

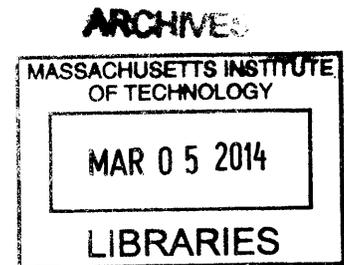
Infrastructure and Agency:
Rural Electric Cooperatives and the Fight for Economic Democracy in the United States

by

Abby Spinak

Master of Arts in the Social Sciences
University of Chicago
Chicago, Illinois (2003)

Bachelor of Science
Massachusetts Institute of Technology
Cambridge, Massachusetts (2001)



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Author

Department of Urban Studies and Planning
December 19, 2013

Certified by

Professor J. Phillip Thompson
Department of Urban Studies and Planning
Dissertation Supervisor

Accepted by

Professor Lawrence Vale
Co-chair, Phd Committee
Department of Urban Studies and Planning

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Case III: Eastern Kentucky Power Cooperative and Kentuckians for the Commonwealth

Coal has always cursed the land in which it lies.

- Harry M. Caudill, *Night Comes to the Cumberlands*, 1962⁴⁰⁸

Building Momentum: A Long History of Energy Activism

In Eastern Kentucky, the fight between co-op boards and community members is still ongoing and likely to last for years to come. Though a vibrant campaign organized by the local community development organization Kentuckians for the Commonwealth (KFTC) has united members of many of the sixteen distribution co-ops in the Eastern Kentucky Power Cooperative (EKPC) area, the fight for control of co-ops in Kentucky looks very different in the twenty-first century than those in Vermont and Colorado.

For one thing, in Eastern Kentucky, it is impossible to talk about energy policy without talking about coal. The car-dependent landscape is a daily textual barrage of “Friends of Coal” bumper stickers warring with “I ♥ Mountains” and “Stop Mountaintop Removal”; “Faces of Coal” passes by on the highway to be replaced on the next car with the satirical “Farces of Coal,” or the slightly more moderate but still morally laden, “Friends of Mountains and Miners.”

This daily highway battle of affiliation is a twenty-first century manifestation of a fight that has been ongoing for a century between coal companies and local communities in the greater Appalachian mountain region. Coal mining has been a part of the Eastern Kentucky economy since at least the 1820s, when the coal from the mountainous eastern part of the state found a ready market in the urbanizing areas of Lexington, Frankfort, and Louisville. Montrie connects the beginnings of coal mining in the region ironically to outside concern for the “backwardness” of Appalachia, which, he writes, became interpreted in capitalist circles as an invitation to exploit the region’s natural resources. Improved transportation networks led to logging and coal operations under the development-focused ideology of a New South Creed, which in turn led, Montrie writes sardonically, to a “one-way flow of resources out of the region,” as “resources owned by

⁴⁰⁸ Harry M. Caudill, *Night Comes to the Cumberlands: A Biography of a Depressed Area* (Boston: Little, Brown and Company, 1962), x.

outside investors [were] removed to fuel industrial expansion” elsewhere. Eastern Kentucky thus became implicated in a “particular type of modernization” – a similar argument to the one James Ferguson has made about copperbelt Africa in the twenty-first century⁴⁰⁹ – that there is more than one kind of modernity, and conditions of scarcity and exclusion is not unmodern but rather marks one’s position in very modern relationships of spatially codified status and resource flows. In this sense, talking about Appalachia as “impoverished,” as Montrie does, is exactly the correct word; for centuries, its wealth has been extracted. The “enduring paradox of Appalachia,” Montrie continues, is “that the inhabitants of a land so rich in natural resources could be so poor.”⁴¹⁰

Probably the most poignant and enduring symbol of this structural relationship of impoverishment is the “broad form deed.” With the discovery of coal in Eastern Kentucky came a cadre of prospecting agents who consolidated mineral rights across a landscape of small farms and sold these rights to large coal companies, usually located outside of the region. These broad form deeds were so called because they not only separated mineral rights from surface-use rights, but also granted the holders of the deed a broad range of allowances for extracting their sub-surface property as well as protections from liability for any “necessary” externalities of said extraction (including surface improvements, surface resource use, pollution, and waste). Historical consensus on the broad form deed phenomenon is that it was a clear case of exploitation of small landholders unprepared to enter into complex property rights negotiations with coal company lawyers. Caudill, for example, paints a picture of a stereotypical broad form deed signing, in which a dapper city slicker arrives with a proposal for a hardworking illiterate farm family in an isolated part of Eastern Kentucky; after spending the day chatting with the farmer while tromping through his well-tended fields and pastures, the agent sits down with the farming couple, liberally praising the wife’s cooking, and expounds enthusiastically on the win-win situation of transferring mineral rights. The farming couple is easily convinced by the charismatic agent and, figuring they have no need for the minerals lying unused beneath their productive farmland, they agree to the sale. The day ends with the illiterate couple signing over their

⁴⁰⁹ James Ferguson, *Global Shadows: Africa in the Neoliberal World Order* (Durham: Duke University Press 2006), 33, 188.

⁴¹⁰ Chad Montrie, *To Save the Land and People: A History of Opposition to Surface Coal Mining in Appalachia* (Chapel Hill: University of North Carolina Press, 2003), 14-18.

mineral rights with an “X” by their names at the bottom of a document they cannot read and which has been incompletely explained, not knowing that they granted the agent not only the rights to the minerals and oil beneath their farmland, but also the rights to any surface land, timber, or water needed for mining and transportation purposes and scanty protection for the (surface) landowners.⁴¹¹ “Written in finely printed ‘legalese,’” Montrie reflects, “the broad form deeds often signed over the rights to ‘dump, store, and leave upon said land any and all much, bone, shale, water, or other refuse,’ to use and pollute water courses in any manner, and to do anything ‘necessary and convenient’ to extract subsurface minerals.”⁴¹² In fact, as written, the broad form deed explicitly constrained surface rights to those activities that would not constrict the mineral right holder’s ability to access their property.⁴¹³

Of course such one-sided contracts were eventually contested, but the sway of the coal industry on Appalachia remained strong for many decades. In 1956, Kentucky upheld the rights of the broad form deed holders in the legal case *Buchanon v. Watson*, giving mining companies nearly free reign to employ mining techniques that constrained landowners’ abilities to continue to conduct surface activities such as farming and husbandry, as well as setting precedent for the legality of the deed in an increasing number of similar lawsuits over the next few decades. With the concurrent rise of strip mining – a technique that literally destroys the surface layer (often, through the use of explosives) to get at seams of coal underneath – the broad form deed became a rallying point for local

⁴¹¹ Caudill, *Night Comes to the Cumberlands*, 73-74. The typical protection afforded the surface property owners was a statement along the lines of preventing mining operations from being “performed . . . in an arbitrary, wanton, or malicious manner.” Blakely Elizabeth Whilden, “Mineral Rights in Central Appalachia: A Brief History of the Broad Form Deed in Kentucky and Tennessee,” unpublished paper, University of North Carolina School of Law Environmental Law Project, 2012, 5, available online: http://studentorgs.law.unc.edu/documents/elp/2012/whilden_final.pdf.

⁴¹² Montrie, *To Save the Land and People*, 66.

⁴¹³ An example of a broad form deed is preserved by the project: *West Virginia: Documents in the History of a Rural-Industrial State*; the sample broad form deed, for the West Virginia Coal Company, states: “there is reserved to the parties of the first part [surface rights owners] all the timber upon said land except that necessary for the purpose here inbefore mentioned; and there is also reserved the free use of said land for agricultural purposes so far as use is consistent with the rights hereby bargained, sold, granted or conveyed [for the mineral owners]” (p. 196).

landowners. Eventually, environmental activists would bring national attention to these practices through the synecdochic imagery of “mountaintop removal.”⁴¹⁴

By the end of the twentieth century, these injustices perpetrated by absentee mining corporations spurred the formation of a broad coalition of community activists across coal country that came to call themselves the Appalachian Alliance. In the early 1980s, an Appalachian Alliance-commissioned study revealed that in twelve Kentucky counties with Appalachian mineral resources, the ten largest landowners, who owned 34% of the land, paid just 11% of the total property taxes.⁴¹⁵ In response, Kentuckians organized their own smaller coalition – the “The Kentucky Fair Tax Coalition,” or KFTC – whose scope broadened over the next couple of decades to contest not only practices of extractive wealth, but also environmental concerns about the coal industry, as well as broader community health and social justice issues. Many of KFTC’s early fights were classic environmental justice struggles: locally grown, heavily organized by working class community members with little previous advocacy experience, compelled to action by tangible signs of injustice in their communities, who learned strategy as they went and made creative use of the resources they had – such as KFTC’s first chairperson, Gladys Maynard, who, as a local hairdresser, used her large network of weak ties through her clients to disseminate information and encourage activism over unfair coal taxation policies.⁴¹⁶

Today, KFTC stands for “Kentuckians for the Commonwealth,” and climate change has joined the broad set of community health, economic, and local environmental ills associated with coal mining and coal-powered electricity. In particular, climate activism has given anti-coal activists a strategy, as KFTC puts it, “to move from fighting the bad to being a catalyst for positive change.”⁴¹⁷ Climate change concerns lend to the ongoing struggle a global imperative for Kentuckians to replace their coal industry with less-

⁴¹⁴ Whilden, “Mineral Rights in Central Appalachia,” 5; Montrie, *To Save the Land and People*; Kentuckians for the Commonwealth (henceforth, KFTC): www.kftc.org.

