

ANNUAL GENERAL MEETING – MARCH 30, 2011 BOARD OF DIRECTORS REPORT

It is my pleasure to present the Board report for the activities of CAREA this past year. CAREA has again completed all planned work and capital projects, with the exception of some carryover of vegetation. It is gratifying to the board to see we have remained within budget with an increase in cash reserves for the year, and our member survey indicates better than a 93% satisfaction for services received.

Your board has approved a rate increase for distribution charges that equals on average about 80 cents per kVa for 2011; which reflects the actual cost increases we have experienced this past year and ensures we remain at cost for services rendered. This said, and reflecting on what non REA customers must pay to Fortis for the same delivery is estimated to be more than a \$3,000,000 annual savings overall our members save and keep in Alberta.

As in previous years your Board continues to strive at expanding our knowledge, and embracing good governance while ensuring we never lose sight of member interest and input. We annually review all plans for the future and the best strategies to deliver these plans. Last year at this time we were advising members that they would be contacted about signing renewal contracts for our Cooperative Energy Rate which came into effect January 2011. It is encouraging to see more than 85% have signed up to date, which allows us to pursue future power contracts when prices seem right. It is also nice to advise members that our energy rate will remain unchanged at 7.95 cents per kWh for the 4th consecutive year and has remained competitive with retail rates offered in Alberta. This is a good example how, as members, banding together and buying bulk from wholesalers, we all benefit.

This past year has been a very busy year for your Board, because after many exercises in how best to ensure a future for our REA, and the reality that Fortis has little respect for CAREA existence, we determined we will not accept the present situation. The question your Board and the members are asking is “WHY SHOULD A UTILITY COMPANY THAT WAS HIRED SOME 60 YEARS AGO” to do contracted work for operation and maintenance on our system believe this gives them the right to ownership of our service area? Your Board has come to the decision that we no longer require their presence and are prepared to serve ALL new services within our area.

This is the reason we have submitted an application to the Alberta Utilities Commission to rule on clarification of our rights. We are asking for no less than to receive the same respect as all other wire owners in Alberta. It is very encouraging to have such overwhelming support for our position with over 50% of our members signifying backing, with most having two signatures returned in support of our application. All of this support in less than 30 days. It is your Boards belief, that it is time for government and regulators to recognize REAs’ have a place in Alberta. This means NO COMPETITION FOR DISTRIBUTION CUSTOMERS just as it is in all other jurisdictions in the Province. It is very clear our members do not want service provided by a FOR PROFIT, MONOPOLY UTILITY.

In closing, the Board would like to thank all of our members for the support they have shown this past year for their member owned organization. On behalf of all members we would like to recognize and say a sincere thanks to all our staff for the great service we all receive. Also, we would like to say a special Thank-You to our General Manager Pat Bourne for keeping this REA running so smoothly, in such turbulent times.

Respectfully Submitted

Jim Towle, Chairman

On behalf of Your Board of Directors



Our Vision: To be Alberta's leading energy services provider.

Our Mission: To deliver efficient energy services.

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FOUR WAYS TO PAY YOUR BILL

 **BY MAIL:** Mail a cheque in the envelope provided with your bill. Please allow time for mailing.

 **IN PERSON:** By dropping off your payment at either the Innisfail or Onoway Area office. For your convenience, we have an after-hours drop off at both locations.

 **AT YOU BANK:** Make a cheque payment in person at any bank in Canada, through telephone banking or internet banking.

 **PRE-AUTHORIZED PAYMENT WITHDRAWAL:** Set this up with one of our Member Account Administrators by calling our main office at 403-227-4011 or toll free at 1-888-211-4011.



CAREA ACCEPTING APPLICATIONS FOR ACCA YOUTH LEADERSHIP PROGRAM

Although it may not seem like it, summer is just around the corner. Along with the hot temperatures comes a chance to make memories that will stay with you for the rest of your life.

If you are between 11 and 18 years old, the Alberta Community and Co-operative Association is once again looking for youths interested in taking part in leadership programs.

These seven-day programs take place at the Goldeye Centre, located near Nordegg, Alta. and there are seven programs offered, based on the age of the participant. The programs run through July and August.

Goldeye Centre is situated in the towering pines above Goldeye Lake, about 180 kilometres west of Red Deer on Highway 1 – a perfect location for building friendships, new memories and learning lifelong lessons.

CAREA is once again proud to sponsor two youths, one male and one female, from its membership that would like to attend the ACCA youth leadership program 2011. The program provides an opportunity for young people to develop their leadership skills and learn how to develop their community.

If you would like an application form for this program please visit www.acca.coop/YouthBrochure.pdf or contact the CAREA office at 403-227-4011 or toll free at 1-888-211-4011.

Deadline for CAREA-sponsored applications is May 16 so hurry and apply – CAREA will pay all registration fees for two winners!

CALLING ALL STUDENTS!

CAREA is once again offering two \$1,000 scholarships to high achievers looking for a helping hand with his or her first year in college or university.

The CAREA Scholarship Program was established in 1999 to recognize the academic accomplishments of the children of members, and to assist the students with his or her post secondary education pursuits.

Each year, two \$1,000 scholarships are awarded, one to the top male and one to the top female applicant.

Applicants must be the child or legal ward of a CAREA member who is in good standing at the time of application. Applicants must be planning to enrol in the first year of a full-time post secondary program that is at least two years in length.

Recipients are chosen based on the average of his or her five highest Grade 12 courses, and on his or her career goals essay. A completed application form is required, along with an essay that outlines the applicant's career goals and two letters of reference. The application deadline is July 1.

For more information and an application form, please visit our website at carea.ca.

If you have any questions, please call the CAREA office at 403-227-4011 or toll free at 1-888-211-4011.



YOU ARE INVITED TO THE 5TH ANNUAL CAREA CARES GOLF TOURNAMENT

For the fifth year in a row, the CAREA Cares committee is offering golf enthusiasts a chance to swing and putt in the name of charity.

CAREA employees have made a commitment for the last few years to raise money in the name of a local, chosen charity by hosting several events over the year – including this golf tournament. This year's charity hasn't been chosen yet.

This year, the tournament will be held on Wednesday, July 27, at the Bowden Hi-Way Golf Course. Registration will begin at 9:30 a.m. and golfers will be teeing off at 10 a.m.

CAREA members are invited to enjoy nine holes of golf, team and door prizes, contest prizes, and a barbeque steak lunch, all for \$75 per golfer, or \$270 for a team of four. Power carts are available upon request for an addition charge.

Come out and join the CAREA Cares committee for a morning of friendly competition and the opportunity to socialize, network with colleagues and friends and raise money for a worthy cause.

For more information on this event or to register, please contact Marie Grono at 403-227-7538 or by e-mail at m.grono@carea.ca.

It is very important to note that your distribution system provider will always be CAREA regardless of who supplies your energy. Members who choose to obtain electricity (retail electricity services) from a party other than CAREA will not be disadvantaged or in any way be treated differently by CAREA. For a list of energy retailers visit www.ucahelps.gov.ab.ca.