

## SECTION 1 - INTRODUCTION

Incorporated in 1946, Golden Valley Electric Association (GVEA) took shape when a small group of people became interested in bringing electric service to rural areas in the Interior. It was a way to boost the agricultural industry and provide stable pricing of electricity for the Interior. GVEA is a generation, transmission, and distribution electric utility, and as such is one of a handful that owns its own generation of the more than 900 electric cooperatives across the nation. It also serves a fairly large urban population compared with cooperatives across the country. Golden Valley Electric Association is the second largest utility in the state of Alaska with a \$200 million a year operation serving Interior Alaska's approximately 100,000 residents with more than 34,000 members and serving 44,000 meters. Given the extreme temperatures experienced in the Interior in the winter, GVEA is a vital service utility—the absence of electric power for any length of time can lead to serious consequences for the homeowner and business owner. Not connected to a national grid, GVEA is really an island when it comes to generation. For this reason, GVEA's board assumes greater responsibility than a typical electric utility. It operates with a long time frame in mind as it must weigh the risks and consequences of decisions about the 30-year impacts of huge capital investments. Generation, therefore, is a major responsibility for the board which the membership reaffirmed by its 2006 vote to have GVEA continue to own its generation.

### **GVEA Mission, Vision and Values**

GVEA has been guided by a longstanding mission. Vision statement and values were updated in July 2008.

#### ***Our Mission***

To provide our member-owners and communities with quality electric service, quality customer service and innovative energy solutions at fair and reasonable prices.

#### ***Our Vision***

That Golden Valley Electric Association is a respected and innovative leader in providing our member-owners with quality electric and customer services at fair and reasonable prices while supporting our local communities and the quality of life. **The Vision statement was removed in 2016, found to be duplicative of the Mission**

#### ***Our Values***

We, the people of Golden Valley Electric Association (Board of Directors, Management and Staff) pledge to demonstrate the following values, beliefs, principles and standard of professional behavior as we fulfill the duties of our positions:

- a. Impeccable integrity and honesty in all we do.
- b. Full and open accountability for all of our decisions and actions.
- c. Dedicated stewardship (social, economic and environmental) in the management of all the resources entrusted to our care.
- d. Equitable rates for power and services that truly reflect costs.
- e. Sensitivity to impacts of rate changes on our members.
- f. Open and transparent communications with our members.
- g. Respect for and responsiveness to the needs of each member while considering the impact of actions on other members.
- h. Leadership, innovation and vision in developing, operating and maintaining our generation resources, transmission and distribution systems.
- i. Respect and goodwill toward one another in support of cooperative unity.
- j. Loyalty to philosophy of cooperative ownership and adherence to cooperative principles.

## SECTION 2 - COOPERATIVE PRINCIPLES

### NRECA's Seven Cooperative Principles

Golden Valley Electric Association (GVEA) is one of more than 900 electric utility cooperatives in the U.S. More than 60 million Americans are members of 40,000 cooperatives, and electric utilities serve more than 40 million consumers across the U.S. The Association is guided by business principles focused on consumers of user-ownership, user-control, and user-benefits that have been found to guide most cooperative practices. Cooperatives trace the roots of these principles to the first modern cooperative founded in Rochdale, England, in 1844. GVEA is a member of the National Rural Electric Cooperative Association (NRECA) which offers the Credentialed Cooperative Director Certificate that GVEA's Bylaws require every board member to attain within the first term of office. NRECA educates electric utility directors about the seven cooperative principles shared by co-ops around the world. These principles are:

#### ***1. Voluntary and Open Membership***

Cooperatives are voluntary organizations; open to all people able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.

#### ***2. Democratic Member Control***

Cooperatives are democratic organizations controlled by their members—those who buy the goods or use the services of the cooperative. The members participate in the democratic process of nominating and electing board of directors to represent their interests and to govern the cooperative.

#### ***3. Members' Economic Participation***

Members contribute equally to, and democratically control, the capital of the cooperative. This benefits members according to the amount of business they conduct with the cooperative rather than the amount of money they invest in it.

#### ***4. Autonomy and Independence***

Cooperatives are autonomous, self-help organizations controlled by their members. If a co-op enters into agreements with other organizations or raises capital from external sources, it does so based on terms that ensure democratic control by its members and the autonomy of the cooperative.

#### ***5. Education, Training, and Information***

Cooperatives provide education and training for members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. Members also inform the general public about the nature and benefits of cooperatives.

#### ***6. Cooperation Among Cooperatives***

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, regional, national, and international structures.

#### ***7. Concern for Community***

While focusing on member needs, cooperatives work for the sustainable development of communities through policies and programs.