family has been in our community since the late 1700's. That's a pretty long time. I take extreme pride in my family's legacy and integrity. My Grandmother, many, many generations back was an Indian in the local tribe of the Pocomoke Forest, My great great Grandfather was the sheriff in this same area, my Grandfather gathered signatures for the newly formed Choptank Electric COOP in the late 1930's, My father is a former Secretary of Agriculture in this great state of Md. I have 3 children and 9 grandchildren whom I want to be proud of our family legacy. Myself **and** my fellow board members are deeply integrated into our families and communities wanting to continue improvement where we can. We **all** recognize the vital member-service obligation we hold and we are committed to customer protection and reliable electric service. We see our fellow cooperative members in the grocery store, at our kids and grandchildren's school events and in church.

If there is a concern about an electric rate or a suggestion for improvement, we hear about it immediately. And we act immediately.

Accountability:

How a co-op works is like this, employees are held accountable by the CEO, The CEO is held accountable by the Board, and the Board is held accountable by the member owners. As we move forward under HB 999, we pledge to maintain the reputation that Choptank Electric has earned as a trusted community partner for over 80 years.

Specifically, we pledge to work with our member/owners on rate plans and infrastructure needs on both the electric and broadband sides of our business. We pledge to protect electric customers from subsidizing the new broadband business. And, We pledge to seek state and federal grants to bring down the cost of broadband to all members.

Community:

Our Cooperative is truly a **community that comes together to help each other**. Through our Operation Round Up, members can round up their electric bills to the nearest dollar and donate

the extra change to our Trust. The Trust Board - separate from the Cooperative Board - allocates funds to worthy causes across our 9-county service territory. Last year, our Trust Board awarded over **\$330, 000 dollars** to individuals and programs in need.

Mr. Chairman and fellow committee members, **you** have the power to make a tremendous change to the rural areas of The Eastern Shore. As electricity was able to bring life changing amenities with lights, running water, and indoor plumbing to rural homes Broadband can bring equivalent conveniences and necessities. Choptank Electric cooperative is ready to implement this broadband initiative **NOW**, I respectfully **plead** to you for your support of HB 999 to allow this opportunity to supply broadband to those of us who reside in **truly** rural areas and lead us into the 21st century of technology.