⁴¹⁵ These were still by-and-large absentee owners – see, for example, Whilden, “Mineral rights in Central Appalachia, 1: “By the mid-1980s, the Appalachian Land Ownership Task Force documented that in the eighty counties surveyed across central Appalachia, seventy-two percent (72%) of the surface was owned by an absentee owner: forty-seven percent (47%) owned by out-of-state owners and the remaining fifty-three percent (53%) owned by out-of-county owners.”

⁴¹⁶ KFTC, *30 Years of Action for Justice: KFTC Fondly Remembers Three Decades of Working Together* (2011), 6.

⁴¹⁷ *Ibid.*, 31.

polluting generation options, and the set of technologies needed for renewable energy and energy efficiency projects fit well into Eastern Kentucky’s decades-long fight for non-extractive local industries, good jobs, and more equitable models of wealth generation.



Figure 4.11: Coal Keeps the Lights On in Kentucky, 2012. A pro-coal sign decorates a front lawn in Kentucky (photograph by author).

Because Eastern Kentucky is primarily powered by electric cooperatives, there is, moreover, a “democratic” venue to fight for such changes. Electric co-ops in Eastern Kentucky are formally connected as members of a generation and transmission cooperative, the Eastern Kentucky Power Cooperative (EKPC). As a G&T co-op, EKPC is a cooperative owned by cooperatives; it exists solely to provide electricity to the sixteen distribution co-ops that make up its membership. This case study therefore concerns a much larger fish than the two previous sections on distribution co-ops. EKPC is a second order of governance – the EKPC board is made up of representatives from the representative boards of the sixteen member-owned distribution co-ops. Member

engagement thus has to occur through different channels, at different levels. Rather than simply running for the board, or stirring up member concern to change the by-laws, creating change at the level of a G&T co-op requires more creativity and a campaign on a grander scale. The actors are also different: in addition to individuals and local businesses, the stakeholders in this case study include national NGOs, such as the Sierra Club, coordinating with regional NGOs, such as KFTC and MACED, as well as government involvement through the Kentucky Public Service Commission (PSC) and other ad hoc advisory committees. Action in such coalitions occurs simultaneously through regulatory agencies, the media, the aforementioned NGOs, and in a large network of distribution co-ops. Moreover, the changing politics of any individual distribution co-op does not necessarily have a measurable environmental impact, as it does in co-ops with more autonomy, such as Washington Electric and Holy Cross Energy, because its power supply is ultimately managed by EKPC.

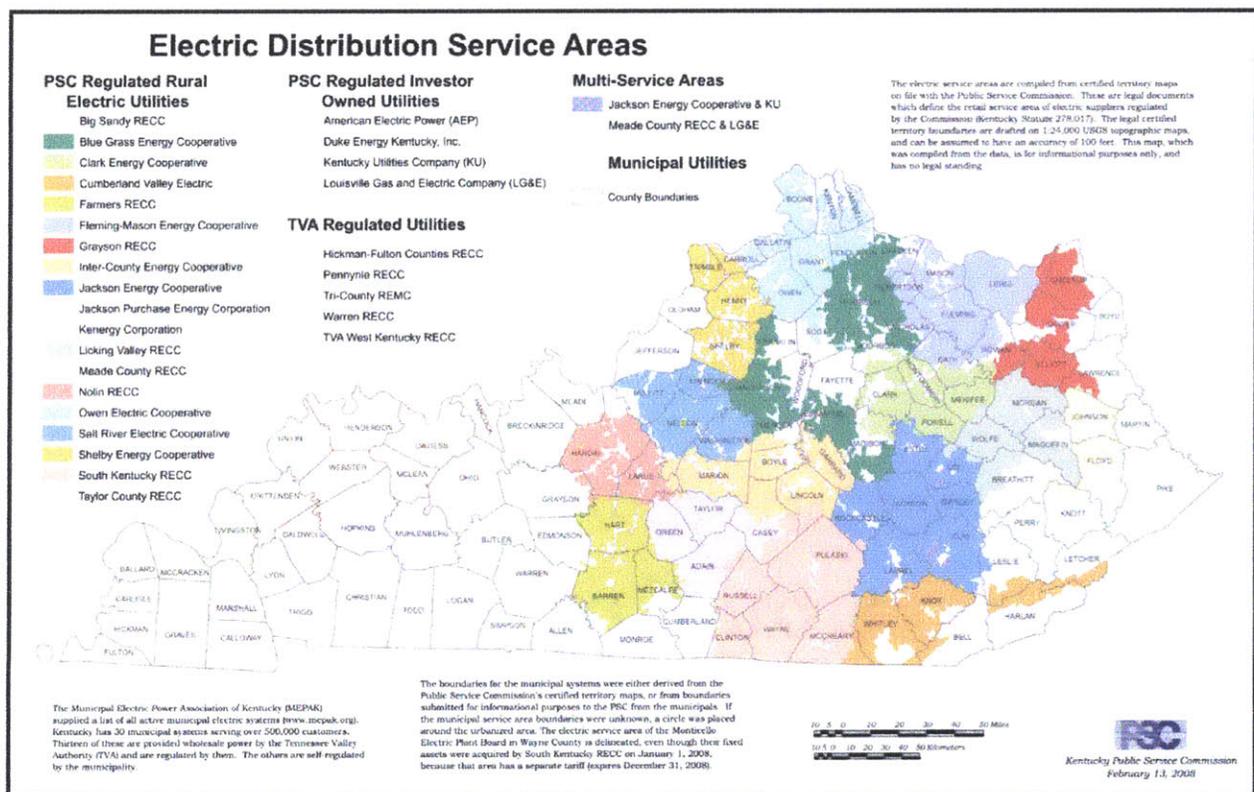


Figure 4.12: EKPC Service Area, 2008, Kentucky Public Service Commission.

Recently, the EKPC co-ops appeared on KFTC's radar because of a proposed new coal generation facility at its J. K. Smith Station on the Kentucky River in Trapp, KY. The new plant would have been a 278-megawatt, coal-fired plant costing an estimated \$819 million.⁴¹⁸ Concerned about increased air and water pollution, as well as the necessity of more coal-based energy production, several environmental organizations contested the plans for the new plant. A coalition began to form out of protests at public hearings and environmental assessments.

2006 was not a good year in general for EKPC, giving their opponents over the Smith project a great deal of fodder for contesting the necessity of another coal plant and whether EKPC was up to the task of managing another large generating facility in general. The year started with the U.S. Environmental Protection Agency filing a lawsuit against the G&T co-op for an acid rain violation in its operation of the William C. Dale coal-fired generation facility near Winchester. While the Kentucky Public Service Commission approved the proposed Smith plant in August, by October, the PSC expressed formal concern over EKPC's financial health, requiring that the co-op begin to file monthly and annual financial reports. In November, EKPC's longtime CEO retired. After an EKPC-commissioned audit recommended EKPC "develop alternative strategies for meeting its future electric power needs," the PSC expanded its investigation in December to also investigate the co-op's "need for new electric generating capacity." By the end of the year, Warren Electric, a distribution co-op in south central Kentucky that had been planning to join EKPC, canceled its proposed membership in favor of remaining in the Tennessee Valley Authority service area.⁴¹⁹

Shortly thereafter, a drop in electricity demand precipitated by the financial crisis called into question EKPC's need for increased capacity in the first place. A number of studies commissioned by EKPC, PSC, and critics of the proposed plant showed that

⁴¹⁸ Andrew Melnykovich, "Press Release: PSC Approves EKPC Request to Cancel Power Plant - East Kentucky Power Granted Separate Accounting of Costs Already Incurred," KY Public Service Commission, 8 Feb. 2011; "East Kentucky Power Cooperative Cancels Coal-Fired Power Plant," www.coalage.com, 7 Jan. 2011, online at: <http://www.coalage.com/index.php/news/latest/806-east-kentucky-power-cooperative-cancels-coal-fired-power-plant.html>.

⁴¹⁹ Liberty Consulting Group, "Focused Management and Operations Audit of East Kentucky Power Cooperative, Inc.: Final Report," Presented to the Kentucky Public Service Commission, 20 April 2010; Andrew Melnykovich, "News Release: PSC Issues Management Audit of East Kentucky Power: Independent Review Says Utility Needs Major Changes to Remain Viable," KY Public Service Commission, 22 April 2010.

investments in energy efficiency would be less expensive as a way of regulating energy supply than building a new plant. In 2009, the Kentucky Environmental Foundation, the Cumberland Chapter of the Sierra Club, and KFTC commissioned an independent report on the Smith plant, "The Right Decision for Changing Times: How East Kentucky Power Cooperative Ratepayers Benefit from Canceling Plans for a New Coal Burning Power Plant In Clark County." The report found: "The cooperative's priority to build new coal-fired power plants is misaligned with the direction of capital markets and energy policy. Coal is no longer a low-risk or least-cost fuel source for utilities or their ratepayers."⁴²⁰ The same year, the three organizations, together with three individual co-op members – Father John Rausch, Dr. John Patterson, and environmental author Wendell Berry, filed a petition with the Kentucky Public Service Commission (PSC) contesting the approval of the plant. Berry argued that PSC approval had "become too much a matter of routine" and that "Inertia at this time is indefensible."⁴²¹ Calling on Catholic values, Rausch wrote in an op-ed to the *Lexington Herald-Leader*:

...a renewed economy depends on high moral and ethical standards. Our current economic crisis came from quick profits without regard to community. The cardinal virtue of prudence dictates that when we can meet our electric needs through greater efficiency or renewable and sustainable methods, we choose them.

