

Piedmont Electric's

ANNUAL MEETING OF MEMBERS

April 14, 2022



POWERING YOU



Piedmont Electric
COOPERATIVE

WELCOME

BILL BARBER

CHAIR, BOARD OF DIRECTORS

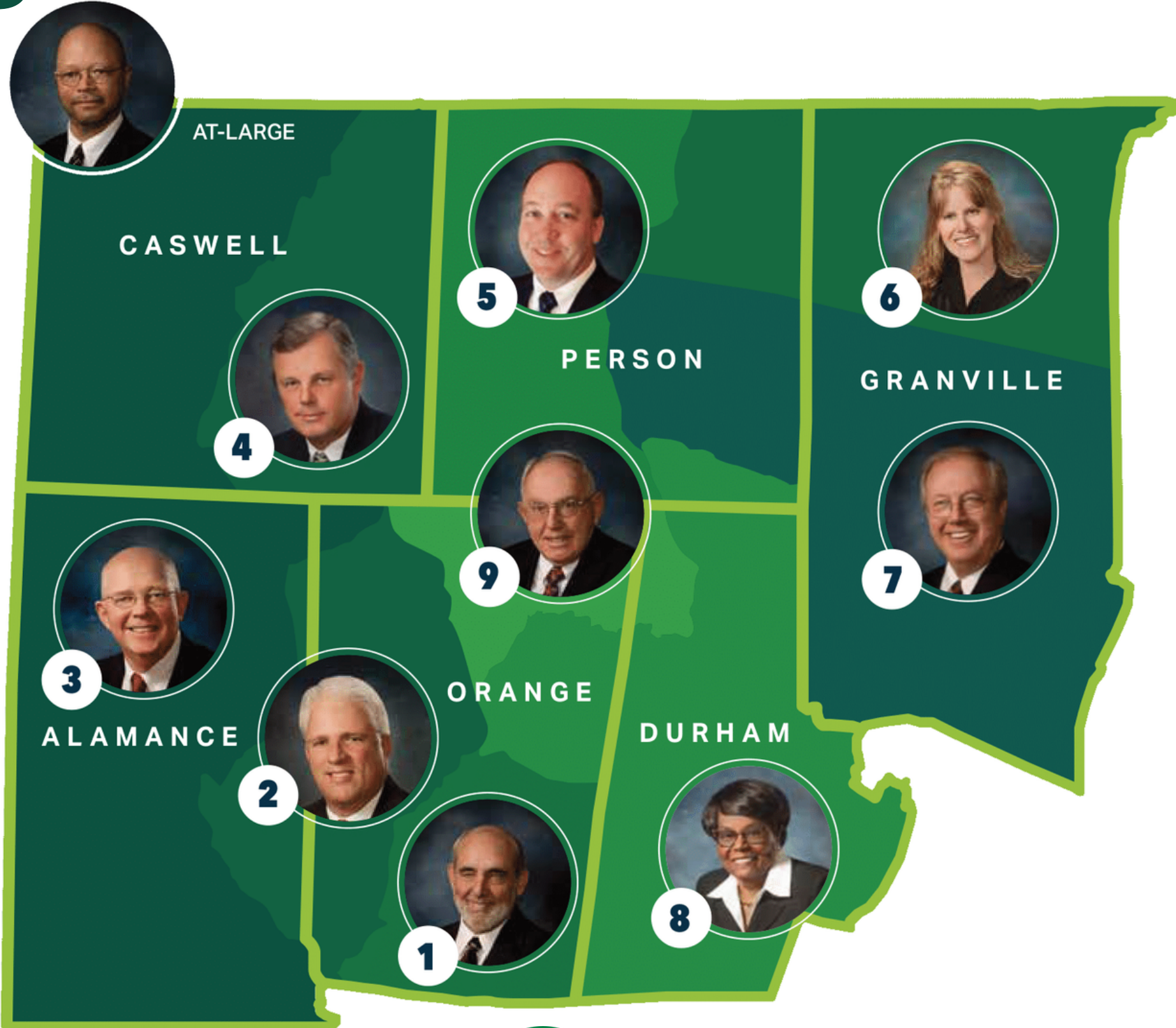
2022 ANNUAL MEETING



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BOARD OF DIRECTORS

- District 1 - David Poythress
- District 2 - Randy Kinley, Vice Chair
- District 3 - Cy Vernon
- District 4 - Stephen Long
- District 5 - Steven P. Bailey
- District 6 - Beth Townsend
- District 7 - Bill Barber, Chair
- District 8 - V. Kay Scurlock-Ferguson
- District 9 - Sam Woods, Secretary
- At-Large - Richal Vanhook, Treasurer



