



Randolph Electric  
Membership Corporation

Your Touchstone Energy® Cooperative 

**RE-ENERGIZE**  
**YOUR MEMBERSHIP**  
**THROUGH INNOVATION**

**2016 Annual Report**

# Dear Members,

As our No. 1 top priority, Randolph EMC strives to keep electricity connected safely and reliably to nearly 32,000 member-owners each day. After almost 80 years of being in business, you might think that the cooperative has changed over time. In some ways it has—with all the technological changes that have come about in that time, it's hard not to. But providing safe, reliable and affordable power has remained our mission since day one, and that hasn't changed one bit.

Another thing that hasn't changed is the fact that we're still owned by you, our members. You own a stake in our business, and just like any stakeholder, there are many benefits to your membership. As a member of REMC, you have a say in the representatives who are elected to serve on the co-op's board of directors and have an opportunity to make your voice heard at our Annual Meeting and any other time during the year.

When we think about membership, we think about all of the ways we can give back to you. In just the last 20 years, the electric utility industry has seen aggressive improvements in technology. To keep up with this pace, your board of directors and employee team have worked hard on a strategic plan that gives renewed vision for the cooperative. It seeks to deliver exceptional service and

provide tools and options that empower our members.

Through this plan, it is our goal to energize the membership with enhancements to the cooperative's existing account and payment services, innovative renewable energy options and money-saving rate designs. We are investing in technology to provide you tools to use electricity more efficiently, and ultimately, save on costs.

As the utility industry continues to see technological advances, we hope to excite our membership to rethink what it means to be a member-owner of the cooperative. We want to encourage you to use the innovative tools, services and programs we have to offer. They represent our continued commitment to being your trusted energy advisor.

Cooperatively yours,



Bob Wright, President,  
Randolph EMC  
Board of Directors

Dale F. Lambert,  
Chief Executive  
Officer





See a video overview of  
SunPath Community Solar®  
at RandolphEMC.com



## REVITALIZING WITH ENHANCED PROGRAMS & SERVICES

### Online Member Service Portal & Mobile App

Installing digital meters to give member-owners the ability to take control of their electric accounts is one of the best advancements REMC has made in recent years. Our Online Member Service Portal, available at RandolphEMC.com, gives you the power to monitor your daily energy use, set up high usage and billing alerts, make payments, update your contact information and more all in one place.



Stay connected to your account!  
Download Randolph EMC's Mobile  
App for any Apple & Android Device.

The MyUsage charts and high usage alerts available through the portal have been deemed “two of the best tools ever offered for managing energy use in the home” by our seasoned energy use advisors. This is because it provides a means to track and control energy use and costs well before a member receives a higher-than-expected electric bill.

Viewing your daily usage chart can help you identify trends in your family's personal habits and see how they can cause increases or decreases in your energy use. Viewing your chart with the high and low temperature overlay makes it easy to see how weather affects your bill. Once you determine how much electricity use

is “normal” for your home, you can set up high usage alerts. If it seems you're receiving these alerts often, you might have a problem with an appliance that needs to be addressed.

In 2016, we took our Online Member Service Portal to the next level in convenience with a Mobile App that extends almost all of the same resources available online to your smartphone or tablet. The mobile app is extremely user friendly and also gives instant access to REMC's outage map, office locations and social media sites.

### SunPath Community Solar®

We are extremely excited about the growth of our SunPath Community Solar® program, which helps members offset their carbon footprint with solar energy. Instead of installing and retaining ownership of their own solar energy system, members subscribe to the energy output of the SunPath solar panels and are credited monthly for their share of the energy produced. Community solar participants receive exactly the same benefit as those who own their own solar energy system.

From January 2016 to April 2017, the 100-kilowatt system has generated nearly 225 megawatt-hours of electricity and has helped avoid emitting more than 175 tons of CO<sub>2</sub> into the air.

Monthly and full-term subscriptions are available exclusively to Randolph EMC members on a first-come, first-served basis. At the end of 2016, 28 members had subscribed to 144 panels and the number of participants has continued to grow in numbers since then.

# REVIVING OUR COMMUNITIES

## REConnect Community Member Meetings

In an effort to energize our membership with the innovative resources we are offering, Randolph EMC began hosting a series of member engagement meetings, known as REConnect. During these casual gatherings, REMC staff shares new services and programs available to members, energy tips and answers questions to help our member-owners make the most of their membership. Each of these meetings are scheduled to be held at a different location each quarter, making it convenient for our member-owners to travel to a meeting near their home.

## Economic Support for Critical Community Organizations

With its access to the USDA's Rural Economic Development Loan and Grant (REDLG) program, Randolph EMC has had tremendous success providing funding for equipment that provides much-needed services to our members and their communities. The REDLG program



Join our online community! Follow Randolph EMC's social media sites for all the latest co-op news.

establishes an ongoing "revolving loan" fund to provide zero-interest loans and grants to local electric cooperatives, which then lend to local entities for projects that support rural areas.

