

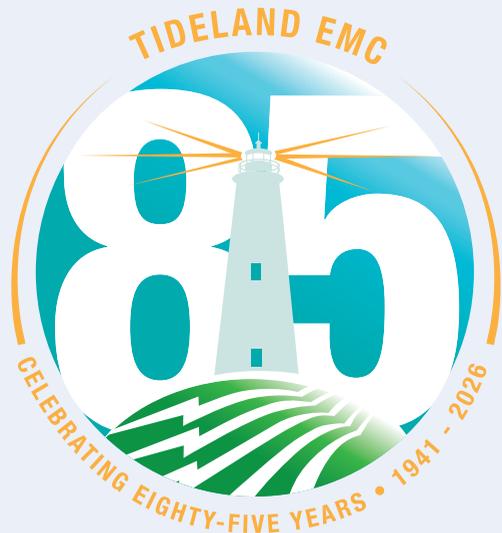
# Tideland Topics

*Real People. Real Power.*

## *Celebrating* **85 years**

As the United States prepares to celebrate its 250th anniversary this summer, we're proud to celebrate our 85th year of service to the member-owners of Tideland EMC. Our anniversary logo features the Ocracoke lighthouse which, was built 203 years ago and first lit on Aug. 15, 1824.

Throughout the year we'll offer up anniversary time capsules about our unique co-op history and the four power companies that merged to form Tideland. Stay tuned!



## *New Rate* **Schedules**

Since 2014, Tideland has had one base rate decrease and one increase. The time has come to implement a new base rate increase effective March 1, 2026.

This issue of Tideland Topics focuses on the factors that necessitated a rate increase. Next month we will take a deep dive into the revamped residential time-of-use rate so you can decide if that rate may be beneficial to you and your family. That issue will also cover ways you can offset the base energy rate increase through efficiency and member portal tools.





## Vince O'Neal returns to co-op board

Ocracoke native Vince O'Neal has rejoined Tideland EMC's board of directors to fill the unexpired term of the late Rudy Austin. O'Neal previously served on Tideland's board from 2006 to 2008.

A retired restaurateur, O'Neal continues to remain active in island life with a keen focus on the issues facing Ocracoke, including frequent ocean overwash on Highway 12 and the state ferry service. In addition to Ocracoke, O'Neal will represent Tideland members in Manns Harbor, Stumpy Point and East Lake.

O'Neal serves on various island boards including the Ocracoke Seafood Company, Ocracoke Decoy Carvers' Guild, and the Ocracoke Preservation Society.

O'Neal and his wife, Susan, have three children.

Welcome back!

## Message to members

### Billed rates will change March 1

**PAUL SPRUILL**  
GENERAL MANAGER &  
CHIEF EXECUTIVE OFFICER

As we referenced in last month's newsletter, Tideland is poised to implement a base rate increase effective with all bills rendered beginning March 1, 2026.

The last time Tideland EMC implemented a base rate increase was March 2020 following a base rate decrease in July 2014. Immediately after the March 2020 rate change, all members benefited from a 36-month wholesale power cost adjustment (WPCA) credit to reflect energy costs that were lower than our published rates.

In 2023, the WPCA reverted to a per kilowatt hour (kWh) charge and for that year added, on average, \$1.91 to each 1,000 kWh of energy you purchased from the co-op. In 2024, the average monthly WPCA added \$2.48 to each 1,000 kWh you used.

By the end of 2025, the WPCA had quadrupled with members paying \$11.94 more per 1,000 kWh billed during the month of December. At press time we estimated a February 2026 WPCA of \$13.00 per 1,000 kWh.

While the WPCA can reflect both rising and falling energy costs, there comes a point where the pricing trajectory is clear. You can see that reflected in the chart in the upper right hand corner of the next page. With no anticipation of lower power costs in the foreseeable future, Tideland will roll today's WPCA charge into new base rates.

Because Tideland predominantly serves residential accounts, this discussion will largely focus on residential rates 1 and 2. Let's first look at the energy costs (per kWh) for those rates.

For the month of December, rates 1 and 2 were billed 12.684¢ per kilowatt hour. That is the current winter base rate of 11.49¢ plus December's WPCA charge of 0.01194¢. The new winter base rate for energy will be 12.746¢ per kWh. So while the effective base rate increase from March 2020 to March 2026 is 10.93%, the per kWh change between December 2025 and March 2026 will be just shy of one half of one percent (0.49%).