OFFICIAL NOTICE

MIKE PARKER

ATTORNEY

2022 ANNUAL MEETING



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2022 ANNUAL MEETING



STEVE HAMLIN
PRESIDENT & GENERAL MANAGER

Presentation available online



www.pemc.coop/annualmeeting

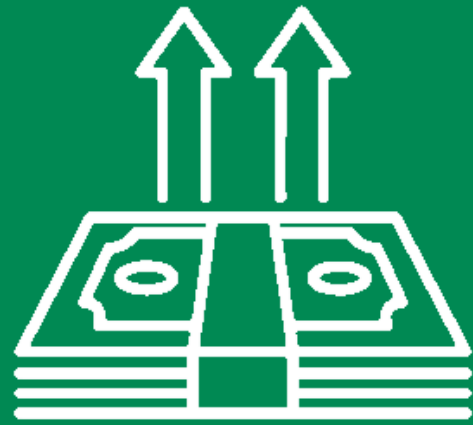
COVID-19 CO-OP UPDATE

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

COVID-19 RESPONSE



Bill payment
assistance
provided



Deposits
returned to
members



Payment plans
set up



Disconnects
suspended



Late fees canceled



Lobbies closed



PIEDMONT ELECTRIC'S
**HELPING
HAND
FOUNDATION**

COVID-19 RELIEF FUND

\$150,000

SET ASIDE TO HELP THOSE IN NEED

MEMBERS ENCOURAGED TO DONATE AT

[PEMC.COOP/DONATE](https://pemc.coop/donate)