Thanks to a \$360,000 zero-interest loan from Randolph Electric, the Bennett Volunteer Fire Department was able to purchase a new tanker fire truck last year. More recently, the Robbins Fire Department was able to add a new truck to its fleet with these funds.

## Asheboro Substation Upgrade

Randolph EMC progressed on the Asheboro substation construction, which is being upgraded to account for recent and future growth in and around the city of Asheboro. This new station will combine today's highest safety standards with time-tested design features to ensure that REMC can provide safe, reliable electric service for decades to come.

# RESPONDING TO KEY ISSUES & SAFETY SITUATIONS

Randolph Electric is determined to continue to support policies and actions that result in delivering affordable, reliable service to you as we embrace the opportunities and confront the challenges that lie

ahead. An important part of our business is making sure your best interests are represented when those policies are being determined. Employees regularly communicate with legislators about key issues that





**\$10,675**  
 to **57 Member Families**  
**\$10,000**  
 in Community Grants to **6**  
 Local Nonprofit Agencies

**BRIGHT IDEAS** **\$12,000**  
 for Local Teachers' Creative Projects

**\$3.03 MILLION**  
 in Capital Credits Returned to  
 Member-Owners in 2016



affect how much you'll pay on your power bill and we encourage members to make their voices heard, as well. In the 2016 election year, the National Rural Electric Cooperative Association recognized Randolph EMC as a 5-Star Co-op for its grassroots efforts in stressing the importance of voting.



**First in Class in Safety**

Looking out for everyone's best interests isn't limited to legislative interactions. Sharing safety information and demonstrations at community events and through our newsletter and social media are just a few ways we share the dangers of electricity with members. But keeping safety top of mind for those who work to keep electricity flowing to your homes and businesses each day is extremely important as well.

Randolph EMC has worked hard to instill a culture of safety for employees. Every three years, the co-op participates in the Rural Electric Safety Achievement Program (RESAP), a service of the National Rural Electric Cooperative Association (NRECA) that promotes the highest standards of safety among electric cooperatives. In 2016, Randolph EMC met and exceeded all OSHA requirements for this program.

Practicing at a high level of safety day after day prepares co-op employees for the times it's needed most. In 2016, Randolph EMC was fortunate not to have had major damage from storms, although Hurricane Matthew, Winter Storm Jonas and a few wind storms throughout our service territories did cause some widespread outages.

In an effort to better serve community members critical times of need, Randolph EMC met with Emergency Management organizations from across the five counties we serve to plan in advance for catastrophic events. This meeting included a tour of the Operations Support Facility and new dispatch center, as well as a live high-voltage line safety demonstration to alert the group to the dangers electricity presents during emergency response.

# FINANCIAL REPORT

## What We Took In

Operating Revenue	\$ 61,558,450
Non-Operating Revenue	\$ 219,754
Capital Credits from Associated Organizations	\$ 1,292,947
<b>Total</b>	<b>\$ 63,071,151</b>

## What We Paid Out

Purchased Power	\$ 35,122,657
Gross Receipts and Property Taxes	\$ 759,024
Depreciation of Plant and Equipment	\$ 5,401,209
Interest Expense	\$ 3,152,551
Operation, Maintenance & Other Expenses	\$ 14,638,457
<b>Total</b>	<b>\$ 59,073,898</b>

