

# POWERING TOMORROW... TODAY!



## 2017 Annual Report



Randolph Electric  
Membership Corporation

Your Touchstone Energy® Cooperative 

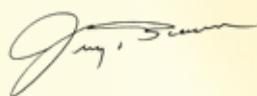
# Dear Members,

It has become evident in recent years that smart devices are becoming more mainstream within most households. In fact, according to the 2016-2017 National Cooperative Difference Survey, 66 percent of co-op households 35-54 years old are tech followers, meaning they are more likely to own mobile technologies such as smartphones and less likely to own a traditional desktop computer. Along with mobile technologies like laptops, tablets, and smart phones, there are also devices such as smart televisions, thermostats, water heaters, and home entertainment systems that many households are incorporating into their daily routines. The one common factor among most of the smart devices we're using in this age of technology is that they all must be charged, which means electricity is also a necessity. It is our goal to meet your needs and support added growth to the system by investing in technology today that will make the delivery of reliable electric service better tomorrow.

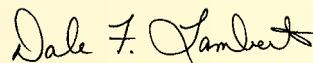
In addition to monitoring, maintaining and upgrading our electric grid to support future needs, we are also creating innovative renewable energy options and money-saving rate designs to further enhance your membership in the cooperative. It is our hope that by investing in progressive technology today, you will be equipped with the tools to use electricity more efficiently, and ultimately, save on costs in the future.

We invite you to learn more about what's in store for the future of your cooperative at REMC's 80th Annual Meeting on Friday, June 15, at Southwestern Randolph High School. This is a time to celebrate the strength of the cooperative, to conduct important business and to focus on how we can continue our mission of providing safe, affordable and reliable electricity to our member-owners.

Cooperatively yours,



Jerry Bowman,  
President, Randolph  
EMC Board of  
Directors



Dale F. Lambert,  
Chief Executive  
Officer



## PROGRESSIVE & SUSTAINABLE PROGRAMS



An important part of preparing REMC's owners for the future involves education about developing trends in technological advancements. These advancements include electric vehicles and the effect they have on the electric utility industry. At the end of 2017, the cooperative launched the REMC Electric Vehicle Utility Program (REVUP) in an effort to better understand the demands EVs place on the electrical system and owners' charging habits. This pilot program is available to 25 members who currently own an EV and 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.

As of the end of April, 12 members are participating in REVUP and collectively add about 2,200 kilowatt-hours of electricity per month by charging their electric vehicles. With the average REMC member using around 1,000 kWh per month to power their home, you can see that just these 12 cars add the equivalent of two households to our electrical load. This is important because the additional electrical load that comes with EV charging can impact the equipment required to adequately serve the home. This added load can also affect how we forecast future power costs. By pinpointing where to expect additional load, we are able to better predict and plan for tomorrow, today.





## SunPath Community Solar®

In its third year of existence, membership in REMC's SunPath Community Solar

program has continued to grow. SunPath Community Solar 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. Since it was energized at the end of 2015, the 100-kilowatt system has generated more than 380 megawatt-hours of electricity and has helped avoid emitting 294 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. As of April 2018, 42 members have subscribed to 191 panels and the number of participants continues to grow.

## PROVIDING CONVENIENCE WHERE IT COUNTS

Randolph EMC now has more channels than ever to communicate with our membership. Websites, social media, email, text and mobile apps all provide opportunities to connect with members. This variety of channels also gives members a choice in how and when they give and receive communication. Take a look at some of the ways we're making it more convenient to connect with your cooperative.

## REConnect with REMC

The REConnect meetings REMC held in 2017 were a great way for members to come out and meet some of the cooperative directors and staff and learn about various services and programs available to help them manage their energy use. Throughout that process, though, we learned that folks value convenience and have very busy schedules.

In an effort to reach a larger audience and provide access when it's most convenient, these meetings will be replaced with a series of brief videos through sites such as Facebook, Twitter, YouTube and RandolphEMC.com. The videos will highlight energy-saving tips and tools, helpful services, and various payment programs available to members to help save energy and money. Be sure to follow Randolph EMC on social media and subscribe to our channel on YouTube so you don't miss out!



**\$8,200**  
to **51 Member Families**

**\$10,000**  
to **8 Nonprofits as Part**  
of the **Sharing Success**  
**Community Grants program**



**Bright Ideas**  
EDUCATION GRANTS



**More than  
\$3 MILLION**  
in Capital Credits Returned  
to Member-Owners in 2017

**\$12,000**  
for 10 Local Teachers'  
Creative Projects

## POWERING TOMORROW

### Asheboro Substation

First energized in 1939, the original Asheboro substation has been providing reliable electricity for almost 80 years. In order to better serve load growth in the area and reinforce the electrical system reliability for our community, a new Asheboro substation was constructed in 2017 (shown with a group of REMC linemen below). The station was energized in December, and is equipped with the latest technology and resources to meet our energy needs now and into the future.

