

2018 Annual Report

POWER TO...

**PROVIDE
A BRIGHTER
ENERGY
FUTURE**



**Randolph Electric
Membership Corporation**

Your Touchstone Energy® Cooperative 

DEAR MEMBERS,

The energy industry is nowhere near as generic as it once was. It's diverse, progressive, and shifting its focus towards convenience with tools and services that will power us all into a brighter future.

One thing certain is that technology and convenience are directly related when it comes to your electricity and your needs. If there's an outage, you want information immediately. If there's a sudden spike in your usage, you want to know as soon as possible. And if you're on the go and need to pay a bill or access your account, you need the convenience to do it whenever you want from wherever you are. In a world of ever-changing expectations, we're committed to providing the very best service possible. That means giving cooperative members tools to manage energy in ways that fit their lifestyles.

Technology, efficiency, convenience and sustainability will all have an impact on successfully moving towards a brighter energy future. It is our goal to provide programs and services as solutions for your current and future energy needs and to focus on using electricity wisely as our demand on this resource continues to grow.

We invite you to learn more about what's in store for the future of your cooperative at REMC's 81st Annual Meeting on Friday, June 21, at Southwestern Randolph High School. This is a time to celebrate the strength of the cooperative, to conduct important business of our association and to focus on how we can continue our mission of providing affordable and reliable electricity to our member-owners.

Cooperatively yours,



Jerry Bowman *Dale F. Lambert*

Jerry Bowman,
President, Randolph
EMC Board of
Directors

Dale F. Lambert,
Chief Executive
Officer



In its fourth year of existence, 38 members have subscribed to 190 of the panels in the REMC's SunPath Community Solar program. These members offset their carbon footprint with solar energy by subscribing to the energy

output of SunPath solar panels. They then receive a monthly credit for their share of the energy produced.

Since it was energized at the end of 2015, the 100-kilowatt system has generated nearly **540 megawatt-hours** of electricity and has helped avoid emitting **more than 400 tons of CO₂** into the air. Monthly and full-term subscriptions are still available on a first-come, first-served basis.



POWER TO... CONNECT



REMC Debuts EV Charging at N.C. Zoo

Randolph EMC partnered with ChargePoint to provide two charging stations at the Zoo's Solar Pointe location and two at the North America entrance.

Each Energy Star®-rated Level 2 station features dual-charging ports with standard connectors that are capable of charging any electric vehicle. Each port supplies up to 7.2 kW to charge at a maximum rate of 25 miles of Range Per Hour (RPH), which will fully charge most vehicles in less than four hours.

These stations are among the first in a statewide network of electric vehicle charging stations being developed by the 26 electric cooperatives in North Carolina.



Randolph EMC Electric Vehicle Utility Program

Within just one year of introducing this program within our service area, 18 members are participating in the REMC Electric Vehicle Utility Program (REVUP). This pilot program offers a \$500 rebate towards purchasing a Wi-Fi enabled Level 2 EV charger in exchange for access to the member's charging data. Participants also have the option to switch to the three-tiered Plug N2 Savings time-of-use rate, which encourages charging during off-peak times when energy is less expensive for the cooperative to purchase.

The participating members collectively add about 3,600 kilowatt-hours of electricity to the system per month by charging their electric vehicles. With the average REMC member using around 1100 kWh per month to power their home, you can see that just these 18 cars add the equivalent of three households to our electrical load. Understanding how this type of energy source impacts the electric grid helps us predict where loads may shift in the future and how electric vehicles could potentially affect future power costs for members and the cooperative as a whole.



POWER TO... PROVIDE CONVENIENCE



SPOTT Alerts

We took advantage of all technology has to offer when we launched our outage texting program called SPOTT Alerts—Status of Power Outages Through Text Alerts—in 2018. The SPOTT Alerts program uses specific keywords and the power of text to allow members to:

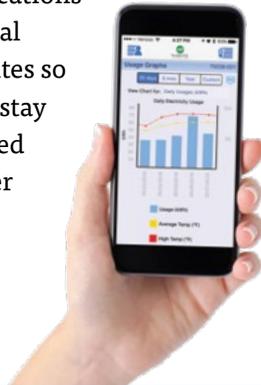
- Report an outage
- Receive a notification when an outage is affecting their service location
- Request a status update
- Receive notification when power has been restored at their service location

During major storm events or other times when there is a high volume of outages, status updates may not be available. However, this new resource provides another convenient method for reporting outages, even during these busy times.

