



NORTH CAROLINA DEPARTMENT OF COMMERCE

Pat McCrory, Governor

John Skvaria, III, Secretary

March 13, 2015

The Honorable Pat McCrory, Governor
116 West Jones Street
Raleigh, North Carolina

Dear Governor McCrory:

Enclosed is the 2014 Biennial Report that was prepared by the North Carolina Rural Electrification Authority ("the Authority"). As you are aware, the Authority operates under Chapter 117 of the North Carolina General Statutes and we are proud of the services that we provide and are confident that we make a positive difference to the cooperatives, their members and to the State of North Carolina. This report provides statistical data such as growth trends, revenues and important facts about the electric membership corporations (EMCs) and telephone membership corporations (TMCs) that operate in our great State. The report also provides a directory of key staff members for each of the cooperatives.

One of our main responsibilities is to review and approve federal loan and grant requests from the EMCs, TMCs and North Carolina Electric Membership Corporation (NCEMC). Upon approval, the Authority submits the loan requests to the appropriate United States Government funding agency. During 2014, North Carolina was **Number One** in the nation for the number of Rural Economic Development (REDLG) loans and grants that were submitted and approved. For fiscal year ending June 30, 2014, the Authority reviewed and the Board approved three Rural Utility Service (RUS) loans and nine REDLG loans and grants totaling \$108 million. The funds from the RUS loans will be used to provide electric service to new cooperative members, upgrade existing electric lines, implement new technologies and improve existing technologies which allows the cooperatives to deliver reliable power and provide capacity for future load growth. Some of the funds will be used for the construction of additional security lights and increase the capacity of service drops and transformers. The REDLG loans and grants will be used to purchase fire trucks and equipment, improvements to fire stations, purchase land for new schools and expand and create new businesses in the rural areas of North Carolina to assist with economic development and create and retain existing jobs. The Authority office also receives, investigates and resolves member complaints of the cooperatives. Our office is responsible for the resolution of arbitration proceedings between the TMCs and other local providers when there are disputes during the process of negotiating interconnection agreements between the parties.

Mr. Pat McCrory, Governor

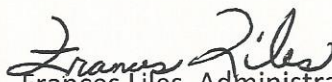
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The thirty-one electric cooperatives provide service to over one million accounts, representing more than 2.5 million people across the State and they deliver energy to homes, farms, industries and businesses throughout 93 of North Carolina's 100 counties. The eight telephone cooperatives serve approximately 136,000 residence and business landline accounts in the State and the members live and work in 26 of the State's 100 counties. In addition to providing plain old telephone service (POTS) at competitive local rates, the telephone cooperatives also offer other services which include high speed internet, digital cable TV, wireless, business communications, home security and more which allows them to provide critical services and remain competitive in their rural areas of the state.

Cooperatives take great pride in serving the rural areas of the State and they do so by providing high quality, reliable, affordable and essential services to their members. There are continual changes to the electric and telecommunication industries, both at the local and federal level. These changes result in challenges and new opportunities for the cooperatives, who strive to produce positive resolutions and results for their cooperatives and their members.

The Authority is appreciative of the support provided to our Agency by your office and we thank you and your Administration for your dedication and leadership to the people of the great State of North Carolina. If you or your Staff have questions regarding the enclosed biennial report, please do not hesitate to let me know.

Respectfully submitted,



Frances Liles, Administrator

North Carolina Rural Electrification Authority

Enclosure

CC: NCREA Board Members
Members of the General Assembly

The Role of the North Carolina Rural Electrification Authority



The purpose of the North Carolina Rural Electrification Authority (“the Authority”) is to secure dependable electric and telephone services to customers served by the electric member corporations (“EMC’s”) and the telephone membership corporations (“TMCs”) in predominately rural areas of the State as set forth in G.S. 117-16.1. To accomplish this purpose, the Authority focuses on the following objectives:

1. Ensure that customers in the predominantly rural areas of the state have access to adequate, dependable, and affordable electric and telephone service.
2. Act as an agent for any electric or telephone membership corporation formed under direction or permission of The Authority in securing loans or grants from any agency of the United States government.
3. Receive and investigate member complaints of the cooperatives.
4. Pursuant to the Telecommunications Act of 1996, The Authority shall establish procedural schedules for Petitions for Arbitration of interconnection agreements between TMCs and other local and wireless providers. The Authority shall issue directive orders and render final decisions for these arbitrations based on information received from testimony, discovery and hearings. The arbitration process is outlined in the NCREA arbitration rules.
5. The Authority shall review and approve interconnection agreements and their amendments between the TMCs and other local providers in accordance with Section 252(e) of the Telecommunications Act.
6. Oversee the application of the electric and telephone cooperatives rules and regulations to ensure they are administered according to the manner in which they are written.
7. Advise cooperatives regarding recommended changes in rules and regulations.
8. Perform all other requirements of the North Carolina Rural Electrification Laws as documented in Chapter 117 of the General Statutes of North Carolina.

Current Board and Staff

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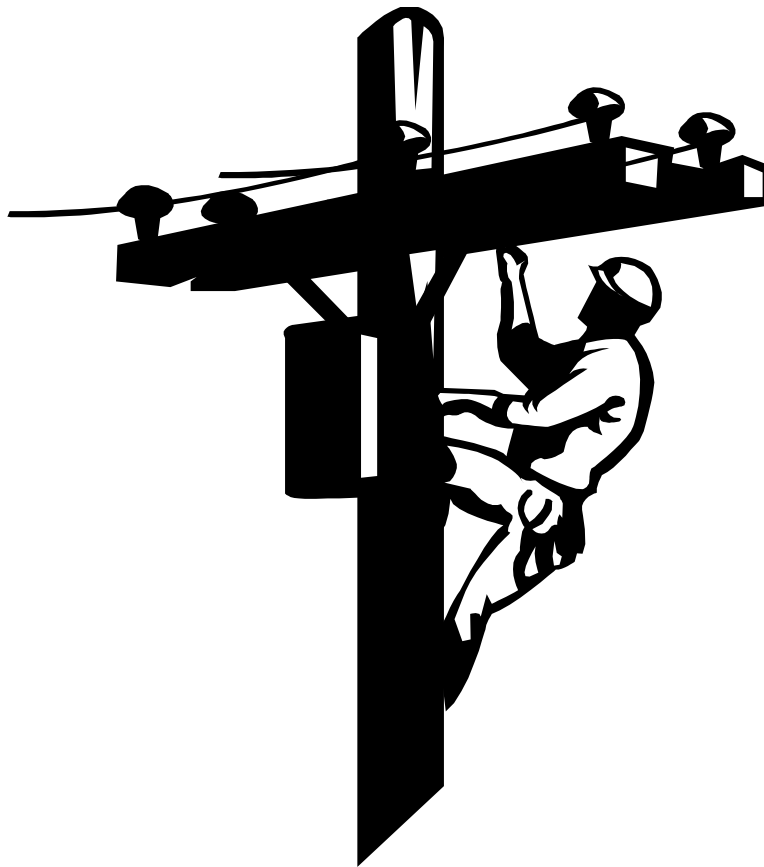
STAFF

Frances Liles
Administrator
4321 Mail Service Center
Raleigh, NC 27699

Angela McLeod
Administrative Assistant
4321 Mail Service Center
Raleigh, N.C. 27699

NOTE: Each Director is appointed
by the Governor

THE ELECTRIC MEMBERSHIP CORPORATIONS



Electric Industry Updates

Electric cooperatives are economic engines and premier employers in many North Carolina rural communities ensuring reliable and affordable electricity. North Carolina's cooperatives embrace technology and fight for regulations that will impact coops and their members positively. The electric cooperatives deliver energy to over 2.5 million consumers in 93 of 100 North Carolina counties and maintain more than 98,000 miles of power lines in the state's rural areas. Today, there are thirty-one EMCs serving the rural areas of North Carolina and the headquarters for five of these EMCs are located outside of North Carolina. The purpose of an electric cooperative is to provide affordable, safe and reliable electricity to their members/consumers. Electric cooperatives operate as a not for profit and are owned by those they serve unlike investor owned utilities that operate to maximize shareholder's profits. Due to the sparsely populated areas the electric cooperatives serve, they usually have a higher average cost for service than investor-owned utilities. Approximately 99 percent of the electric cooperative customers are residential and small businesses and the cooperatives collectively employ more than 2,300 skilled people. The electric coops in North Carolina are proudly guided by the Seven Cooperative Principles which are:

- voluntary and open membership;
- democratic member control;
- member economic participation;
- autonomy and independence;
- education, training and information;
- cooperation among cooperatives and
- concern for community.

The NC cooperatives believe the nation needs electricity generated from nuclear, clean coal, natural gas and renewable resources to ensure we have an adequate supply of electricity, a diverse fuel mix and affordable electric rates for their cooperative members. Electric cooperatives across the nation are very concerned about the proposed emission standards for new and existing power plants proposed by the Environmental Protection Agency (EPA). These new EPA standards will result in a significant increase in our members' power bills and negatively impact grid reliability if approved. Three of our North Carolina cooperatives installed 100-kw community solar farms and allowed their members the opportunity to purchase individual panels and receive a credit on their electric bills for their share of the power generated by the solar farm. This innovative installation promotes the use of a renewable resource – solar energy. The changing landscape for the electric cooperative world will always present challenges and these innovative businesses embrace those challenges and create new opportunities to make a brighter future for the cooperatives, their members and their communities. Under the cooperative business model, an electric cooperative's net margins above expenses and reserves do not belong to the utility; it belongs to the individual members of the cooperative.

Electric cooperatives are eligible for loans from the United States Department of Agriculture. The loans are designed to provide adequate financing for electric providers in underserved areas. For the period July 1, 2013 - June 30, 2014, 3 RUS loans and 9 REDLG loans and grants were approved by the Authority for the cooperatives totaling over \$108 million. The funds are used to extend and improve their existing distribution systems and/or provide rural economic development loans and grants in their respective service areas. Reliability is imperative to serve

residents and businesses which helps grow the economy and create jobs. Roanoke Electric Cooperative has launched its Upgrade to \$ave program that will assist members in paying for energy efficiency improvements at their homes and businesses. The Authority approved a RUS loan in the amount of \$6 million to operate this program. The Upgrade to \$ave program will provide new opportunities to members who may not otherwise be able to take on a loan for making these type of improvements. Roanoke Electric is one of the first cooperatives in the country to offer its members this type of program which will provide a model that other eligible utilities can use to implement similar programs. Because of their strong commitment in economic development in their rural areas, electric cooperatives are major contributors in local efforts to improve rural local economies and create jobs from new and expanding business and agricultural entities.

The electric cooperatives realize the implementation of new technologies is instrumental in their efforts to operate as efficiently as possible and assist in keeping costs as low as possible. They lead the electric utility industry in their embrace of smart grid technologies, particularly in their investment in automated metering infrastructure (AMI). Today, many electric utilities can read meters from their offices without sending employees to the premises, which reduces operating costs. Electric cooperatives are not-for-profit, any money saved on day-to-day operations will ultimately be returned to the members. With today's technology, the cooperatives can use sensors to monitor equipment and proactively repair or replace worn parts, improving reliability and reducing expenses by preventing potential power outages. A modern grid allows members access to their daily energy usage, which makes consumers better informed about when to run heating and cooling systems or use major appliances in their home. Given the low member densities associated with providing electricity to most cooperative service areas, these investments have provided immediate impacts in the form of reduced costs, improved outage response and better power quality. Cooperatives currently poll AMI meters for billing purposes, 'ping' individual locations to verify the status of an outage, analyze data for power quality issues, and perform engineering simulations to plan maintenance procedures or determine if system upgrades are needed.

Prepay programs are proving to dramatically reduce member payment defaults but also are popular with all members looking for more control of their energy costs. The prepay program allows a member to forego a deposit and buy as much electricity as they want in advance and they are notified when they need to buy more. According to several cooperatives who offer the prepay service, it has provided them with an avenue to mitigate some of the most difficult and painful interactions they have with members regarding payment arrangements, disconnect for non-pay and collections.

