



2019 Annual Election Update

Sylvia Romero | Governance Manager

Election Update

- 2018 Election Summary
- Election Administration
- Member Engagement
- Facilitated Candidate Collateral
- Methods for Voting
- Voting Incentives Program
- Election Services Provider
- Election Timeline

2018 Election Summary

2018 Voter Turnout Goal: 10% (+1.26%)

12,460 Votes Cast
11.26% Turnout
(7,355 – Mail
4,991 – Web
114 - Onsite)

Drive Participation With Early
Voting Incentives & Various
Communication Vehicles

96.5% Online Voting
Satisfaction
(vs 96.2%, 2017)

Mail
Online
In-Person
SmartHub
PEC Offices (iPads)

Open Democratic Election
Resulted in Incumbents &
Non-Incumbent Candidates

	2014	2015	2016	2017**	2018
Total Members	219,571	226,880	235,393	71,095	110,674
Participation	17,813	23,404	26,664	6,201	12,460
Turnout	8.11%	10.32%	11.33%	8.72%	11.26%
Petitioners	6	11	5	6	7



****Note:** Beginning 2017 Voting Methodology is Single Member Districts. All Prior Years were Under At-Large Voting Methodology.



Member Satisfaction – Online Voting (96.5% Satisfied)

Cumulative Breakdown:

(Less "No Comment")

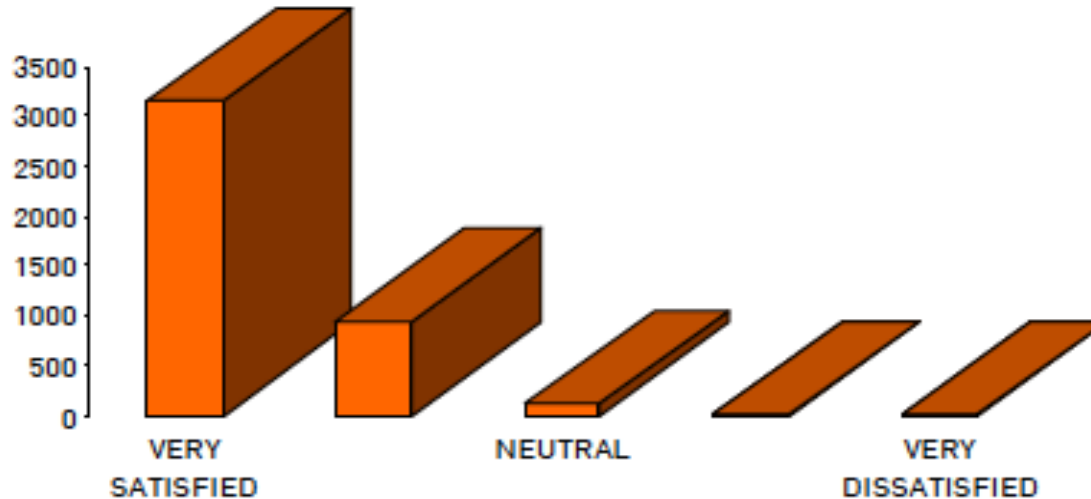
Very Satisfied or Satisfied

Count Percent

4,098 96.5%

Dissatisfied or Very Dissatisfied

28 0.7%



Note: 11 very dissatisfied comments (data privacy, high rates, power of change should not be on ballot, more communication on single sign on of SmartHub, and lack of front line employee training).