DEDICATED TO OUR COMMUNITY



2022 ANNUAL MEETING



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FINANCIAL SUMMARY



2022 ANNUAL MEETING

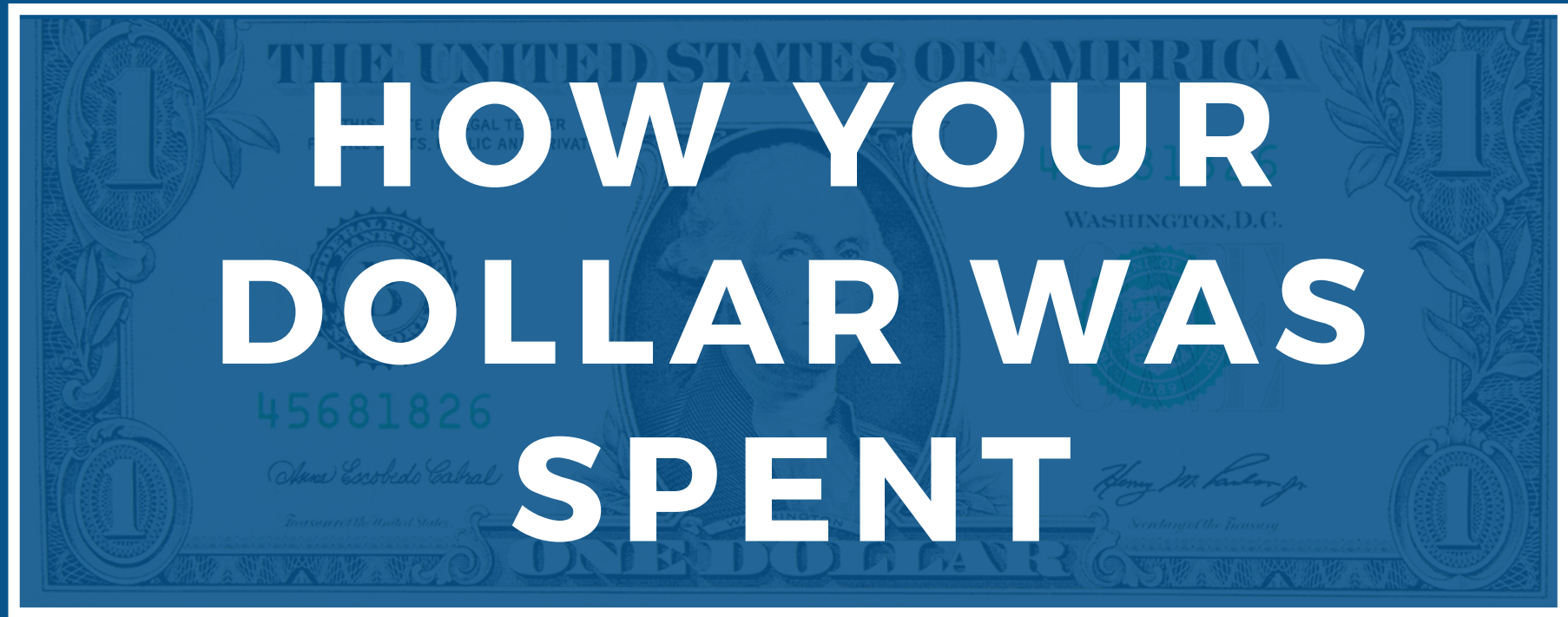


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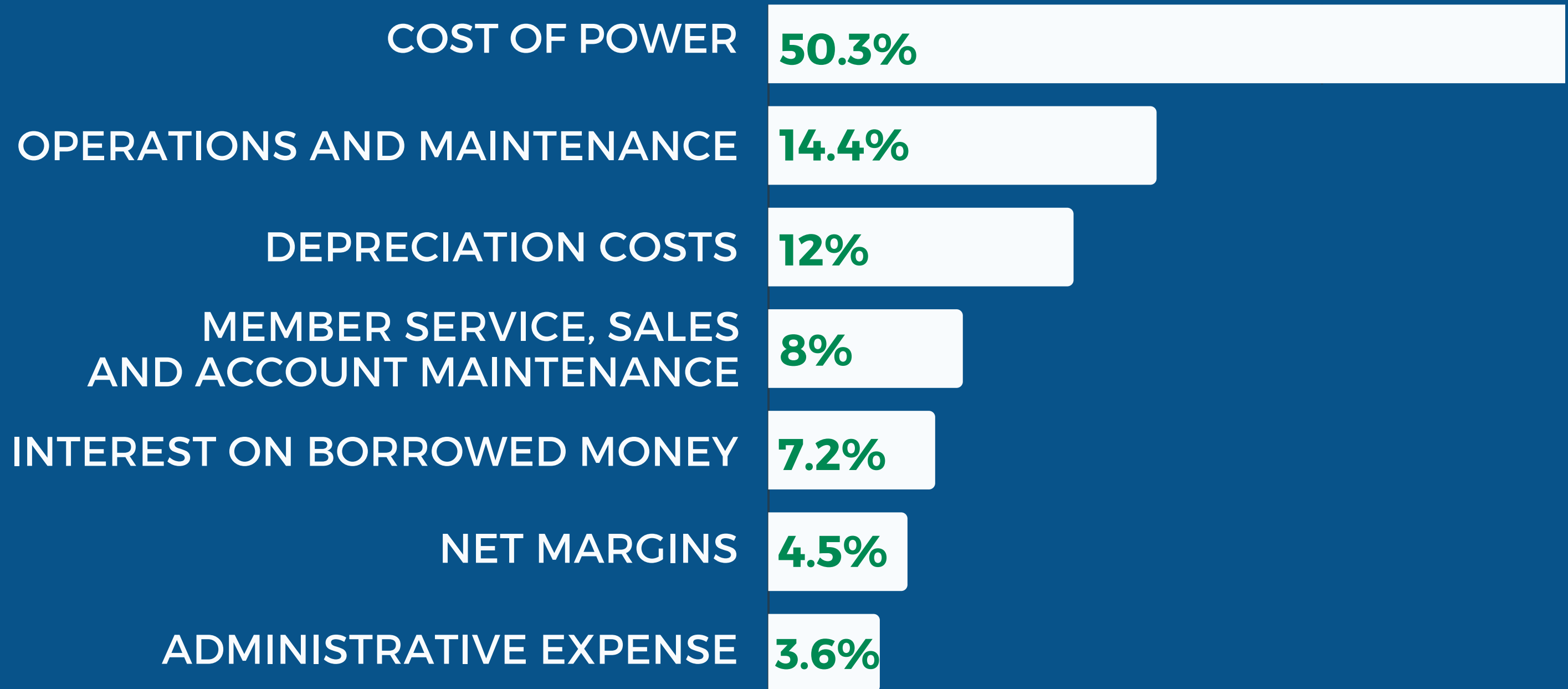
**CONSOLIDATED STATEMENTS
OF OPERATIONS**