## PERSISTING THROUGH STORMS

2017 Storm Restoration Efforts  
REMC was fortunate to have experienced only mild inclement weather from winter storm Helena, Hurricane Irma, and a few minor storms throughout our service territories in 2017. Occurring in early January 2017, winter storm Helena produced freezing rain and sleet that caused around 1,500 members to lose power.

Hurricane Irma skirted past central North Carolina, but caused significant damage to our sister cooperatives further south. REMC crews worked to first restore outages locally, and then traveled to Little Ocmulgee EMC in Wheeler County, Georgia. Before our crews arrived, 80 percent of LOEMC's membership was out of power. We are extremely grateful that our crews made it through these storms safely and restored outages to members as quickly as possible.



# FINANCIAL REPORT

## What We Took In

Operating Revenue	\$ 60,888,640
Non-Operating Revenue	\$ 256,257
Capital Credits from Associated Organizations	\$ 1,299,255
<b>Total</b>	<b>\$ 62,444,152</b>

## What We Paid Out

Purchased Power	\$ 34,253,944
Property Taxes	\$ 783,477
Depreciation of Plant and Equipment	\$ 5,522,788
Interest Expense	\$ 3,151,388
Operation, Maintenance & Other Expenses	\$ 14,481,214
<b>Total</b>	<b>\$ 58,192,811</b>

## What We Had Left

Net Margin for the Year (Patronage Capital)	<b>\$ 4,251,341</b>
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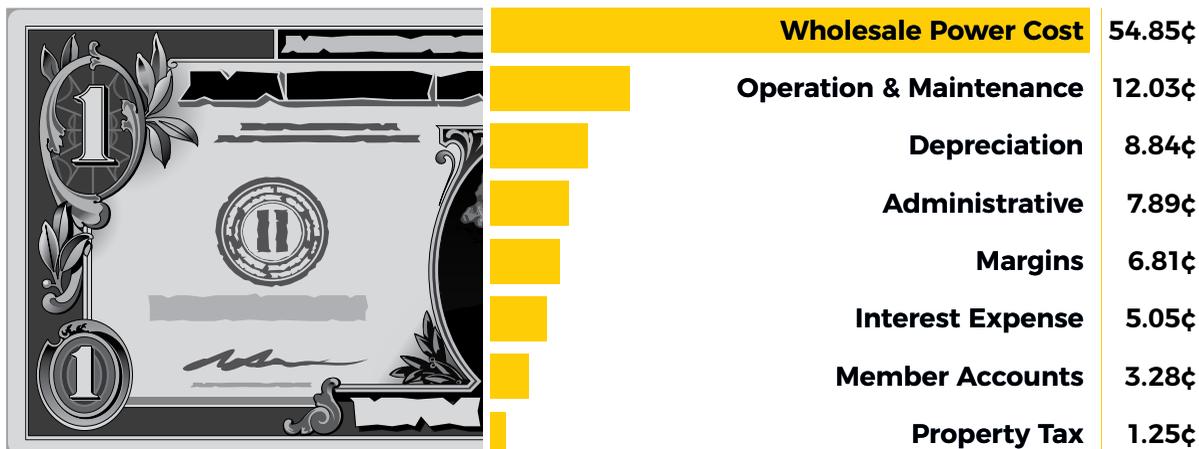
## Assets

Our plant is valued at	\$ 134,995,425
We have other investments worth	\$ 15,348,467
We have cash and temporary investments on hand in the amount of	\$ 830,712
We have accounts and notes receivable amounting to	\$ 6,235,470
We have prepayments and other assets amounting to	\$ 7,742,086
Our materials and supplies are worth	\$ 1,633,191
<b>Total Assets</b>	<b>\$ 166,785,351</b>

