

**Board of Directors' Written Determination  
With Respect to PURPA Standards**

**I. Overview**

This document constitutes the written, public determination of Okefenoke Rural Electric Membership Corporation ("OREMC" or "Okefenoke REMC") with respect to the four (4) the new standards that Okefenoke REMC was required to consider pursuant to the Energy Independence and Security Act of 2007 (the "EISA") which amended the Public Utility Regulatory Policies Act of 1978 ("PURPA"). These standards, which shall be referred to in this document as "The EISA Standards," are as follows: **(1) Integrated Resource Planning** (16 U.S.C. § 2621(d)(16)), **(2) Rate Design Modifications to Promote Energy Efficiency Investments** (16 U.S.C. § 2621(d)(17)), **(3) Consideration of Smart Grid Investments** (16 U.S.C. § 2621(d)(18) and **(4) Smart Grid Information** (16 U.S.C. § 2621(d)(19)). This document is adopted pursuant to Rule 15 of Okefenoke REMC's PURPA Rules and 16 U.S.C.A. § 2621(b).

**II. Background**

The Board began consideration of each of the EISA Standards on November 25, 2008. Subsequently, the Board directed Okefenoke REMC's staff to review each of the EISA Standards, confer with expert consultants as appropriate, and to develop testimony relating to each of the EISA Standards for the purposes of guiding and informing the Board's consideration of, and ultimate determination with respect to, each EISA Standard. Okefenoke REMC scheduled and held a public hearing on July 1, 2009 (the "Hearing").

To solicit and encourage participation in the Hearing, public notice was provided by each of the following means:

1. Letter notice to the Secretary of Energy was sent on March 30, 2009.
2. Web site posting beginning on March 25, 2009, at the Okefenoke REMC Web site.
4. Notice posted at the Okefenoke REMC headquarters and all district offices beginning on March 25, 2009.
5. Board resolution adopting the PURPA Manual and record date for notice of the Hearing was approved on November 25, 2008.
6. Notices were mailed to all members on March 25, 2009.

The Board has now completed its consideration of whether the adoption of each of the EISA Standards will serve the three purposes of PURPA,<sup>1</sup> in reliance upon the facts, opinions, conclusions and other information derived from a careful review of the official transcript of the Hearing, and after giving due and thoughtful consideration to applicable federal and state laws, the unique circumstances of non-profit, member-owned cooperatives in general, and to the specific circumstances of Okefenoke REMC in particular.

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<sup>1</sup> The three purposes of PURPA are: (i) to encourage the conservation of energy; (ii) to optimize the efficient use of energy facilities and resources; and (iii) to encourage equitable consumer rates. 16 U.S.C.A. § 2611.

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**III. Findings**

Based upon the foregoing, the Board has resolved and makes the determinations set forth below:

**A. The Integrated Resource Planning (The IRP Standard)**

**1. Overview**

The Integrated Resource Planning ("IRP") Standard provides as follows:

Each electric utility shall:

- i. Integrate energy efficiency resources into utility, state, and regional plans, and
- ii. Adopt policies establishing cost-effective energy efficiency as a priority resource.

16 U.S.C.A. § 2621(d)(16).

**2. Consideration**

The Board believes that the record of the Hearing indicates that Okefenoke REMC's current long-term power supply agreements and operational programs such as load forecasting and demand side management (DSM), efficiency programs and resource planning programs already implement the Integrated Resource Standard and promote the purposes of PURPA: the conservation of energy and in most cases enhance the efficient use of Okefenoke REMC's facilities and resources. Okefenoke REMC's load forecasts reflect the cooperative's energy efficiency and DSM programs. Moreover, it is Okefenoke REMC's practice to periodically evaluate its energy efficiency and DSM programs to consider further improvements that the cooperative could integrate with its power supply efforts. Okefenoke REMC's planning process already provides for updated evaluations and implementation of cost-effective energy efficiency and DSM programs. This planning approach places a priority on adoption and integration of cost-effective energy efficient resources. The Board recognizes that typically, IRPs are not usually required of independent distribution utilities such as Okefenoke REMC.