Where we did factor in a higher percent increase was in the area of the basic facilities charge. The fixed residential overhead basic facilities fee will move from \$27.50 to \$32.00. Residential underground will move from \$29.80 to \$34.30.

When we look at the all in cost comparison (energy and facilities) for residential rate 1 based on 1,000

kWh in winter, the new rates represent a 5.715% increase year-over-year for March, and a 3.317% increase from December 2025 to March 2026. (See chart on page H)

### What is driving costs?

The graphic to your left is taken from our most recent annual report. You can see that power costs and system operations and maintenance make up 67% of our annual expenses.

#### WHERE EACH DOLLAR GOES



7¢ Margins	12¢ Operations & Maintenance
13¢ Administrative & General	55¢ Power Costs
13¢ Fixed Expense	

In the area of system operations and maintenance, we have been confronted with significant inflationary pressures for many of the most basic materials we use on a daily basis (see graphic in the lower right hand corner). The reasons are varied starting with supply chain disruptions that began during the pandemic. Add to that a multitude of devastating storms like Hurricane Helene and western wildfires that left electric utility materials warehouses scrambling. Southern pine beetles, drought and fire have devastated many of the forests that produce power poles.

A concerted effort to finally address the nation's aging electric utility infrastructure flooded the industry with dollars that further exasperated supply chains and prices. Large transformers can now take up to four years to acquire with smaller transformers back-ordered as much as two years. These and other factors had the makings of a perfect storm for the electric utility construction industry.

However, the most significant driver of our base rate increase is the rising cost of wholesale power which consists of generation and transmission expense. The industry has experienced significant weather driven price volatility in recent years. Even if a weather event such as a polar vortex does not impact Tideland territory directly, because electricity is managed as a regional supply across multiple states, what happens in Maryland or South Carolina can impact our cost for power. And these costs are not in our rear-view mirror. A recent analysis by one of our power market partners anticipates a 45% increase in the cost of constructing new natural gas generating facilities in the next few years.

Make no doubt about it, an abundance of new generating assets will be needed to meet projected energy demands that continue to outpace national energy demand forecasts.

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# \$4.67 million in Member Credits since 2020

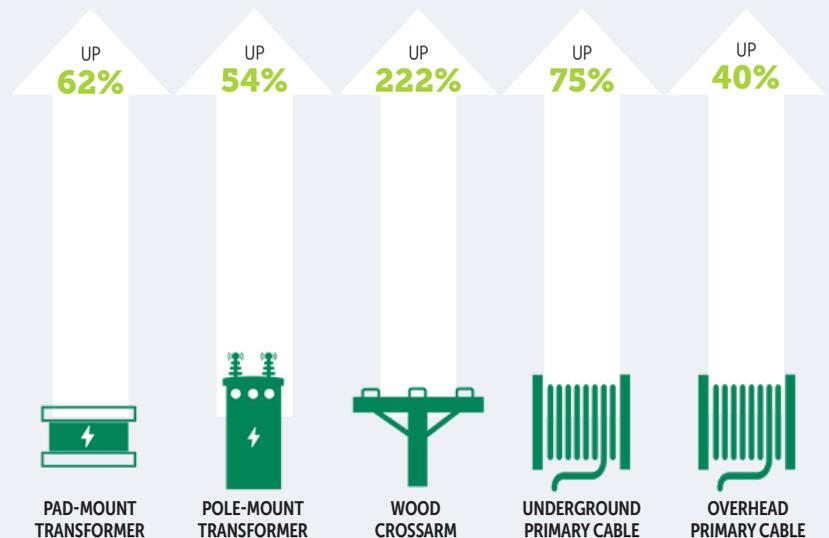


	WPCA Credit / (Charge)	Capital Credit Retirements*		Total Credit / (Charge) to Members
 RATE INCREASE MARCH 1	\$102,564	\$1,058,648	2020	\$1,161,212
	\$625,805	\$1,361,299	2021	\$1,987,104
	\$945,898	\$1,427,638	2022	\$2,373,536
	(\$580,882)	\$1,396,506	2023	\$815,624
	(\$896,655)	\$1,361,279	2024	\$464,624
	(\$3,400,000)	\$1,265,181	2025 Est.	(\$2,134,819)
<b>TOTALS</b>	<b>(\$3,203,870)</b>	<b>\$7,870,551</b>		<b>\$4,666,681</b>

\*Total Capital Credit Retirements come from both General Retirements and Estate Retirements.

