

Piedmont Electric's

ANNUAL MEETING OF THE MEMBERSHIP

April 17, 2020



Piedmont Electric
Membership Corporation

Your Touchstone Energy Cooperative 

WELCOME



Piedmont Electric
Membership Corporation
Your Touchstone Energy Cooperative

BILL BARBER

CHAIRMAN, BOARD OF DIRECTORS

2019

Board of *directors*

District 1 - David Poythress

District 2 - Randy Kinley

District 3 - Cy Vernon

District 4 - Stephen Long

District 5 - Paul Bailey, Vice Chairman

District 6 - Beth Townsend

District 7 - Bill Barber, Chairman

District 8 - Andy Oakley

District 9 - Sam Woods, Secretary

At-Large - Richal Vanhook, Treasurer



AT-LARGE

CASWELL



4



5

PERSON



6

GRANVILLE



9

ORANGE



7



3

ALAMANCE



2



1



8

DURHAM

READING OF OFFICIAL NOTICE



Piedmont Electric
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MIKE PARKER

ATTORNEY

Piedmont Electric's

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STEVE HAMLIN

PRESIDENT & CEO

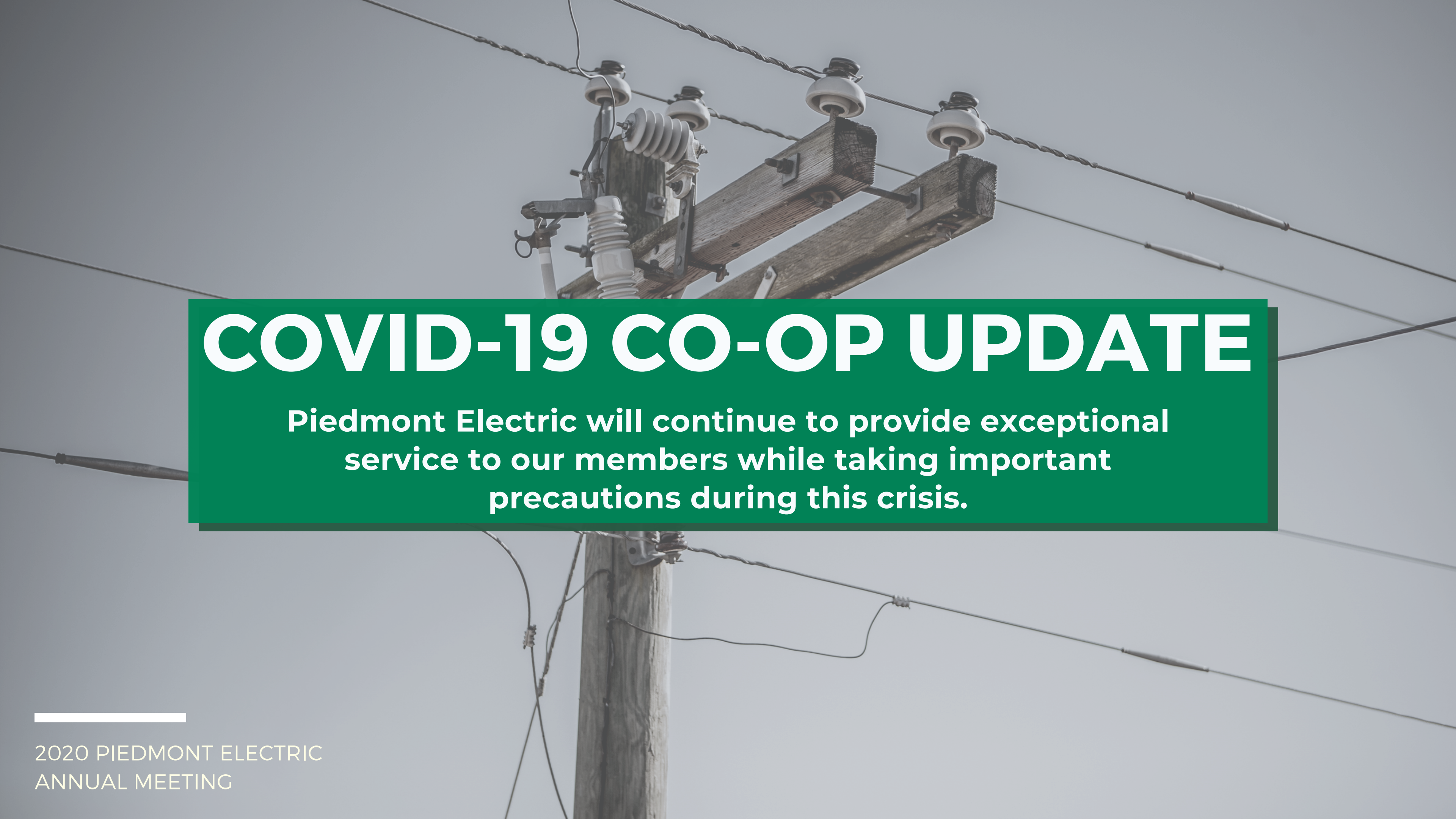
Thank you!