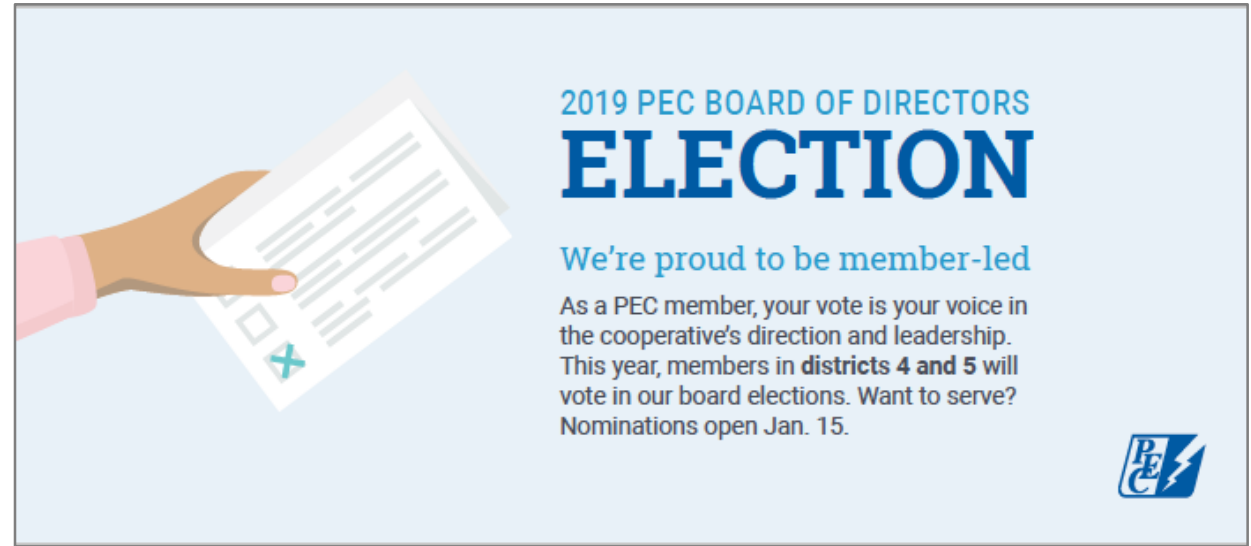


- Election Administered by Outside Services Provider, Survey & Ballot Systems
- Executive Sponsor, Election Counsel
- Election Process/Cycle Managed by Governance Manager
- Election Support – Board Reporting Secretary and Governance Team

Election Administration

Member Engagement – Invite, Engage, Announce

- ✓ Election Guidelines Posted to PEC Website
- ✓ Candidate Forum & Candidate Orientation
- ✓ PEC Corporate Statistics
- ✓ Emails During Election
- ✓ Board Candidate Bios & Videos Posted to PEC Website
- ✓ Members Receive Hardcopy of Ballot & Biography Booklet
- ✓ Board Candidate Questionnaire Posted to PEC Website
- ✓ Early Voting Incentives Program
- ✓ Tablet Devices for Voting at PEC Offices
- ✓ SmartHub Online Voting Application (Single Sign-on)
- ✓ Social Media Posts



Election Services Provider

- Oversees Voting Process
- Provides Online Voting
- Links to Bios, Videos, & Voting
- Phone & Internet Support
- Email Voting Reminders
- Online Satisfaction Survey
- Certified Election Results

Facilitated Candidate Collateral

- ✓ Candidate Biography
- ✓ Candidate Forum Video
- ✓ Candidate Questionnaire
- ✓ Direct Link to Electronic Ballot
- ✓ Direct Link to Conflict of Interest Form
- ✓ Direct Link to Code of Conduct Affirmation



Pedernales Electric Cooperative, Inc. 2018 Board of Director Election Ballot

To cast a vote:

- Check the box next to your selection.
- To change your vote, click the box again and the mark will be removed.
- To review candidate information, click the "View Bio" button next to each candidate.
- To review your selections, click the "Go to Ballot Confirmation" button.
- You may save your ballot and return later by clicking the "Logout" link.

Members option to voluntarily participate in 'PEC Power of Change' (bill round up)

Please check the box if you wish to participate:

- ☐ Yes, I want to enroll in PEC Power of Change and round up my electric bills for all accounts to the nearest whole dollar to support local non-profit organizations and the educational support program. Participation is voluntary, and I can withdraw at any time. Learn more at <http://www.pec.coop/power-of-change>.

Candidates for Director District 6

Select 1 from below.

- ☐ Paul Graf [View Bio](#)
- ☐ Andrew W. Cable [View Bio](#)

[Go to Ballot Confirmation](#)

[Contact](#) technical assistance.



Candidates for Director District 6

Your Voting Status:

Select 0 to 1 from below.

Selected: 0

[Previous Bio](#) [Next Bio](#) [Return To Ballot](#)

Vote For: Paul Graf



Paul Graf
District 6 Director

[View Candidate Questionnaire](#)

[View Conflict of Interest Form](#)

[View Code of Conduct Affirmation](#)



Paul Graf is the current Board Vice-President and District 6 Director for Pedernales Electric Cooperative (PEC). He was elected to the Board in 2015 and immediately elected Secretary/Treasurer by his Board peers. He has served as Vice-President since early 2017 and currently chairs the PEC Audit Committee. Graf has remained consistently focused on achieving lower rates and improving reliability for Co-op members and seeks your vote to continue working on your behalf.

