

# 2017 annual report to MEMBERS



## #obxblackout

*"Like a storm with no name."*

Rarely does a Tideland EMC power outage make both national and international news.

That changed July 27 as millions followed power restoration efforts for the next eight days following a bridge construction accident at Oregon Inlet. While the drama played out, Tideland connected with thousands of vacationers eager about travel plans after a mandatory evacuation order was put in place for visitors to Hatteras and Ocracoke. We mobilized



portable generators to provide service to our Ocracoke members who heeded our calls for strict conservation measures when needed. We made lots of new friends via social media and our employees were the beneficiaries of many acts of kindness expressed by grateful visitors who were finally able to resume long awaited summer vacations.



## #powerofpartnership

*Building a brighter future*

On April 7, Arapahoe Charter School broke ground on an \$8.9 million expansion. Tideland provided a \$1 million USDA-sponsored, zero-interest loan to aid in construction. When the repayment is complete, USDA will allow Tideland to retain \$300,000 to help build a local revolving loan fund for future economic development.



## #wpcra

*52-month streak ends*

We kicked off 2017 with a WPCA credit of 1.056¢ per kWh. By April the unprecedented 52-month run of fuel adjustment credits reversed course and we ended the year with a WPCA charge. The reversal was anticipated as our own large construction projects came to fruition and we began payment on environmental clean up costs shared by the state's electric utilities.

## #callofduty

*On the giving end of mutual aid*



So often Tideland is on the receiving end of mutual aid agreements, with linemen coming from far away to help restore power after a storm. Our linemen returned the favor in September, traveling to Homerville, Georgia, to help Slash Pine EMC recover from Hurricane Irma.

## #nightsky

*Light where you need it*

In May we began the process of converting all system lighting to LED fixtures that are dark sky friendly. Less energy. More focused light. And you can see the stars.

# Raising the bar on reliability



Several initiatives got underway in 2017 designed to improve system reliability and outage response times, and reduce the growth of woody trees and shrubs in our utility right-of-way. In February, the Ocracoke microgrid became operational, garnering a great deal of attention in utility circles both near and far.

## NEW SUBSTATION CONSTRUCTION



## IMPROVED RIGHT-OF-WAY MANAGEMENT



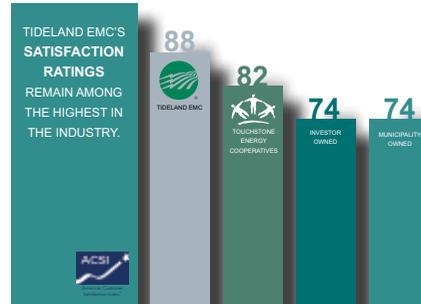
- HVAC REBATES
- SURGE PROTECTION
- OUTAGE TEXT MESSAGING
- OUTDOOR LIGHTING
- MEMBER MAGAZINE
- ENERGY AUDITS
- PORTAL POWER
- & MORE TO COME!

# STAYING CONNECTED

BECAUSE MEMBERSHIP MATTERS



Tideland EMC's member satisfaction ratings continued to climb in 2017, well outpacing other utility providers. Driving that measure is member engagement. We're committed to being where you are. Sometimes that means face-to-face interactions, but increasingly, it means meeting you in virtual places via social networking, email communications and even text messaging. Even more important than the extent of contact is the quality of information shared. We've established



a reputation for transparent and honest dialogue. After all, you own the company. In the years ahead, member engagement will continue to evolve as we launch smart home technologies to a broader audience, applying what we've learned from the Ocracoke microgrid project. And we will explore new product and service offerings that lighten your load but not your wallet. We never take your trust and goodwill for granted. If we don't measure up on your yardstick, let us know. We aim to please.

## your member directors



Paul Sasnett  
President



J. Douglas Brinson  
Vice-President



Clifton Paul  
Secretary



David Ipock  
Treasurer



Rudy Austin



Mark Carawan



Garry Jordan



Dawson Pugh



Wayne Sawyer



Charles Slade



# plugging into the iGENERATION



#brightfutures

Youth Tourists  
A. J. Johnson &  
Ethan Braddy

Cooperatives have a set of governing principles that include commitment to community and educational outreach.

Much of that focus at Tideland centers

on safety education for young and old alike, member and non-member. We also recognize that the long-term success and viability of our communities will rely on today's youth and their preparedness to assume leadership roles in the future. Given the opportunity, Tideland area youth have demonstrated they can compete and engage at the highest levels.

Tideland EMC is committed to providing such opportunities at every grade level and equipping classrooms with the innovative tools to meet twenty-first century challenges.

## #scorecard

Since '64 WE HAVE sponsored Tideland area teens on the YOUTH TOUR to WASHINGTON, DC

8 COLLEGE SCHOLARSHIPS AWARDED

13 BRIGHT IDEAS CLASSROOM GRANTS \$14,273 benefitting 3,122 local students

2 SUMMER BASKETBALL CAMP SCHOLARSHIPS for middle school students

### Official Notice:

## Annual MEETING

MAY 10

You are hereby notified that the 2018 Annual Meeting of Members of Tideland Electric Membership Corporation will be held at Beaufort County Community College in Washington, NC, on Thursday, May 10, at 7:00 p.m. to take action upon the following matters:

- 1) the reports of officers, directors and committees;
- 2) the election of four (4) directors of the cooperative to serve three-years terms; and
- 3) the transaction of such other and further business, which may come before the meeting, or any adjournment thereof.