Mobile App

Randolph EMC'S Mobile App gained popularity over the last year, with a 47 percent increase in the number of payments made using this method. The mobile app is available to download for Apple & Android devices and extends almost all of the same resources available on our Online Member Service Portal to members' smart phones or tablets.

The app is extremely user friendly and provides convenience to monitor daily energy use, check FlexPay balances, set or change billing and usage alerts, and make payments. It also gives instant access to REMC's outage map, office locations and social media sites so you can stay connected wherever you are.



ElecTel Cooperative Federal Credit Union

Randolph EMC introduced a new, valuable member service in 2018 by partnering with ElecTel Cooperative Federal Credit Union to provide access to outstanding financing programs for members and their families. ElecTel offers higher savings rates, lower loan rates and fewer fees than are available at most other financial institutions.

Members can take advantage of ElecTel's Energy Efficient Loan program, which allows members to borrow up to \$35,000 at a low rate for home improvements, including: new windows and doors, electric heat pumps, furnaces, air conditioners, generators, solar projects, water heaters, insulation, ENERGY STAR® appliances and more.

POWER TO... INSPIRE & HELP



\$12,000
to support
local students

ROMAN FERRERO-DIAZ:



2018 Youth Tour
Representative in
Washington, D.C.



NC State Women's
Basketball Camp:
AUTUMN JONES



2018 Storm Restoration Efforts

Throughout the turmoil of hurricane season, Randolph EMC proved our resilience after battling nearly back-to-back Hurricanes Florence and Michael. To top it off, an early snow storm the first weekend in December had everyone ready for Spring weather.

The slow-moving pace of Hurricane Florence dumped extreme rainfall totals, causing flooding and intense saturation that led to many broken poles. In total, nearly 15,000 REMC members were out of power over the long stretch of Florence's existence. Crews worked tirelessly to replace nearly 50 broken poles and 30 transformers.

Hurricane Michael swept through our territory quicker than Florence, but packed a punch to our system by leaving about half (16,800) of the membership without power. With the help of sister cooperatives and contract crews, our team replaced approximately 70 broken poles by the end of restoration efforts.

After all the hurricanes, crews were ready for a break, but Mother Nature had a different plan. In one of the earliest winter storms we've seen in a while, Winter Storm Diego brought deep snow and outages, affecting approximately 12,700 members over December 9-11, 2018. Working through long hours in the rain and cold, crews and REMC staff never stopped striving to get the lights back on as quickly and safely as possible. When put to the test in inclement weather, your cooperative promises to remain resilient day in and day out.



People Helping People

In 2018, PHP distributed a total of \$4,725 to 24 REMC individuals and families, as well as \$10,000 to eight community organizations as part of the Sharing Success Community Grants program.

FINANCIAL

What We Took In

Operating Revenue	\$ 68,199,749
Non-Operating Revenue	\$ 344,445
Capital Credits from Associated Organizations	\$ 1,565,188
Total	\$ 70,109,382

What We Paid Out

Purchased Power	\$ 39,796,368
Property Taxes	\$ 796,489
Depreciation of Plant and Equipment	\$ 5,844,561
Interest Expense	\$ 3,156,768
Operation, Maintenance & Other Expenses	\$ 15,338,854
Total	\$ 64,933,040

What We Had Left

Net Margin for the Year (Patronage Capital)	\$ 5,176,342
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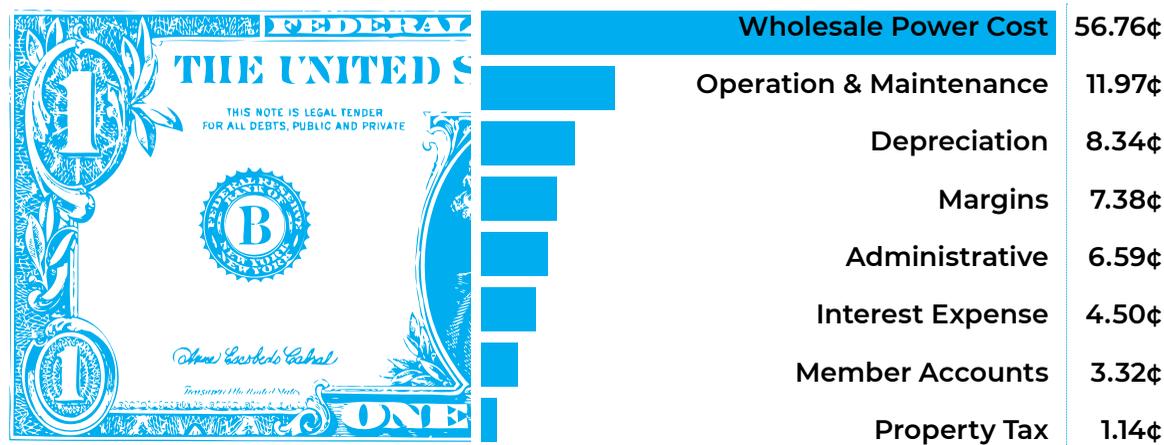
Assets