## The Increasing Cost of Doing Business

Average percent increase in materials costs since January 2020



Source: Tarheel Electric Membership Association, Raleigh, NC

## Continued from Page C

If you were a member of Tideland in the 80s and 90s, you may remember our load management program. A favorite tag line was "Beat the Peak." The program addressed a costly imbalance between generating supply and market demand. We were incredibly successful with the program, achieving up to \$1.3 million in annual wholesale power cost savings in the mid-90s. It was during those years that we first rolled out our residential time-of-use rate.

Then demand for electricity in the U.S. decelerated in 2000 and Beat the Peak efforts were shelved as wholesale power cost rate structures substantially changed.

Fast forward twenty-five years and peak pricing is once again driving wholesale power costs. While adding generating assets to the mix is a necessity, that too comes with increased costs and significant lag time. Therefore, upward pressure on electric rates will continue for the foreseeable future.

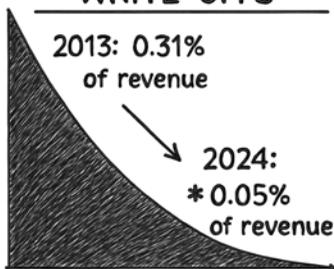
## What is Tideland doing to control rates?

While the slice of the expense pie Tideland can control is not very large, we take that challenge very seriously. And we believe we do it very well.

Tideland's controllable expenses per account are lower than both the national and state average for electric cooperatives.

We have reduced bad debt write-offs by 83% in the past decade. We attribute that success to our member

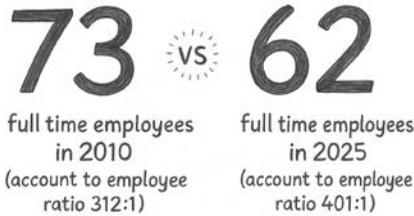
### REDUCTION OF DEBT WRITE-OFFS



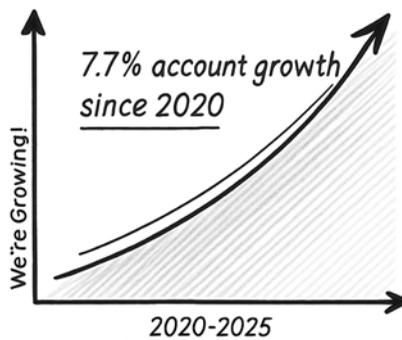
service team and programs like FlexPay as well as improved member portal options.

Thanks to wise investments in technology, we're achieving more with fewer full-time employees. We've been able to do that while also expe-

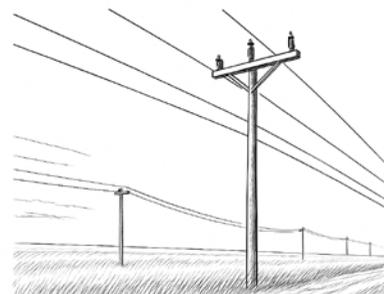
### Doing More with Less.



riencing significant account growth in recent years, thanks to new residential construction in Tideland territory.



To accommodate that growth, we have remarkably constructed 73 miles of new power lines since 2020. That in turn has improved our system density from 8.7 meters per mile of line to 9.2, which reduces our per meter distribution expense. Keep in mind that the average North Carolina municipal utility serves 45 meters per mile of line. Our neighboring investor-owned utilities average between 24 and 44 meters per mile of line.



73 miles of new power lines constructed since 2020

### Lowest blended interest rate on long term debt



We currently enjoy the incredibly good fortune of having the lowest blended interest rate on long-term debt of any electric co-op in North Carolina. In fact, we have one of the lowest among the nation's electric co-ops (720 out of 810). While we do anticipate our blended interest-rate to increase going forward, our accounting and operations teams have done a phenomenal job coordinating the timing of capital projects and loan drawdowns.

In 2024, Tideland, through a competitive grant submission, successfully secured a \$1.4 million match of federal and state funds to extend the submarine power cable at Ocracoke to address unexpected rates of erosion along Highway 12.

In the area of service reliability, Tideland is delivering more value for your energy dollars than ever before. Not only have we reduced outage frequency, we have reduced overall outage duration. For year-end 2024, we achieved 99.95%



service availability. That comes as a result of wise capital investments to harden our infrastructure, smart grid deployments and increased tree trimming. And since we're speaking about tree trimming, let's take a look at a few things members can do to help us collectively reduce costs going forward.