In addition to providing reliable electric service, the cooperatives are involved in community development and revitalization projects. The EMCs take pride in their involvement with community colleges throughout the state and they also understand the importance of Wi-Fi and broadband availability throughout the rural areas of the State. The EMCs provide scholarships to high school seniors and support their communities through programs such as Bright Ideas which awards grants to teachers with innovative classroom projects. As member-owned organizations, electric cooperatives have a built-in motivation to provide first-class service to each and every one of their members. Technology and information are driving the future and the cooperatives are in the forefront of deploying cost effective, member focused solutions that meet increasingly diverse energy needs of their members.

KEY DATA AND ACTIVITIES TRACKED BY THE AUTHORITY

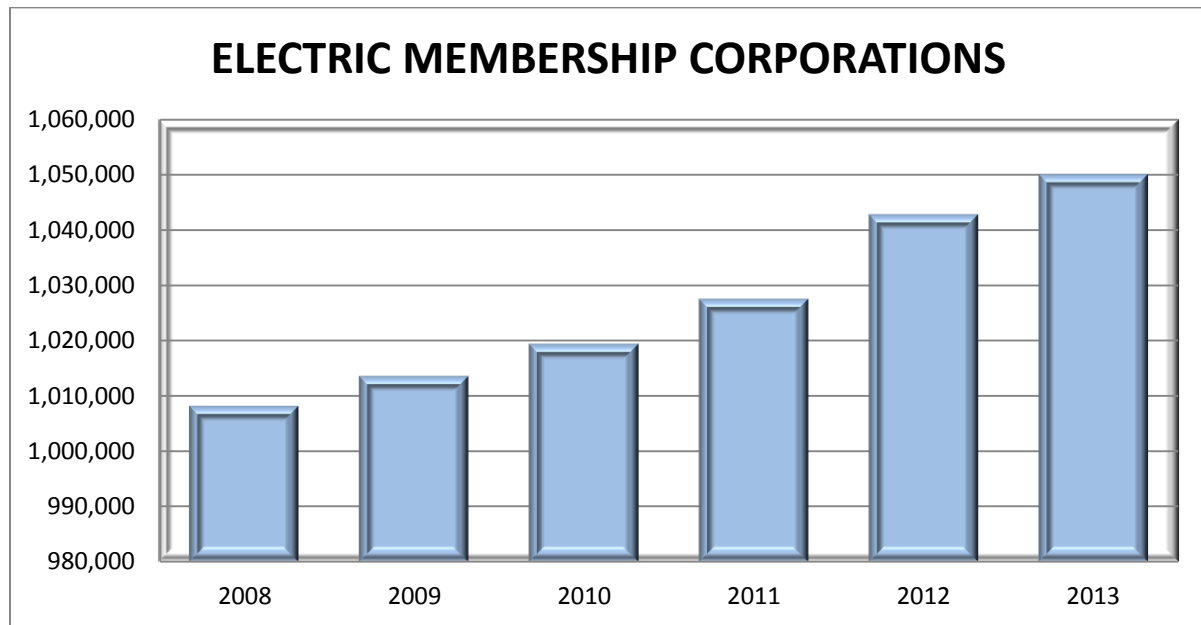
Number/Type of Inquiries, Growth Trends,
Outage Activity and Loan Applications

Member Inquiries to the Authority

INQUIRY TYPE			
	2011-2012	2012-2013	2013-2014
Bad Debt Transfer	4	14	8
Capital Credits	0	2	0
Charges	29	29	30
Deposit	13	14	18
Disconnect	13	14	15
Estimated Bill	0	1	0
Final Bill	0	1	1
High Bill	4	11	22
Insurance Claim	2	3	4
Meter Tampering	4	2	5
Miscellaneous	18	22	19
Outages	3	2	6
Payment Arrangement	50	68	98
Right of Way	5	2	9
Security Light	1	1	0
Service	4	8	6
Voltage	0	1	0
Tree Trimming	3	0	0
TOTAL	154	195	241

Numbers are listed by fiscal year (July 1st – June 30th)

Electric Membership Corporations



As the chart above illustrates, the thirty-one EMCs serving the rural areas of North Carolina continue to experience steady growth. In fact, the number of active meters has increased yearly from 2008 to 2013 as reflected on this chart. In as much, the amount of electricity delivered by the State's electric cooperatives has grown by an annual average of 2.4 percent during the past ten years. As of December 31, 2013, the cooperatives were serving in excess of 1.0 million active meters to more than 2.5 million members which represents an increase of 10% since 2008.

INDIVIDUAL COOPERATIVE GROWTH TRENDS

CORPORATION	CONSUMERS ON RURAL LINES	CONSUMERS ON RURAL LINES	CONSUMERS ON RURAL LINES
	2011	2012	2013
ALBEMARLE	12,411	12,482	12,532
BLUE RIDGE MTN.*	16,997	17,102	17,205
BLUE RIDGE	73,871	74,218	74,575
BROAD RIVER*	403	405	404
BRUNSWICK	82,970	83,850	85,183
CAPE HATTERAS	7,443	7,515	7,591
CARTERET-CRAVEN	38,664	38,917	39,154
CENTRAL	20,828	21,248	21,735
EDGECOMBE-MARTIN	11,674	11,662	11,612
ENERGYUNITED	121,526	121,990	122,673
FOUR COUNTY	32,222	32,380	32,357
FRENCH BROAD	36,889	36,980	37,174
HALIFAX	11,692	11,721	11,707
HAYWOOD	25,998	26,165	26,259
JONES-ONSLOW	66,117	70,717	72,230
LUMBEE RIVER	56,068	57,161	58,341
MECKLENBURG*	126	131	132
MOUNTAIN ELECTRIC*	18,335	18,315	18,401
PEE DEE	20,692	20,693	20,751
PIEDMONT	30,931	31,087	31,167
PITT & GREENE	8,634	8,575	8,605
RANDOLPH	32,021	31,657	32,143
ROANOKE	14,565	14,382	14,510
RUTHERFORD	67,296	67,491	67,804
SOUTH RIVER	41,849	42,388	43,054
SURRY-YADKIN	28,120	28,092	28,435
TIDELAND	23,255	23,360	23,325
TRI-COUNTY	24,041	23,966	24,125
TRI-STATE*	1,224	1,184	1,253
UNION	67,613	67,792	69,338
WAKE	35,399	36,249	36,249
TOTAL	1,029,874	1,039,875	1,050,024

*Corporations Headquartered Outside North Carolina

OUTAGES RECORDED BY CORPORATION

EMC SERVICE INTERRUPTIONS 2013										
Average Minutes per Customer by Cause										
CORPORATION	Supplier		Extreme Storm		Pre-Arranged		All Others		Totals	
	Year 2013	5 year	Year 2013	5 year	Year 2013	5 year	Year 2013	5 year	Year 2013	5 year
ALBEMARLE EMC	46.920	91.950	0.0	233.748	0.0	2.208	57.840	71.634	104.760	399.540
BLUE RIDGE EMC	.750	8.930	171.110	218.050	3.180	3.650	68.580	74.460	243.620	305.090
BRUNSWICK EMC	4.595	1.019	28.751	71.154	.435	1.560	30.528	36.908	64.309	110.641
CAPE HATTERAS EMC	23.180	54.380	0.0	1016.40	151.00	46.430	56.860	105.300	231.040	1222.510
CARTERET-CRAVEN EMC	19.200	69.020	13.20	327.480	1.80	5.660	43.800	72.840	78.00	475.00
CENTRAL EMC	1,351.00	409.200	380.900	76.200	0.0	42.400	98.00	206.800	1,829.900	734.600
EDGECOMBE-MARTIN	64.940	13.620	461.120	686.340	0.0	.600	83.530	92.080	609.590	792.640
ENERGYUNITED	8.640	16.480	103.680	84.200	.830	.920	82.140	82.850	195.290	184.450
FOUR COUNTY EMC	32.960	24.430	0.0	85.780	0.0	1.020	58.340	97.970	91.300	209.200
FRENCH BROAD EMC	0.00	4.620	6.600	64.920	0.00	0.00	255.960	186.120	262.560	255.660
HALIFAX EMC	40.270	8.050	0.00	8.324	0.00	0.00	59.410	102.900	99.680	119.274
HAYWOOD EMC	45.510	105.190	1.00	363.570	11.540	6.040	208.560	318.960	266.610	793.760
JONES-ONSLOW EMC	145.42	126.79	92.64	184.09	70.92	49.79	78.16	120.80	387.14	481.47
LUMBEE RIVER EMC	4.079	2.366	0.0	79.349	0.0	1.871	117.853	134.955	121.932	218.541
PEE DEE EMC	35.460	21.269	85.840	22.072	2.760	2.348	121.100	130.404	245.160	176.093
PIEDMONT EMC	89.00	42.00	144.00	53.00	0.0	1.00	46.00	87.00	279.00	183.00
PITT & GREENE EMC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
RANDOLPH EMC	0.0	16.100	293.300	73.200	4.40	2.20	88.70	97.600	386.400	189.100
ROANOKE EMC	23.470	66.020	4.920	741.270	.010	9.790	158.420	355.600	186.820	1,172.680
RUTHERFORD EMC	21.660	10.788	58.440	51.396	.840	.768	30.120	87.624	111.060	150.576
SOUTH-RIVER EMC	13.680	17.928	0.0	0.0	.660	2.952	115.980	133.068	130.320	153.948
SURRY-YADKIN EMC	12.100	16.100	149.00	167.400	.100	.400	124.300	126.800	285.500	310.700
TIDELAND EMC	232.992	22.140	11.880	1,200.600	.012	.780	247.278	176.640	492.162	1,400.160
TRI-COUNTY EMC	42.320	111.620	0.0	211.640	38.710	14.140	85.900	76.880	166.930	414.280
UNION EMC	7.570	2.046	249.690	70.790	1.430	.292	60.460	71.118	319.150	144.246
WAKE EMC	11.10	19.40	0.0	30.20	13.20	10.10	115.70	108.10	140.00	167.80
BLUE RIDGE MTN. EMC*	2.573	7.530	79.010	79.420	7.647	5.540	154.985	100.130	244.215	192.620
BROAD RIVER EMC*	21.00	99.00	3.00	1,186.00	0.0	0.0	174.0	263.0	198.0	1,548.0
MECKLENBURG EMC*	.430	54.060	392.240	398.180	8.320	12.750	178.610	165.080	579.600	630.070
MOUNTAIN ELECTRIC EMC*	0.0	71.360	128.140	236.710	.900	34.230	230.750	238.600	359.790	580.900
TRI-STATE EMC*	37.681	43.690	103.150	46.066	.051	5.866	0.0	46.838	140.882	142.460
* Foreign Corporations domesticated in NC										