For voting online or through mail-in ballots.

Our new voting method gives members the
chance to make their voice heard without
ever leaving the comfort of their home.

Winners of the \$100 bill
credits will be announced
at the end of the meeting.





COVID-19 CO-OP UPDATE

Piedmont Electric will continue to provide exceptional service to our members while taking important precautions during this crisis.

Concern for Community

Our dedication to our community runs strong and is woven into everything we do.



Offices Closed to Public

Drive thrus are still open in Hillsborough and Roxboro offices during regular hours. Caswell office drive thru open on Wed. with limited hours.



2020 PIEDMONT ELECTRIC
ANNUAL MEETING



PIEDMONT ELECTRIC'S
**HELPING
HAND**
FOUNDATION

COVID-19 RELIEF FUND

\$15,000

SET ASIDE TO HELP MEMBERS IN NEED

MEMBERS ENCOURAGED TO JOIN US AT
PEMC.COOP/DONATE

FINANCIAL SUMMARY

2020 PIEDMONT ELECTRIC
ANNUAL MEETING

CONSOLIDATED STATEMENTS OF OPERATIONS

	2019	2018
Operating Revenues	\$63,097,907	\$64,153,821
Operating Expenses		
Cost of power	\$34,265,780	\$36,455,625
Other operating expenses	16,197,970	15,706,239
Net operating margins	12,634,157	11,991,957
Depreciation	(7,200,828)	(6,914,024)
Interest	(4,279,577)	(4,182,063)
Net non-operating margins	2,040,888	2,142,865
Total Net Margins	\$3,194,640	\$3,038,735