Graf ran for the Board three years ago believing the PEC rates were too high. Over the course of his first term, he and the Board and staff worked together to reduce rates over 15% while coincidentally improving on already strong reliability at the fastest growing distribution cooperative in the United States.

"I will continue to work to keep pressure on rates and further reduce outage times for improved service to our member-owners. I take my fiduciary responsibility very seriously. The funds collected in the rates belong to our members and will be conserved, and ultimately returned to you in the form of lowcost, safe, reliable energy, and capital credits. I am committed to helping PEC provide the new services needed for the fast-growing economy of central Texas."

FISCAL RESPONSIBILITY

Since Graf joined the Board in 2015, the PEC Board has:

- **REDUCED** member bills by approximately 15%, bringing PEC rates well below state average.
- **REDUCED** member outage times by about 15%.
- **RETURNED** \$25 million in Capital Credits to members since 2015.
- **REFUNDED** \$8 million in extra annual revenue in 2015 and 2016 directly to members. These refunds came in the form of the Revenue Adjustment Factor (RAF) credit seen on member bills in December 2015 and 2016.
- **SAVED** nearly \$5 million in annual operating costs through the implementation of a leaner, more co-op specific enterprise software system.

COOPERATION WITH OUR COMMUNITIES

Paul Graf has fostered better working relationships between PEC and local government and community development entities. As a result, Graf is endorsed by many community leaders and elected officials in District 6, including:

- Comal County Sheriff Mark Reynolds
- Comal County Commissioner Donna Eccleston
- Comal County Commissioner Scott Haag
- Comal County Commissioner Jen Crownover
- Mayor of Bulverde Bill Krawietz
- Bulverde City Council Member Yvonne Chapman
- Mayor of Spring Branch James Mayer
- Spring Branch City Council Member Brad Hockman

[Logout](#)

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PEC Sample Ballot & Bio Booklet



Pedernales Electric Cooperative, Inc. 2018 Board of Director Election Ballot

At PEC, your voice matters. For 80 years, we've been owned and governed by our members. Your vote in the annual board election is your chance to actively participate in your cooperative.

PEC voting is now closer to home

In years past, our elections have used an at-large voting system, meaning members could vote for directors in any geographic district, but in August 2016, the board voted to transition to single-district voting. Members may now vote only for directors who represent their geographic district. Your ballot indicates your district and candidates.

Please review the voting instructions below, and learn more about the 2018 election at pec.coop/election.

PLEASE DETACH BEFORE RETURNING BALLOT

DETACH HERE

Voting Instructions

You must cast your ballot online or by mail before June 15, 2018. You may also vote in person before the PEC Annual Meeting.

Voting online

Go to directvote.net/pec to access the login page of the 2018 PEC election.

- The election ID and election password you will use to log in are on this paper ballot.
- Online voting begins May 24, 2018, and ends June 15, 2018, at 11:59 p.m. CDT.

Voting by mail

- Mark your selections by completely filling in the circle below next to your choice (example ●) with a No. 2 pencil or blue or black pen.
- Detach ballot and place in the enclosed postage-paid return envelope. Mail to PEC Election, C/O Survey & Ballot Systems, P.O. Box 46430, Eden Prairie, MN 55344-9876.
- **DO NOT MAIL YOUR BALLOT TO PEC.**

Voting at a PEC Office

- You may vote in person at PEC's headquarters or its Kyle, Canyon Lakes, Marble Falls, Junction and Liberty Hill offices.
- iPads and voting booths will be available in each office for your convenience.
- **THIS COUNTS AS AN ONLINE VOTE AND MUST BE CAST BY JUNE 15, 2018.**

Voting online via SmartHub

- Log in to SmartHub and follow the online voting instructions.

Voting in-person before the PEC Annual Meeting

- The PEC Annual Meeting will be held Saturday, June 23, 2018, at Smithson Valley High School in Spring Branch, Texas. Registration begins at 9 a.m., and the business meeting starts at 10:30 a.m. Voting will be open from 9 a.m. to 10:30 a.m. If you have voted online or by mail, you cannot vote in person.
- **DO NOT BRING MAIL BALLOTS TO THE ANNUAL MEETING.**

If you need a replacement ballot or have any problems voting online, please call toll free 866-909-3549, Mon. through Fri., 8 a.m. to 5 p.m. CDT, or email support@directvote.net.

DO NOT CUT

- Use black or blue ink or No. 2 pencil only.

Marking Instructions

- Fill circles completely.
- Erase changes cleanly.
- Make no stray marks on this form.