RUS LOANS BY FISCAL YEAR

July 1- June 30

Corporation Name	Year 2006-2007	Year 2007-2008	Year 2008-2009	Year 2009-2010	Year 2010-2011	Year 2011-2012	Year 2012-2013	Year 2013-2014	Cooperative Total Since 1977
ALBERMARLE EMC	\$10,000,000		\$11,500,000		\$12,000,000				\$54,296,736
BLUE RIDGE EMC	\$60,000,000					\$25,000,000			\$265,948,000
BRUNSWICK EMC				16,000,000			\$21,500,000		\$243,025,375
CAPE HATTERAS EMC	\$11,000,000					\$9,792,000			\$45,695,532
CARTERET-CRAVEN EMC				15,000,000					\$85,128,750
CENTRAL EMC			\$7,500,000			\$22,000,000			\$66,158,000
CRESCENT EMC*		\$7,000,000							\$41,301,005
EDGEcombe-MARTIN EMC							\$6,410,000		\$52,960,382
ENERGYUNITED EMC				69,000,000				\$34,000,000	\$313,844,951
DAVIDSON EMC*									\$43,491,421
FOUR COUNTY EMC	\$20,000,000			45,000,000	\$20,000,000				\$152,827,807
FRENCH BROAD EMC	\$17,000,000								\$48,828,292
HALIFAX EMC				6,500,000			\$4,050,000		\$51,644,935
HARKERS ISLAND EMC		\$24,000,000							\$591,041
HAYWOOD EMC						\$25,000,000			\$99,850,473
JONES-ONslow EMC									\$34,415,375
LUMBEE RIVER EMC	\$35,000,000			50,000,000				\$25,000,000	\$194,535,330
N. C. ELECTRIC MEMBERSHIP	\$42,000,000			204,763,000		\$34,293,000	\$97,582,000		\$3,284,361,391
PEE DEE EMC	\$12,000,000	\$30,000,000		11,000,000					\$71,160,588
PIEDMONT EMC							\$30,000,000		\$113,614,000
PITT & GREENE EMC									\$7,865,182
RANDOLPH EMC				25,000,000					\$109,825,000
ROANOKE EMC	\$21,000,000					\$16,820,000			\$62,642,317
RUTHERFORD EMC			\$16,000,000						\$194,055,737
SOUTH-RIVER EMC	\$25,000,000	\$20,000,000			\$22,000,000		\$30,000,000		\$140,125,625
SURRY-YADKIN EMC		\$25,000,000				\$20,000,000			\$80,513,183
TIDELAND EMC		\$16,000,000							\$62,137,224
TRI-COUNTY EMC		\$125,000,000							\$46,175,938
UNION EMC									\$209,600,454
WAKE EMC									\$31,564,905
BLUE RIDGE MTN. EMC**			\$58,269,000					\$28,178,000	\$162,373,955
BROAD RIVER EMC**									\$0
MECKLENBURG EMC**									\$0
MOUNTAIN ELECTRIC EMC**									\$0
TRI-STATE EMC**									\$1,027,000
YEARLY TOTAL	\$253,000,000	\$247,000,000	93,269,000	442,263,000	\$54,000,000	\$152,905,000	\$189,542,000	\$87,178,000	\$6,367,666,534

** Corporations
Headquartered Outside of
NC

Note: The above
spreadsheet displays
yearly activity for 2001 -
2012. The last column
displays total loan
amounts by each
Corporation since 1977.

REDLG LOANS AND GRANTS

RURAL ECONOMIC DEVELOPMENT LOANS AND GRANTS

JULY 1-JUNE 30

Cooperative Name	Year 2006-07	Year 2007-08	Year 2008-09	Year 2009-10	Year 2010-11	Year 2011-12	Year 2012-2013	Year 2013-2014	Cooperative Total (since inception)
ALBERMARLE EMC									\$0
BLUE RIDGE EMC							\$1,000,000		\$1,000,000
BRUNSWICK EMC						\$1,740,000		\$4,700,000	\$6,840,000
CAPE HATTERAS EMC									\$0
CARTERET-CRAVEN EMC									\$450,000
CENTRAL EMC						\$800,000			\$1,000,000
EDGEcombe-MARTIN EMC		\$300,000				\$700,000		\$2,000,000	\$3,000,000
ENERGYUNITED							\$1,300,000	\$7,000,000	\$9,610,000
FOUR COUNTY EMC						\$300,000	\$1,600,000	\$600,000	\$2,500,000
FRENCH BROAD EMC							\$300,000		\$300,000
HALIFAX EMC									\$0
HARKERS ISLAND EMC									\$200,000
HAYWOOD EMC									\$0
JONES-ONSLOW EMC								\$300,000	\$900,000
LUMBEE RIVER EMC	\$740,000	\$740,000	\$750,000			\$250,000	\$765,000		\$10,184,900
PEE DEE EMC									\$0
PIEDMONT EMC							\$300,000	\$2,625,500	\$2,925,500
PITT & GREENE EMC									\$0
RANDOLPH EMC	\$412,000							\$2,140,000	\$2,552,000
ROANOKE EMC		\$350,000		\$740,000				\$1,000,000	\$4,695,000
RUTHERFORD EMC									\$0
SOUTH-RIVER EMC									\$493,500
SURRY-YADKIN EMC									\$0
TIDELAND EMC	\$100,000	\$1,040,000	\$1,040,000						\$2,180,000
TRI-COUNTY EMC									\$0
UNION EMC									\$0
WAKE EMC								\$540,000	\$870,000
TOTAL	\$1,252,000	\$2,430,000	1,790,000	\$740,000		\$3,790,000	\$5,265,000	\$20,905,500	\$49,698,900

Rural Assistance Grant – Rural Energy for America Program

Cooperative Name	Amount of Grant
Brunswick EMC	\$46,497

Smart Grid Demonstration Grant

Cooperative Name	Amount of Grant
EnergyUnited EMC	\$43,814,166

Broadband Initiatives Program Stimulus Grant

Cooperative Name	Amount of Loan/Grant
Atlantic TMC	\$4,801,027 (loan) \$11,202,391 (grant)
Skyline TMC	\$8,695,588 (loan) \$20,289,705 (grant)
Surry TMC	\$2,373,354 (loan) \$5,529,494 (grant)
Tri County TMC	\$3,536,805 (loan) \$10,610,400 (grant)
Wilkes TMC	\$6,483,300 (loan) \$15,750,500 (grant)

RURAL UTILITIES SERVICE

An Agency of the US Department of Agriculture
Providing Loans for Electric Infrastructure

Purpose of Rural Utilities Service

Providing reliable, affordable electricity is essential to sustaining the economic well-being and quality of life for all of the nation's rural residents. The Electric Program provides leadership and capital to maintain, expand, upgrade, and modernize America's vast rural electric infrastructure. Under the authority of the Rural Electrification Act of 1936, the Electric Program makes direct loans and loan guarantees to electric utilities (wholesale and retail providers of electricity) that serve customers in rural areas.

The loans and loan guarantees finance the construction of electric distribution, transmission, and generation facilities, including system improvements and replacement required to furnish and improve electric service in rural areas, as well as demand side management, energy efficiency and conservation programs, and on-grid and off-grid renewable energy systems. Loans are made to cooperatives as well as to corporations, states, territories and subdivisions and agencies such as municipalities, people's utility districts, and nonprofit, limited-dividend, or mutual associations that provide retail electric service needs to rural areas or supply the power needs of distribution borrowers in rural areas.

Through the Electric Programs, the Federal government is the majority note-holder for approximately 700 electric systems borrowers in 46 states. The Electric Programs also provide financial assistance to rural communities with extremely high energy costs to acquire, construct, extend, upgrade, and otherwise improve energy generation, transmission, or distribution facilities.

Any North Carolina electric cooperative desiring to secure a grant or loan from any agency of the United States Government must apply through the North Carolina Rural Electrification Authority, not directly to the United States agency. The Authority alone shall have power to make applications for grants and loans for any of these cooperatives. For fiscal year 2013-2014, the thirty-one electric cooperatives in North Carolina borrowed \$108 million from the Rural Utilities Service to extend and improve their existing distribution systems and/or provide rural economic development grants / loans in their respective service areas.



Rural Utilities Service

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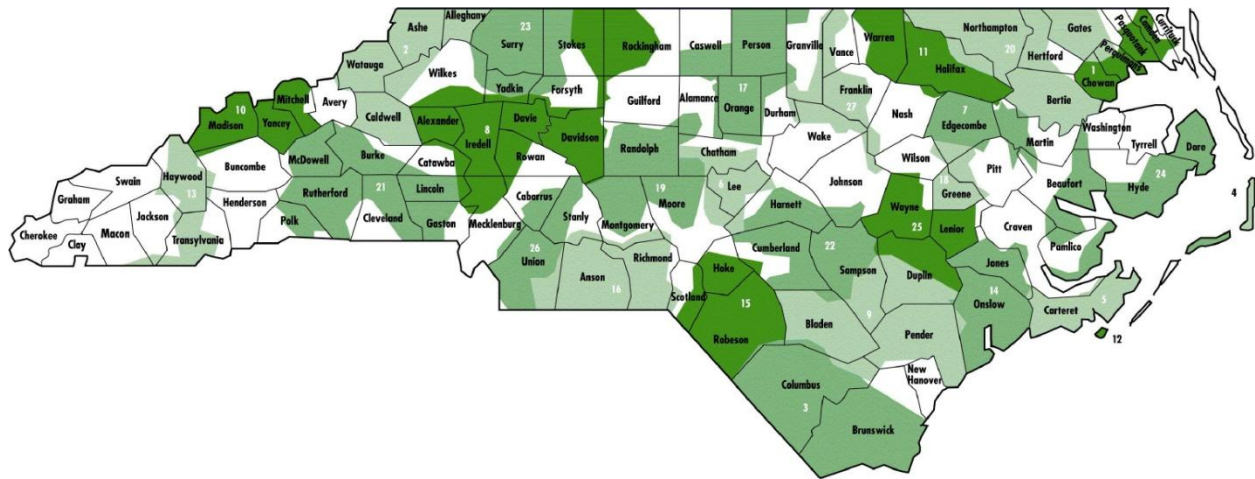
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Janet Safian
Acting Asst. General Counsel
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ELECTRIC MEMBERSHIP CORPORATIONS

A Look at Each Individual Cooperative

Service Area Map



Electric Corporation Territories

1. Albermarle	8. EnergyUnited	15. Pee Dee	22. Surry-Yadkin
2. Blue Ridge	9. Four County	16. Piedmont	23. Tideland
3. Brunswick	10. French Broad	17. Pitt & Greene	24. Tri-County
4. Cape Hatteras	11. Halifax	18. Randolph	25. Union Power
5. Carteret-Craven	12. Haywood	19. Roanoke	26. Wake
6. Central	13. Jones-Onslow	20. Rutherford	
7. Edgecombe-Martin	14. Lumbree River	21. South River	

Electric Membership Corporations

Albemarle Electric Membership Corporation

Mailing Address

PO Box 69
Hertford, NC 27944

Phone

(252) 426-5735
(800) 215-9915

Fax

(252) 426-8270

Key Staff

Gary Ray, Executive Vice-President & General Manager
L.A. Harris Jr., President
Glenn Parks, Manager of Operations
Jonetta W. Long, Manager of Corporate Services
Zach Bray, Manager of Technical Services
Chris Powell, Coordinator of Public Relations

Annual Meeting: September or October

Active Meters: 12,500

Counties Served: Chowan, Perquimans, Pasquotank, Camden, Currituck

Current and Future Plans

During the past 12 months, Albemarle EMC employees and board members have worked hard to accomplish several goals and provide the highest level of service possible to the membership.

The cooperative completed its meter-inspection program, visibly inspecting 13,143 meters. The inspection revealed several meters and bases that were in need of repair to maintain a required level of safety. Those issues have been addressed with each member.

The cooperative continued its involvement in several community outreach programs. Albemarle EMC held its 6th annual Light Up Christmas golf tournament, raising \$16,000 to purchase toys for more than 500 underprivileged youth in the counties we serve. The Albemarle Community Trust, which is funded by members who voluntarily contribute through their power bills, provided about \$60,000 in grants to organizations that benefit the community.

Communication between the cooperative and the members is vital. To gauge the effectiveness of our communication efforts, a survey was sent to members, asking them how they prefer information be communicated to them. More than half indicated they prefer the Albemarle Sounds newsletter, which is located inside of *Carolina Country* magazine. Close to half of those

surveyed also indicated they prefer power bill inserts. While we will continue to use a variety of electronic and print media to communicate information, the survey results showed where we need to put our emphasis. We also continued our series of Educating Members Countywide forums to inform members about their co-op. Forums were held in Chowan, Perquimans, Pasquotank and Camden counties.

We were most pleased to be able to return \$382,580 in capital credits to members. Retirement of capital credits was shifted to earlier in the year to factor in end-of-year expenses that influence the amount we refund.

During the past year, we were able to reach two goals we had been working toward for some time. The South Mills Substation was completed and energized, providing much needed capacity to that part of our service area. We also launched our Pay As You Go program that allows participating members to avoid higher deposits and extra fees by paying for electricity before it is used.

In conclusion, it has been a pleasure serving the membership throughout the past year. We have a dedicated group of employees who are committed to safely providing reliable electricity at the lowest cost possible.

