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July 8, 2019

By email and US mail

Mr. Kent D. Farmer
CEO, Rappahannock Electric Cooperative
247 Industrial Ct.
Fredericksburg, VA 22408

Dear Mr. Farmer:

Last week we learned from a fellow co-op member that REC employees are apparently handing out and then collecting proxy-ballot forms from REC members who visit REC offices to pay their bills. We ask that this practice be stopped immediately, as it adversely affects the integrity of the 2019 REC board of directors election and annual meeting.

As you know, REC's board-election voting began on July 1, and co-op members have until August 19 to return their completed forms. This gives voters plenty of time to inform themselves about the candidates before casting their vote. On July 1, an REC member went to REC's Culpeper office to pay her bill. After she paid the bill, an REC employee handed the member a proxy-ballot form and urged her to sign it and return it to the employee. The REC member did as she was asked.

The REC member had gone to the office solely to pay her bill. She had not asked for a proxy or brought up the election or voting at all. The REC employee brought the proxy form up on her own initiative. It is unlikely that this was a one-off occurrence.

REC members received their proxy ballots attached to their copy of the July issue of *Cooperative Living* magazine, which arrived in co-op members' mailboxes around July 1. The magazine has detailed information about all board candidates, as well as information about how to get more candidate information on REC's website and vote online. It takes some time for co-op members to read through the information about each candidate and watch the seven candidate videos online. REC employees should not be discouraging or preventing co-op members from doing so before they vote.

The proxy ballot form attached to the magazine is a postage-paid postcard (with an optional postage-paid envelope available for additional security) addressed to a firm in Eden Prairie, Minnesota. That firm, [Survey & Ballot Systems](#), promises its clients “secure election management services that enhance your election quality and results” and ensure “the highest level of [election] security available.” We assume that REC paid a substantial sum to the firm to handle this year’s proxy collection and counting.

Because REC proxy ballots are supposed to be mailed to a third-party independent vendor that is responsible for collecting and counting ballots in a secure manner, it is improper for an REC employee to be asking any member to sign a proxy form and return it to the REC employee, rather than have the member mail it to the third-party vendor. That this has happened raises serious questions about the integrity of REC’s board election process.

REC’s action is particularly inappropriate because of the co-op board’s unusual practice of treating blank signed proxy ballots as votes that incumbent board members control. Having reviewed board-election vote tallies going back to 2010 that contain information about blank “member-undesignated” proxies, we have found that the number of these blank proxies has always been in the thousands—constituting more than half of all votes cast in each board election. See <https://repowerrec.com/2018/09/05/why-rec-members-deserve-fair-elections/>

REC employees encouraging or suggesting on-the-spot voting at an REC office increases the likelihood of REC members signing blank “member-undesignated” proxies, or casting uninformed votes. The board’s control of thousands of blank proxies has changed the election results in two of the last three REC board elections (2016 and 2017), meaning that two of REC’s current nine board members won their election only because of the board’s using the blank proxies to change the election outcome.

REC employees soliciting and collecting on-the-spot proxies from co-op members who haven’t even had a chance to review their magazine and view the online candidate information may, if this is a widespread and long standing REC practice, help to explain why thousands of blank proxies are submitted each year, allowing incumbent board members to control election outcomes. There is simply no good reason for REC to be engaging in this sharp business practice.

We call on REC to disclose (1) how many proxy-ballots it has collected at REC offices since July 1, (2) how many of them are blank proxies, and (3) what REC has done and is doing with the proxies it is collecting. We also ask REC to explain why it is circumventing the secure process of having co-op members mail their proxy-ballots to the independent vendor, or vote online through the secure, password-protected SmartHub portal. Finally, as stated at the outset, we call on REC to require its employees to cease collecting proxy ballots and cease suggesting on-the-spot voting.

We are copying all REC board members (by email) because ultimately it is the board's responsibility to ensure fair and secure board elections. Two of the board members—Mark Wood (secretary) and Linda Gray (chair of the annual meeting committee)—have particular responsibility to operate fair, secure elections, and they are both candidates in this year's election. We would like to know if board members have been aware of the proxy-ballot collection practices described above. Finally, we ask you to confirm that REC will again disclose this year a final vote tally that includes the number of blank, member-undesigned proxies submitted.

Democratic, fair board elections are the essence of what makes an electric cooperative a cooperative. Please understand that we are pro member, pro co-op, and pro-democracy. We believe strongly in the principle of informed voting and transparent, secure voting practices as essential to a functioning co-op democracy.

"The foundation of any successful cooperative is member trust and transparency in decision-making. Failing to provide unbiased elections can leave [a cooperative] open to member scrutiny [and] negative publicity."¹ We accordingly ask that REC promptly take steps to ensure the integrity of this year's election.

Sincerely yours,


Mike Murphy

Seth Heald

cc (by email): John D. Hewa
David F. Koogler
Christopher Shipe
Michael Lindsay
J. Randy Thomas
J. Mark Wood
Linda Gray
William Frazier
Eugene Campbell, Jr.
Sanford Reaves, Jr.
Darlene Carpenter
cc (by US Mail): Mr. Jon Westerhaus
Survey & Ballot Systems

¹ Statement on the website of Survey & Ballot Systems,
<https://www.surveyandballotsystems.com/who-we-serve/cooperatives/>