	2021	2020
Operating Revenues	\$65,666,340	\$65,186,861
Operating Expenses		
Cost of power	\$33,261,347	\$35,235,847
Other operating expenses	16,721,703	16,760,829
Net operating margins	15,683,290	13,190,185
Depreciation	(7,941,964)	(7,480,585)
Interest	(2,976,732)	(3,852,623)
Net non-operating margins	532,245	1,665,506
Total Net Margins	\$5,296,839	\$3,522,483

**CONSOLIDATED
STATEMENTS OF
OPERATIONS**

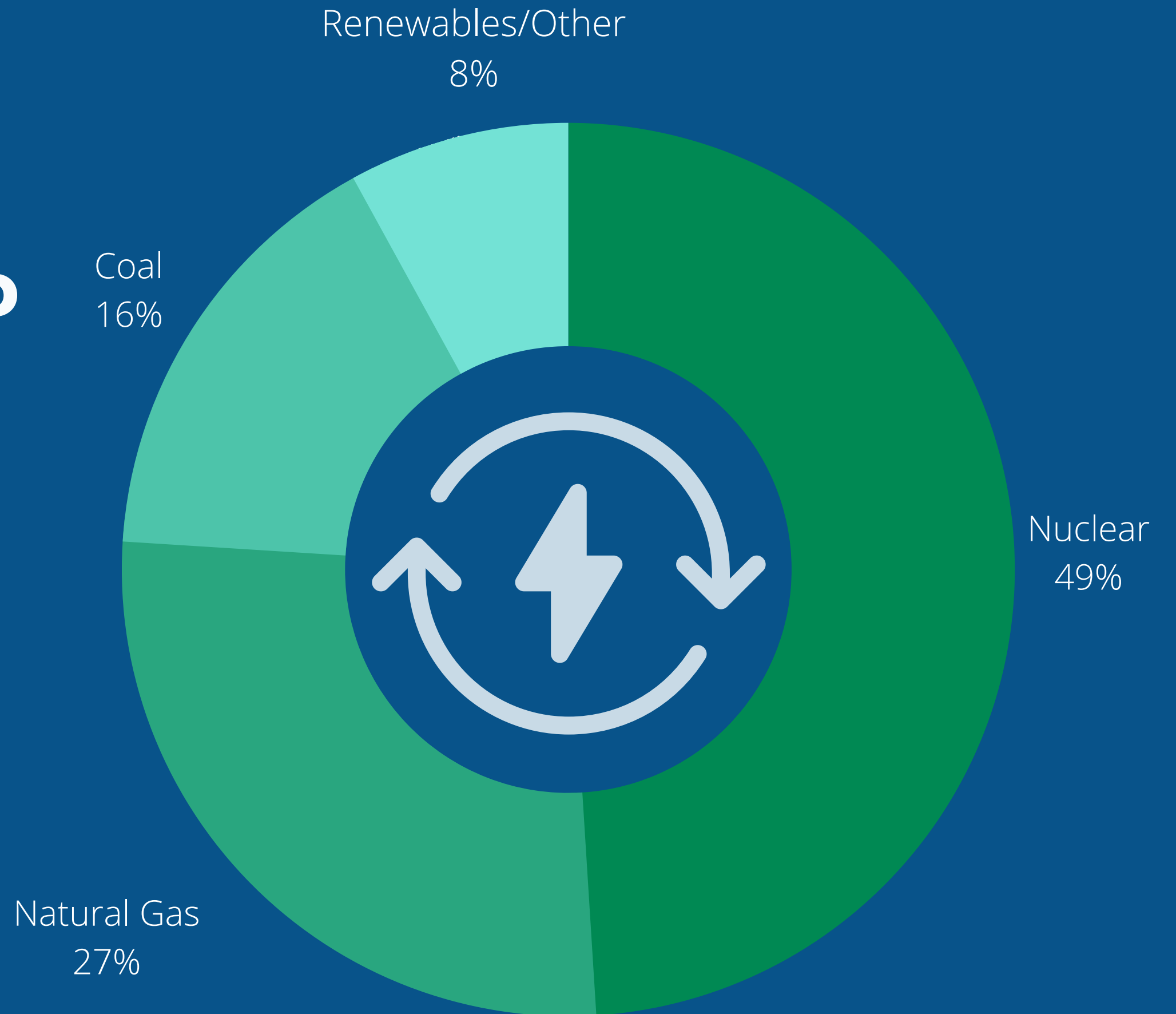


HOW YOUR DOLLAR WAS SPENT



Future 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.



Net zero carbon emissions by 2050



INTEREST & DEPRECIATION

Other significant costs include \$2.9 million in interest and \$7.9 million in depreciation.

	2021	2020
Net operating margins	15,683,290	13,190,185
Depreciation	(7,941,964)	(7,480,585)
Interest	(2,976,732)	(3,852,623)
Net non-operating margins	532,245	1,665,506
Total Net Margins	\$5,296,839	\$3,522,483

CAPITAL CREDITS

Returned more than \$3.6 million back to members in the past two years.

CAPITAL CREDITS*	2021	2020
Capital Credits Retired to Members		
Estate retirements	\$612,042	\$508,839
General retirement	1,354,790	1,206,792
Total Retired	\$1,966,832	\$1,715,631

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

CONSOLIDATED BALANCE SHEETS

2021

2020

Assets

Total net utility plant	\$185,659,868	\$178,567,723
Other property and investments	15,940,225	16,094,942
Current assets	10,607,651	10,999,882
Prepaid expenses and deferred charges	<u>2,155,832</u>	<u>2,061,033</u>
	\$214,363,576	\$207,723,580

Members' Equity and Liabilities

Members' equity	\$69,090,612	\$65,364,466
Noncurrent liabilities	112,116,757	109,100,584
Current liabilities	26,519,994	30,958,568
Deferred credits	<u>6,636,213</u>	<u>2,299,962</u>
	\$214,363,576	\$207,723,580