Generating electricity while endangering the health of others is a violation of the common good of the present generation, but destroying the environment violates the common good of future generations.

Also, the poor, the low income and those without health insurance will remain the most vulnerable to the sicknesses and diseases from the coal-fired plant's emissions, thus causing the greatest harm to the least among us.

In Catholic theology, violations of social justice like this fall under the Commandment, "Thou shalt not steal," because a violation of the common good is theft from all.

⁴²⁰ Tom Sanzillo, "The Right Decision for Changing Times: How East Kentucky Power Cooperative Ratepayers Benefit from Canceling Plans for a New Coal Burning Power Plant In Clark County," a report prepared for Cumberland Chapter of Sierra Club, Kentucky Environmental Foundation, and Kentuckians for the Commonwealth (New York: TR Rose Associates, Inc., 2009), 1.

⁴²¹ Carissa Lenfert, "KFTC Members Call on PSC to Stop Unnecessary Coal-Burning Power Plant," KFTC Blog, 28 October 2009: <http://www.kftc.org/blog/kftc-members-call-psc-stop-unnecessary-coal-burning-power-plant>.

East Kentucky Power Cooperative has an opportunity to lead into a new era. We don't need to walk in the dark, though we can turn off unnecessary lights.⁴²²

In February 2010, a coalition of EKPC distribution co-op members organized under KFTC sent a letter to the U.S. Rural Utilities Service voicing concerns about its approach to EKPC debt. Among other things, this letter implied that the RUS's focus on industrial development remained since the days of the REA and was potentially on a similar self-defeating course. "In facilitating loans for EKPC, RUS is not providing a safety net," the letter cautioned, "but rather cutting new holes in an already thin net through which co-op members will fall."⁴²³

In the first few years, the anti-Smith campaign was a traditional activist and legislative fight, fought in the streets and courtrooms. As the anti-Smith campaign drew on, however, two things became clear: first, KFTC realized that it was in fact fighting many of its own members, in their capacity as member-owners of their electric cooperatives; second, the agitation and publicity around the Smith plant alerted electric co-op members with an independent interest in energy policy to the existence of KFTC as an institutional structure that could help them work for change in a more systemic way.

As anti-Smith activism drew dissident co-op members from around Kentucky into the KFTC community, and, especially after KFTC hired Sara Pennington to run their New Power Campaign in 2009, the new coalition began trying to change distribution co-ops from the inside. Well-versed in the connection between local democracy and sustainable energy policy since the broad form deed initiative in the early 1980s, KFTC started encouraging its members to run for their co-ops' boards of directors. They threw their full weight behind candidates running with agendas of change, helping them produce campaign material, raise community awareness, work with the media, and navigate co-op bureaucracy.

With all of KFTC's organizing experience, however, Pennington's New Power Campaign still involved a steep learning curve. Between 2010 and 2013, KFTC was involved in a handful of campaigns for co-op boards, some of which they lost before they

⁴²² John S. Rausch, "Rethink Clark County Plant," *Lexington Herald-Leader*, December 2009, reprint available online at: <http://www.kftc.org/blog/kftc-members-op-ed-rtwaqrethink-clark-county-plantrtwaq>.

⁴²³ Letter to Phyllis K. Fong, 23 February 2010. Courtesy of Sara Pennington.

could even run. In several EKPC co-ops, the rules for running for the board were hard to find and harder to interpret. Not all lack of transparency in these co-ops was malicious. In some cases, the co-ops had never before had a contested election, and the sudden member interest required the co-ops themselves to scramble to figure out their own policies. In others, however, the board of directors enforced (and, in at least one case, enacted) draconian rules that allowed them to stifle member interest on technicalities such as filing dates or member information on petitions not precisely matching co-op records.

To date, no election has put a KFTC member on an electric co-op board, but the group of energy activists has won a place at the table in other ways. They have figured out how to work with their boards of directors on transparency and process reform; they have formed coalitions with other local development organizations, national NGOs, and state government agencies; and they have raised support for renewable energy and energy efficiency projects across the state.

Interpreting KFTC's redemocratization of electric co-ops is thus less straightforward than in WEC and HCE, where members agitating for change started taking over their boards within a few years. Because it involves a much larger area and a more complex governance structure, one has to approach the electric co-op community in Kentucky at multiple levels. The following discussion examines several of KFTC's interventions into EKPC governance, moving from activity at the level of the distribution co-op to broader coalitions, as well as tracing the institutional learning of both the co-ops and KFTC throughout this process.



Figure 4.13: The New Power Campaign on Multiple Fronts, c. 2010, KFTC. KFTC members raise awareness about the Smith Plant and the environmental impacts of fossil fuels.⁴²⁴

Getting Involved, Coming Together

Part of the ongoing work of an organization like KFTC is to draw in like-minded activists and provide a more professional structure for community interests. Such coalition building connects to different segments of the population for each new campaign, often bringing together people with diverse reasons for engagement. It is therefore both a repository for experience gained through individual initiatives as well as a support structure to encourage continued effort where individuals may not be as willing to continue to push forward.

In 2009 and 2010, KFTC supported four candidates for co-op board elections. Most of these campaigns were completely new territory for the co-ops. Used to apathetic memberships, many co-ops had never had a contested election.

In 2009, co-op member Randy Wilson ran for the Jackson Energy Cooperative board of directors on a platform of energy policy reform and local development through clean energy investment. The first candidate to oppose an incumbent board member in the co-op's history (since Jackson Energy was founded in 1938), Wilson ran a vibrant grassroots campaign that brought together hundreds of Jackson Energy members. KFTC members reflect that, while they mounted an impressive campaign, however, they were ultimately

⁴²⁴ Lisa Abbott, "Organizing for Change," *Renewing and Reforming Your Rural Electric Co-op: A Training and Strategy Workshop*, Kentuckians for the Commonwealth, Winchester, KY, April 2012; KFTC, *New Power Leader Handbook 2010-2011*, 4.

outgunned by the co-op, who was able to use its proxy vote policy to bring in a large number of empty ballots left to the assignment of the board. While Wilson ultimately did not unseat the incumbent board member, Wilson's campaign was both a learning experience for KFTC and a stimulus of energy discourse in the region. "The response Randy got to his nomination, captured through hundreds of conversations about energy efficiency, renewable energy, and electric cooperative reform," the Appalachian Transition Initiative would later summarize the campaign, "is an indication of a growing hunger for change in the region and an affirmation of the power of grassroots organizing."⁴²⁵

Around this time, Owen Electric Cooperative member Tona Barkley was also becoming an avid energy reform activist with KFTC's New Power campaign. Barkley had joined KFTC somewhat serendipitously: When Barkley retired from Kentucky Educational Television in Frankfort, she decided to use her free time to learn more about climate change. She initially joined the Frankfort Climate Action Network, helping with campaigns such as "Lighten Up Frankfort," which aimed to encourage individual action based on the "low carbon diet" model. Growing frustrated with the difficulties of getting people to participate, however, Barkley started looking for ways to make more systemic change.

As a member of an EKPC distribution co-op, Owen Electric, Barkley decided to try to get more involved in her co-op. She emailed the board asking if she could attend their board meetings, but received a response that the board meetings were not open. Shortly after being rebuffed by the board, Barkley learned that Owen was in between CEOs; she decided to wait for the next CEO to be appointed, hypothesizing that a new CEO would bring culture changes within the co-op. Barkley's gamble paid off when the newly appointed CEO, Mark Stallons, called her and invited her to visit the co-op. This first visit was a private meeting with Stallons and the Vice President for Member Services, in which the two men told her about all of the co-op's "green" initiatives, including landfill gas recovery, demand side management programs, and Envirowatts – an option provided to members to pay a premium for renewable power (in the case of Owen, from their landfill project) instead of the standard EKPC mix.

⁴²⁵ Appalachian Transition Initiative, "Randy Wilson's Story": www.appalachiantransition.net/wilson-story.

Barkley signed up for enough Envirowatts to cover her household's electricity usage, but, reminding the two men that her concerns were broader than individual environmentalism, continued to push them on the co-op's policies towards member involvement. Stallons ultimately invited her to come to the next meeting and propose by-law changes. Barkley recalls that, even with the CEO's invitation, she was not allowed to attend the whole meeting; rather, she was "ushered in" at a specific time to make her request. Drawing on her experience as a communications professional, Barkley explained to the board why their lack of transparency and their approach to member relations was bad business practice. The board was nice, she recalls, and they smiled and listened to her, but then they voted not to make meetings open to members.

After this, she started looking more seriously into the by-laws and discovered that she could run for the board herself within the next couple of years. It was around the same time that Barkley first connected with KFTC. Technically a member because she had once played music at a KFTC fundraiser, Barkley had little connection with the organization. She ultimately became involved when her stepdaughter – knowing of her interest in local energy policy – suggested that she host a house party for the Stop Smith campaign. This was Barkley's first introduction to Pennington and the New Power movement. She started attending hearings for public comment on the Smith plant and became active in the Stop Smith campaign. After working on this for a couple of years, she was wavering about her plans to run for the Owen board – based on her experience with previous energy activism, she worried that it would "eat [her] alive." This was when Pennington called to tell her that another KFTC member, Dallas Ratliff, was planning to run for another open seat on the Owen Board, for a different district. Pennington suggested that they run together.