## Liabilities

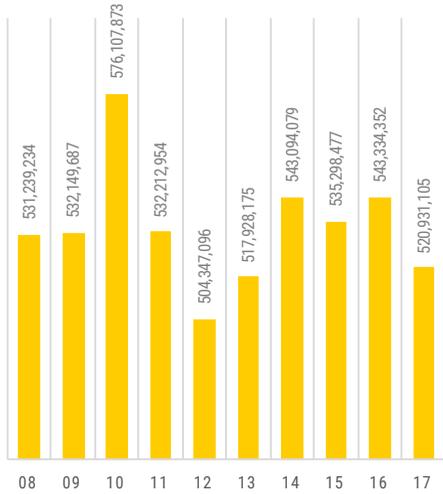
We owe debt on our plant of	\$ 92,671,029
We have patronage capital and unallocated margins amounting to	\$ 56,302,958
We owe accounts payable amounting to	\$ 4,834,197
We are holding deposit fees amounting to	\$ 706,137
We have other current and accrued liabilities amounting to	\$ 5,846,117
We have deferred credits and other liabilities amounting to	\$ 6,424,913
<b>Total Liabilities</b>	<b>\$ 166,785,351</b>

## 2017 REVENUE DOLLAR



# POWER TRENDS

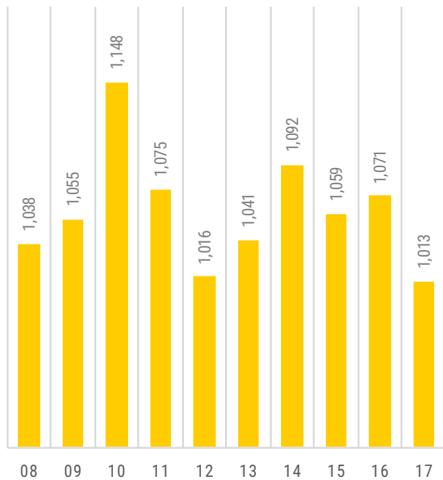
## KWH PURCHASED



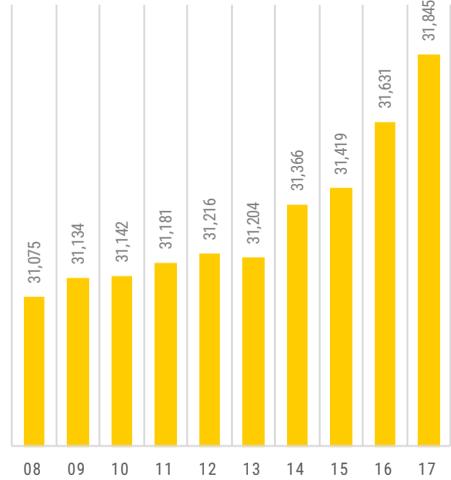
## ANNUAL PEAK KW DEMAND



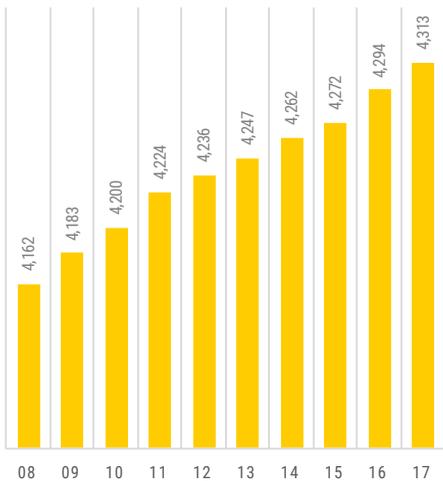
## AVERAGE MONTHLY KWH USE PER HOME



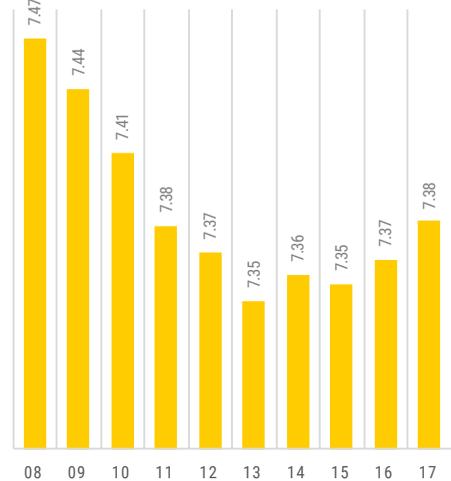
## NUMBER OF METERS SERVED



## MILES OF LINE



## METERS PER MILE OF LINE



# Randolph EMC Board of Directors



**Lee Isley**  
District 1



**Bob Wright**  
District 2



**Larry Routh**  
District 3



**Jerry Bowman**  
District 4  
President



**Delbert Cranford**  
District 5



**Sue Spencer**  
District 6  
Secretary-Treasurer



**Tammie Phillips**  
District 7  
Vice President



**Steve Harris**  
District 8



**Billy Maness**  
District 9  
Asst. Secretary-Treasurer



**Randolph Electric**  
Membership Corporation

Your Touchstone Energy® Cooperative 

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