Blue Ridge Electric Membership Corporation

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Lenoir, N.C. 28645

Phone Fax

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(800) 451-5474

Key Staff

Douglas W. Johnson, Chief Executive Officer
Kenneth R. Greene, President
Lee Layton, Senior Vice President/Chief Operating Officer
Julie O'Dell-Michie, Senior Vice President/Chief Administrative Officer
Brad Shields, Senior Vice President/Chief Technology Officer
Katie Woodle, Senior Vice President/Chief Financial Officer

Annual Meeting: During the month of June

Active Meters: 73,617

Counties Served: Avery, Watauga, Ashe, Alleghany, Wilkes, Caldwell, Alexander

Current and Future Plans

In 2014, Blue Ridge Electric and its subsidiary, Blue Ridge Energies, were named two of the Best Employers in North Carolina. This follows global recognition of being the first cooperative to receive the acclaimed international Palladium Group's Balanced Scorecard Hall of Fame award for achieving breakthrough performance results based on strategy execution expertise.

Being awarded the grant for NRECA's CRN Smart Grid Demonstration Project, the cooperative continues deployment of Aclara's Consumer Engagement and Meter Data Management to more fully utilize smart grid technology.

In 2014, the cooperative returned a record \$4.4 million in capital credits to its members as approved by its Board of Directors.

Additionally in 2014, the Blue Ridge Electric Members Foundation awarded \$267,000 in crisis heating assistance and \$121,000 in community grants to help fund not-for-profit services that improve local quality of life. The foundation is funded by Operation Round Up as well as profits from the cooperative's subsidiaries.

Blue Ridge Electric is also heavily involved in local economic development activities and in 2014 presented a \$1 million loan from the Rural Economic Development Loan and Grant Program to Caldwell County's Exela Pharma Sciences, LLC.

Blue Ridge Electric is among the best performing utilities in the nation in all areas of operation and consistently ranks among the top performers on the American Consumer Satisfaction Index and in the top quartile nationally for electric reliability.

Brunswick Electric Membership Corporation

Mailing Address

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Key Staff

Don Hughes, CEO/GM
Hubert Brittain, President of the Board of Directors
Rusty Shipe, Vice President, Finance
Bobby Davis, Vice President, Technical Services
Bonita Hughes, Manager, Human Resources

Active Meters: 86,236

Counties Served: Brunswick, Columbus, Bladen and Robeson

Current and Future Plans

BEMC's prepaid program continues to grow. As of 2014, 8,667 prepaid accounts represent more than 10% of the co-op's active meters. A major benefit of the prepaid program is the increased energy efficiency of users as they become better educated consumers as a result of the ability to monitor their power usage and energy budget. BEMC was among the first in the nation to offer prepaid power as an option for its members, and serves as a resource for others interested in implementing a similar program.

The co-op's Weatherization Loan program has provided over \$9.8 million dollars in loans to members for energy efficiency improvements to existing homes since inception in 1989, with no loan defaults. Since then, the co-op has made more than \$9.7 million in Weatherization Loans, of which \$2.8 million has been REDLG/USDA and \$6.9 million has been ERC Loans from BEMC. The monthly energy savings are sometimes enough to cover the loan payment and the member's savings continue for the life of the energy efficiency improvement, which may be 10-20 years or more.

BEMC provides a steady stream of energy efficiency information to its members in all forms of communication, and has distributed more than 38,000 free CFL bulbs to members.

The co-op continues to build its renewable energy portfolio, with a total of 57 solar installations generating about 706KW per month. Combined with our energy efficiency effort and purchase

of renewable energy from large-scale sources, we have met the NC REPS mandates and are currently acquiring the required 3% of annual sales from renewable and energy efficiency.

With relatively mild severe weather activity in the co-op's service area over the past couple of years, BEMC has accelerated its ongoing maintenance program and also has been available to assist other co-ops when called upon for power restoration efforts. System reliability continues to exceed 99.9% and BEMC's American Customer Satisfaction Index (ACSI) score continues to exceed all electric industry benchmarks. In 2014 we introduced the SmartHub system, allowing member access online; to detailed usage information, an upgraded payment system, and data to help members manage their energy budgets.

In 2013, the co-op significantly enhanced its communications program by utilizing Carolina Country magazine in addition to its own newsletters.

BEMC's commitment to community efforts include Warm Homes, Warm Hearts (a community heating assistance program) that has provided over \$500,000 in assistance to the elderly and struggling families in need of help with heating bills, the Bright Ideas educational grant program for teachers, a community grants program that has awarded over \$360,000 to community groups working to improve the quality of life in our service area, college scholarships, youth sports scholarships and support for a host of community events and economic development efforts. In 2014 the co-op facilitated \$1 million in loan funds through USDA and Rural Economic Development to assist Doshier Memorial Hospital to improve its medical services to the community.

The co-op is moving forward with implementation of mobile data to extend our secure communications network for greater efficiency, without compromising safety and security of data. Development of a cyber security protocol has been a major effort as well.

Also in 2014, the co-op completed a contract project for total overhead to underground conversion of the Sunny Point Military Ocean Terminal power system. The revenue from this long-term contract and special project benefits all co-op members by providing non-operational income that helps mitigate the need for rate increases for the general membership.

Cape Hatteras Electric Cooperative

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www.chec.coop

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Key Staff

Susan E. Flythe, Executive Vice President & General Manager
Vicky Fitzgerald, Manager, Finance & Administration
George Price, Manager, Engineering & Operations
Richard Midgett, President

Annual Meeting: May

Active Meters: 7,503

County Served: Dare

Current and Future Plans

Cape Hatteras Electric Cooperative (CHEC) is headquartered in Buxton, North Carolina. The Cooperative serves 7,500 meters on Hatteras Island located in Dare County. CHEC's membership is 85% residential and 15% commercial.

CHEC purchases power from North Carolina Electric Membership Corporation (NCEMC). CHEC takes delivery north of the Bonner Bridge at Oregon Inlet and is fed from Dominion North Carolina Power. CHEC delivers the power south across the Bonner Bridge via 43 miles of 115kV transmission lines. CHEC owns and maintains a 115kV step-down substation in Buxton, with 10.1 miles of 34.5kV from Buxton to Hatteras Village. In total, CHEC owns and maintains 341 miles of line. CHEC also wheels power for Tideland EMC to serve Ocracoke Island which is south of Hatteras Island and in Hyde County. CHEC operates in an extreme coastal environment with wind, salt and flooding constantly threatening the electric system's reliability. These factors require more frequent maintenance and replacement of materials on its system.

A major concern for CHEC is delivery of power via 115kV transmission cables attached to the Bonner Bridge. The Bonner Bridge was built in 1963 with an intended life of 30 years. When CHEC placed the most recent cables on the bridge in 1995, it was anticipated that the bridge and, therefore, the cables would be replaced in 5 – 10 years. However, legal wrangling by environmental groups has delayed the Bonner Bridge replacement far beyond the life expectancy of the bridge. CHEC has studied alternatives for providing service to Hatteras and Ocracoke Islands. However, CHEC remains hopeful with the recent announcement of ongoing settlement

negotiations between NCDOT and the environment groups that will permit the construction of the Bonner Bridge, as that remains the most practical and cost effective solution.

Carteret-Craven Electric Cooperative

Mailing Address

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Website: www.carteretcravenelectric.coop

Key Staff

Craig A. Conrad, Chief Executive Officer & General Manager
Fred Fulcher, President, Board of Directors
Jerry Eborn, Vice President of Finance & Accounting
Sarah Grider, Vice President of Support Services
Peggy Horrell, Vice President of Human Resources
Jake Joplin, Vice President of Engineering & Operations
Cheryl Slater, Vice President of Customer Service
Gary Zajac, Vice President of Marketing & External Affairs

Annual Meeting: First Thursday in May

Active Meters: 39,154

Counties Served: Carteret, Craven, Jones, Onslow

Current & Future Plans

Seeking to deliver even better service to our members and improve efficiency, CCEC started a pilot project in 2013 for new advanced metering infrastructure (AMI) equipment. The AMI system provides two-way communications between meters at members' homes or business and our office. Meter installations began in 2014, and the project is expected to be completed in the fall of 2015. The system improves service to cooperative members by giving us immediate access to meter readings to answer billing questions and help members analyze their energy use when they call our office. Further, if the power going to a meter goes out, the meter will automatically notify us, and will report when power has been restored. More comprehensive energy usage information will help us better forecast future needs, and power quality diagnostics help us determine the source of outages and provide data to help us predict and prevent future problems.

In addition to meeting and fulfilling its mission of providing safe and reliable electricity, CCEC is committed to serving communities in its service territory. Through the Carteret-Craven Electric Foundation, our members give back, too. The foundation manages funds received from members who participate in Operation Round-UP®. The volunteer foundation board members are appointed by the directors of the cooperative and are dedicated to enriching the community

awarding grants based on sound judgment free of conflicts of interest, with a focus on individual members meeting individual's needs.

Each month, participants' electric bills are rounded up to the nearest dollar amount. The average amount rounded up in a yearly period is \$6 per member. The maximum amount is \$11.88. Since inception, the foundation has funded many worthy requests from individuals and organizations, including scholarships for more than 100 high school seniors and community college students and more than 380 Bright Ideas Grants for public school educators.

The foundation has also provided support for the Children's Miracle Network American Cancer Society, Duke Hospital's children's pediatric cancer program, March of Dimes, the NC Burn Center. Local organizations funded included Broad Street Clinic, the Carteret County Domestic Violence Program, Carteret County Veterans Services, Habitat for Humanity, Hope Mission Soup Kitchen & Outreach, Matthew 25 Food Pantry and Project Christmas Cheer. Emergency funds are also provided to help individuals pay utility bills through the Carteret County Department of Social Services and Havelock-Cherry Point Ministerial Outreach.

CCEC continues to foster its relationship with a "sister cooperative," Cooperativa Electrica de los Santos in Costa Rica, through the Rural Electric Cooperative Association's International Sister Cooperative Program.

Central Electric Membership Corporation

Mailing Address

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Key Staff

Morris McClellion, Manager & CEO
Rebecca Cogan, President, Board of Directors
Wes Davis, System Engineer
Tabitha Whitlow, Manager of Accounting and Finance
Mike Adcock, Manager of Operations
Diane Dowd, Manager of Customer Service
Jody Albright, Manager of Member Services and Business Development
Dal Langston, Manager of Administrative Services

Annual Meeting: First Friday in October

Active Meters: 22,100

Counties Served: Chatham, Harnett, Lee and Moore

Current and Future Plans

Central operates with one goal in mind: providing reliable electricity to members at the lowest possible cost consistent with sound financial principles. Though much has changed in the energy industry over the last 74 years, Central Electric, a Touchstone Energy Cooperative, is still one of North Carolina's fastest growing electric membership corporations. Central serves over 22 thousand members in four counties and maintains more than 2,400 miles of power lines.

One way Central EMC provides excellent service to our members is through advanced technologies. Central uses an automated system capable of handling high call volumes while taking credit card payments 24 hours per day. This system also allows the cooperative to program outbound messages regarding planned outages, pending disconnection and more. Mobile workforce management is also a big part. This system allows the cooperative to send work orders to field personnel directly, reducing the amount of paperwork and retention. In 2013, we kicked off a conversion effort to install all new metering by implementing Advanced Metering throughout our infrastructure. This investment in technology helps us to conduct business more efficiently, deliver better service to our members and hold down costs. This project will be completed in 2015.

The Cooperative not only provides electricity, but also offers many related services to its members, including home energy analysis, water heater maintenance, PowerGuard surge protection, outdoor security lighting, a variety of rate schedules and a low interest loan program for members buying electric heat pumps or upgrading insulation.

Central, along with 22 other electric cooperatives, joined together to create a not-for-profit company, GreenCo Solutions, LLC., to focus on energy efficiency initiatives and renewable resources. Through GreenCo, we can provide inexpensive high quality programs that will benefit our residential and commercial consumers. GreenCo Solutions provides compliance reporting and tracking for member cooperatives related to Renewable Energy Portfolio Standards (REPS). Established by Senate Bill 3, and enacted by the NC General Assembly in 2007, the bill mandates that NC-based electric utilities must purchase or generate a specific amount of renewable energy or reduce electricity use through energy efficiency improvements.