**3. Determination**

The Board finds that Okefenoke REMC currently meets the IRP Standard to the extent it is able to do so as an electric distribution utility, because Okefenoke REMC already integrates and evaluates energy efficiency resources into its Integrated Resource Planning process and has already implemented policies establishing cost-effective energy efficiency as a priority resource, including the consumer education and efficiency programs. The Board will periodically consider the direction of

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these programs and, at this time, directs that Okefenoke REMC continue the programs that are currently in use. In particular, Okefenoke REMC staff should continue to evaluate its programs' furtherance of cost-effective energy efficiency resources. The Board finds that, because these current programs are compliant with the IRP Standard, it is not necessary for Okefenoke REMC to formally adopt the IRP Standard as set forth in EISA. The Board further directs that, when existing or new programs to promote energy efficiency are presented, Okefenoke REMC's staff evaluate, for the Board's ultimate consideration, whether such programs can be offered pursuant to equitable rates and in a cost-effective, resource-efficient manner.

**B. Rate Design Modifications to Promote Energy Efficiency Investments (The Rate Design Standard)**

**1. Overview**

The Rate Design Standard provides as follows:

**A. IN GENERAL**

The rates allowed to be charged by any electric utility shall:

- i. Align utility incentives with the delivery of cost-effective energy efficiency, and
- ii. Promote energy efficiency investments.

**B. POLICY OPTIONS**

In complying with subparagraph (A), each state regulatory authority and each nonregulated utility shall consider:

- i. Removing the throughput incentive and other regulatory and management disincentives to energy efficiency;
- ii. Providing utility incentives for the successful management of energy efficiency programs;
- iii. Including the impact on adoption of energy efficiency as one of the goals of retail rate design, recognizing that energy efficiency must be balanced with other objectives;
- iv. Adopting rate designs that encourage energy efficiency for each customer class;
- v. Allowing timely recovery of energy efficiency-related costs, and
- vi. Offering home energy audits, offering demand response programs, publicizing the financial and environmental benefits associated with making home energy efficiency improvements, and educating homeowners about all existing Federal and

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State incentives, including the availability of low-cost loans,  
that make energy efficiency improvements more affordable.

16 U.S.C.A. § 2621(d)(17).

**2. Consideration**

The Board recognizes that Okefenoke REMC already incorporates each of the six (6) policy options into its retail rate designs and programs to the extent it is economical and otherwise appropriate for members.

*Policy Option 1: Removing the throughput incentive and other regulatory and management disincentives to energy efficiency.*

The Board believes that, because Okefenoke REMC is a non-profit cooperative owned by its consumers, there are not the same disincentives against energy efficiency as there may be for a regulated investor-owned utility. As the Hearing testimony indicates, as a member-owned cooperative, there is not a "management disincentive" creating a bias against energy efficiency, as there might be in a for-profit, investor-owned utility where profit is generally the motivating factor. The objective of the cooperative is to provide safe and reliable electric service at the lowest cost consistent within sound business practice. Indeed, Okefenoke REMC's management has an incentive to invest in energy efficiency technologies and programs wherever they may be cost-effective.

Furthermore, because Okefenoke REMC's retail rates are not regulated by the Georgia Public Service Commission (PSC), but are established instead by a Board of Directors elected from, and by, its consumers/members, Okefenoke REMC does not have a "regulatory disincentive" to energy efficiency. Additionally, any "throughput incentive" that might exist in rate design (which allows the utility to recover additional fixed costs as consumption increases) should not have a significant impact (positive or negative) on investment by the cooperative in energy efficiency. Instead, any potential investment in efficiency would be evaluated on its stand-alone ability to provide benefits to the membership. Okefenoke REMC already periodically performs cost of service analyses to examine costs and evaluate the appropriateness of the retail rate design to recover those costs. The Hearing testimony demonstrates that although Okefenoke REMC's rates and fixed cost charges are not completely aligned, the cooperative has been gradually increasing and adjusting the fixed cost charges for residential customers to adequately cover the Cooperative's fixed costs. Okefenoke REMC is committed to continuing to evaluate and adjust rates to more fully align costs with rates, and advance cost-effective energy conservation. By incorporating the recovery of fixed and variable costs in the rate design in ways that reduce the adverse impact of reduced margins resulting from lower energy sales, Okefenoke REMC is advancing the purposes of

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PURPA, while continuing to comply with its legal obligations as a public utility.

*Policy Option 2: Providing utility incentives for the successful management of energy efficiency programs.*

As the Hearing transcript demonstrates, Okefenoke REMC has thus far not found it cost-effective to implement energy efficiency programs which offer incentives because of the relatively low cost of Okefenoke REMC's power supply in comparison to the cost of implementing such incentives. Indeed, the only conservation programs with demonstrable cost-benefits are those related to direct load control, which impact the highest of the peak hours in the summer months. Okefenoke REMC periodically reviews and evaluates potential energy efficiency programs in order to determine if offering such programs would be beneficial to the membership and cost-effective.