In accordance with the Cooperative's bylaws, the nominating committee nominated the following members as candidates for seats on the Board of Directors:

- District 4: Charles Slade
- District 5: Paul Sasnett
- District 6: Wayne Sawyer
- District 8: Clifton Paul

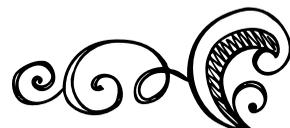
There were no nominations by petition. Meeting registration will begin at 6:30 p.m.

Clifton Paul  
Secretary



Beaufort County Community College Building 8

GRAND PRIZE:  
\$500 electric bill credit



# Financial Reporting

Balance sheet & comparative statement of income & expense

| ASSETS                             | 2017                 | 2016               |
|------------------------------------|----------------------|--------------------|
| Electric Plant                     | \$133,136,036        | 125,698,721,       |
| Less Depreciation                  | (27,449,581)         | (25,952,917)       |
| Net Electric Plant                 | 105,686,455          | 99,745,804         |
| Cash & Investments                 | 13,997,698           | 11,000,934         |
| Accounts Receivable                | 6,908,247            | 6,975,505          |
| Materials, Supplies & Other Assets | 3,281,773            | 3,451,858          |
| Prepayments                        | 201,610              | 228,217            |
| <b>TOTAL</b>                       | <b>\$130,075,783</b> | <b>121,402,318</b> |

| LIABILITIES                        |                      |                    |
|------------------------------------|----------------------|--------------------|
| Long Term Debt                     | \$63,921,731         | \$61,158,375       |
| Consumer Deposits                  | 1,086,950            | 1,104,528          |
| Accounts Payable                   | 3,526,219            | 2,911,573          |
| Other Liabilities & Credits        | 14,037,202           | 10,412,514         |
| Patronage Capital & Other Equities | 47,503,681           | 45,815,328         |
| <b>TOTAL</b>                       | <b>\$130,075,783</b> | <b>121,402,318</b> |

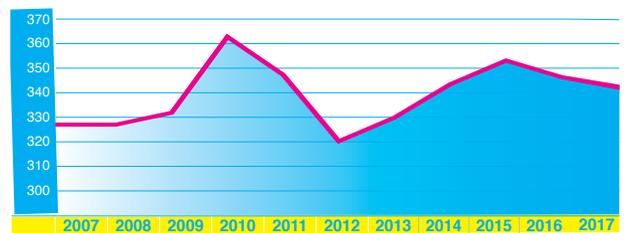
| INCOME                              |                     |                     |
|-------------------------------------|---------------------|---------------------|
| Electric Sales                      | \$42,662,092        | \$42,303,453        |
| Misc. Revenue, Interest & Dividends | 2,162,776           | 1,882,757           |
| <b>TOTAL</b>                        | <b>\$44,824,869</b> | <b>\$44,186,210</b> |

| EXPENSE   |                     |                     |
|---|---------------------|---------------------|
| Purchased Power                                 | \$24,620,410        | \$24,695,940        |
| Operations & Maintenance                        | 5,744,590           | 5,802,087           |
| Administration & General                        | 5,667,403           | 5,326,594           |
| Fixed Expenses (taxes, interest & depreciation) | 6,076,323           | 5,915,534           |
| <b>TOTAL</b>                                    | <b>\$42,108,726</b> | <b>\$41,740,155</b> |

|                    |                    |                    |
|--------------------|--------------------|--------------------|
| <b>NET MARGINS</b> | <b>\$2,716,142</b> | <b>\$2,446,055</b> |
|--------------------|--------------------|--------------------|

Graph it like it is

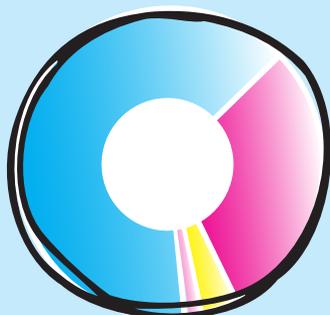
Annual kWh Sales  
(in millions of kWh's)



WPCA Credit/Charges to Members  
(in millions of \$'s)

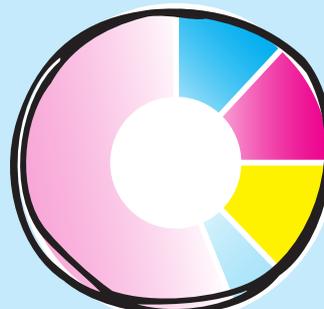


## the business of your electric cooperative



Where each \$ came from

|                      |       |
|----------------------|-------|
| Residential          | .65c  |
| Commercial           | .30c  |
| Other                | .04c  |
| Non-Operating Income | .009c |



Where each \$ went

|                          |     |
|--------------------------|-----|
| Power Costs              | 55c |
| Administrative & General | 13c |
| Operation & Maintenance  | 13c |
| Fixed Expense            | 14c |
| Margins                  | 6c  |