Barkley couldn't know this at the time, but her experience with Owen would be one of the least antagonistic examples of member engagement in the EKPC area. She only needed forty signatures to petition to be on the ballot (as opposed to the 500 signatures Randy Wilson had to collect to be included on the Jackson Energy ballot⁴²⁶), and the Owen Electric nominating committee was lenient about the petition including exact full names and member numbers. Both she and Ratliff managed to file successful petitions with the

⁴²⁶ Appalachian Transition Initiative, "Randy Wilson's Story."

nominating board and were added to the Owen Electric ballot for the 2010 annual meeting. The co-op staff honored their request for a member list so that they could send out campaign postcards, providing the information to them in a digital format and requiring only that they sign an affidavit assuring that they would not use the list for any other purpose and would destroy it afterwards. Proxy voting is forbidden under the terms of Owen's by laws, so the campaign strategy only required convincing members to vote.

The most trouble the two KFTC candidates received from the co-op came at the annual meeting itself. They set up a table outside of the meeting, before registration, as did their opponents; "it was like running the gauntlet," Barkley jokes. While they were staffing the table and talking to members, a man came up to her to let her know he had been on the board for 16 years and they had never had community members contest the board this way.

"I don't appreciate you stirring up trouble," the ex-board member accused her.

"We'll have to agree to disagree," Barkley responded lightly.

"Well," he said, and Barkley recalls his voice dripping with disdain, "I know who you are. You're *green*."

Neither Barkley nor Ratliff won their districts in 2010. Barkley lost to a woman whose husband had previously been a board member and who had been nominated by the committee. Barkley took the defeat philosophically. "People are just not interested in this," Barkley muses, adding that only members actively concerned about climate change were motivated to actually listen to them talk about redemocratizing the co-op, and, she adds, there are "precious few of those [climate change advocates] around here." Plus, she adds, in Owen County, "if you haven't lived here your whole life, you're an outsider."




Tona Barkley
& District 1
Dallas Ratliff
District 3

Independent Candidates for Board of Directors

Vote for new leadership for Owen Electric

Openness and democracy

The Board has voted to keep meetings closed to members, and we want to change that. As a member of Owen Electric, you are a part owner in the co-op, and meetings should be open to you.

Affordable energy

With electric rates continuing to rise, Owen Electric should be doing more to help members save energy and save money. Energy-efficiency programs are the cheapest way to meet our energy needs.

Good, local jobs

Ramping up energy savings programs here in the Owen Electric co-op area would create many good local jobs, right here where we need them most.

Tona Barkley & Dallas Ratliff

Tona Barkley lives in Owen County and is running in District 1. Dallas Ratliff lives in Scott County and is running in District 3. These two independent candidates met at an Owen Electric annual meeting and decided they wanted to help get Owen Electric back on track.

Tona Barkley is an active grandmother retired from Kentucky Educational Television (KET). Last year, she tried attending an Owen Electric board of directors meeting to become better informed about the decisions the co-op was making and was turned away. She asked the board to change their policy, but they refused to open their meetings. She is running for the board to bring democracy and openness to the co-op.

Dallas Ratliff is also concerned that member-owners are not allowed to attend board meetings to raise concerns and to become better informed. Dallas works at the Toyota factory in Scott County and in his spare time is working to install a solar hot water heater on his house to lower his electric bill. He knows the co-op could be doing a lot more to help all their members save energy and save money.

Tona and Dallas know that hundreds of good, local jobs could be created through energy savings programs. Together, they will work hard to get Owen Electric back on track. They want to listen to you. But first, they need your support.

Vote for openness & democracy.

Figure 4.14: Tona Barkley’s Campaign Message, 2010 (courtesy of Tona Barkley).

The same year, Steve Wilkins tried to run for Blue Grass Energy Cooperative, a co-op just south of Owen, which encompasses the area around the KFTC field office in Berea, out of which the New Power campaign is run (see Figure 4.12). Similar to Barkley, Wilkins had been a member of KFTC for years, but before retirement, his participation had also been limited to donations – the kind of activism that involves, in Robert Putnam’s words, “moving a pen, not making a meeting.”⁴²⁷ He had been happy to donate to KFTC, because he liked thinking locally and was “in favor of anybody who is going to fight for people’s rights.” When he retired, though, he decided he wanted to give back in a more engaged way than occasionally writing a check.

As a Blue Grass co-op member, Wilkins initially met with the board member for his district to discuss the economic analysis for the Smith plant and diversifying their power supply. The Vice President of Market Relations was also at the meeting, Wilkins recalls, and the board member let him do most of the talking. Wilkins’s description of the board

⁴²⁷ Putnam, *Bowling Alone*, 51.

member could be a metaphor for the co-op as a whole: the son of one the founding members of the co-op back in the 1930s, the board member was “stodgy” and uninterested in change. Unimpressed with the leadership at Blue Grass, Wilkins decided to run for the board himself, with the support of KFTC.

Wilkins calls himself naïve in retrospect about his approach to the co-op. The first place he went for information was the co-op website. While he was able to find a list of board members and their hometowns, however, the website had no information about what district each board member represented, nor was there a map or any way to identify the boundaries of the districts. Since board member Ned Gilbert also lived in Berea, Wilkins assumed that Gilbert was the representative board member for his district, and started making plans to run for his seat when his term expired in 2010.

To run for the Blue Grass board by petition in 2010, a member needed to collect 285 signatures from other co-op members. About a month into Wilkins’s campaign, after he and a half-dozen other KFTC members had collected hundreds of signatures, another member told him that Blue Grass had just posted on their website a district map, which indicated that Wilkins’s representative was not Ned Gilbert, but Danny Britt. Moreover, Britt was in the middle of his term and would therefore not be running for reelection in 2010. Wilkins immediately called the co-op office to check his district, but the office staff was unable to give him an answer. Finally, the co-op called him back to let him know that they had looked into it for him, that the districts had been revised a couple of years earlier, and that he was in fact in Danny Britt’s district. They apologized for the confusion, explaining that he was the first member to ever ask about his district.

Unable to run for election, Wilkins and other concerned Blue Grass members tried to petition to put two proposals on the agenda for the upcoming annual meeting. Wilkins’s description of this attempt is a textbook example of the myriad ways in which bureaucracy serves to protect existing power structures, and is worth quoting at length:

We attempted to get two proposals before the members at the upcoming annual meeting scheduled for June 3. The first proposal sought open board meetings, ready access to the minutes of board meetings and other relevant documents, and open and fair elections. The second proposal was for BG Energy to aggressively pursue “on-bill financing” strategies.

...We met the requirements cited in the BG Energy by-laws, which speak to submission deadlines and that proposals be “legitimate.” However, BG Energy’s

lawyer notified us that the proposals were not appropriate to be brought before the membership and would, instead be presented to the Board for their consideration.

Here is the quote from the by-laws: *No proposal shall be voted upon at the annual meeting unless it has been placed on the agenda at least 40 days prior to such meeting. Any legitimate proposal may be placed on the agenda by any member by filing a copy of the proposal with the Secretary within the time allowed with a request it be submitted to the Annual Meeting for consideration.*

Working with Kentuckians for the Commonwealth (KFTC), a lawyer they have on retainer was of the opinion that our proposals did qualify to go before the membership. However, deadlines had passed by that time.

We requested to be present at the directors' meeting during which the proposals would be discussed. We were first told that the CEO and counsel would have to determine if the proposals should be brought to the Board. We were also told there was a form to complete. This form would be evaluated and a decision would be made whether we might be allowed to attend the portion of that meeting related to our proposals. We submitted the form only to be told that the Board had considered our proposals at their April 22 meeting...

We requested a copy of the minutes of that meeting, or at least the portions of the meeting related to our proposals. We were provided with another form to request the minutes, once again to be evaluated and a decision made whether to grant our request. That's where we stand as of this writing...

Even in publicly traded corporations stockholders can put proposals before other stockholders for a vote without being blocked by the corporation. The corporation may state their opposition to a proposal, but still put it to a vote of stockholders. So, it appears that BG Energy may be even more closed than a public company.⁴²⁸

If You Can't Join 'em: New Strategies and New Organizations

After the Wilson and Barkley/Ratliff campaigns and Wilkins's struggles to even get on the ballot, Pennington and the group of co-op activists in the KFTC community went back to the drawing board and reconsidered their strategy. Largely, they realized that winning a board seat was not the only way to effect change in co-ops and that there were smaller acts they could take to work collaboratively with their co-ops and have their voices heard at different governance levels. Wilkins recalls that KFTC involvement with co-ops has been iterative: at the beginning, he reflects, they lacked a long term plan for comprehensive change, and it was only after they lost several elections that they started to be more strategic. More recent efforts, he assesses, have focused more on identifying individuals and organizations that would be supportive (as well as who would be barriers). He specifically credits Pennington's leadership for this transition.

⁴²⁸ Courtesy of Steve Wilkins, New Power leadership workshop, April 2012.

