

DEMCO customer, businessman starts campaign to force sale of utility amid pending audit

- [BY DAVID J. MITCHELL | dmitchell@theadvocate.com](#)
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A Baton Rouge businessman said Wednesday he is starting a petition drive to allow DEMCO customers to decide whether to sell the nonprofit rural electric cooperative.

Robert “Bob” Bourgeois, chief executive officer of Sunbelt Business Brokers, said he is pushing for the vote on a sale because of longstanding frustration with what he says is the co-op's poor service and the allegations of corruption.

He said the final insult for him happened recently when DEMCO contractors heavily trimmed trees around his home, including a live oak, to clear power lines.

Bourgeois was a leader in Dixie Watchers, a group that called out problems with DEMCO decades ago.

The largest electric cooperative in Louisiana, DEMCO provides power to parts of seven parishes: East Baton Rouge, Livingston, Ascension, East Feliciana, West Feliciana, St. Helena and Tangipahoa parishes.

The announcement from Bourgeois, who is a DEMCO customer, comes as a long-awaited audit looking into allegations of improper conduct among DEMCO board members, including their relationships with vendors, is expected to be completed soon.

The co-op's longtime CEO, John Vranic, resigned in June after it came to light that DEMCO paid for a \$14,000 gas backup generator at Vranic's home. The generator was installed nine years earlier. Vranic, who had gotten a contract extension and raise less than two months before the resignation, reimbursed DEMCO, officials said.

[DEMCO CEO resigns after waiting nearly a decade to reimburse company for generator at his house](#)

Under state law, Bourgeois must get the signatures of at least 10 percent of the 108,000 members of the Dixie Electric Membership Corp. to force a vote. The law calls for the vote to happen at a special meeting of the membership or at DEMCO's annual meeting, which is typically in May.

But Bourgeois said that before he goes into the campaign full force, he will ask the DEMCO board to voluntarily put the sale petition before the membership.

Steve Irving, board vice president and spokesman, said the board has not taken a position on Bourgeois' proposal but countered that DEMCO's service is as good or better than its competitor.

"I don't think you're going to find Entergy customers saying that. If you want to give up the good quality service, you know, maybe you want to vote for it being sold," Irving said. "If you like the good quality service, may you don't. In fact, you probably don't."

Irving added that Entergy customers could eventually have to handle environmental costs related to the closure of one of its nuclear power plants.

DEMCO is regulated by the state Public Service Commission as far as its rates and has a fiduciary duty to its ratepayers, who are members of the co-op. The members also can vote on members of the board.

Bourgeois said he is not working with any other utility on his effort, though he has made a call to Entergy.

[Longtime CEO of DEMCO to retire; search for replacement underway](#)