In 2009, Central started emphasizing the importance of energy efficient improvements and steering members toward the programs cooperatives offer, such as compact fluorescent light (CFL) credit program which began in 2008 and ended in 2012. Rebates were also offered for the following programs: The Fridge and Freezer disposal, High Efficiency Heat Pump and Water Heater sales. Plus, Rebates were provided to members who purchase or built a high efficiency residential home built to the HERO standard. Our website www.cemcpower.com details these programs and services. We encourage members to take advantage of the tools it has to offer.

FlexPay, which allows members to pay for electricity in advance as their household budget allows, helps members' finances but also teaches energy conservation practices.

Several examples of Central Electric's commitment to the community is shown through participation in the 4-H Club of Lee County Golf fundraiser, Bright Ideas education grants for teachers, the Rural Electric Youth Tour to Washington and the Summer Basketball Camp Scholarship Program. We provide scholarships, up to \$2,000, for 5 students in our counties to attend local community colleges, plus Central rewards students from kindergarten through college who send in a report card with at least one "A" during the most recent grading period.

One other huge part of Central's community outreach is Operation Round Up. This is a voluntary program in which members of Central Electric allow their electric bill to be "rounded up" to the next whole dollar each month to help those in need in Chatham, Harnett, Lee and Moore Counties.

Edgecombe-Martin County Electric Membership Corporation

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Tarboro, N.C. 27886

Phone

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Key Staff

Winston Howell, Chief Executive Officer
Mike Johnson, Vice President of Engineering
Melinda Nimmo, Vice President of Finance
Eddie Stocks, Vice President of Member & Industrial Development
Rodney Bradley, Vice President of Operations
Lisa Tolson, Vice President of Human Resources

Annual Meeting: Third Saturday in March

Active Meters – 11,613

Counties Served: Nash, Wilson, Halifax, Edgecombe, Pitt, Martin, Beaufort, Bertie

Current and Future Plans

Edgecombe-Martin County EMC provides an extensive program in helping the communities and citizens within its service territory by providing several ongoing programs such as the Summer Fan Relief, Edgecombe County Alzheimer's Walk, Annual EMC 4-H Golf Tournament, The Youth Tour, the Cooperative Leadership Camp and Conference, Black History Month, Customer Appreciation Day, Children's Miracle Network, Annual Donations for Rural Volunteer Fire Departments, Relay for Life, and Bright Ideas.

Edgecombe-Martin County EMC along with several other electric cooperatives in North Carolina are now members of GreenCo Solutions, an organization that was founded by 23 electric cooperatives after 2007 state legislation which mandates electric utilities in North Carolina to purchase renewable energy. The Cooperative currently has several members producing and selling power back to the Cooperative by means of solar and biomass through projects.

EnergyUnited EMC

Mailing Address

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Statesville, N.C. 28687

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Key Staff

Wayne Wilkins, Chief Executive Officer
Alec Natt, Chief Financial Officer & Vice President of Corporate Services
Kathleen Hart, Chief Information Officer & Vice President of Customer Care
Tim Holder, Vice President, Sales/Economic Development
Eric McIntire, Vice President, Human Resources
Dave Meisinger, Vice President, Energy Portfolio Supply & Regulatory Affairs
David Schleicher, Vice President, Engineering & Operations

Annual Meeting: Third Week in September.

Active Meters: 122,851

Counties Served: Wilkes, Yadkin, Alexander, Iredell, Catawba, Gaston, Mecklenburg, Cabarrus, Montgomery, Davie, Rowan, Davidson, Forsyth, Stokes, Rockingham, Guilford, Randolph, Lincoln & Caldwell

Current and Future Plans

In 2014, EnergyUnited serves over 122,851 accounts, selling approximately 2.4 billion KWH's. EnergyUnited has 12,665 miles of distribution lines and 194 transmission lines serving in parts of nineteen counties. Currently, there are 9 Board of Directors.

All of the organizations have seen many changes over the past 75 years from the manual way poles were set and now by hydraulic automation, telecommunications technology, and computer driven methods of doing business.

EnergyUnited has expanded its service to include propane, and other utility services that enhance the quality of life for its customers.

EnergyUnited will continue to move forward exploring services that bring value to its customers, never forgetting the end result must provide a need for the customer that is of high quality, and its policy is to ensure customers always be kept in the forefront of any decisions made by the Board of Directors.

Four County Electric Membership Corporation

Mailing Address

PO Box 667
Burgaw, NC 28425

Phone & Fax

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Key Staff

Mitchell Keel, Chief Executive Officer
Dan Allen, Vice President of Customer Services
Gary Chitwood, Vice President of Finance & Accounting
Billy McGavock, Vice President of Operations
Gregg Cohn, Vice President of Engineering
Cindy Horrell, Vice President of Human Resources
Doug Krynicki, Vice President of Information Technology

Active Meters: 32,230

Counties Served: Columbus, Bladen, Sampson, Duplin, Pender, Onslow

Current and Future Plans

Today, 32,230 active meters are served in the four core counties, and to a lesser degree in Columbus and Onslow counties. Four County EMC has grown to 5,023 miles of line: 219 miles of transmission, 3,933 miles of overhead and 871 miles of underground. There are 26 substations, three switching stations and six points of delivery.

Through our advanced metering technology, we now offer a prepay program, known as Pay As You Go. The program allows participants payment flexibility, eliminates deposits and monthly bills or late fees. The Pay as You Go program also enables participating members to conveniently set their own payment schedule and receive alerts about their account status.

In October 2014, Four County EMC line crews completed the change out of all 16,635 mercury-vapor and high pressure sodium yard lights on our lines with light-emitting diodes (LEDs). The co-op expects to save about 6 million kilowatt-hours per year, now that the lights are in place. Energy`lite, the manufacturer, says its customers see energy savings of up to 67 percent. The LEDs will also help the co-op meet state renewable mandates and reduce maintenance and repair costs.

Four County EMC's long standing commitment to economic development is an ongoing effort as we work with the communities we serve to create/save jobs, create new investment, and improve the quality of life of our citizens. Currently, we are working with the United States Department of Agriculture (USDA) which helps us make loans to assist local communities regarding

economic and community development, and with USDA's help, we are able to make zero interest loans.

An annual meeting is held for the members of Four County EMC. The meeting gives members the opportunity to elect the Board of Directors and to become better acquainted with the progress of the Cooperative during the year. Notice of the annual meeting is printed in the Carolina Country magazine, as well as the monthly newsletter, *Four County Connection*, which is included within the magazine. Notice of the meeting will also appear in local newspapers, Facebook, and the co-op's website at www.fourcty.org. According to the Cooperative's bylaws, the annual meeting is to be held on the first Monday, in October; or, the Board of Directors may fix a date not more than 30 days prior to, or subsequent to, the regular meeting date.

Four County EMC is a member of the North Carolina Electric Membership Corporation, which serves as the Cooperative's wholesale power supplier. Together with 26 other electric cooperatives in the state, Four County EMC owns part of the generating capacity of Duke Power Company's Catawba Nuclear Plant. In addition, the Southeastern Power Administration provides a small percentage of the Cooperative's total wholesale power needs.

French Broad Electric Membership Corporation

Mailing Address

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Marshall, N.C. 28753

Phone Fax

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(800) 222-6190

Key Staff

Jeff Loven, General Manager

Joseph G. Justice, President

Tracy Evans, Burnsville District Manager

Greg Fowler, Marshall District Manager

Phyllis Holt, Office Manager

Annual Meeting: First Saturday in May

Active Meters: 37,213

Counties Served: Madison, Yancey, Mitchell, Buncombe

Current/Future Plans

French Broad EMC has grown into a modern-day cooperative, with 21 substations serving 37,213 members. French Broad has modern system Control's along with a data acquisition system, linked by fiber optic cable and wireless communication, to facilitate accurate and rapid functioning of its electrical distribution and transmission plant. Most of the older type substation protection type devices have been replaced with state of the art electronic relays and controls that integrate seamlessly with the Cooperative's SCADA system. With the down turn in the economy, the Cooperative has seen only a small increase in member growth. However, due to the cold winter, kilowatt hour sales have increased over the past year as an all-time system peak was set on January 7th, 2014 of 136 MW.

Future plans and improvements include continued expansion of the automated meter reading with a wireless system from Tantalus. This wireless AMI system is being used to provide prepayment electric service to members wishing to avoid a deposit or an alternative way to manage their bill. Fiber optic cable is continuing to be installed across the system to provide connectivity to the substations for SCADA, AMR, and High Speed Internet. The Cooperative recently applied for FCC grant money to provide Fiber to the Home service to many of its customers in Madison County. Mobile map viewing and staking software packages are being used by the cooperative in an effort to further improve service response times and streamline the data collection process. As new renewable energy laws are now in place in North Carolina, French Broad EMC finds that the investment they made in their hydroelectric plant back in the 1980's has an ever increasing value. In addition to the electricity French Broad EMC purchases from the South Eastern Power Administration (SEPA), the electricity generated from this plant

counts directly towards the state mandated renewable energy requirement. The cooperative has also offered a net metering rate and a generation rate to those customers who wish to invest in renewable technologies and offset some or all of their energy needs.

Halifax Electric Membership Corporation

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Key Staff

Charles Guerry, Executive Vice-President & General Manager

Beverly Walker, President

Wanda P. Cooke, Manager of Finance

Sam Moseley, System Engineer

Leona Padgett, Manager of Human Resources & Facilities

Brady Martin, Manager of Marketing & Economic Development

Sanders Cox, Manager of Billing Services

Roderick D. Bozard, Manager of Operations

Annual Meeting: Third Saturday in May

Active Meters: 11,727

Counties Served: Warren, Nash, Halifax, Martin

Current and Future Plans

Halifax EMC celebrated its 75th anniversary in 2013. Incorporated on December 15, 1938, Halifax EMC serves Halifax and Warren counties, parts of Nash and Martin counties and provides wholesale power to the Town of Enfield.

Halifax EMC now offers its members a new Pay-As-You-Go electric billing option. The number of members taking advantage of this feature increases monthly. Pay-As-You-Go allows new members to avoid deposit fees. Members who use the Pay-As-You-Go service can easily budget their money and avoid late, disconnect and reconnect fees. Not only does it allow members to have flexibility in their budgets, it also allows them to control payment due dates instead of having a set due date. Pay-As-You-Go also raises awareness of energy usage for members. Providing better ways to serve our members is an ongoing focus.

Halifax EMC continues to focus on supporting the community through economic development in the Halifax and Warren county regions. Currently under the final stages of construction is a substation on North 301 in Halifax County which will serve the Klausner Lumber Plant. The 115/24.9 kV substation is approximately 98% complete and will be ready to energize upon completion of the Dominion transmission line. It is designed to allow for multiple transmission line sources from Dominion and redundant transformers for maximum reliability. The substation also has been designed to accommodate multiple new industries similar to the

size of Klausner Lumber Company. The substation is located on five acres of land and is surrounded by nearly 800 acres of land which has potential for future industrial development. The magnitude of this project further emphasizes its importance to Halifax EMC members and Halifax County and justifies the investment being made by the members of Halifax EMC.

Halifax Electric Membership Corporation believes its role in local economic development can and will be valuable and influential. By establishing dialogue with the State, Region, and our Counties' Economic Development organizations, Halifax EMC continues to be recognized as a leader and a resource for economic development. We are recognized as an entity that is willing to offer assistance to potential clients, through USDA loans or grants, NCEMC zero interest business development funds, or through possible industrial site and building identification. In addition, we have established a presence with county and statewide organizations, including chambers of commerce and economic development commissions, and recognize that these relationships can be mutually beneficial. We make clear our interest as being a regional partner in economic development efforts. At Halifax EMC, we understand there is power in numbers, and we are committed to be a part of the economic development team for our community and for northeastern North Carolina.

