

### Timely, responsible financial review

**From:** Greg Prada  
**Sent:** Wednesday, June 20, 2012 5:32 PM  
**To:** Bill George; Alan Day  
**Cc:** Richard Esposito  
**Subject:** Timely, responsible financial review

Dear President George and Director Day,

The attached Board Agenda ([EID Board Agenda 20120625 RB a.pdf](#)) confirms that the entire first six months of 2012 is passing without EID's Board conducting even one financial review as to Management's actual vs. budgeted results. And even the 2011 annual report comes six months after the 2011 year being reported.

In Corporate America, professional Boards review Management financial performance monthly. And quarterly, shareholders receive extensive financial results reporting so they can watch over the Board and validate that they are responsibly watching over Management.

The EID Board's oft-repeated assertion that they "trust management" is an utter abdication of the Board's financial fiduciary and oversight responsibilities to the ratepayers. It's no wonder that \$53 million of still growing unfunded employee benefits have accrued since 2003 and are buried in the annual report footnotes. Or that EID's net assets have plummeted three years in a row.

And it's no wonder that even after passing 102% of rate increases for 2010-2015, the Board is condoning Management's "smoke and mirrors" debt refinancing and using \$16 million of "magically" appearing next four year cost relief to fund EID's lavish employee benefits and bloated headquarters overhead (which has increased \$10 million since 2003).

"What gets measured, gets done". And EID ratepayers desperately need and deserve that EID's Management financially measure and disclose financial results to them in a frequent, detailed manner.

On behalf of 38,000 regular ratepayers who are paying a very steep price for EID Board's continuing lackadaisical financial oversight, please demand that Management provide the same monthly and quarterly financial reporting diligence required by Corporate America.

Cordially,

Greg Prada