*Policy Options 3 and 4: Including the impact on adoption of energy efficiency as one of the goals of retail rate design, recognizing that energy efficiency must be balanced with other objectives. Adopting rate designs that encourage energy efficiency for each customer class.*

Hearing testimony indicates that although energy efficiency has not been an explicit goal of Okefenoke REMC's rate design in the past, the cooperative's rate designs have increasingly become more friendly to energy efficiency over time for all customer classes. For example, Okefenoke REMC has gradually increased the amount of fixed costs included in the customer charge component, as discussed above under Policy Option 1, for the residential and commercial rates. Also, another rate design feature which promotes energy conservation is use of the inclining block rate structure for residential customers whereby retail prices increase for usage above a base level of 1,000 kWh per month during peak demand months. The effect of the inclining block is to encourage reduced usage for months where energy usage is generally highest and system peaks occur. Residential rates remain on a flat rate structure during winter months. Okefenoke REMC monitors the use of this structure and is prepared to change such structure based on such evaluation and needs of the membership. For commercial customers, rates incorporate declining blocks whereby customers are provided an incentive to use electricity efficiently all the time to maximize usage relative to their required demand. Okefenoke REMC continues to monitor its rate designs and is willing to incorporate more energy efficiency elements to its rate designs. For example, Okefenoke REMC is planning to evaluate increasing the amount of fixed costs included in the customer charge component and increasing the differential of the energy blocks for the residential inclining block structure. The Board finds that these retail rates and the ongoing consideration of additional energy efficiency rate designs demonstrate that Okefenoke REMC's rate design balances the objective of promoting energy efficiency with other appropriate objectives.

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Furthermore, Hearing testimony indicates that retail rates which incorporate methods to encourage energy efficiency are available for all customer classes. As mentioned, residential rate schedules already incorporate seasonal and inverted energy block designs, which encourage efficiency and conservation through increased charges per kilowatt-hour above a set consumption threshold. Okefenoke REMC has increased the amount of fixed costs included in base customer charge for both residential and commercial customer classes. The Board finds that these retail rates and ongoing consideration of implementation of new energy efficiency elements demonstrate that Okefenoke REMC's rate design encourages energy efficiency in each customer class.

*Policy Option 5: Allowing timely recovery of energy efficiency related costs.*

This policy option is aimed primarily at state commissions regulating investor-owned utilities and allow such utilities to earn a regulated rate of return on assets in order to provide a return on investment for investors. However, as described previously, Okefenoke REMC is a non-profit cooperative owned by its members/ consumers. Okefenoke REMC has no separate class of investor-owners, and the Board of Directors is elected by the members/ consumers. Therefore, the cooperative's cost recovery schedules are determined by the Board elected by the members/ consumers in accordance with the requirements of the cooperative's credit facilities, applicable law, accounting principles and contractual requirements. In essence, all of the cooperative's costs must be recovered from its members in a timely manner, including investments and programs associated with energy efficiency, in order for Okefenoke REMC to provide maximum value to its members. Also, as previously mentioned, Okefenoke REMC already periodically performs cost of service analyses to examine costs and evaluate the appropriateness of the retail rate design to recover those costs. The retail rates are designed to recover fixed and variable costs in ways that reduce the adverse impact of reduced margins resulting from lower energy sales, to the greatest extent practical and in compliance with Okefenoke REMC's obligations as a public utility.

*Policy Option 6: Offering home energy audit and demand response programs, publicizing the financial and environmental benefits associated with making home energy efficiency improvements, and educating homeowners about all existing federal and state incentives, including the availability of low-cost loans, that make energy efficiency improvements more affordable.*

Okefenoke REMC emphasizes member education about how to use energy efficiently. The Hearing testimony demonstrates that Okefenoke REMC has a number of active marketing, education and demand side management programs designed to promote energy efficiency efforts and make energy efficiency improvements more affordable, including, but not limited to, the following:

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- a. Home Energy Audits upon request to members at no charge.
- b. Web site link to a "Stretch Your Energy Dollars" page that outlines common elements of energy audits.
- c. Energy Efficiency Tip of the Month postings on Okefenoke REMC's web site, informing members of new ways to use energy more wisely.
- d. Newsletter with energy efficiency articles, tips, and suggestions on ways for members to use energy more wisely.
- e. Educational presentations by member service representatives at local schools and public events on the wise and safe use of electricity.

