
LETTER TO THE EDITOR

April 7, 2016

To the Editor, Stillwater County News:

BEC ADVANCEMENT GOOD, BUT SIGNS OF TROUBLE ARE ARISING

Several recent statements from the Beartooth Electric Cooperative Board have addressed consolidation or merger with other cooperatives. Many of us appreciate that our BEC Board has brought us better service at lower rates.

Following the Southern debacle, our BEC emerged stronger, better managed and better directed than before the bankruptcy. We did this while remaining a stand-alone cooperative. New BEC Directors sought, obtained and conveyed to the members the truth about Southern and the dismal prospects for the Highwood generation plant. We got to the truth because of cooperative member involvement.

BEC members saved the cooperative from a fate that doomed Southern. Members re-wrote the BEC by-laws ensuring all members had easier access to voting. Through improved governance, more members were encouraged to participate in the direction of their cooperative. Member participation and involvement, together with board transparency, are key elements of good cooperative governance.

Our BEC is again at a crossroads after successfully negotiating the Southern problem. Our Board, however, seems to have forgotten some of the important lessons learned from the Southern bankruptcy—namely the importance of cooperative member involvement and board transparency with the decision process affecting changes to our cooperative through consolidation or merger.

We are learning about these possible changes as post-facto events. I am unaware of any attempt by our BEC Board to ascertain member interest or desire to merge or consolidate with any other cooperatives, yet the Board President reported in “Rural Montana” that negotiations are underway with other cooperatives that would end the existence of our organization.

In addition, I am unaware if the Board is involving legal counsel and following a systematic plan for review of all potential merger, consolidation or “go-it-alone” prospects. That plan needs to be developed and shared with the membership!

Our BEC operates with a re-crafted set of by-laws established to encourage member involvement. Those by-laws are very different from those of the potential merging partners. Our Board must begin to question the prospect of joining an organization where there will be far less member representation and recognize our cooperative member rights may be better served by our stand-alone cooperative.

Members need to push for greater transparency from the BEC Board about what consolidation or merger will mean to members, not only the financial implications but what are the legal and governance implications too. Cooperative members must realize with a merger or consolidation, members will lose control and the BEC will no longer exist.

In turn, I urge the BEC Board to go to the membership seeking to learn how much lost representation and control members are willing to give up for long-term, verifiable, lower rates. Do we really want to see the demise of our member controlled Cooperative? Once our Cooperative is gone, it is gone. Let us hope that our BEC Board will do more than negotiate away our BEC just for the mere prospect of reduced electric rates.

Bill Hand
Nye