Haywood Electric Membership Corporation

Mailing Address

376 Grindstone Road
Waynesville, N.C. 28785

Phone

(828) 452-2281
(800) 951-6088

Fax

(828) 456-9443

Key Staff

Norman D. Sloan, Executive Vice-President & General Manager
Larry Clark, President
Tom Batchelor, Assistant General Manager
Ken Thomas, Manager of Marketing & Communications
Wilma Corbin, Manager of Human Resources
Susan McCall, Internal Auditor
Darlene Shipman, Supervisor of Consumer Accounting

Annual Meeting: First Thursday in August

Active Meters: 26,398

Counties Served: Macon, Jackson, Transylvania, Haywood, Buncombe, Madison, Rabun County, Georgia and Oconee County, South Carolina

Current and Future Plans

Over the years, Haywood's headquarters has moved from the Cruso community to Main Street in Waynesville followed by a move in 1953 to the Old Asheville Highway in Waynesville where the headquarters remained until July, 2009. As Haywood EMC grew, a district office was added in Lake Toxaway of Transylvania County. Haywood EMC has grown from 18 employees and 3,936 services in 1953 to 67 employees, plus approximately 76 contractor employees serving the 25,839 plus services today.

Due to growth, Haywood EMC maximized the potential of its previous headquarter facilities through renovation and remodeling over the 55 years there. Therefore, Haywood EMC moved into a new headquartering facility at 376 Grindstone Road, Waynesville, NC 28785 as of July, 2009. This will allow the co-op too continue meeting its responsibilities to both the members and communities it serves.

Haywood EMC has averaged a growth of 415 new accounts per year over the past five years. The corporation projects a similar growth pattern into the near future.

In addition to providing the affordable, reliable and safe electrical energy members have come to know and expect, we are also striving to meet state mandates in providing a mixed portfolio of traditional and renewable power resources. This is also being supplemented with energy efficiency programs offered to members as an incentive to reduce greenhouse gases.

Jones-Onslow Electric Membership Corporation

Mailing Address:

259 Western Boulevard
Jacksonville, NC 28546

Phone Numbers:

(910) 353-1940

(800) 682-1515

(910) 353-7117 (Power Outage)

(800) 681-4146 (Power Outage)

Fax (910) 353-7735

Key Staff:

J. Ron McElheney, Chief Executive Officer

John L. Pierce, Chairman

Jeff Clark, Chief Financial Officer

Tommy Pritchard, Chief Utility Engineering Officer

Steve Goodson, Vice President of Energy Services

Wanda Jones, Vice President of Commercial Operations

Danny Parker, Vice President of Operations

Annual Meeting: Last Friday in March

Active Meters: 73,000

Counties Served: Onslow, Pender, Lenoir, Craven, Jones

Current and Future Plans

With many changes facing the industry, Jones-Onslow EMC is still serving its consumers with the neighbor helping neighbor concept, through the cooperative way of business. With over 2,200 miles of line serving over 73,000 customers, Jones-Onslow EMC is one of the fastest growing and most innovative cooperatives in the United States.

JOEMC's annual work plan focuses on reliability and system strength to withstand major storms. Current and future work plans include improving system reliability by focusing on the construction of new, and the upgrading of existing, distribution substations throughout their service territory. All of this is to accommodate the continuing 2.6% growth rate in new services being constructed.

Lumbee River Electric Membership Corporation

Mailing Address

P. O. Box 830
Red Springs, N.C. 28377

Phone

(910) 843-4131
(800) 683-5571

Fax

(910) 843-2079

Key Staff

Steven C. Hunt, President & Chief Executive Officer
Roger D. Oxendine, Chairman - Board of Directors
Chris Locklear, Vice President of Engineering & Operations
Carmen Dietrich, Vice President of Member Services
Hampton Oxendine, Vice President of Finance
Vacant, Vice President of Human Resources
Jeff Jackson, Director of Information Technology
Tina Jones, Director of Logistics
Mark Walters, Director of Safety
Walter White, Director of Marketing and Economic Development

Annual Meeting: Second Thursday in October

Active Meters: 57,000

Counties Served: Scotland, Hoke, Robeson, Cumberland

Current and Future Plans

At the first Annual Meeting of the Members in 1941, the cooperative had 469 miles of line. The average member used 36 kWh per month and paid 7 cents per kWh. Today, the cooperative has 5,481 miles of line and the average residential member uses 1,540 kWh per month at a cost slightly more than 10 cents per kWh. The membership is comprised of 96% residential and 4% commercial. Revenue growth has averaged 7% annually over the past 10 years.

The strong growth for the cooperative continues to be concentrated in the Cumberland and Hoke County areas, in large part due to the proximity to Ft. Bragg. In the past 2 years we have seen significant commercial growth in this area along with the connection of 2 hospital facilities.

In Robeson County, development of businesses is driven by the access to major highways and rail systems, as well as the success of COMtech, a partnership of educational, business and government entities founded to support and help tenant-partners focus on the profitability of their core business through workforce development. Lumbee River offers two loan programs to assist with economic development: the USDA Intermediary Relending Program (IRP) and the USDA Rural Economic Development Loan and Grant Program (REDLG). Both loans help the

expansion of businesses to create jobs when adequate funding is not available from other sources.

In addition to Lumbee River's commitment to support economic development, our investment in technologies has streamlined work processes and provided additional services to the membership. Lumbee River EMC remotely reads meters and is capable of connecting and disconnecting services from our office. Members have multiple pay options available, including 40 the automated phone system and the internet. Lumbee River EMC also has automated the process for reporting power outages. We continue to evaluate expanding technologies that will provide members with power monitoring capability as well as pre-paid electric service and enhanced interval data availability.

Lumbee River continues to focus on member energy efficiency programs and the inclusion of renewable energy in our fuel portfolio as mandated by the renewable energy portfolio standard by the state of North Carolina. Effective energy efficiency programs, expanding member education and favorable member financing options are resulting in savings to the membership through our implementation of numerous energy efficient measures. Lumbee River EMC will continue to evaluate various renewable energy projects as we work toward meeting our 2018 renewable mandates and future energy needs.

A partnership between DukeNet and Lumbee River EMC facilitated the purchase of a 168 mile fiber optics infrastructure through part of Robeson County. This infrastructure is utilized to provide fiber connectivity to Robeson County schools and multiple Lumbee River EMC facilities. In addition, Lumbee River received a \$20M grant/loan package through the federal Broadband Economic Development Initiative Program to construct a fiber optic "last mile" network. These two programs will facilitate providing high-speed broadband services to residences, businesses and public facilities located in underserved or unserved areas of Robeson County and will also enable the future deployment of various smart grid technologies. In 2014, Lumbee River EMC began to collaborate with Horry Telephone Cooperative to offer high speed broadband, TV and telephone services to residences on the network.

With a membership that exceeds 50,000 individuals, Lumbee River EMC continues to provide safe, reliable and affordable electric service to the residents of Cumberland, Hoke, Robeson and Scotland Counties.

Pee Dee Electric Membership Corporation

Mailing Address

575 Highway 52 South
Wadesboro, N.C. 28170

Phone

(704) 694-2114
(800) 992-1626

Fax

(704) 694-9636

Key Staff

Donald (Donnie) Spivey, Chief Executive Officer & Executive Vice-President
Richard H. Johnson, Board President
J. Mark Rhyne, Director of Engineering & Operations
Phillip Mabry, Director of Finance & Accounting
Cathy Page, Director of Customer Service & Marketing
Kim Williams, Director of Human Resources

Annual Meeting: First Thursday in October

Active Meters – 20,778

Counties Served: Anson, Montgomery, Moore, Richmond, Scotland, Stanly, Union

Current and Future Plans

Today, Pee Dee Electric serves 20,778 meters throughout seven counties and maintains over 3,100 miles of line.

Pee Dee Electric utilizes advanced technologies including Automated Metering Infrastructure (AMI) and Geographic Information System (GIS). The GIS mapping system provides accurate information in the field for the entire service area. Pee Dee Electric recently installed an Outage Management System (OMS) that is integrated with the AMI and GIS systems. This automated OMS system provides information allowing quicker response times for power outages. Pre-paid Metering services and power usage monitoring became available to our members in 2012. A website portal displaying energy usage allows members the ability to look at previous day usage and sign up for email alerts.

Pee Dee Electric continues participation with GreenCo Solutions, Inc. focusing on member energy efficiency programs and continued compliance with the NC Renewable Energy mandate. Pee Dee Electric is building a Community Solar Farm to support alternative methods for its members to invest in solar energy.

The 2014 Strategic Plan sets the direction for the cooperative over the next five years. Safety and providing legendary customer service continue to be a priority for all employees of Pee Dee Electric.

Piedmont Electric Membership Corporation

Mailing Address

P. O. Drawer 1179
Hillsborough, N.C. 27278

Phone

(919) 732-2123
(800) 222-3107

Fax

(919) 644-1030

Key Staff

R. G. (Randy) Brecheisen, President & Chief Executive Officer
Richard (Dick) Mabbott, Senior Vice President & Chief Operating Officer
Steve Hamlin, Vice President of Finance and Chief Financial Officer
Tim McAdoo, Vice President of Human Resources
Larry Hopkins, Manager of Engineering
Robert Riley, Manager of Operations
Susan Cashion, Manager of Communications, Public Relations & Key Accounts
Todd S. Pope, Manager of Consumer Services
Chuck Lee, Manager of Energy Services

Annual Meeting: Third Friday in April

Active Meters: 31,285

Counties Served: Caswell, Person, Alamance, Orange, Durham, Granville

Current and Future Plans

Piedmont EMC has established a Revolving Loan Community Fund, through the USDA Rural Economic Development Loan and Grant Program, to provide zero interest loans for economic and community development projects. Piedmont EMC was recognized for their success in fiscal year 2014 on receiving three USDA Rural Economic Development Grant awards resulting in receiving the most, in grant numbers and grant dollars, than any other recipient in the nation during this fiscal period. Loans have been made for fire trucks, fire department equipment, ambulances, building expansions to a fire department and a school at the time of this writing.

Piedmont EMC became the first utility in the state to provide advanced meters to all its member-consumers in July 2009 when we successfully completed our three year program implementation of meters that utilize the advanced Power Line Carrier technology. In addition to reducing our meter reading cost and improving the efficiencies of our distribution network, the advanced meter upgrade brought members direct benefits which allow them to monitor on a daily basis their energy usage without having to wait until the monthly bill arrives. A website portal, SmartHub, allows members to look at previous day energy usage and historical usage, pay their bills online, manage account information from mobile devices or the web, sign up to receive notifications via email or text concerning activity on their account and contact Piedmont EMC to

initiate various customer service requests. Through the advanced meter technology we are also able to offer a prepay program, FlexPay, that provides payment flexibility, eliminates the requirement for security deposits and supports conservation by informing members of their daily energy consumption.

Piedmont EMC offers numerous programs and initiatives that not only support the state Renewable Energy and Energy Efficiency mandate (Senate Bill 3) but also empowers our members to control their energy costs. These programs and initiatives are mostly a continuation and expansion of programs that have existed at Piedmont EMC for decades; however, recent calculators and applications have been added that analyze monthly bills using actual energy usage, estimates energy use based on inputs to calculate energy saving scenarios, appliance energy calculators, lighting calculator, heating calculator for heat pumps, natural gas, oil and propane heating. The cooperative has also added an electric vehicle calculator tool that calculates how much money an electric vehicle can save the member-consumer. The cooperative has always been focused on helping our members manage their electricity needs in the most cost effective and economical way. The programs that we will continue to focus on include offering additional advanced meter tools, residential, commercial and industrial energy efficiency evaluations at no cost to our members, high efficiency heat pump rebates, LED rebates, solar water heater rebates, time-of-day rates, net metering rates, Energy Star New Home rates, HVAC system audits, low interest loans for energy efficiency and renewable equipment and rates for our members that are renewable generation producers. Our technology energy toolkit includes a residential duct blasting test and an infrared thermal imaging camera. These new tools are used during energy audits and they help our members identify areas within their homes and buildings where measures can be applied to help improve their energy efficiency. At our April 2014 Annual Meeting we provided members in attendance with more than 762 energy saving LEDs. A total of 940 electric water heater wrap kits have been sold or provided to members that have an annual energy savings of 430 kWhs per wrap kit. Piedmont EMC has more than 610 members on Time-of-Day rates. Piedmont EMC, which is an Energy Star Partner with the US Environmental Protection Agency and the Department of Energy, continues to promote the Energy Star Program through communications with our members. Through GreenCo Solutions Inc., we participate in energy efficiency and renewable programs that support the achievement of our REPS mandate. Lastly, Piedmont EMC has 78 active renewable solar generation projects that range from 2kW to 200kW that participate in either the NC Green Power program, Piedmont's Qualifying Facility or Net Metering rate programs. Piedmont EMC has also given solar thermal rebates to 43 members who have installed solar water heaters. Piedmont EMC offers outdoor security area and street lights where we have more than 12,700 outdoor lights installed. These outdoor lights are mostly High Pressure Sodium (HPS) with some Mercury Vapor (MV) fixtures. With our recent rate revision we now offer a LED fixture as our standard security light and will be converting existing outdoor lighting fixtures to LED fixtures in lieu of relamping or repairing the HPS or MV fixtures.