**3. Determination**

For the foregoing reasons, the Board finds that Okefenoke REMC's current retail rate design methodology serves the three (3) purposes of PURPA, and the Board directs that Okefenoke REMC continue utilizing such factors in designing retail rates where appropriate. The Board also finds that Okefenoke REMC has considered all six of the policy options pursuant to the Rate Design Standard and has adopted those that are appropriate for the members/consumers of Okefenoke REMC. The Board further finds that because its current rates are compliant with the Rate Design Standard, and because of its unique structure as a member-owned, member-governed cooperative, it is not necessary for Okefenoke REMC to modify its current retail rates, or to formally adopt the Rate Design Standard as set forth in EISA.

**C. Consideration of Smart Grid Investments.**

**1. Overview**

The Consideration of *Smart Grid Investments* Standard provides as follows:

**A. IN GENERAL**

Each State shall consider requiring that, prior to undertaking investments in non-advanced grid technologies, an electric utility of the State demonstrate to the State that the electric utility considered an investment in a qualified smart grid system based on appropriate factors, including:

- i. Total Costs;
- ii. Cost-effectiveness;
- iii. Improved reliability;
- iv. Security;
- v. System performance; and

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vi. Societal benefit.

**B. RATE RECOVERY**

Each State shall consider authorizing each electric utility of the State to recover from ratepayers any capital, operating expenditure, or other costs of the electric utility relating to the deployment of a qualified smart grid system, including a reasonable rate of return on the capital expenditures of the electric utility for the deployment of the qualified smart grid system.

**C. OBSOLETE EQUIPMENT**

Each State shall consider authorizing any electric utility or other party of the State to deploy a qualified smart grid system to recover in a timely manner the remaining book-value costs of any equipment rendered obsolete by the deployment of the qualified smart grid system, based on the remaining depreciable life of the obsolete equipment.

16 U.S.C. § 2621(d)(18)

**2. Consideration**

Although the wording of the Smart Grid Investments standard directs each "State," rather than each utility, to consider this standard, Okefenoke REMC has decided to consider subsection (A) during the current PURPA review. With respect to subsections (B) and (C) to be made by the States, these considerations are not applicable as drafted given the cooperative's organizational structure and lack of a profit motivation and investors. As noted in the Hearing testimony, ultimately, Okefenoke REMC's members, as the consumers and owners are the only source of money to fund new investments (and pay for stranded investments). Thus, decisions on implementation of smart grid technologies are, and must be made based on the overall interests of and benefits to the membership. As stated in the Hearing testimony, it is noteworthy that the legislation cannot be implemented as written by a cooperative such as Okefenoke REMC given it is unregulated and does not have investor return concerns.

Okefenoke REMC is in favor of employing smart grid technologies wherever it is cost-effective. In fact, the cooperative has already made extensive investments in smart grid technologies. Okefenoke REMC's past and continuing practice in making investments is to evaluate all technologies, including smart grid technologies, prior to making such investments. Although this practice does not guarantee implementation of a smart grid technology in every case, the cooperative will choose smart grid technologies when the investments are appropriate, cost-effective and beneficial to the membership. For example, Okefenoke REMC recently deployed a Two-Way Automatic Communications System (TWACS) Automatic Meter Reading (AMR) system throughout the service territory. Presently, all residential meters have been installed, and all commercial meters are planned to be installed by the end of 2009. This TWACS AMR system is a type of smart grid technology that enhances

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and enables real-time communication, timely billing, load control, demand response and outage detection and assessment, among other features. These capabilities will provide improved system reliability, security, system performance and societal benefit by allowing quicker detection and repair of outages, fault location and improved anti-theft security measures.

**3. Determination**

For the foregoing reasons, the Board finds that Okefenoke REMC's current TWACS AMR system already serves the three (3) purposes of PURPA consistent with the Smart Grid Investment Standard subsection (16)(A) as it may apply to Okefenoke REMC. The Board also finds that the cooperative's current AMR system and methods of considering new investments are already consistent with the with the Smart Grid Investments Standard subsection (18)(A), therefore it is not necessary for Okefenoke REMC to formally adopt the Smart Grid Investment Standard as set forth in EISA. Further, the Board agrees with the Hearing testimony that Okefenoke REMC cannot reasonably implement fully this Standard as written, and subsections (18)(B) and (C) are entirely inapplicable due to the cooperative's organizational structure. Although the Board is not formally adopting the Smart Grid Investment Standard, the Board further directs that Okefenoke REMC continue to evaluate smart grid investments based on appropriate factors, including the PURPA factors listed above in subsection (16)(A), in particular the cost effectiveness and cost factors, and to deploy such investments if and when Okefenoke REMC determines that the member-consumers will receive sufficient value therefrom.

