



BIG SANDY RECC

2019 Strategic Plan

A Road Map to the Future

 Big Sandy RECC

A Touchstone Energy Cooperative 

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About Big Sandy RECC

Big Sandy RECC was established in 1940 to provide a benefit for electrical needs, and to be a community cornerstone for the people of the rural areas we serve. Big Sandy RECC delivers affordable and reliable energy and related services to 13,000 members living in Breathitt, Floyd, Johnson, Knott, Lawrence, Magoffin, Martin and Morgan counties.

Big Sandy RECC at a Glance

• Miles of Line	1,037
• Avg. Residential Usage/Member	1,201 kWh
• Headquarters	Paintsville, KY
• Chairman of the Board	Danny Wallen
• President & General Manager	Bruce Aaron Davis
• Vice President of Financial Services	Sandra Shepherd
• Vice President of Operations	Jeff Prater
• Member Services and Public Relations Manager	Natasha Wiley
• Executive Assistant and HR Director	Judy McClure
• Accounting and Finance Manager	Brian Frasure
• Manager of IT	Adam Ferguson
• Line Superintendent	Kirby Castle
• Billing Supervisor and Loss Prevention	Kraig Shireman

MISSION & VALUES

Mission Statement

Big Sandy RECC exists to serve its members by safely distributing reliable and affordable energy and related services

Values

These are the shared beliefs and culture that underlie everything we do at Big Sandy RECC.

Safety

- Safety is an essential part of everything we do.
- We will promote a safe, secure, and healthy environment.

Concern for Community

- Big Sandy RECC is committed to the sustainable development of our communities.

Voluntary and Open Membership

- Big Sandy RECC is open to all people who are willing to accept the responsibilities of membership.

Democratic Member Control

- Big Sandy RECC is a democratic organization controlled by members who actively participate in setting policies and making decisions.

Members Economic Participation

- Members contribute equitably to, and democratically control, the capital.

Independence

- Big Sandy RECC is an autonomous and independent organization.

Education, Training, and Information

- We provide education and training for members, elected representatives and employees.

Cooperation

- Big Sandy serves members most effectively and strengthens the cooperative movement by co-op members working together.



BIG SANDY RECC: A ROAD MAP TO SUCCESS

This booklet provides an overview of Big Sandy RECC's Strategic Plan. The fundamental components of the Strategic Plan are:

Mission. The mission statement explains why Big Sandy RECC exists.

Values. These are the shared beliefs and culture that underlie everything we do at Big Sandy RECC.

Strategic Objectives. These six key corporate objectives are the foundation of the strategic plan.

It is critically important that each and every employee understands the role that they play in this plan. Each employee's goals and objectives should align with the goals and objectives of their department and Big Sandy RECC's strategic goals as a whole. When we are all doing work to support mutually shared objectives, we are all pulling in the same direction. That is the power of cooperation. And that is when this plan becomes what it is intended to be: the road map to our cooperative's success.

Our industry is changing rapidly and Big Sandy is transforming along with it. Together, we are positioning Big Sandy RECC for a bright future

Bruce Aaron Davis
President and General Manager



Safety

Continuously enhance safety awareness through monthly and annual safety meetings

Critical Success Factors

- Conduct peer and job reviews
- Conduct on-site safety inspections and vehicle inspections
- Support full engagement of the safety and loss coordinator
- Recognize safety achievements
- Achieve certification in the NRECA Rural Electric Safety Achievement Program (RESAP)



Finance

Build the financial strength of Big Sandy RECC

Critical Success Factors

- Pay down and reduce debt
- Work to maintain and improve cash flow
- Continue to refinance existing long-term debt to more favorable rates
- Continue to minimize debt, using cash flow for expenses
- Continue building a cash cushion for emergencies, while avoiding debt
- Continue to adopt realistic and conservative budgets
- Achieve an annual audit that supports strong accounting controls
- Prolong the need to seek a rate increase as long as possible



Operations

Actively manage the distribution system to improve reliability through right-of-way maintenance, conductor replacements and sectionalizing

Critical Success Factors

- Continue to support an aggressive vegetation management program
- Replace lines and equipment in areas with frequent outages
- Replace four miles of aging conductors per year
- Save 10 percent in right-of-way outage costs over five years
- Reduce material and equipment costs 3 percent over five years
- Develop a formal OCR maintenance schedule
- Improve partial restoration records
- Add additional switching points to back feed areas quickly
- Hold fuse-coordination training
- Add new software and systems that support better reliability



Human Resources

Develop and maintain a high-performance workforce

Critical Success Factors

- Develop succession plans to replace employees and critical positions
- Conduct effective staff performance evaluations
- Review the benefit package annually
- Implement training to support high employee performance
- Evaluate staff attrition and impacts from employee retirements
- Lower medical claims and find ways to save on health insurance costs



Information Technology

Adopt and utilize affordable, high-quality software that integrates computer solutions and best serves both the co-op and our members

Critical Success Factors

- Adopt fiber-optic communications at substations
- Utilize and adopt systems that improve system access
- Adopt processes and equipment to protect critical infrastructure
- Focus on IT solutions that are affordable and easy to maintain



Member and Public Relations

Strengthen the relationship with members by providing programs, sponsorships and education to benefit them in their homes and communities

Critical Success Factors

- Engage people in the communities served through sponsorships, scholarships, electrical safety presentations and career fairs
- Encourage employees to be actively involved in civic organizations and our local communities
- Bring new jobs and investments to the communities served through economic development
- Provide effective communications about programs and services offered to board members, employees, community leaders, the media and our members



Big Sandy RECC's Mission

Big Sandy RECC exists to serve its members by safely distributing reliable and affordable energy and related services.

Big Sandy RECC's Objectives

- Safety
 - Finance
 - Operations
 - Human Resources
 - Information Technology
 - Member and Public Relations
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