

May 20, 2010

Paul Bustamante, President and
The Board of Trustees of
The Socorro Electric Cooperative, Inc.
PO Box H
Socorro, NM 87801

RE: League of United Latin American Citizens ("LULAC")
New Mexico State Office
Allegations of Racial (Ethnic) Discrimination by Charles Wagner

Dear President Bustamante and Trustees:

President Bustamante sent me the LULAC letter of April 27, 2010 by Paul "Pablo" A. Martinez (a copy is attached) concerning "numerous complaints" from several consumer/members of The Socorro Electric Cooperative, Inc. ("SEC") alleging discriminatory conduct against Hispanics, both present and former trustees and Hispanic staff at SEC.

The letter describes e-mail distributed by Mr. Wagner and seen by Mr. Martinez. I have not seen the e-mail and do not know its contents. The letter contains allegations against Mr. Wagner which include:

1. The e-mail
2. Referring to a Hispanic Board Member as a "Chihuahua" (a breed of dog from Mexico)
3. Referring to Hispanic Board Members as being "stupid." (There are six current Hispanic Trustees on the Board.)
4. It is contended that he (Mr. Wagner) demeans those in which English may be one's second language.
5. It is reported he (Mr. Wagner) maliciously belittles others that speak with a Spanish accent...interrupts them saying he cannot understand them "because they do not speak in complete sentences."
6. He is condescending and treats Hispanic staff and Trustees with "callous disregard."

The LULAC author is appalled that Mr. Wagner's behavior is tolerated by SEC Trustees and the Community of Socorro. Mr. Martinez finds this behavior inflammatory and reprehensible.

Mr. Martinez has sent copies of the letter to the NM Attorney General's Office and The United States Justice Department because SEC is federally funded.

Mr. Martinez does state, "that if this information is true...Mr. Wagner may be abusing his power...." He also states, "it is imperative that you and the other Trustees take immediate corrective action...to minimize your potential threat of litigation and liabilities."

If the allegations in the letter are not true, then Mr. Wagner should have an opportunity to refute/deny each charge or remain mute.

From the Corporation's standpoint, a definite position must be taken that such behavior/conduct, if true, cannot be tolerated because:

1. Mr. Wagner as a Trustee is an Agent for the Corporation
2. The Corporation can be held liable under the Civil Rights Act (Title VII) for civil rights violations by its agent.
3. SEC is an "Employer" under the Civil Rights Act (Title VII) and can be liable to employees who are discriminated against by supervisors, fellow employees, and agents especially if the employer condones discrimination or fails to stop the offensive conduct/behavior.

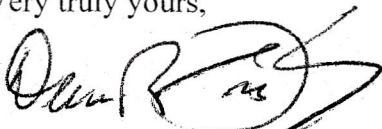
No one should have to put up with or tolerate such behavior, if true. This brings to mind the recent charge by an SEC employee that Mr. Wagner made sexual harassing comments to her (a Hispanic) personally and impugned SEC's Hispanic Manager and Bookkeeper at the same time. This charge was made known at a Board meeting this year and to my knowledge Mr. Wagner has not denied those charges.

If the course of conduct described herein is true, then certain steps may be considered which would indicate SEC Corporately and the Board do not condone such conduct by:

1. A Board resolution deploring such conduct and censuring Mr. Wagner if he makes no effort to deny the allegations
2. Consider a lawsuit restraining Mr. Wagner from contacting SEC Hispanic employees.
3. Consider Trustee Removal Procedures under Article V, Section 5 of the By-Laws.

Finally, if true, the Corporation cannot and will not tolerate discrimination against its employees (or Trustees). The Corporation intends to provide a non-abusive, non-offensive work environment free from harassment for its employees.

Very truly yours,



DENNIS R. FRANCISH
Attorney for The Socorro Electric Cooperative, Inc.

DRF/djg