CONSOLIDATED BALANCE SHEETS

LOOKING BACK AT 2021



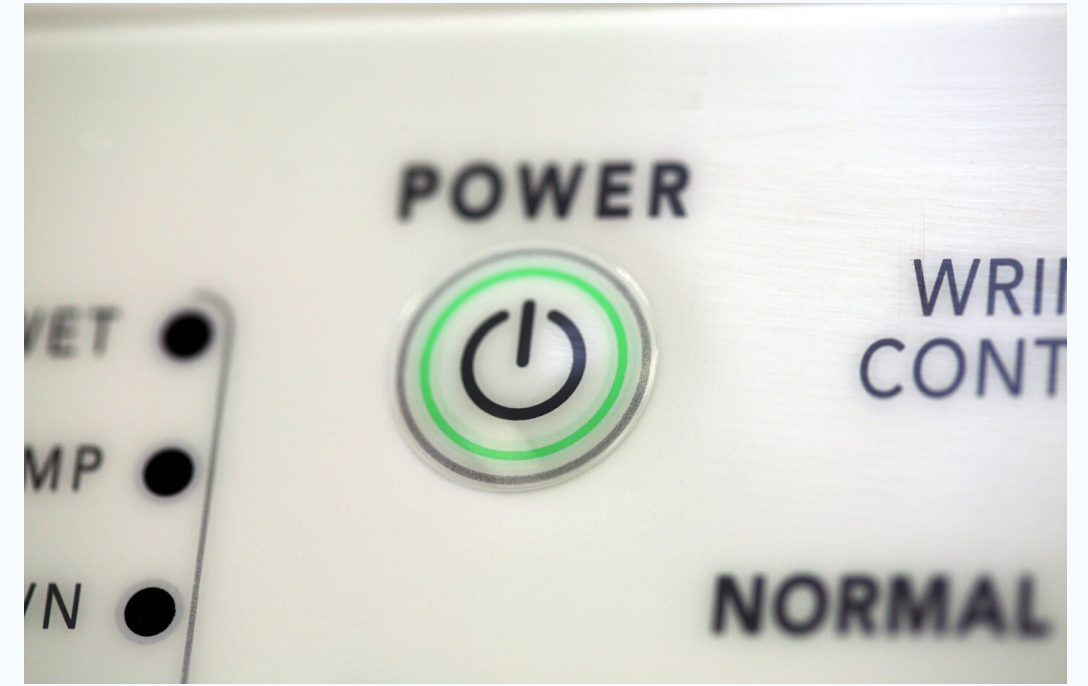
KEEPING RATES LOW

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.

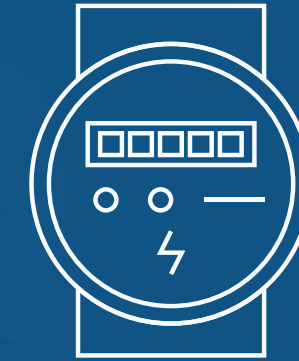


RELIABLY RELIABLE

We take reliability seriously and again in 2021, Piedmont Electric delivered power for more than 99.98% of the time.

New Meters

Will replace more than 33,000 meters to homes, businesses, schools, churches and facilities we serve.



We will be replacing all electric meters with new enhanced meters through 2023.



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

NEW METERS COMING TO YOU SOON

NEW ENHANCED METERS

SOMETHING NEW TO
BETTER SERVE YOU

Learn more about the benefits
at pemc.coop/new-meters



 **Piedmont Electric**
COOPERATIVE



WE'VE INSTALLED A NEW METER

We replaced the existing electric meter at your residence or business today with a new automated electric meter. To complete this task, your electric service was briefly interrupted. No further action is required.

**Flip to the back to learn about
the benefits of this new meter.**

 **Piedmont Electric**
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Changes to Drive-Thru Hours

Effective July 1

2022 ANNUAL MEETING



Effective July 1

OPEN

**Hillsborough &
Roxboro Drive-Thru**
Open Tues.-Thurs.

Caswell Drive-Thru
Open Wednesday



WE DO MORE THAN KEEP THE LIGHTS ON



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PROGRAM UPDATE



Join.BuildPiedmont.com

2022 ANNUAL MEETING

Rural Digital Opportunity Fund (RDOF)



Rural Digital Opportunity Fund (RDOF)

\$106 million awarded in North Carolina





We will continue to support efforts to bring high-speed internet to our communities.





FREE WI-FI HOTSPOTS



Roxboro Office



Caswell Office




Cherry Grove Ruritan Club

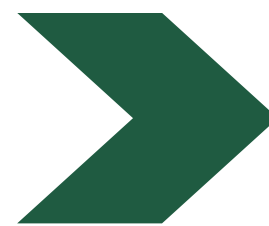


Member Survey & Brand Refresh



**Piedmont Electric
Membership Corporation**

Your Local Touchstone Energy® Cooperative 



**Piedmont Electric
COOPERATIVE**

Your Touchstone Energy® Cooperative 

New Technology & Communications





Challenges of inflation and supply chain



Looking ahead...

Piedmont Electric will continue to provide exceptional service despite these challenges.



2022 ANNUAL MEETING

Thank you for joining the meeting today!

Please stay safe.



ELECTION RESULTS

MIKE PARKER

ATTORNEY

2022 ANNUAL MEETING



Piedmont Electric
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\$100 BILL CREDIT WINNERS



LISA KENNEDY

VP, Financial Services



\$100 BILL CREDIT WINNERS



Michael Royster

Person County - District 5

Liane Salgado

Orange County - District 1



2022 ANNUAL MEETING

**Thank you for
being a member**
and for voting online or through mail-in ballots.



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