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# Tideland EMC Electric Service & Outdoor Lighting Rate Schedules

Effective With All Bills Rendered Beginning March 1, 2026

All rates are subject to 7% NC State Sales Tax, Wholesale Power Cost Adjustment and NC REPS

## Rates 1 & 3 - Residential

### Basic facilities:

Overhead	\$32.00
Underground	\$34.30

### Energy:

Per kWh Summer (May-Oct)	13.844¢
Per kWh Winter (Nov-Apr)	12.746¢

Minimum bill is \$38.37 overhead, \$40.67 underground.

## Rates 2 & 4 - Residential Time-of-Use

### Basic facilities:

Overhead	\$32.00
Underground	\$34.30

### Energy:

Per kWh On Peak	50¢
Per kWh Off Peak	8.069¢

Note: Beginning March 1, 2026, the on-peak period will change to the new schedule below:

Winter hours: October 16 - April 15  
6 am to 8 am (no exempt days)

Summer hours: April 16 - October 15  
3 pm to 6 pm (no exempt days)

Minimum bill is \$38.37 overhead; \$40.67 underground.

## Rate 9 - Large Power Service

Basic facilities: \$235.00

### Demand:

Per kwd \$9.44

### Energy:

Per kWh 6.335¢

### Reactive Demand:

Per KVAR \$1.25

Minimum bill is the basic facilities plus \$1.60 per kVA of transformer capacity in excess of 100 kVA.

## Rates 5, 6, 7, & 8 - Small Commercial Service

### Basic facilities:

Overhead Single Phase	\$39.50
Overhead Three Phase	\$49.50
Underground Single Phase	\$41.80
Underground Three Phase	\$51.80

### Demand:

First 15 kWd	\$0.00
> 15 kWd	\$5.76

### Energy:

0 - 800 kWhs	13.572¢
Next 1,200 kWhs	12.896¢
Over 2,000 kWhs	9.238¢

Minimum bill is the basic facilities plus \$1.60 per kVA of transformer capacity in excess of 15 kVA.

## Outdoor Lighting

LED Standard	\$10.72
LED Large	\$13.43
LED Flood	\$15.03
LED Carriage Light*	\$17.05
LED Streetlight	\$15.03
400-watt mercury vapor	\$15.03
Legacy Small** (175 watt or lower)	\$12.53
Legacy Large** (175 watt or higher)	\$15.13
Additional pole charge:	\$2.20

\*special order decorative fixture

\*\*all legacy fixtures are being retrofitted to LED

## NC REPS (renewable energy portfolio standard)

Per residential meter:	30¢/month
Per small commercial meter:	\$1.50/month
Per large commercial meter:	\$15.00/month



**Tideland EMC**  
Real People. Real Power.

# NORTHERN LIGHTS

OVER TIDELAND EMC TERRITORY

**ALLEN PHELPS** | Pantego

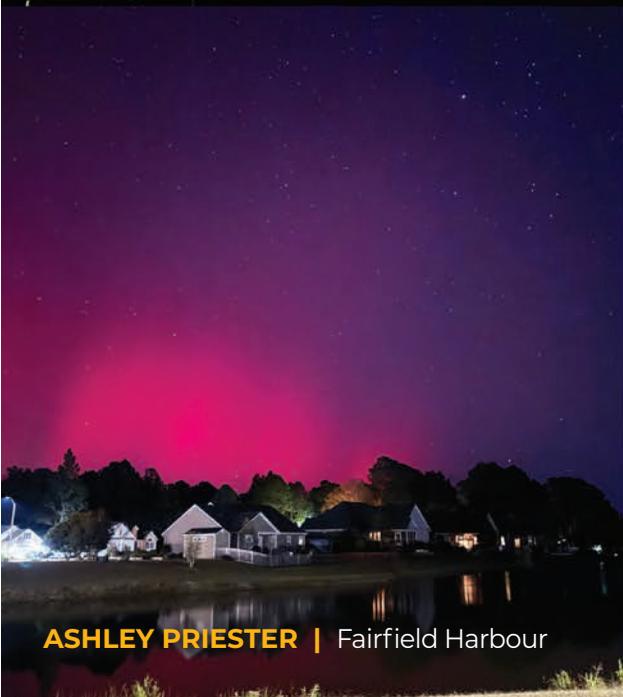
*Allen Phelps*  
PHOTOGRAPHY



**BRIANNA BRADY** | Belhaven



**MELINDA ESHAM** | Ocracoke



**ASHLEY PRIESTER** | Fairfield Harbour



**CATHERINE GLOVER** | Washington



Tideland Pole Top Competitor  
*Michael Baldwin*

# When life hangs in the balance

“Kool, are you alright?”