**D. Smart Grid Information (The Smart Grid Information Standard)**

**1. Overview**

The Smart Grid Information Standard provides as follows:

A. STANDARD: All electricity purchasers shall be provided direct access, in written or electronic machine-readable form as appropriate, to information from their electricity provider as provided in subparagraph (B).

B. INFORMATION: Information provided under this section, to the extent practicable, shall include:

i. *Prices*

Purchasers and other interested persons shall be provided with information on:

- I. Time-based electricity prices in the wholesale electricity market, and

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II. Time-based electricity retail prices or rates that are available to the purchasers.

ii. *Usage*

Purchasers shall be provided with the number of electricity units, expressed in kWh, purchased by them.

iii. *Intervals and Projections*

Updates of information on prices and usage shall be offered on not less than a daily basis, shall include hourly price and use information, where available, and shall include a day-ahead projection of such price information to the extent available.

iv. *Sources*

Purchasers and other interested persons shall be provided annually with written information on the sources of the power provided by the utility, to the extent it can be determined, by type of generation, including greenhouse gas emissions associated with each type of generation, for intervals during which such information is available on a cost-effective basis.

C. ACCESS: Purchasers shall be able to access their own information at any time through the Internet and on other means of communication elected by that utility for Smart Grid applications. Other interested persons shall be able to access information not specific to any purchaser through the Internet. Information specific to any purchaser shall be provided solely to that purchaser.

16 U.S.C.A. § 2621(d)(19).

**2. Consideration**

Hearing testimony indicates that with the exception of usage information for residential customers, most of the information required to be made available to consumers and others under the Smart Grid Information Standard is simply not currently available, because the information is either not yet feasible given the technology in place or under the existing power supply agreements and market structure.

With regard to the time-based pricing information at *wholesale*, Okefenoke REMC's current long-term wholesale power supply contracts prohibit the disclosure of the price of purchased energy, including time-based prices. Regarding the provision of time-based pricing at *retail*, such time-based retail pricing information on a day-ahead or daily basis is neither available under current retail rates nor feasible under the wholesale power cost structure (as no day-ahead wholesale market even exists). Unlike other regions of the country, the Southeast regional market structure does not provide day-ahead hourly pricing signals.

Regarding *customer usage* information, Okefenoke REMC currently provides usage information in kilowatt-hours to all customers for each

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billing period on their billing statements. For comparison purposes, Okefenoke REMC also provides comparison information regarding the previous billing period and for the previous twelve months. The Smart Grid Information Standard encourages such information to be provided "on not less than a daily basis," and the cooperative's recent deployment of TWACS meters enables the cooperative to provide usage information on a daily basis to residential customers via the Internet. The Okefenoke REMC web site also links members to historical usage data for the previous two years through the Internal Data Retrieval System (IDRS). When practicable, Okefenoke REMC plans to provide additional usage information to members in the future based on the cooperative's analysis of costs and benefits to the membership.

With regard to providing information on *sources* of power, the Hearing testimony indicates that it is impracticable for Okefenoke REMC to provide such information. Under Okefenoke REMC's current wholesale power contracts, often the supplier has discretion to provide power from a variety of generating resources (which may not be identified to Okefenoke REMC) or from other power purchases in which specific generation resources may not even be identified to Okefenoke REMC's supplier. Therefore, Okefenoke REMC generally does not fully know the specific generating assets and cannot reasonably provide such information to members, let alone the actual portion of generation from specific generating assets attributable to Okefenoke REMC.

### **3. Determination**

Okefenoke REMC is not yet capable of providing most of the information specified in the Smart Grid Information Standard. Consequently, the Board finds that it should not, and hereby specifically does not, adopt the Smart Grid Information Standard. Moreover, the Board notes that according to the Hearing testimony, it is not clear that implementing this Standard would meet the three goals of PURPA, in particular because it has not yet been determined that providing the information specified in this Standard would directly cause a decrease in member consumption, increased operation of facilities or equitable rates. With respect to the *wholesale* information, Okefenoke REMC is unable to implement the Standard without violating the cooperative's wholesale power supply agreements. Okefenoke REMC is also unable, from a practical standpoint, to provide the *retail* pricing information contemplated by the Standard because the cooperative does not currently offer real-time rate options and there is no regional market providing day-ahead pricing signals. The Board finds that Okefenoke REMC already provides much of the *customer usage* information contemplated by the Standard to many members and that the cooperative plans to extend the usage functionality to other member groups when it becomes technically feasible and cost-effective. Additionally, the Board finds that providing customers with information on the *sources of power* as contemplated by the Standard is impracticable because Okefenoke REMC often does not know or cannot provide such information because the specific sources of

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generation and the amount of generation from these sources actually provided to Okefenoke REMC is not known to the cooperative.

