

Pedernales Electric Cooperative Election System Considerations

The PEC Board of Directors has called for a member vote in 2014 to consider which system PEC members would prefer to use in future elections to elect directors. This vote will be between the Cooperative's current at-large system of voting and a single-member district voting system. The PEC Board of Directors intends to pursue the implementation of whichever system the voting membership favors, and this includes making necessary modifications to the Cooperative's governing documents and urging lawmakers to implement any necessary changes to state law.

PEC takes no official position for either system of electing directors. The following is a list of considerations for members outlining some of the differences and similarities between the two systems. **Note: Highlighted rows indicate differences.**

Consideration	At-large voting (current system)	Single-member district voting
Voting reach	Members may vote to elect directors of all districts.	Members may vote to elect their district's director.
Voting frequency	Members may vote each year to elect directors of any district up for election.	Members may vote once every three years to elect their district's director.
Means of maintaining democratic, equal voting strength	Members' voting strength is equal regardless of district size and population. Redistricting (and related costs) is not required to maintain equal voting strength.	Equal member voting strength is maintained by redistricting (periodically adjusting district lines to balance the number of voters in each district).
Compliance with Texas Utilities Code	Complies with Texas Utilities Code Sec. 161.070, which entitles all members present at a member meeting to one vote on each matter submitted to a vote at the meeting.	PEC may need to work with state legislators to ensure compliance with Texas Utilities Code Sec. 161.070, which entitles all members present at a member meeting to one vote on each matter submitted to a vote at the meeting. In a single-member district voting system, members attending an annual meeting would vote in the director election only if the director representing their district is up for election.
Costs to PEC and members	Costs will be incurred each year to distribute ballots to the entire membership. The annual election requires a ballot to be printed and mailed to every Cooperative member. Also, periodic costs may be incurred to redistrict (adjust district lines) to balance the number of members in each district.	Costs may fluctuate from year to year based on whether ballots are mailed to the entire membership or only to districts with director elections. In some years, ballots will be mailed only to members in districts where an election is underway. Cooperative-wide mailings would be required in some years for membership-wide votes on other issues. Also, periodic costs may be incurred more frequently to redistrict (adjust district lines) to balance the number of voters in each district.
Ballot referendums	Members may vote on Cooperative-wide ballot referendums, regardless of district.	
Director nomination process	Directors/candidates must maintain primary residence in the director district from which election is sought and are nominated by petition from members in that district.	
Director fiduciary duties	Directors have a fiduciary duty to act in the best interest of all Cooperative members, regardless of district.	
Director qualifications	Directors/candidates must meet the director qualifications established in PEC's Bylaws.	
Democratic member control	PEC members have the opportunity to participate in setting policies and making decisions. Members nominate and elect fellow members — through annual democratic elections — to serve on the PEC Board of Directors. Every member has an equal voice — one vote each — regardless of the number of meters they have or the amount of electricity they use.	