Pitt & Greene Electric Membership Corporation

Mailing Address

P. O. Box 249
Farmville, N.C. 27828

Phone

(252) 753-3128
(800) 622-1362

Fax

(252) 753-3136

Key Staff

Mark A. Suggs, EVP & General Manager
Glenn Smith, President
Tammy Murphy, Human Resources & Administrative Assistant
Tony Barrow, Director of Engineering
Barry Potter, Director of Operations
Linda Gray, Director of Office Services

Annual Meeting: First Thursday in November

Active Meter: 8,642

Counties Served: Wilson, Edgecombe, Wayne, Lenoir, Greene, Pitt

Current and Future Plans

Pitt & Greene Electric Membership Corporation (Pitt & Greene EMC) is a non-profit, non-taxable rural electric cooperative organized pursuant to Article 2, Chapter 117 of the North Carolina General Statutes. The Certificate of Incorporation was filed in the office of the Secretary of State of the State of North Carolina on the 8th day of June 1937. Pitt & Greene EMC is operated by a nine-member board of directors elected by the member-owners of the corporation. The purpose or purposes of the corporation for which it is formed are in general, to provide electric energy to the members of the cooperative; to mortgage plant, buildings and machinery; to acquire and hold, to the extent permitted by law, mortgages, leases, licenses, and right of way easements; to borrow money and other evidences of indebtedness necessary to finance the operation of providing electric energy to the members of the cooperative.

Pitt & Greene EMC is located at 3989 West Wilson Street, Farmville, NC. Its formation began in 1937, and its first homes were energized on March 8, 1938. Construction began on the first Headquarters building in 1953 and was completed May 1954. Pitt & Greene was the 14th electrical co-op established in the nation.

Pitt & Greene EMC installed the AMI (Automated Metering Infrastructure) beginning March 15, 2011. By September 30, 2011, 8500 meters had been successfully installed. We are now

offering Customer Choice, which is a pay as you go program. Customer Choice is optional and is available to all members. Pitt & Greene EMC currently has 27 employees. It serves Pitt, Greene, Lenoir, Wayne, Wilson, and Edgecombe counties. Its average total number of consumers is 8,653, and the corporation serves 1,076 miles of line.

Randolph Electric Membership Corporation

Mailing Address

P. O. Box 40
Asheboro, N.C. 27204-0040

Phone

(336) 625-5177
(800) 672-8212

Fax

(336) 626-1551

Key Staff

Dale Lambert, Chief Executive Officer
Jay Albright, District Vice President
Adam Hargett, Vice President of Finance
Dennis Mabe, Vice President of Engineering & Operations
Fred Smith, Vice President of Member & Public Relations

Annual Meeting: Third Friday in June

Active Meters – 31, 300

Counties Served: Randolph, Alamance, Chatham, Montgomery, Moore

Current and Future Plans

Today Randolph EMC serves more than 31,000 consumer-members in Alamance, Chatham, Montgomery, Moore, and Randolph counties in central North Carolina. The company is headquartered in Asheboro and has one district office in Robbins. Randolph EMC delivers over 500 million kWh of electric energy annually with an annual peak capacity of 159 MW to residential, commercial and industrial customers.

Randolph EMC offers its members a variety of electric rates. General residential, commercial and industrial service rates are available, as well as a number of time-of-use options. Renewable purchase options are offered to members willing to invest in local renewable energy production.

In 2012, REMC completed a system-wide installation of advanced metering infrastructure, which allows the cooperative to offer programs that utilize the digital meters' two-way communication feature. MyUsage.com is an online portal that allows members to monitor their kWh electricity use on a daily basis. FlexPay is a program that lets members pre-pay for electricity, which eliminates late payment fees and the need for deposits.

In addition, members enjoy services such as electronic bill payment, budget billing, and bank draft as a result of Randolph EMC's commitment to making account management easy. REMC's dispatch center has a representative available 24 hours a day to answer member calls

and members may access their account information at any time online or through an automated phone line.

Randolph EMC not only has a philosophy of providing reliable electric power at an affordable price, but is dedicated to community involvement as well. Employees are encouraged to participate in civic, service and business organizations within the community. The company has representation in associations such as Rotary International, Youth Sports, United Way, and local economic development organizations.

One very special program developed locally is “*People Helping People*,” an organization governed by an independent board of directors and sponsored by Randolph EMC. This program allows enrolled members to round up their electric bill to the nearest dollar to help other members in need of financial assistance. As of 2014, more than \$95,000 has been given to individuals and families in need of support.

Education also plays an important role at Randolph EMC. The co-op believes it is because of teachers willing to go the extra mile that our children enjoy some of the finest education opportunities in the world. Each year, REMC sponsors a student to visit Washington, D.C., through the Rural Electric Youth Tour, and sends students to the Roy Williams and N.C. State Wolfpack Basketball Camps, as well.

In addition, employees have delivered hundreds of presentations on energy and electrical safety to area schools and the company is involved in programs that also support teachers. Randolph EMC has given away more than \$200,000 to teachers over the past 20 years through the “*Bright Ideas*” program, which assists local teachers with educational programs. In addition, the co-op participates in the “*Teachers Internship Program*” sponsored by the Asheboro/Randolph Chamber of Commerce. In this program, area teachers spend a week during the summer working at Randolph EMC to gain on-the-job experience that they can incorporate into their lesson plans.

Randolph Electric Membership Corporation looks toward a bright and challenging future as the nation moves toward energy independence and a cleaner environment. The co-op will do its part to ensure intelligent, affordable solutions in meeting the electric requirements of its members. Through a diversified portfolio of traditional power resources, renewable and environmentally friendly generation technologies, as well as energy efficiency, Randolph EMC is committed to delivering affordable, reliable electric energy and superior service in response to the needs of its members and communities.

Roanoke Electric Cooperative

Mailing Address

P. O. Box Drawer 1326
Ahoskie, N.C. 27910

Phone

(252) 209-2236
(800) 433-2236

Fax

(252) 209-5041

Key Staff

Curtis Wynn, Executive Vice-President & Chief Executive Officer
Allen W. Speller, President
Marshall Cherry, Chief Operating Officer
Eva Wiggins-Greene, Vice-President, Human Resources/Benefits/Accounting

Annual Meeting: Fourth Saturday in August

Active Meters: 14,750

Counties Served: Halifax, Northampton, Hertford, Gates, Bertie

Current and Future Plans

Roanoke Electric Cooperative has been recognized among its peers as an organization asserting innovative approaches to economic and community development winning the prestigious NRECA Community Service Network Award on two occasions.

Through its non-profit subsidiary--The Roanoke Center--the cooperative has positioned itself as a major catalyst of overall sustainability in the Roanoke Chowan and Roanoke Valley regions of North Carolina.

Currently, the cooperative has launched some major initiatives to support enhancing service to its members which will bring significant impact over the next several years.

The cooperative is currently deploying LED lights on all residential outdoor lights thus reducing the energy needed to serve outdoor lighting and save members money.

Roanoke was recently recognized as one of the first electric cooperatives nationally to receive USDA funds to administer an Energy Efficiency and Conservation Loan Program.

Roanoke is also one of the first cooperatives in North Carolina to complete a Community Solar Project offering members easier opportunities to invest in renewable energy production.

Another major project scheduled to begin in 2015 is a fiber build out, which will allow the organization to better manage outage frequency and restoration, energy management services for its members, and securing the organization's assets from vandalism and theft.

Rutherford Electric Membership Corporation

Mailing Address:

P. O. Box 1569
Forest City, NC 28043-1569

Website www.remc.com

Phone Fax 828-248-2319

828-245-1621 or
800-521-0920

Key Staff

Joseph H. Joplin, General Manager
J. Dean Carpenter, President
Dirk Burleson, Vice President of Member & Corporate Services
Jeffrey C. Brittain, Vice President of Engineering
Colon L. Saunders, Vice President of Operations
Randy Ward, Vice President of District Operations

Annual Meeting: Last Saturday in October

Active Meters: 68,107

Counties Served: Caldwell, McDowell, Rutherford, Polk, Cleveland, Burke, Catawba, Lincoln, Gaston, Mitchell

Current and Future Plans

Rutherford EMC is proud to celebrate 77 years of service to its members in 2014. What began with a handful of determined farmers, 10 miles of line and 30 members, has grown to provide electricity to more than 68,107 homes and businesses in 10 counties. Growth will continue in this small community atmosphere where good schools and the moderate climate provide an excellent area to work and raise families.

Today, all meters are read electronically by an Automated Meter Reading system. This meter reading system also allows us to remotely disconnect and connect services from our office. Members can log on to our website to our Customer Services Portal to view their daily meter readings and monitor their usage. This portal also allows the member to view their bill, set up Auto-Pay, sign up for E-Billing, pay online and make changes to their account. This service is convenient to members since it can be accessed on any device, including smart phones, any time of the day, 365 days a year. Our automated telephone system allows members to obtain information on their account, report an outage, or pay their bill from any touchtone phone. This service is available 24/7 by dialing any of our offices.

PrePay metering service is available to our qualifying residential and non-demand members.

This option does not require a normal security deposit and gives the member flexibility in paying for their electric service.

Rutherford EMC gives back to the community by participating in the Bright Ideas education grant program, the Rural Electric Youth Tour to Washington and the Summer Basketball Camp scholarship program. Many fundraisers are held by employees, with support from the cooperative, to assist families in the community and to donate to the American Cancer Society.

To aid in maintaining its primary goal of providing affordable electric rates and reliable service for its members, Rutherford EMC has developed a series of long-term business strategies aimed at guiding the cooperative well into the 21st century. The cooperative is working to improve its load factor in the residential market by promoting safe, energy-efficient, all-electric living, while capturing opportunities to serve new commercial and industrial loads by building an aggressive economic development program.

South River Electric Membership Corporation

Address

17494 US 421 S
P. O. Box 931
Dunn, N.C. 28335

Phone

(910) 892-8071
(800) 338-5530

Fax

(910) 891-7189

Web site

www.sremc.com

Key Staff

Chris Spears, Executive Vice-President & Chief Executive Officer
Andrew Hardy, Vice President of Finance & Accounting
Catherine O'Dell, Vice President of Member Services & Public Relations
Barbara West-Lee, Vice President of Corporate Services
Chuck Richardson, Vice President of Engineering
David Akers, Vice President of Operations
Tim Peede, Vice President of Information Technology

Number of Employees - 100

Annual Meeting: April

Active Meters – 43,245

Counties Served: Harnett, Cumberland, Sampson, Bladen, Johnston

Current and Future Plans

As one of 22 of North Carolina's electric cooperatives that are part of GreenCo Solutions, Inc, we will continue to focus on energy efficiency initiatives and the purchase of renewable resources to meet the state's Renewable Energy Portfolio Standards (REPS) mandate. The law requires NC-based electric utilities to purchase or generate a specific amount of renewable energy, or reduce electricity use through energy efficiency improvements. Through GreenCo Solutions, South River EMC is participating in the purchase of renewable energy certificates from the various renewable projects. Additionally, the Cooperative is offering a variety of energy efficiency incentives to members.

South River EMC has been on the cutting edge of the deployment of technology. The cooperative has implemented a prepaid solution for members called SmartPay. This offers members the option to make payments as their household budget allows and as frequently as is necessary as long as they maintain a positive balance. Many members on SmartPay have been able to take control of their energy use and have found that they reduce consumption by 8 to 12 percent.