Correct Mark



DO NOT CUT

- Incorrect Mark



Option to voluntarily participate in the PEC Power of Change program

Please mark the circle if you wish to participate:



Yes, I want to enroll in PEC Power of Change and round up my electric bills for all accounts to the nearest whole dollar to support local nonprofit organizations and the educational support program. Participation is voluntary, and I can withdraw at any time. Learn more at pec.coop/power-of-change.

Candidates for Director District 6

Vote for only one (1) candidate:



Paul Graf



Andrew W. Cable

DirectVotePlus®

Director District 6

PAUL GRAF

PEC Board Vice-President
Incumbent District 6 Director



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- Bulverde City Council Member Yvonne Chapman
- Mayor of Spring Branch James Mayer
- Spring Branch City Council Member Brad Hookman



Methods for Voting & Early Incentives Program



SmartHub
Via Online
(Single Sign-On)



Online & By
Email



By Mail



Online in
Eligible Offices
*Districts 4 & 5**



In-Person
at Annual
Meeting

VOTE EARLY TO BE ENTERED INTO A DRAWING (BILL CREDITS)

- 2 - \$500 prizes, 1st week of voting
- 2 - \$275 prizes, 2nd week of voting
- 23 - \$150 prizes, announced at Annual Meeting

To Learn More About PEC Elections Visit

pec.coop/election

* Headquarters in Johnson City, Cedar Park, Dripping Springs, Junction, Marble Falls or Oak Hill




Election Services Provider: Survey & Ballot Systems

- ✓ Established in 1990
- ✓ Headquarters in Eden Prairie, MN
- ✓ Offer paper, online, hybrid elections, telephone & on-site election services
- ✓ Expert engineering customized to an organization's needs
- ✓ Millions of members served each year (Including cooperatives, financial institutions, healthcare, unions, associations, educational institutions)
- ✓ U.S. and global presence



Survey & Ballot Systems (Online Ballot Sample)



WELCOME

Pedernales Electric Cooperative, Inc. 2018 Board of Director Election Ballot


This website provides the ballot and supporting materials for the Pedernales Electric Cooperative, Inc. 2018 Board of Director Election Ballot. Biographical information for each candidate is provided on the ballot on the next page. Please note that your *votes will not be cast until you click the "Submit Ballot" button on the Ballot Summary page*. You may save your votes to return later by clicking "Logout".

[Voting Instructions](#)

After you submit your ballot you will be given an opportunity to receive an email confirmation that the ballot has been received and recorded. In addition, please take a minute to complete the brief feedback form about your voting experience. Your comments are important and will help us plan for future electronic ballots.

Go To Ballot

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HOW TO VOTE

Pedernales Electric Cooperative, Inc. 2018 Board of Director Election Ballot

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Candidates for Director District 6
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☐ Andrew W. Cable [View Bio](#)

Go to Ballot Confirmation

[Contact](#) technical assistance.

Logout

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BALLOT CAST

Pedernales Electric Cooperative, Inc. 2018 Board of Director Election Ballot

Change Votes Submit Ballot

Your ballot is not cast until you click the Submit Ballot button. A zero indicates no voting selection has been made. Click the Submit Ballot button to cast your vote.

Members option to voluntarily participate in 'PEC Power of Change' (bill round up)
Currently 0 Selected.

Selected:
0

Candidates for Director District 6
Currently 1 Selected.

☒ Andrew W. Cable

Selected:
1

Change Votes Submit Ballot

Your ballot is not cast until you click the Submit Ballot button. A zero indicates no voting selection has been made. Click the Submit Ballot button to cast your vote.

To print a record of your ballot summary above, click [here](#) or use your browser print menu option.

Logout

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2019 Election Timeline

- **May 24:** Ballots, candidate biographies and notice of Annual Meeting mailed to members; on-line voting begins at 12:01 a.m.
 - ✓ 4 email reminders during voting period
 - ✓ Calendar reminders during voting period
 - ✓ PEC key statistics provided to members
- **June 14:** Online and mail-in voting ends at 11:59 p.m.
- **June 22:** PEC Annual Membership Meeting; in-person voting and election winners announced and sworn in, and execute Director Affirmations and Disclosures. Voting begins at 8:00 a.m. and closes at 10:00 a.m.

Notes:

Ballots mailed on May 20 and international ballots mailed on May 10. Members cannot vote online until 12:01 a.m. on May 24.

Candidates wishing to observe the ballot tabulation process at the Annual Meeting may do so, or have one designee observe.



QUESTIONS



pec.coop