**IV. Conclusion and Certification**

This Board, having considered the testimony presented at the Hearing, the purposes of PURPA, and both federal and state laws, hereby adopts this document by unanimous vote of the Board on October 27, 2009.

**Okefenoke Rural Electric Membership Corporation**

By: \_\_\_\_\_

Robert W. Combs, President

Attest: \_\_\_\_\_

M. Anthony Ham, Secretary/Treasurer

[CORPORATE SEAL]

**OKEFENOKE RURAL ELECTRIC MEMBERSHIP CORPORATION**

**PURPA DETERMINATION**

**RESOLUTION**

**WHEREAS**, in 2007, the United States Congress approved and the President of the United States signed into law the Energy Independence and Security Act of 2007 (the “Act”); and

**WHEREAS**, the Act contained several amendments to the Public Utility Regulatory Policies Act of 1978 (“PURPA”); and

**WHEREAS**, PURPA, as amended by the Act, requires certain covered electric utilities, including electric cooperatives whose rates are not subject to regulation by a state regulatory authority, to consider and determine whether they will implement four (4) new standards relating to energy policy and rate structures (the “new PURPA standards”); and

**WHEREAS**, PURPA, as amended by the Act, requires covered electric utilities to hold a public hearing for the consideration of the standards; and

**WHEREAS**, PURPA, as amended by the Act, requires that consideration and determination be made after public notice and hearing; and

**WHEREAS**, Okefenoke Rural Electric Membership Corporation (“Okefenoke REMC”) meets the covered utility threshold of PURPA, and Okefenoke REMC’s Board of Directors (the “Board”) approved a process consistent with the Act to provide notice to Okefenoke REMC’s members and others and to hold a public hearing; and

**WHEREAS**, Okefenoke REMC’s public hearing was held on July 1, 2009 (the “PURPA Hearing”) pursuant to prior public notice; and

**WHEREAS**, the transcript of the PURPA Hearing is now closed (the “Transcript”); and

**WHEREAS**, the staff of Okefenoke REMC has provided a copy of the Transcript to the Board and the Board has completed its review and consideration of whether the adoption of each of the new PURPA standards will serve the three (3) purposes of PURPA<sup>1</sup>, in reliance upon the facts, opinions, conclusions and other information derived from this careful review of the Transcript; and

**WHEREAS**, after giving due and thoughtful consideration to applicable federal law, state law, the unique circumstances of non-profit, member-owned cooperatives in general,

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<sup>1</sup> The three purposes of PURPA are: (i) to encourage the conservation of energy; (ii) to optimize the efficient use of energy facilities and resources; and (iii) to encourage equitable consumer rates. 16 U.S.C.A. § 2611.

and to the specific circumstances of Okefenoke REMC in particular, the Board does herein state its finding as they relate to the consideration of the new PURPA standards.

**NOW THEREFORE, BE IT RESOLVED**, that the Board does hereby adopt the document titled "Board of Directors' Written Determination With Respect To PURPA Standards" (the "Determination") as the written, public determination of Okefenoke Rural Electric Membership Corporation with respect to each of four (4) standards that Okefenoke REMC was required to consider pursuant to the Energy Independence and Security Act of 2007 (the "EISA") which amended the Public Utility Regulatory Policies Act of 1978 ("PURPA"); and

**BE IT FURTHER RESOLVED**, that the Determination shall be, and it hereby is, adopted pursuant to Rule 15 of Okefenoke REMC's PURPA Rules and pursuant to 16 U.S.C.A. § 2621(b).

This Resolution is adopted this the 27<sup>th</sup> day of October, 2009.

#### CERTIFICATION

I, Tony Ham, Secretary of Okefenoke Rural Electric Membership Corporation, do hereby certify that the above is a true and correct excerpt from the minutes of the meeting of the Board of Directors of the Okefenoke Rural Electric Membership Corporation of Nahunta, Georgia, held on the 27<sup>th</sup> day of October, 2009, at which meeting a quorum was present.

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M. Anthony Ham, Secretary/Treasurer

(SEAL)