CONSOLIDATED STATEMENTS OF OPERATIONS

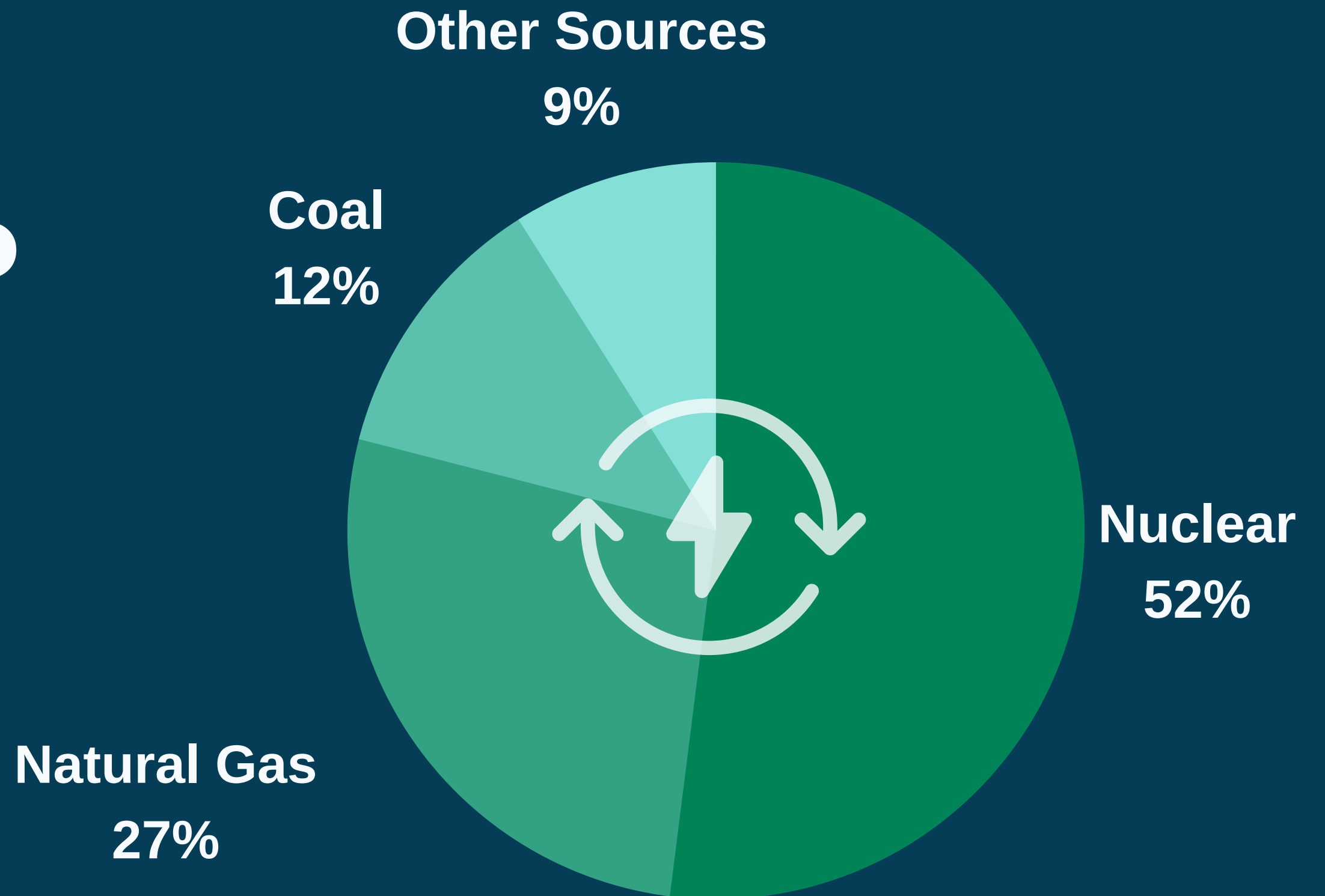


HOW YOUR DOLLAR WAS SPENT

COST OF POWER	53%
OPERATIONS AND MAINTENANCE	14%
DEPRECIATION COSTS	11%
MEMBER SERVICE, SALES AND ACCOUNT MAINTENANCE	7%
INTEREST ON BORROWED MONEY	6%
NET MARGINS	5%
ADMINISTRATIVE EXPENSE	4%

Energy Portfolio

As we look into the future, we anticipate having less coal in our energy mix, more renewables and natural gas with nuclear still accounting for about half of our power mix.



CAPITAL CREDITS

Returned nearly \$3 million back to members in the past two years.

CAPITAL CREDITS*	2019	2018
Capital Credits Retired to Members		
Estate retirements	\$523,113	\$540,957
General retirement	925,508	954,115
<hr/>		
Total Retired	\$1,448,621	\$1,495,072

*These amounts reflect actual capital credits retired and may not reflect future capital credits.

CONSOLIDATED BALANCE SHEETS

CONSOLIDATED BALANCE SHEETS	2019	2018
Assets		
Total net utility plant	\$171,662,446	\$166,910,939
Other property and investments	16,260,651	16,457,154
Current assets	10,033,275	10,485,961
Prepaid expenses and deferred charges	2,283,832	2,330,496
	\$200,240,204	\$196,184,550
Members' Equity and Liabilities		
Members' equity	\$63,432,407	\$61,660,197
Noncurrent liabilities	114,459,876	104,681,281
Current liabilities	20,377,220	26,773,538
Deferred credits	1,970,701	3,069,534
	\$200,240,204	\$196,184,550

LOOKING BACK AT 2019



KEEPING RATES LOW

This past year we continued to provide you the exceptional service you've come to expect while managing our costs to help keep rates steady for another year.



IMPROVING OUR SYSTEM

Whether it is planning for growth or ensuring what we have in place works, Piedmont Electric continuously works to strengthen our electric grid.



RELIABLY RELIABLE

We take reliability seriously and again in 2019, Piedmont Electric delivered power for more than 99.98% of the time.

Why new meters?



