



# Local Leadership Matters

Board leadership is crucial for the effective functioning and success of any organization, whether a corporation, government agency or public power utility

By Patrick Mangan

A board of commissioners plays a pivotal role in shaping the strategic direction, overseeing management and ensuring the organization operates in the best interests of its stakeholders.

Effective board leadership is the core of the public power industry and one of the primary reasons public utilities have thrived for more than 85 years.

## What a Successful Board Looks Like

Most students of governance agree a successful board adheres to good governance practices, and good governance does not occur automatically. It must be promoted and nurtured intentionally, systematically and continuously at the local, state, regional and national levels.

While there is no single formula for an effective board, it typically demonstrates good governance characteristics that facilitate the board upholding its mission, vision and values. Here are some good governance characteristics:

**Customer-centric focus.** Boards prioritize the interests and needs of customers and actively seek their input while engaging in transparent communication.

**Strategic vision.** Boards develop and articulate a clear vision for the utility's future by engaging in strategic planning to set long-term goals and objectives.

**Ethical leadership.** Boards uphold high

ethical standards and foster a culture of integrity while ensuring transparency in decision-making and communication.

**Financial acumen.** Boards understand and monitor the utility's financial health through regular reporting on specific key financial ratios.

**Collaborative culture.** Boards establish a civil, respectful and constructive relationship with the utility's management team and with each other.

**Industry knowledge.** Board members stay informed about industry trends, regulations and technological advancements. They also seek opportunities for ongoing education and professional development.

**Adaptability to change.** Boards anticipate and adapt to changes in the energy industry while embracing innovation and new technologies to meet evolving customer needs.

**Effective decision-making.** Boards make informed and timely decisions while prioritizing strategic issues and focusing on the long-term success of the utility.

**Risk management.** Boards identify and address potential risks to the utility and implement risk management strategies to ensure the utility's resilience.

**Community engagement.** Boards participate in community initiatives and foster positive relationships with the members of the communities they serve.

**Advocacy and representation.** Boards advocate for the utility's interests at local,

state and national levels. They engage with their statewide and national trade associations.

**Board-succession planning.** Boards implement succession plans, ensuring a diverse and inclusive board composition that represents the utility's customers.

**Customer education.** Boards promote education and awareness among customers while individual commissioners engage in continuing education.

**Commitment to Community.** Boards demonstrate a commitment to social responsibility and community well-being.

## Why Local Control Matters

Local control is integral to the identity and success of public power utilities. Local control allows them to be customer-driven, responsive and adaptable.

Local control is a fundamental and distinctive characteristic of public power utilities. It matters for several reasons:

**Customer representation.** Public power utilities are governed by a board elected by the customers they serve. Local control ensures the board of commissioners, which makes key decisions for the utility, is composed of individuals from the local community. This allows for direct representation of the community's interests in the decision-making processes.

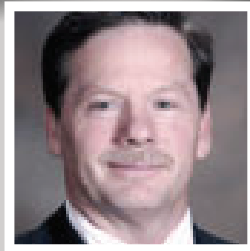
**Tailored decision-making.** Local control enables public power utilities to make decisions specific to the needs and priorities of the communities they serve.





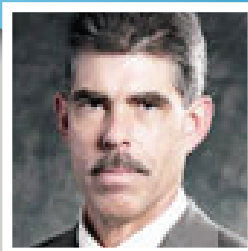
## OUR BOARD OF *commissioners*

Public Utility District No. 1 of Klickitat County is governed by a three member Board of Commissioners elected by the citizens of Klickitat County. Each commissioner represents a different district of the county and serves a six year term. The commissioners attend community meetings throughout the year to engage with those they serve and represent KPUD's interests within many industry-trade organizations including Energy Northwest and Washington PUD Association.



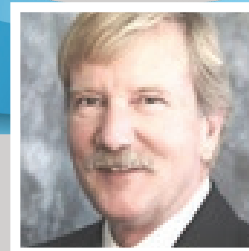
**RANDY L. KNOWLES**

PRESIDENT OF THE BOARD



**DAN G. GUNKEL**

VICE PRESIDENT OF THE BOARD



**DOUGLAS B. MILLER**

SECRETARY OF THE BOARD

**Our commissioners collectively bring nearly 70 years of dedicated service to the residents of Klickitat County. Their leadership experience is widely recognized within the industry, reflecting a strong commitment to the community.**

**Responsive to local needs.** Local governance allows public power utilities to be more responsive to the unique challenges and opportunities of their service areas. The board and general manager can quickly adapt to changing local conditions and make decisions that best address the concerns of the people they serve.

**Community engagement.** Public power utilities thrive on community engagement. With local control, public utility districts can engage directly with their customers, fostering a sense of community ownership and involvement. This engagement strengthens the utility's ties to the community.

**Democratic control:** The public power

business model is inherently democratic, with customers within the serve area electing the board of commissioners to represent their interests. Local control ensures this democratic structure is meaningful and decisions are made with local input.

**Cultural understanding.** Local control facilitates a deep understanding of the cultural and social aspects of the community. This understanding is crucial for tailoring services, communication strategies and outreach efforts in a way that resonates with the local population.

**Flexibility and innovation.** Public power utilities excel at adapting to changes in technology, energy policies and member

preferences. Local control provides the flexibility to implement solutions best suited to the local context.

**Community and economic development.** Many public power utilities play a role in supporting local economic development initiatives. Local control allows them to align their strategies with the economic priorities of the community, contributing to job creation and overall community well-being.

**Trust and accountability.** Local control fosters a sense of trust and accountability. Customers are more likely to trust and hold accountable a board of commissioners composed of individuals from their community. ■