Those four words signal the official start of a pole top rescue exercise. It’s a timed operation that all co-op linemen must perform within five minutes to remain certified to climb. The best of the best from each of North Carolina’s 26 electric cooperatives compete biennially at a competition in Raleigh. This year, Tideland was represented by lineman Michael Baldwin of our Grantsboro district.



Kool is a 105-pound dummy pre-positioned 20 feet in the air awaiting rescue, simulating a situation that could all too easily imitate life.

A mad dash ensues to the service truck to call for help and collect climbing gear. “MAYDAY, MAYDAY, there is a man hurt at pole number 54321, send Rescue Squad.” Equipment belt, gloves and climbing gaffs are collected and another dash is made back to the pole. After properly adjusting fall protection, the lineman will suit up with over 20 pounds of gear.

He proceeds up the pole then connects a safety strap so he can attend to the victim. Next he hammers a screwdriver into the pole just above Kool’s head and then uses the victim’s handline to create an elaborate pulley system.



Once Kool is lowered to the ground, the lineman descends. He detaches from fall protection, and removes his climbing gaffs and gloves before shaking the victim and asking again, “Kool, are you alright?” He then begins CPR, counting aloud while delivering five chest compressions. Time ends. Baldwin completed the exercise in 3 minutes and 31 seconds.

## What can I do to help Tideland control costs going forward?

As a member-owned, not-for-profit electric cooperative we really are all in this together. And we can always use your help. Here are just a few things you could do that would benefit us all.

- Plant trees well outside our utility right-of-way so that even at mature height they do not require trimming by Tideland.
- Avoid the use of credit cards when making payments to the co-op. Instead consider using your own financial institution's online payment scheduling or use our bank draft and e-check options.
- Opt-in for Tideland's paperless, electronic billing. Postal expenses are on the rise.
- Help us grow our system and refer a friend. There are plenty of available building lots in Tideland territory to accommodate residential, commercial and industrial construction.

- In this era of punitive peak demand charges from our wholesale power providers, avoid the installation of tankless electric water heaters. Consider a heat pump water heater for maximum savings.
- When possible, limit your use of electricity between the hours of 6 am and 8 am during winter and the hours of 3 pm and 6 pm during summer. Even if you aren't interested in our time-of-use rate, you can contribute to system savings by helping us Beat the Peak.

In closing, I want to remind you that next month's newsletter will be devoted to an in-depth discussion about our revamped time-of-use rate. You'll have plenty of time to decide if it may be right for you prior to our March 2026 rate change. We will also talk about ways you can offset the base energy rate increase through efficiency and member portal tools.

Remember, we're here to help you navigate the energy road ahead.

Residential Rate 1: Year-over-year comparison for 1,000 kWh		
March 2025 \$150.84 <small>*WPCA charge of .00844¢/kWh</small>	March 2026 \$159.46 <small>*WPCA charge 0.00¢</small>	5.715% increase
Residential Rate 1: Winter 2025-26 billed comparison for 1,000 kWh		
December 2025 \$154.34 <small>*WPCA charge of .01194¢/kWh</small>	March 2026 \$159.46 <small>*WPCA charge 0.00¢</small>	3.317% increase

\*calculations include basic facilities and energy but do not include NC REPS and 7% NC Sales Tax

## Rights-of-way maintenance schedule

Tideland has hired Gunnison Tree to trim vegetative growth in our rights-of-way. During January, Gunnison crews will be working on the Long Ridge circuit out of the Plymouth substation. The work area includes Highway 45, Morrattock, Reno and Long Ridge roads. Our contract construction crews with Lee Electrical will be working south of the Pamlico River to continue with proactive pole replacements at locations identified by our Osmose inspectors.

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REAL POWER.

## Tideland Topics

[tidelandemc.com](http://tidelandemc.com)

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### 24 Hour Outage Reporting & Automated Services

252.944.2400

Download our mobile app

Search "My Tideland"



Tideland EMC is an equal opportunity provider, employer and lender

## Holiday Closing

Our offices will be closed Jan. 1. Our 24-hour call center will be fully staffed for outage reporting and account management. Happy New Year!

