

Strategic Plan

Rappahannock Electric Cooperative (REC) is a dynamic, innovative, national utility leader in service and member satisfaction. Among distribution cooperatives, REC benefits from its combination of stable growth; an excellent mix of residential, commercial, and industrial members; reasonable wholesale power costs; financial strength; and solid, experienced, and diverse management and operational team members.

The transformative power of technology promises to offer REC opportunities for both challenging and exciting outcomes in the future. Throughout its 22-county service area, REC anticipates 1.4% annual growth of services over the next five years, and significant energy load growth due to development and electrification. With a diverse territory stretching from the mountains of the Shenandoah Valley through the Piedmont region and into the state's Coastal Plain, the Cooperative will continue to be influenced by Virginia's demographics, economic strength, and regulatory landscape.

The 2024-2028 Strategic Plan provides a dynamic, flexible roadmap to effectively address the issues, demands, and opportunities of a changing environment while enabling REC to proactively focus on continuous improvement in all aspects of its business. The Plan will guide key policy, personnel, training, investment, facility, safety, and resource allocation decisions for the designated five-year period.

● **Mission Statement** | Connecting our members and communities with safe, reliable, affordable, and sustainable energy solutions.

● **Core Values**

Caring - showing compassion and concern for the members, employees, and communities REC serves

Integrity - being honest, responsible, ethical, and transparent in all that is done

Respect - honoring each person as an individual and recognizing the impact actions will have today and tomorrow

Service - meeting the needs of the members by providing reliable electricity and quality products

● **Vision Statement** | Delivering a brighter, empowered future

● **Signature Statement** | Outstanding Service from Caring People

● **Members' Bill of Rights** | Get Me Connected; Keep Me Connected; Treat Me Fairly; Provide Me Value; and Be My Energy Expert

REC has consolidated the most important issues, opportunities, and risks into six strategic themes that are of the highest priority.

The annual business plans, future budgets, and construction work plans of REC will be shaped by six strategic themes that are closely aligned with the company's critical success factors. These themes will serve as a foundation for determining business priorities and allocate resources.



Affordability and Value

Objective: Affordability is always top-of-mind and a key performance metric for members' satisfaction with their Cooperative. REC will increase value through efficient operations, sound business decisions, and beneficial options for our members that align with their lifestyles and price points.

Initiatives: Rate Design, Strategic Growth, Grants



Member and Community Engagement and Empowerment

Objective: REC is committed to being our members' energy expert and trusted partner powering economic prosperity and a high quality of life in our communities. Through purposeful outreach and advocacy, we will meet our members' diverse needs.

Initiatives: Fiber Deployment and Enablement, Economic Development, REC's Vividly Brighter Suite of Products and Services



Grid Readiness

Objective: Utilities face challenges associated with investment of capital to improve reliability and resilience, replace aging infrastructure, and prepare for the electrification growth, particularly the expansion of electric vehicles and renewable energy sources on the grid. REC will target key initiatives to modernize the grid, minimize service disruption and continue to invest in smart grid technologies.

Initiatives: Grid Efficiency, Grid Visualization and Automation, Reliability



Enterprise Technology

Objective: Focusing on technology needs at an enterprise-level allows the Cooperative to build and maintain efficient workflows, improve internal communication, and provide access to data. The results are increases in security, agility, responsiveness, and productivity in operations.

Initiatives: Emerging Technology Review and Rationalization, Technology Standards and Governance, Software Inventory and Licensing, Cyber Resilience, Staff Utilization, Training, and Change Management



Business Acuity

Objective: Business acuity refers to the keenness and sharpness of perception and understanding that a business possesses in relation to its industry, market dynamics, and internal operations. It involves the ability to quickly grasp and analyze complex situations, make informed decisions, and adapt effectively to changing circumstances. Business acuity enables an organization to identify opportunities, mitigate risks, and navigate challenges to achieve its goals and maintain a competitive edge.

Initiatives: Leverage Cooperative's Capacity and Potential, Supply Chain Management (including contractor management), Enterprise Risk Management and Compliance, Safety, Health and Security



Organizational Agility and Workforce Strength

Objective: This theme refers to the regular and formal internal processes and capacities that allow the organization to perform efficiently and according to a predictable business plan. REC will work to optimize processes across departments to achieve efficiencies. REC will also develop initiatives to ensure it attracts, retains and develops a high-performing workforce.

Initiatives: Workforce Sizing and Optimization, Process Standardization and Documentation, Succession Planning and Procedures that Ensure Knowledge Transfer, Resource and Contractor Management, Workforce Development