One major victory resulting from this reorientation of the KFTC New Power community has been their increasing participation on a number of regional and state-level policy initiatives investigating renewable energy and energy efficiency possibilities in Kentucky. 2010 was a tumultuous year for the New Power Initiative: after the unsuccessful co-op board campaigns in the spring, the Stop Smith campaign won a major victory in November – the plant was canceled, and, as part of the settlement, a new energy policy entity, the Demand Side Management and Renewable Energy Collaborative (DSM&RE Collaborative) – or, as it came to be known colloquially, the Clean Energy Collaborative – was signed into law. Under the terms of the settlement agreement, EKPC committed \$125,000 for the development of this collaborative body intended to bring together EKPC and its distribution co-ops with community development and environmental organizations, government representatives, and local industrial interests to find creative policy and technology solutions for Eastern Kentucky’s energy economy over two years. Recognizing the major victory of a formal body for collaboration on energy policy in Eastern Kentucky marked for the New Power Campaign, Wilkins exclaimed: “When I heard the news... I was ecstatic. I said, ‘Woohoo!’ The news of not only the plant being canceled but also opportunities for collaboration with the co-ops is a breath of fresh air!”⁴²⁹

Designed on the model of consensus decision making, the mission of the Clean Energy Collaborative was formally stated as follows: “to evaluate and recommend actions to expand deployment of renewable energy and demand-side management, and to promote collaboration among the Parties in the implementation of those ideas” and to “provide counsel to EKPC in the area of providing safe, reliable electric service at fair, just and reasonable rates through the adoption and implementation of appropriate demand side management (“DSM”) strategies and renewable energy (“RE”) development opportunities.”⁴³⁰ The Collaborative’s charter gave EKPC the right to appoint the chair, with the community coalition including KFTC, KEF, and the Cumberland Chapter of the Sierra Club tasked with appointing a vice-chair. The working membership of the Collaborative

⁴²⁹ Sara Pennington. “Breaking News: SMITH PLANT CANCELLED! Clean energy collaboration planned.” KFTC blog, 17 November 2010, repost available online at: <http://blog.cleanenergy.org/2010/11/18/breaking-news-ky-smith-coal-plant-cancelled-by-coop/>

⁴³⁰ East Kentucky Power Cooperative, “Demand Side Management and Renewable Energy Collaborative Charter,” 25 March 2011.

included representatives from all EKPC cooperatives, the environmental NGOs involved in the Smith Plant lawsuit, and related local community development organizations,⁴³¹ as well as representatives of the Kentucky PSC, the Attorney General of the Commonwealth of Kentucky, and Gallatin Steel Corporation, a major industrial customer of EKPC. Additionally, the charter included provisions for the chair and vice-chair to “jointly invite other members who have relevant and appropriate perspectives on DSM and RE, and are encouraged to involve as one such member an individual experienced in delivering DSM or related services to low income residential electric customers.” The vice-chair appointment went to Tona Barkley, with Steve Wilkins serving as a committee member.⁴³²



Figure 4.15: A Place at a Co-constructed Table, 2011, KFTC. KFTC’s Steve Wilkins participates on the DSM&RE Collaborative next to a representative from one of EKPC’s distribution co-ops.⁴³³

⁴³¹ These included the Mountain Association for Community Economic Development (MACED), Kentucky Solar Partnership, and Frontier Housing. “Clean Energy Collaborative Gets Off to an Encouraging Start,” *Balancing the Scales* (KFTC Newsletter), 11 May 2011.

⁴³² The first chair appointment went to David Mitchell of EKPC (KFTC Newsletter, 11 May 2011), who was replaced by David Crews, EKPC’s senior vice president of power supply (EKPC Press Release, 23 October 2013).

⁴³³ KFTC 2011 Annual Report.



Figure 4.16: The DSM&RE Collaborative Economics and Rates Work Group, 2011-2012. This working group brought together Barkley (top right), Wilkins (top left), and Pennington (bottom left) with EKPC distribution co-op representatives.⁴³⁴

The Collaborative ran for two years, with regular meetings and public forums, ultimately producing a series of twelve recommendations for EKPC. These included expanding the co-op's Envirowatts program; investing in more solar generation infrastructure as well as providing the option for co-op members to lease their own solar panels; continuing to allocate resources for research and experimentation with DSM technologies and programs; increasing their support of on-bill financing programs in Kentucky; and creating an "energy ambassador" program for volunteer co-op members interested in learning more about DSM.⁴³⁵ While thus far the Collaborative has only issued recommendations, the members are optimistic about their work and future possibilities for ongoing partnership. "All of us have benefitted from this process," Chairman David Crews, EKPC's senior vice president of power supply, praised the Collaborative after its final meeting in October 2013. "Everyone involved has gained a deeper understanding of and appreciation for the viewpoints of the other stakeholders at the table." Pennington summarized the process as "a very enriching, often challenging, but ultimately very productive and *truly collaborative* effort," calling on EKPC to continue to research best practices in energy efficiency and offering KFTC's continued support. "We stand ready to work with you," Pennington promised, in her

⁴³⁴ DSM&RE Collaborative Annual Report 2012.

⁴³⁵ EKPC, Press Release: "EKPC DSM/Renewable Collaborative Wraps Up Work," 23 October 2013.

closing statement to the Collaborative: “from assisting with and augmenting co-op public relations efforts among members, community leaders and institutions; to helping find solutions for distribution co-ops to accrue revenues adequate to maintain reliable infrastructure and personnel; to assessing and defining cost-benefits in ways that express co-op values; and to displaying our support to the PSC for the co-ops’ EE and RE efforts.”⁴³⁶

Beyond the Clean Energy Collaborative, KFTC members have been expanding their role as community energy development experts within an increasingly active policy network around the new energy economy. For example, early on in his work with the EKPC Collaborative, Wilkins was also invited to participate in a Collaborative on Stimulating Energy Efficiency in Kentucky launched by the Department for Energy Development and Independence. From a casual interest in getting more involved in energy activism with KFTC, Wilkins reflects that he is now learning about industrialization issues and thinking statewide. He has also been working with Berea’s municipal Environmental Sustainability subgroup on the potential for on-bill financing to promote economic development.

After the resolution of the Smith Plant controversy, KFTC ran an article in their spring newsletter called: “Members are encouraged to attend electric co-ops’ annual meetings,” in which they advocated: “In years past, KFTC has encouraged members to talk with their board members about the proposed coal-burning Smith plant. But now that project has been cancelled, it’s time to start having good conversations about increased investment in energy efficiency and renewable energy.” They include a list of topics members could bring up at their annual meetings, impressing on them the importance of a positive spin – for example, “Let them know you are excited or encouraged by the Clean Energy Collaborative with EKPC...” and “thank [your] co-op representatives for participating...” – and listed the dates of all of the EKPC distribution co-ops’ annual meetings.⁴³⁷

Wilkins, for one, understands that change happens slowly and through these kinds of widespread concerted efforts; he hopes that KFTC and the broader community of co-op

⁴³⁶ Sara Pennington, “Closing Statement to the DSM/RE Collaborative,” on behalf of Kentuckians for the Commonwealth, Kentucky ENvironmental Foundation, Mountain Association for Community Economic Development, and Sierra Club – Cumberland Chapter, October 2013.

⁴³⁷ KFTC newsletter 30(3), 2011, 13.

advocates in Eastern Kentucky can continue to be the “gnat” or the “little haunting voice” that eventually encourages a bigger movement. He muses: “If enough mosquitoes start biting you all at once....”

Ongoing Efforts: Shelby Energy’s First Contested Election

Among the allies that the KFTC New Power Campaign amassed were a group of committed members of another EKPC co-op, Shelby Energy. According to member Carlen Pippin, Shelby Energy used to be a premier place to work in the area, but recently the co-op has been struggling with pervasive problems. In 2006, Shelby Energy was in serious trouble: after three on-the-job deaths in ten years, the Kentucky PSC had ordered a management and safety audit of Shelby Energy, citing the co-op for eight violations pertaining to the safety of linemen and others during work on high voltage lines; intra-co-op strife had led to the Shelby linemen forming an union; and the Vice President of Operations was being investigated for using co-op resources for personal ends. By the end of the year, the CEO of Shelby would retire, leaving behind, in Pippin’s words, “a bitter, split organization.” As of 2012, the co-op was still on probation as a result of the PSC audit.⁴³⁸

After a rate hike in 2009, Pippin decided it was time to get more involved. As a long time resident and business owner in Shelbyville, Pippin knew many of the Shelby board members and linemen, and he was concerned about the troubles in the co-op having a negative impact on the community. After having a request for board meeting minutes denied, Pippin started asking to attend the meetings in person. Even though he knew the chairman of the board personally, the co-op required him to fill out a request form a month in advance. The chairman did, however, invite him to address the board with his concerns at the meeting. Pippin recalls that he must have asked the board about thirty questions, starting with how co-op relations could have deteriorated to the point that the eleven linemen in a forty person company found it necessary to unionize?

Unsurprisingly, Pippin encountered a set of bureaucratic barriers to tangible involvement with co-op policy. He soon discovered that the board wanted everything to go through their attorney and that they were loathe to respond to his questions in writing.

⁴³⁸ KY PSC, “Stipulation of Facts and Settlement Agreement,” 13 September 2006, 1–7.

Troubled by visible problems of the co-op and by his own experience being managed by the board, Pippin started requesting to go to meetings every month, dropping off his requests regularly at the co-op's drive-through window where members can pay their bills. Between 2009 and 2012, Pippin went to a co-op board meeting at least once every quarter, at one point bringing ten other members with him, and he sent a steady stream of emails to the board with questions about co-op management. When the co-op board continued to refuse to respond to his questions in writing, Pippin took his concerns to a local newspaper and convinced a reporter to come to a board meeting. "Most people go to one co-op meeting and then go away," Pippin muses, "but not me."