Developer support ending



Readings every 15 minutes give our members and the co-op more information enabling better informed energy decisions



Quicker and more accurate identification of outages

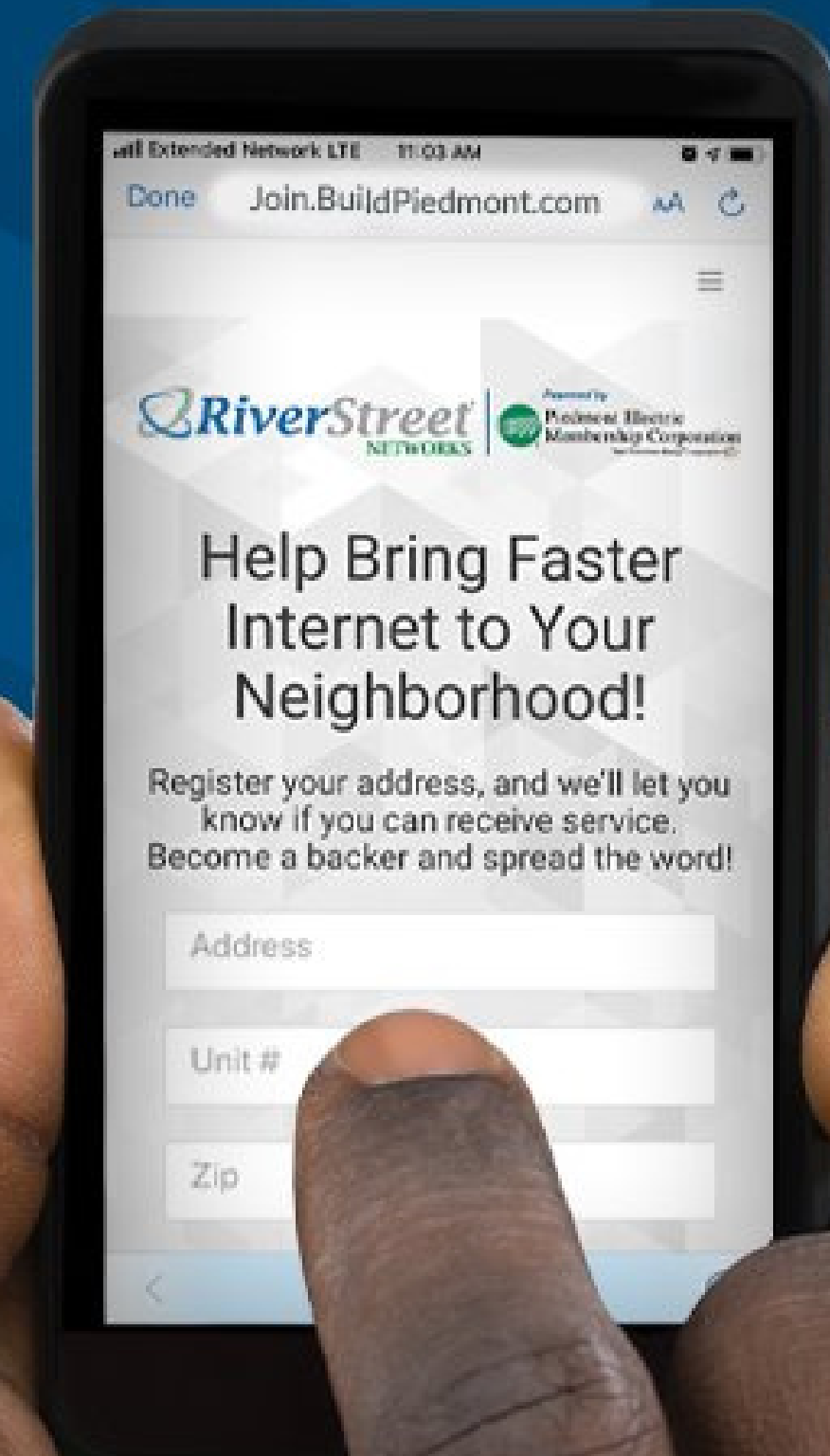


High-Speed Internet Pilot Program

In Dec. 2019, Piedmont Electric announced a pilot program with RiverStreet Networks, a subsidiary of Wilkes Communications, a telephone cooperative.

2020 PIEDMONT ELECTRIC
ANNUAL MEETING

Let your voice be heard at
Join.BuildPiedmont.com



**Thank you for joining the
meeting today!**

Please stay safe.



BUSINESS PORTION



Piedmont Electric
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MIKE PARKER
ATTORNEY

\$100 BILL CREDIT WINNERS



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SUSAN CASHION

VP, CHIEF COMPLIANCE
& ADMINISTRATIVE OFFICER