## What We Had Left

Net Margin for the Year (Patronage Capital)	\$ 3,997,253
---	--------------

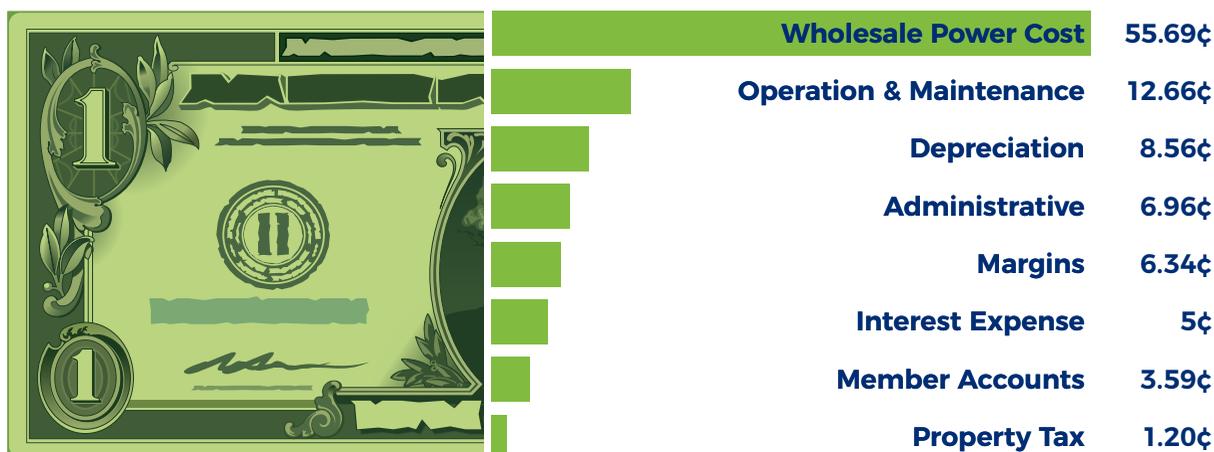
## Assets

Our plant is valued at	\$ 131,222,699
We have other investments worth	\$ 12,355,893
We have cash and temporary investments on hand in the amount of	\$ 2,608,116
We have accounts and notes receivable amounting to	\$ 6,851,526
We have prepayments and other assets amounting to	\$ 7,745,843
Our materials and supplies are worth	\$ 1,419,177
<b>Total Assets</b>	<b>\$ 162,203,254</b>

## Liabilities

We owe debt on our plant of	\$ 90,801,497
We have patronage capital and unallocated margins amounting to	\$ 55,184,284
We owe accounts payable amounting to	\$ 4,648,094
We are holding deposit fees amounting to	\$ 722,959
We have other current and accrued liabilities amounting to	\$ 8,284,414
We have deferred credits and other liabilities amounting to	\$ 2,562,006
<b>Total Liabilities</b>	<b>\$ 162,203,254</b>

## 2016 REVENUE DOLLAR



# POWER TRENDS

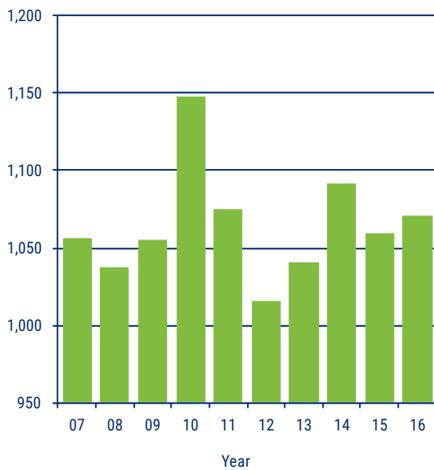
**kWh Purchased**



**Annual Peak KW Demand**



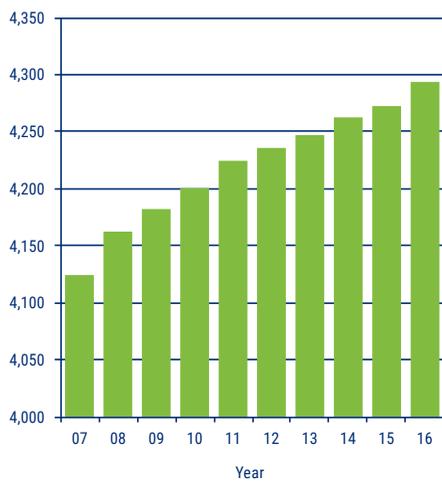
**Average Monthly kWh Use Per Home**



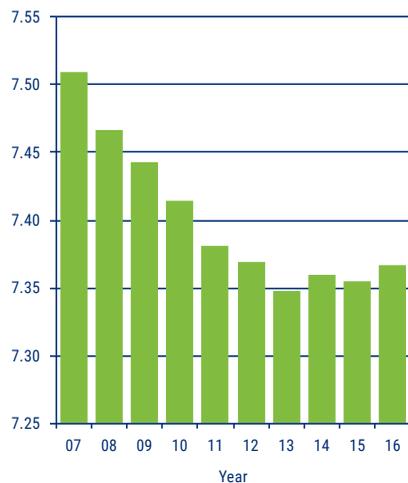
**Number of Meters Served**



**Miles of Line**



**Meters Per Mile of Line**



# Randolph EMC Board of Directors



## Officers

(seated, left to right)

**Bob Wright, President**  
**Tammie Phillips, Assistant Secretary-Treasurer**  
**Sue Spencer, Secretary-Treasurer**  
**Jerry Bowman, Vice President**

## Directors & Staff

(standing, left to right)

<b>Britt Smith</b>	<b>Steve Harris</b>
<b>Delbert Cranford</b>	<b>Billy Maness</b>
<b>James Andrews</b>	<b>Dale Lambert</b>
<b>Larry Routh</b>	



**Randolph Electric  
Membership Corporation**

Your Touchstone Energy® Cooperative 

### Asheboro Office

879 McDowell Road  
Asheboro, NC 27205  
(336) 625-5177  
(800) 672-8212

### Robbins Office

201 S. Middleton Street  
Robbins, NC 27325  
(910) 948-3401  
(800) 868-7014