Nonetheless, being the lone voice of the membership calling for accountability from the board started to wear on Pippin. 2010 was a "pretty lonesome year," he recalls. Around that time, he started wondering if there was anyone else in the area working on the same concerns he had about co-op democracy, transparency, and quality. Eventually, late in 2010, someone mentioned KFTC to him. He looked up the organization online and got in touch with Pennington. "From that day on, I had an ally," he says. In January 2011, he and his-daughter-in-law drove to a KFTC meeting for the first time, and he found himself impressed, both with the participants and the issues. "They believe in being stewards of this earth," Pippin praises the group.

Not only did KFTC connect him to a broader community of concerned co-op members in Kentucky, it gave him the opportunity to learn about co-ops around the country. Later that year, he traveled with a small group of Kentucky co-op members to a national conference in Atlanta of progressive co-op activists and thought leaders. The conference, "Achieving the Potential of Public Power: An Electric Cooperative Member Conference," was a two day event with speakers from other co-ops, renewable energy professionals, and public servants around the country, including Randy Udall from Western Colorado, an influential sustainable energy advocate in HCE circles.⁴³⁹ Affirming the importance of networks and knowledge sharing in advocacy efforts, Pippin reflects that he was "refueled" by the conference.

⁴³⁹ "Achieving the Potential of Public Power: An Electric Cooperative Member Conference," Atlanta, GA, September 23-24, 2011. Conference program courtesy of Carlen Pippin.

Although Pippin cares deeply about energy policy, especially for energy security and strategic planning purposes, his primary interest in reforming Shelby Energy continues to be organizational. As a member with a long-time local's interest in community development, he has been pushing the co-op to have open meetings, more transparency and easier records access, democratic elections, and better job quality for their employees. In response to his advocacy and movement building efforts, the co-op has started to change slightly. The board could still be heavily critiqued for its undemocratic approach to board turnover; since 2010, two board members retired intentionally off-cycle from the annual meeting elections, allowing the board to appoint interim directors without broader member input, and the rare contested election has been heavily swayed by proxy votes, where the member has been able to navigate the co-op's procedures for petitioning to be on the ballot at all. However, Pippin's presence at board meetings prevented the board from simply appointing new directors with no public process. For the two retiring directors, Pippin encouraged the co-op to advertise the vacancy and take applications. After posting the positions online and in the newspaper, they for the first time appointed two new members without explicit connections to the current board: Diana Arnold, a retired school teacher, and Pat Hargadon, a Kentucky Farm Bureau employee, both were well-known members with deep ties to the community, but, Pippin notes enthusiastically, they are also both interested in change. Hargadon even started meeting regularly with Pippin and another KFTC member, Patrick King; after their third meeting, the group of three named themselves an official Member Advisory Committee, and were occasionally joined by Diana Arnold.⁴⁴⁰ While a year into his term, Hargadon told Pippin that he still felt as if the other board members saw him as the new kid on the block (half of the board members have served for over twenty years, the Chairman having been on the board since 1976), the group has continued to press the board on a range of issues.⁴⁴¹ Pippin has also been building a separate monthly community meeting for people concerned about Shelby

⁴⁴⁰ Meeting Minutes of the Shelby Energy Member Advisory Committee, 24 April 2012, courtesy of Patrick King and Carlen Pippin.

⁴⁴¹ The Advisory Committee's requests uncannily parallel COFEC concerns in the 1970s: they ask, for example, for member inclusion in the co-op newsletter, access to meeting minutes and financial records, and more accountable voting procedures; they also accuse the board of protecting their mistakes through obscuring information and for changing the by-laws as a protectionist measure for board incumbents (meeting minutes, April 24).

Energy, which has grown into a combination of co-op and KFTC members. He hopes that if they can change Shelby, it will be a pilot for other co-ops to also reform.

Are you a customer of Shelby Energy?

Then you are a **member-owner** of it because Shelby Energy is an electric cooperative.

Member-owned electric cooperatives were intended from the beginning to be run by and for their members.

There is now a movement in Shelby County to reform Shelby Energy back to its intended foundations.

"In 2010, Eastern Kentucky Power Cooperative, the rural energy company Shelby Energy purchases its power from, was the subject of a scathing audit due to financial mismanagement in the face of multiple rate increases.

One of the audit's recommendations was not to the board, but to rural cooperative members, saying that **in order to bring about real reform, they must band together and change their company from the inside.**"

-"Grassroots Energy," Louisville Eccentric Observer, April 2012

We're working to do just that. Join us!

Attend our monthly meetings on the 2nd Tuesday of every month. Contact 82abn1966@gmail.com to learn more or get involved.

Next meeting: May 8th, 2012 at 5:30pm - 6:50pm.

Hudson Room of the Shelby County Library

Figure 4.17: Community Outreach, Shelby Energy Member Advisory Committee, 2012.⁴⁴²

One recent sign of change in Shelby territory is that the co-op held a contested election in June 2012. Literally the first candidate-by-petition to run for election in the

⁴⁴² Courtesy of Carlen Pippin and Patrick King.

history of Shelby Energy, co-op member Sonia McElroy fought a tough battle simply to be included on the ballot and lost by a large margin at the annual meeting. Nonetheless, McElroy's campaign demanded awareness both internally within the co-op as well as in the larger community.

McElroy first became interested in her co-op because of a proposed 217-acre coal fly ash landfill project she heard about at an Extension Council meeting. Concerned that a coal ash landfill would be an environmental burden on the county, which already had a large landfill that imported trash from Louisville, McElroy decided to get more involved in anti-coal ash activism. Through this, she met Lauren McGrath of the Sierra Club, who had been involved with the anti-Smith fight, along with Pennington and others from KFTC. McGrath subsequently introduced McElroy to the KFTC group in Shelbyville; in December, 2011, McElroy attended her first KFTC meeting, and by the spring, she was running for the Shelby Energy board of directors.

In explaining the string of events that led to her campaign, McElroy recalls that she "just happened to be at the right place at the right time." Like most of the co-op advocates in this study, however, McElroy's serendipity seemingly has less to do with random chance than with the fact that she has been heavily involved in her community for a long time: in addition to being active with the Extension Council, McElroy was a Trimble County Library board member, former president of the North Central Goat Producers Association, and a member of other local professional associations of livestock farmers. As an active participant in a wide array of organizations focused on community education and modern husbandry, it is of little surprise that McElroy would eventually come into contact with the community development and environmental sustainability network that had been coalescing around Eastern Kentucky.

Once she decided to run for the Shelby board, McElroy's biggest battle was simply to make it onto the ballot. Shelby's strict process for candidacy-by-petition had disqualified a potential candidate the year before, and McElroy took his experience as a lesson and an expectation. As her account was officially in her husband's name, her first hurdle was for the co-op to recognize her as a member. Obtaining recognition from the co-op of her eligibility involved several weeks of phone calls and emails between McElroy, McGrath, Pennington, Shelby CEO Debbie Martin, Shelby attorney Donald Prather, and various co-op

staff, concerning McElroy's membership and establishing the boundaries of McElroy's district. At one point, Martin called McElroy to disqualify her from the race, necessitating that she formally reestablish her legal eligibility through Prather.⁴⁴³ In a follow-up email exchange with McGrath, Prather excused the co-op as being inexperienced: "The Cooperative is not trying in any way to inhibit anyone from running for a director seat. Any actions or inactions which might appear to be such an effort are in fact rooted in the fact that the Cooperative, at least not since the 1980s and I believe ever, has had anyone even attempt to run on a petition until last year." Prather added, in a follow-up conversation with reporter Joe Sonka of the Louisville-based magazine *Leo Weekly*, that appointment to the board by a nominating committee is "how it always worked, and quite frankly, it worked very, very, very well. Overall, it's been the finest group of people I've served with on a board. They've just been very honest, high integrity, dedicated, etc. And I'm not just giving you a spiel on that."⁴⁴⁴

Once McElroy had attained formal administrative membership, the next step was to submit a petition for candidacy with 100 members' signatures. This was a matter of good old-fashioned networking and legwork. She started with the people she knew; then, she drove around and knocked on doors, with McGrath and KFTC members volunteering to help go door-to-door for her; and, a barbershop downtown put up a poster and a petition for her. But again, McElroy had to be careful that the people who signed were recognized by the co-op as official members and that the members' information was in the correct format for co-op accounting (a matter which also necessitated much discussion and wading through contradictory information⁴⁴⁵). Once during her campaigning, for example, she found herself at the door of a member of the Shelby board nominating committee and his wife. He didn't listen, she recalls, but his wife did; she told Sonia that she agrees that there should be change in the co-op, and she wanted to sign the petition, but her signature would not count because their account was in her husband's name. Joe Sonka followed McElroy on one of her door-to-door campaigns to raise advocacy about the co-op election and get

⁴⁴³ Email correspondence between Lauren McGrath, Debbie Martin, and Don Frasier, 23 March 2012, courtesy of Sonia McElroy; Joe Sonka, "Grassroots energy: Trimble County woman campaigns to shed light on rural energy cooperative," *Leo Weekly* 22(21), 2012: 6.

⁴⁴⁴ Sonka, "Grassroots energy."

⁴⁴⁵ Including: the subject of petition format, the requirement of member numbers, and whether members had to be in McElroy's specific district or not. Email correspondence between McGrath, Martin, and Frasier.

members to sign her petition to be on the ballot. He recounts that conversations were supportive of McElroy but skeptical that change was possible:

“Yeah, I’ll sign it,” says Donald Clifton, a retired utility worker and local blue ribbon honey maker. “I doubt it will do any good, though. They’re kind of hard-headed over there.”