Our plant is valued at	\$ 135,605,187
We have other investments worth	\$ 14,744,669
We have cash and temporary investments on hand in the amount of	\$ 1,931,763
We have accounts and notes receivable amounting to	\$ 8,264,142
We have prepayments and other assets amounting to	\$ 6,657,011
Our materials and supplies are worth	\$ 1,610,283
Total Assets	\$ 168,813,055

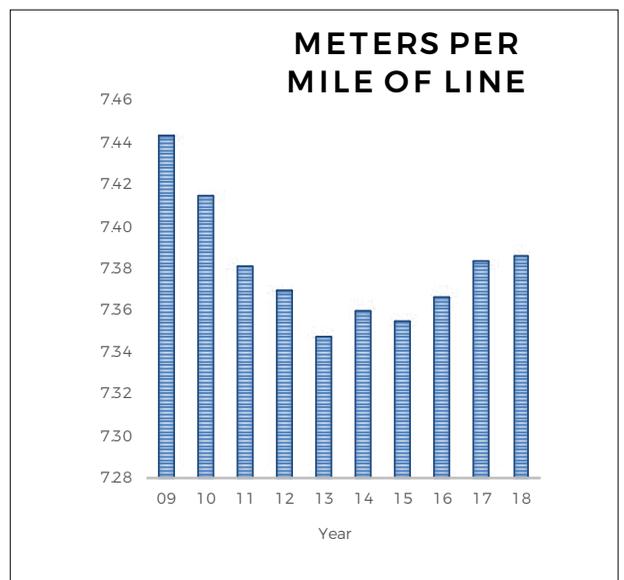
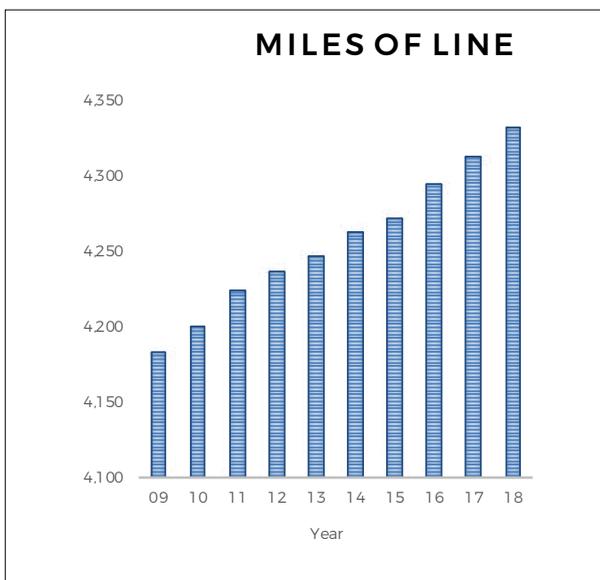
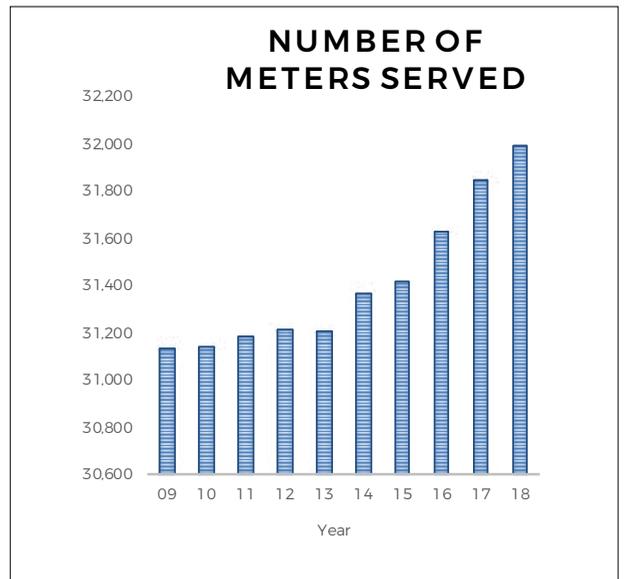
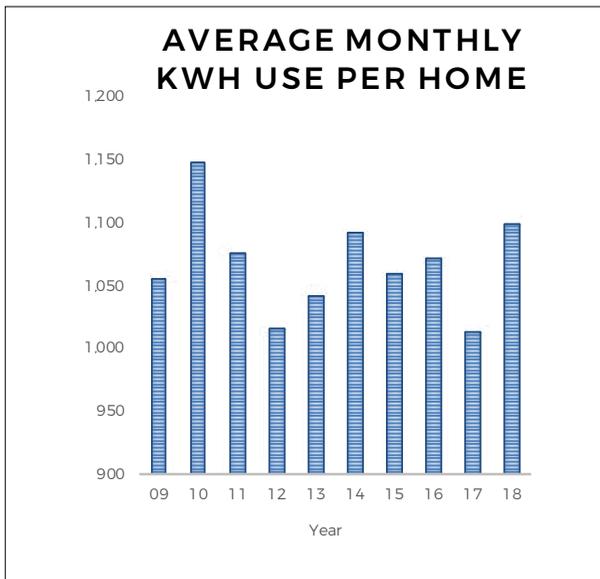
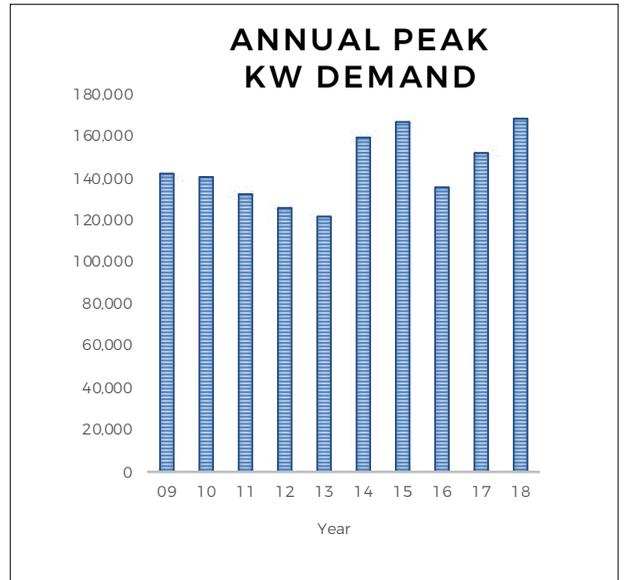
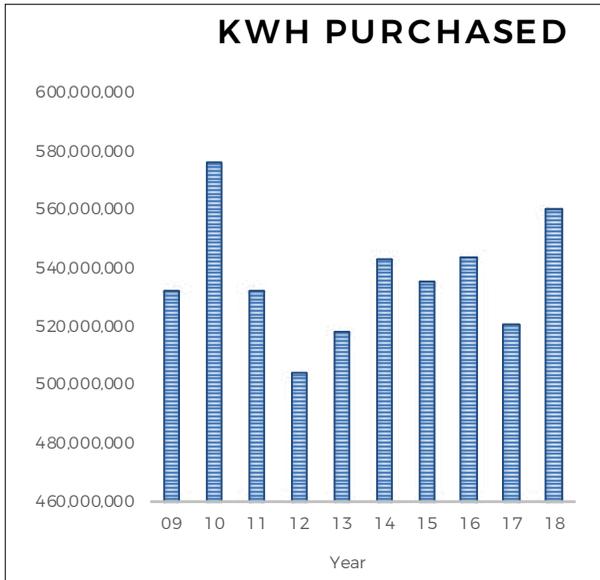
Liabilities

We owe debt on our plant of	\$ 93,258,028
We have patronage capital and unallocated margins amounting to	\$ 58,940,532
We owe accounts payable amounting to	\$ 5,095,327
We are holding deposit fees amounting to	\$ 673,312
We have other current and accrued liabilities amounting to	\$ 4,684,044
We have deferred credits and other liabilities amounting to	\$ 6,161,812
Total Liabilities	\$ 168,813,055

2018 REVENUE DOLLAR



POWER TRENDS



RANDOLPH EMC BOARD OF DIRECTORS



Lee Isley
District 1

Asst. Secretary-Treasurer



Scott Cole
District 2



Larry Routh
District 3



Jerry Bowman
District 4
President



Delbert Cranford
District 5



Sue Spencer
District 6



Tammie Phillips
District 7
Vice President



Steve Harris
District 8



Billy Maness
District 9
Secretary-Treasurer



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Membership Corporation

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