...“I’ll appreciate your vote in June, because I will get on that ballot,” McElroy tells Clifton. “Because Donald, things do change. I know I have an uphill battle, but I’m going to do it.”⁴⁴⁶

The petition McElroy submitted to the Shelby board for inclusion on the ballot ultimately had 169 member signatures supporting her candidacy, including six Shelby Energy members who decided to join KFTC after talking to McElroy about her campaign.

McElroy first heard through Pippin that her petition had been approved as valid. Shortly after that, the Shelby Credentials and Election Committee requested that she attend a meeting at 6:00 PM on a Friday night to determine whether she was eligible to serve as a board member and to discuss registration and voting procedures for the upcoming election. Finally, at this meeting, McElroy was certified to run for the Shelby Energy Cooperative Board of Directors.⁴⁴⁷ In the lead up to the election, however, the Shelby board expressed some discomfort with holding a contested election. An excerpt from the May 2012 board meeting minutes shows their interest in limiting discussion and debate around the elections:

The Committee discussed and made decisions regarding various aspects of member voting for the election. They want to keep the focus of the upcoming annual meeting on celebrating Shelby Energy’s 75th anniversary, keeping everything on a positive note in order to avoid discouraging members from attending future meetings. Each candidate will be provided a space just inside the entrance door at which that candidate may display one poster and introduce themselves to members as they first enter the building. No handouts will be allowed by any members or guests, whether in the parking lot or inside the building.⁴⁴⁸

In addition to campaigning on a platform of co-op reform and energy policy, McElroy tried hard to illuminate some of the built-in inequities in the election process, particularly regarding proxy votes. EKPC distribution co-ops’ proxy vote policies have been a big challenge for KFTC, in general. KFTC members recall board members going around

⁴⁴⁶ Sonka, “Grassroots Energy.”

⁴⁴⁷ Sonia McElroy, personal correspondence with author, 6 May 2012.

⁴⁴⁸ Shelby Energy Cooperative, Meeting Minutes of the Board of Directors, 24 May 2012.

collecting members' proxy forms at annual meetings, such as during Wilson's campaign for the Jackson Energy Board. In Shelby, the board changed its policies on proxy votes during (and, some of the New Power activists hypothesize, in response to) McElroy's campaign, limiting members to three proxy votes each, though board members have unlimited proxy votes. This new policy meant that any ballot turned in blank to the co-op office would count as a proxy for the board to allocate as they see fit. Because of this policy change, "Don't vote your proxy" quickly became part of McElroy's campaign message.

Otherwise, McElroy's campaign was predominantly a labor of networking. Noting that email was especially important, McElroy focused simply on getting her message out via all of the channels she had built up over the years through her husbandry and community work. She spoke at meetings of various associations in which she has long been a member, including those with quite different goals and politics than the anti-coal ash campaign, such as her local cattlemen's and goat producers' associations. Finally, McElroy contacted an NPR reporter she had met through her coal ash activism and asked her to cover the campaign.

At Shelby's annual meeting at Henry County High School on June 22, 2012, McElroy received 83 votes to Stevens' 1024.⁴⁴⁹ As this final vote count is an order of magnitude more votes than the number of members attending the meeting, the voting process clearly reflected the co-op's proxy policy. At the credentialing meeting a month earlier, McElroy had learned that the co-op had in the past received typically 800-1000 proxy forms for uncontested elections. "That is a lot of votes to be cast by Board Members," she noted, acknowledging that her campaign was handicapped by this essentially automatic padding of the votes for incumbents.⁴⁵⁰ After the annual meeting, McElroy reflected: "In the future, the Shelby Energy By-laws would need to be revised to allow for a fair and democratic process when electing Board Members. The proxy system only serves to keep the current Board Members in their positions. I would advocate for a process that allows the Shelby Energy Cooperative members to know well in advance who is running, what their qualifications are, and does away with the current proxy system but allows mail in voting."

⁴⁴⁹ Erica Peterson, "Incumbent Wins Shelby Energy Board Election," *WFPL Environment Blog*, 26 June 2012.

⁴⁵⁰ Sonia McElroy, personal correspondence with author, 6 May 2012.

It is interesting to consider the difference in mail-in voting preferences between 1970s Vermont and 21st Century Kentucky – that in one context mail-in voting is anti-democratic, because it reduces attendance at meetings; whereas, in the context where few members attend meetings anyway (and, in Kentucky, there are more understandable structural reasons, since co-ops cover such a large territory), it lowers the bar to participation enough to hopefully invite new perspectives? In McElroy’s perspective, however, the reforms needed in Shelby Energy will require a concerted effort by members including but also beyond voting reform – if things are going to change, she says, “it’s going to come down to grassroots stuff.”

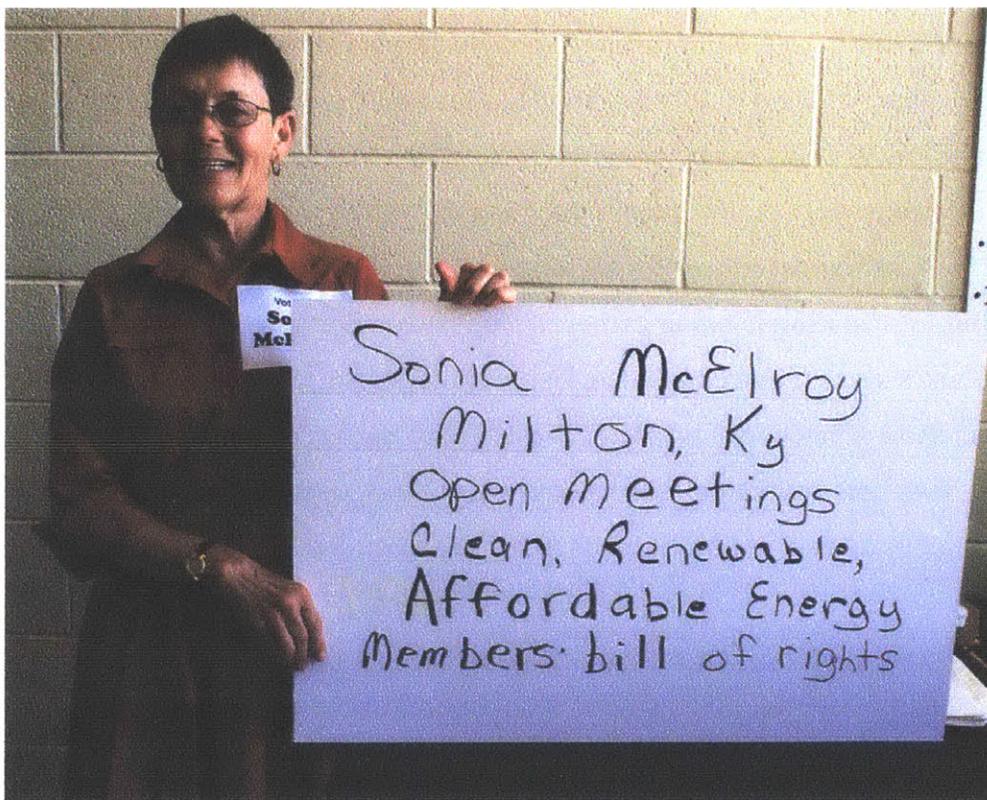


Figure 4.18: Sonia McElroy at the Shelby Energy Annual Meeting, 2012, KFTC.⁴⁵¹

Signs of Change in the South Kentucky RECC

As of 2013, KFTC has not yet managed to elect anyone to a co-op board in the EKPC area. But they have encouraged visible change, both at the state regulatory level and locally,

⁴⁵¹ KFTC Flickr photostream: <http://www.flickr.com/photos/kftcphotos/10971750575/in/photostream/>

within the co-ops. More so than other co-ops, they have created working relationships with government actors at the state and municipal levels to coordinate climate policy and environmental justice action. It is also undeniable that KFTC and its affiliated co-op activists have raised awareness in the region as a whole, and the EKPC co-ops are no longer forgotten businesses blending into the background of Eastern Kentucky, quietly making decisions on boards disconnected from the membership.

Recent elections show just how much the co-op activists in Eastern Kentucky have brought electric co-ops once more into the public eye. In 2013, KFTC member Ray Tucker ran for the board of his co-op, South Kentucky RECC, in a race that pitted him against fifteen other candidates for the seat in his district. This eventful race was precipitated by a mass resignation of four board members and the co-op attorney from the South Kentucky RECC, following member activism that brought allegations of corruption and conflicts of interest against the board. Even a year prior, when McElroy was running for the Shelby board, contested elections were confusing enough that the Shelby attorney admitted in an email that the co-op had no procedures for member registration and voting at their annual meeting, “but information is being gathered from Owen Electric Cooperative regarding their procedures since they’ve had prior experience.”⁴⁵² Now, contested elections seem to be becoming the norm – even, as in the case of South Kentucky, a norm that is visible and holds public interest. According to local coverage of the South Kentucky election in May 2013, nearly 25% of the membership voted for the four new board members.⁴⁵³

Environmental Values and Local Democracy

Eastern Kentucky is neither a mecca for urban liberal counterculture like Vermont, nor an elite seasonal destination like Colorado with strong Postmaterialist values and a direct connection to climate change; it has its own unique strand of progressive radicalism. The Appalachian identity runs strong in the EKPC service area (signified in part by the local pronunciation, Appa-LATCH-a), particularly in Berea, where KFTC is headquartered, and the ethics associated with it obviously influence energy activism in Eastern Kentucky.

⁴⁵² Correspondence between Donald Prather and Lauren McGrath, 27 April 2012, courtesy of Sonia McElroy.

⁴⁵³ Commonwealth Journal, 7 May 2013; South Kentucky RECC, “South Kentucky RECC Directors Resign”; Letter from Alan Anderson to members of SKRECC.

Appalachia has a long history of local progressive politics, hearkening back to Populist movements in nineteenth century and strengthened by a long history of struggle over coal.⁴⁵⁴ It is a culture that values an enduring sense of place, with hard-coded social responsibilities and a sense of justice that connects people and land. In the twenty-first century, one way that this has manifested is in the diverse ecosystem of local community development organizations and the strong presence of national environmental NGOs such as the Sierra Club. Some community members involved in these organizations joke about the “Berea Mafia,” a strong network of community development professionals and activists that often work together in the service of economic diversification, environmental protection, cultural heritage, and social justice in Eastern Kentucky.

The link between the health of the land and the distribution of wealth generated in Kentucky – or between environmental and social justice – has thus long been part of the mission of KFTC. A KFTC history and retrospective on their 30th anniversary explains it as follows:

People in the southeastern counties of Kentucky, where KFTC has its roots, have an essential cultural relationship with the land, and a strong history of organizing and working for change – labor unions, black lung associations, quilt circles, community efforts to fight strip mining, welfare rights organizations, and just caring for neighbors. ...Eastern Kentucky is also an area largely known and defined by its abundant natural resources and its long history of attempts by others – largely absentee corporations – to control and exploit these resources.⁴⁵⁵

Wilkins says it more simply: “What you do to the land, you do to the people.”⁴⁵⁶

I realized only after-the-fact, having chosen these case studies for reasons other than landscape, that all three of my case studies are in or near mountains. It is worth considering whether mountain geographies have their own particular social logics, if nothing else, due to urbanization trends in the early twentieth century; as environmental historian Sara M. Gregg writes, “the mountains have remained a place apart for much of the nation’s history.”⁴⁵⁷ But there is also something enduringly civic about mountain life. While

⁴⁵⁴ See, for example: Hahn, *The Roots of Southern Populism*.

⁴⁵⁵ KFTC, *30 Years*, 5.

⁴⁵⁶ He is here evoking an old mantra in Kentucky anti-coal activism: “If the land was destroyed, the people were destroyed,” which stems at least as far back as the Appalachian Group to Save the Land and People. Montrie quotes AGSLP supporter Alice Slone, *To Save the Land and People*, 62.

⁴⁵⁷ Sara M. Gregg, *Managing the Mountains: Land Use Planning, The New Deal, and the Creation of a Federal Landscape in Appalachia* (New Haven: Yale University Press, 2010), 1.

none of my case studies continue to be isolated valley communities in the twenty-first century, one can imagine that some of the ethos of making a living in harsh mountain valleys remains inscribed in these places. In his study of Vermont town meetings, Bryan muses on a small theoretical literature connecting geography to democracy – specifically, the theory that the small egalitarian towns that develop in mountain valleys lend themselves to the practice of direct democracy. Bryan writes:

One finds no grandeur in [the small towns of] Vermont, no temptation to pretension. Valleys and hills, twisting ridges, dark gulches, and bright slopes create a mosaic of opportunity for little clusters of settlement. They also preclude big ones. Vermont topography offers no wide-open spaces where people can spread out. Nor does it feature vast watersheds that funnel commerce into great cities. Lacking too are mountain-grassland junctures where large batches of people are wont to gather. No seaports congregate the crowds of enterprise.⁴⁵⁸

But for the ski-country grandeur, this also describes Western Colorado. But for the river of coal flowing into big cities, likewise does it describe the development of Eastern Kentucky. At least for those who still position themselves apart from these extractive economies, mountain ethics seem to endure, manifesting in values compatible with the deliberative democratic ideal inherent in co-op principles.

Contemplating his campaign after the fact, South Kentucky RECC candidate Ray Tucker wrote: “As Wendell Berry said 20 years ago, we need a new political party that represents the people and the land.” He added, pointedly: “KFTC is that organization.”⁴⁵⁹ Many of the KFTC members discussed in this section readily acknowledge that their efforts would have been “impossible” without the support of Pennington and the KFTC network. Instead of having to do everything from scratch, they had an existing network of volunteers and, as basic as it seems, an office support staff for the mundane but necessary political mobilization tasks of making copies, compiling mailing lists, sending out information, etc. McElroy credits KFTC and the Sierra Club as her most powerful tool in fighting the bureaucratic obstacles that Shelby Energy had constructed to protect elections. “They did stalling tactics like this to [Taylor] last year,” McElroy explains, referencing the member who tried and failed to petition to be on the ballot before her, “and he told me, ‘Well, you

⁴⁵⁸ Bryan, *Real Democracy*, 109.

⁴⁵⁹ Ray Tucker, “Ray Tucker Reflects on his Run for Rural Electric Co-op Board,” KFTC Blog, 17 May 2013, <https://www.kftc.org/blog/ray-tucker-reflects-his-run-rural-electric-co-op-board>.

can forget it. It's rigged, and they won't let you win.' But he did not have the support that I have."⁴⁶⁰

There are two important lessons to learn from Kentucky about this kind of place-based democracy: first, their understanding that civic action is also political action; and, second, their active awareness that an engaged citizenry requires constant effort. They are quite explicitly working towards the ideal of deliberative democracy, where information is readily available to every citizen, debate is fostered, and action is encouraged. The New Power guidebook highlights a quote from a member illustrating their focus on civic education and deliberation, not specific issues, as a means to political change: "We want to make every KFTC member more informed about issues than the average bear. When we have thousands of informed, concerned folks talking to each other and impacting their communities, then elected officials will pay attention."⁴⁶¹

How do they do this? For one thing – and I write this with full respect for the different constraints that electric co-ops face – KFTC has none of the existential doubts of electric co-ops about being a multi-issue organization. Because KFTC focuses on a range of issues beside energy policy, it is able to keep momentum (because there is always conflict somewhere), to connect community members with different values, and to often make explicit linkages between environmental, economic, and equity agendas. Members describes the KFTC community as "a real stew;" because they work on so many different issues, from electric co-op democracy to tax reform to voting rights, the organization draws together people with a range of political and social views – "sort of like family," Wilkins muses, adding that he's "in favor of anybody who is going to fight for people's rights," despite whether their politics match his.

KFTC also focuses on the mechanics of social movements and enduring political engagement. Realizing that activism is not an automatic response for many Americans, not even (or perhaps especially, given media fatigue) in the face of information about gross injustice, KFTC explicitly teaches leadership and gives community members models for engagement (as opposed to simply trying to rally people around issues). For example, the New Power initiative holds leadership training events for co-op members and encourages

⁴⁶⁰ Sonka, "Grassroots energy."

⁴⁶¹ KFTC, *New Power Leader Handbook 2010-2011*, 3.

them to make change by the simple act of spreading the word among other members that electric co-ops are democracies and they have the right as members to be involved in energy policy. In this role, KFTC seems to be able to function uniquely as both a “tertiary association” (like the Sierra Club, etc.)⁴⁶² and as an activist group, and, more importantly, to encourage members to transition easily between the two cultural roles. Wilkins, based on his and others’ experiences with KFTC, says that the organization has become “good at seducing members to be more active, to find their voices”; they “tease out the activism of others.” He attributes this to the “skill of KFTC’s support staff.”

Finally, KFTC promotes a model for deliberation on a large scale. One of the main roles of “New Power Leaders” is to commit to connecting with five other co-op members and to disseminating information to these members as relevant. By creating a network for information sharing with a commitment to regular discussion of energy issues, KFTC hopes to reach 25,000 people over five years. Because there is a formal organization at the center of this network, this information sharing importantly occurs within a structure that allows co-op members to channel ideas and problems back to KFTC, and hopefully, back to their co-ops as well. This model of New Power Leaders who are in regular contact with five members proposes a model for deliberative democracy on a large scale that occurs through a sort of winnowing of responsibility within a citizen hierarchy set by interest. Eventually, a wide community is reached, even if only for a few minutes every now and then.

Despite KFTC’s enduring efforts and despite their ability to reach a diverse civic audience on other issues, unfortunately, the co-op members that have been pulled into redemocratization movements in Kentucky thus far fit a very specific demographic: essentially, retired professionals. In addition to the time needed to get involved in technical issues, energy policy is enough of a hot issue in Kentucky politics that working members sympathetic to the New Power Campaign do not always want to be associated with it in public, in protection of their own careers.⁴⁶³ It is possible that KFTC is facing a class divide, too, of the kind that heavily marks co-op politics in Holy Cross Energy: the surest way to get people interested in electric co-ops right now seems to be through climate change advocacy, and climate change policy advocates are not as diverse or inclusive a group as

⁴⁶² Putnam, *Bowling Alone*, 52.

⁴⁶³ At the New Power Leadership workshop, one attendee sat out of group pictures for this reason.

many - political ecologists, certainly – would hope. Pennington, for one, has noticed this uniformity among New Power leaders and is actively trying to figure out how to foster real diversity within the electric co-op movement.