South River EMC will continue to make investments in technology to conduct business more efficiently, to deliver better service to our Members and to hold down costs. In 2015, South River EMC will be installing a new telephone system to provide better service to our members. We will also continue use of an automated system to process more phone calls at a single time than a manned system, making it possible for members to contact the Cooperative and make a credit card payment through an automated system 24-hours-a-day. We will also plan to enhance our acceptance of electronic check processing and expand our credit card selection to include American Express – all to give the members more options to pay their bills.

Members will also be able to sign up to receive information in a manner that best fits their lifestyle. South River EMC will be offering e-mail, text and phone messaging to keep members up-to-date on due dates, receipts of payment, upcoming outages, etc. Additionally, members will be able to choose to receive the award-winning Carolina Country magazine with the South River EMC newsletter on their tablet rather than a hard copy.

Surry-Yadkin Electric Membership Corporation

Mailing Address

P. O. Box 305
Dobson, N.C. 27017

Phone

(336) 356-8241
(800) 682-5903

Fax

(336) 356-9744

Key Staff

Greg Puckett, Executive Vice-President & General Manager
Lee Von (Toby) Speaks, President
Robert Maxwell, Manager of Engineering & Operations
Donna Marion, Manager of Administration

Annual Meeting: First Saturday in October

Active Meters: 26,819

Counties Served: Wilkes, Surry, Yadkin, Stokes, Forsyth

Current and Future Plans

Surry-Yadkin EMC has grown from its modest beginnings to serving 26,819 plus meters and operating 17 substations. Currently, Surry-Yadkin has 107 miles of transmission line and 3,919.05 miles of distribution line. Over the past 74 years, the location and appearance of its headquarters has changed many times. It is currently located at 510 South Main Street, Dobson, where it has been since 1960. All members are served from this location. Surry-Yadkin EMC has a staff of 61 well-trained employees to serve its membership.

We will continue to upgrade and install facilities as needed to meet the requirements of our membership.

Tideland Electric Membership Corporation

Mailing Address

P. O. Box 159
Pantego, N.C. 27860

Phone

(252) 943-3046
(800) 637-1079

Fax

(252) 943-3510

Key Staff

Paul Spruill, General Manager and Chief Executive Officer

Paul Sasnett, President

Tonya Little, Executive Assistant/Payroll Specialist

Jim Chrisman, Chief Financial Officer & Manager of Internal Services

Ben Beagle, Manager of Engineering & Operations

Vernon Howell, Jr., Manager of Customer Service

Myra Beasley, Manager of Human Resources, Risk Management & Benefits

Bill Waters, Manager of Information Technology

Heidi Smith, Manager of Marketing & Communications

Annual Meeting: May

Active Meters: 22,597

Counties Served: Craven, Pamlico, Beaufort, Washington, Hyde, Dare

Current and Future Plans

Today Tideland is keenly focused on its core business function: the safe and reliable delivery of affordable electric service. Since 1999, Tideland has made substantial investments in system upgrades including the construction of a 115 kV transmission line traversing Beaufort and Hyde counties, and in December 2011 the co-op completed the process of converting to all digital meters capable of providing remote readings and other advanced functions that will enable smart grid technologies in the coming years. In the summer of 2010, Tideland interconnected its first two small, member-owned photovoltaic solar systems, and it is possible that the Tideland service territory, at the southernmost end of the PJM (Pennsylvania-New Jersey-Maryland) regional transmission organization, will be home to large investor-owned wind and solar projects. As of December, 2014 Tideland completed construction of its first community garden and is now offering solar panels to its membership for a much more affordable price than installation of a rooftop solar alternative.

Technology and information drive the future, and Tideland is determined to be in a position to deploy cost effective, member focused solutions that meet increasingly diverse energy needs.

Tri-County Electric Membership Corporation

4255 Alt. US Hwy 117 South
PO Box 130
Dudley, NC 28333

www.tcemc.com

919-735-2611 Fax: 919-734-6277

Key Staff

J. Michael Davis, General Manager
Sue S. Beal, Manager of Communications and Public Relations
Ken E. Davis, Manager of Finance and Accounting
Tony Grantham, PE, Manager of Engineering
Don Keen, Systems Inspector
Bob Kornegay, Manager of Member Services and Marketing
Mike Wood, Manager of Operations

Annual Meeting: Second Saturday of November

Meters Served: 25,399

Counties Served: Wayne, Duplin, Lenoir, Johnston, Jones, Sampson and Wilson

Current and Future Plans

Community oriented programs are a top priority at Tri-County EMC. The Operation Round-Up program, which began in September 2000, has helped many needy individuals and non-profit organizations in our communities. Our participation rate is 95%. In the first fourteen years, our members have contributed over \$1.4 million to improve the quality of life in our communities.

To secure the future of our communities, our employees provide scholarships to send local students to college. Since 2001, 567 high school seniors have received scholarships totaling \$256,750.00. These budding leaders will help us build a better world.

Since its inception in 1994, the Bright Ideas Grant Program has contributed millions of dollars to teachers across the state of North Carolina to fund educational projects. We are proud to have awarded \$1,196,995.42 to teachers in our service area to fund 1,291 innovative teaching projects. The impact reaches thousands of students. We are proud to be making a difference for individuals and communities in our service area.

The Rural Electric Youth Tour to Washington, DC is held each summer. Last summer we sent three high school rising seniors to our nation's capital to learn about leadership, teamwork, and our nation's ideals.

Tri-County EMC, along with the North Carolina Association of Electric Cooperatives, selects two middle school students each year to attend the Touchstone Energy Roy Williams Basketball Camp at UNC-Chapel Hill for male students and the Wolfpack Basketball Camp at NC State University for female students.

Members are provided the Co-op Connections Card which gives them a discount on their medications at local pharmacies.

The cooperative has faced many changes and challenges in the electric industry over the years. As we continue to face more changes and challenges in the future, the mission of Tri County Electric Membership Corporation will remain the same. We are a member-driven cooperative committed to providing reliable electric power at a reasonable cost, to offering superior service, and to taking an active role in supporting the communities it serves. The core values of Tri County Electric remain the same. Integrity, accountability, innovation, and commitment to community are the cornerstones on which Tri County EMC continues to build a strong cooperative.

Union Power Cooperative

Mailing Address

P. O. Box 5014
Monroe, N.C. 28111-5014

Phone

(704) 289-3145
(800) 922-6840

Fax

(704) 296-0408

Key Staff

Greg Andress, Executive Vice-President & General Manager
B. L. Starnes, President
Numa Robertson, Vice President of Corporate Services
Theresa Conyers, Vice President of Finance and Accounting
David Gross, Vice President of Operations & Engineering
Luanne Sherron, Vice President of Communications & Key Accounts
Hal Setser, Vice President of Marketing and Energy Services

Annual Meeting: Saturday in September or October

Active Meters: 70,000

Counties Served: Union, Stanly, Cabarrus, Mecklenburg, Rowan,

Current and Future Plans

Union Power Cooperative serves a five county area outside the metropolitan area of Charlotte NC including: Union, Stanly, Cabarrus, Mecklenburg, Rowan counties. Offices are located in Union and Stanly counties. With over 70,000 members, over 5,600 miles of lines and 23 substations the co-op has an overall 2.3% annual growth rate with 98% residential and 2% commercial membership served. In portions of western Union County the cooperative has over 6% in growth. This cooperative is in the top 5% of largest co-ops in the nation and is the 5th largest co-op in North Carolina.

NC Legislation signed in August, 2007 requires electric cooperatives to generate or purchase 10 percent of their total sales from renewable energy sources or reduce energy consumption by 10 percent within 10 years. As a result of this mandate, the NC co-ops formed GreenCo Solutions, Inc. Union Power joined this not for profit, member-owned cooperative to help with meeting the mandate.

Staying on the cutting edge of technology, Union Power implemented Advanced Metering Infrastructure (AMI) throughout its system in 2010 and has two-way communication between the new advanced meters and the central operations center. During this same year, the co-op distributed over 222,000 CFL's to our entire membership to meet the renewables mandate.

Currently, the cooperative has implemented a national and international award winning Union Power Operations Dashboard (UPOD) that incorporates the cooperatives internal operations systems and OMS and allow linemen in the field to view outage information and mapping in near real time. *My Energy Report* is a new e-mail service offered to members allowing them to do a full assessment of their home and learn how they can save money. The monthly report shows accurate billing data at it relates to weather conditions. Over 33,000 members are enrolled. A new pre-pay meter program was implemented in 2013 called *Pay Your Way*. Due to rapid growth in the western portion of Union County, the Cooperative is in the beginning phases of building a new transmission line in Western Union County to tie the Weddington and Marvin Substations.

Wake Electric Membership Corporation

Mailing Address:

P.O. Box 1229
Wake Forest, NC 27588-1229

www.wemc.com

Phone Number:

(919) 863-6300
(800) 474-6300

Fax:

(919) 863-6379

Key Staff:

Jim E. Mangum, Jr., General Manager and Chief Executive Officer
Phil Price, Chief Operating Officer and Assistant General Manager
Stephen Hamlin, Chief Financial Officer
C. Fred Keller, Manager of Member Services
T. Scott Poole, Manager of Customer Service
Don Bowman, Manager of Engineering
Tim McAdoo, Human Resources Officer

Annual Meeting: Fourth Friday in March

Active Members: 38,142

Counties Served: Granville, Vance, Durham, Wake, Johnston, Franklin, Nash

Current and Future Plans

Wake Electric provides electric service to over 38,000 primarily residential consumers in parts of seven counties in north central North Carolina, including: Durham, Franklin, Granville, Johnston, Nash, Vance and Wake counties. Wake Electric has 19 substations, and more than 3,065 miles of distribution lines (1,910 miles overhead and 1,152 miles underground.) Service offices are located in Wake Forest and Youngsville.

Wake Electric is facing a steady growth in electricity demand while it is becoming more difficult and expensive to produce and transmit power. Even with successful energy efficiency programs, our state will experience increased energy demand requiring construction of new power plants and transmission lines.

One important way we're controlling costs is through innovation. Wake Electric is deploying state-of-the-art technology that helps reduce operating costs and improve service reliability. For example, our new Monitor & Manage Program uses "smart-grid" technology to eliminate energy consumption created by electric appliances when they aren't being used without compromising control, comfort or convenience. This home energy management system can be accessed through the Internet or a mobile phone from a secure, personal web portal.

Wake Electric also updated its mapping system and moved everything online, giving linemen and meter technicians easy-to-access and accurate information in the field. Wake Electric has installed meters that automatically report outages on our residential members. Members can report outages using our automated phone system or talk directly with a customer service representative. Our crews in the field also report outages and system problems. A fully integrated customer and engineering database enables Wake Electric employees to analyze outage calls and assign restoration crews efficiently.

Along with keeping costs down, our energy efficiency programs help manage energy use. As a Touchstone Energy cooperative, we offer members' access to TogetherWeSave.com, an energy efficiency website that features more than a dozen interactive web applications linked to a virtual home tour designed to encourage members to take energy-savings actions now. We also offer online home energy audits to help members get the best value out of the energy you use every month.

Wake Electric is also working to do everyday business in a more efficient manner. We now have a dedicated pay-by-phone number option for bill payment. This convenient new way to pay monthly electric bills allows members to check the status of their account, make a payment, create or update PIN numbers and also update phone numbers through an automated phone system.

Costs are rising for all of us, but when it comes to your electric bill our rates are set simply to cover the cost of doing business, not to generate profits for distant stockholders. In fact, we give money back to our members as capital credits when our revenues exceed costs. This year alone, Wake Electric returned \$1,000,000 in patronage capital to existing and former members, as well as approximately \$140,000 to the estates of deceased members.

Wake Electric is working to keep electric bills affordable. We're controlling costs through innovation. We're continuing to put our members first. No matter what the future brings, one thing is certain: Wake Electric is looking out for its members.

Corporations With Headquarters Outside North Carolina

Blue Ridge Mountain Electric Membership Corporation

Mailing Address:

P. O. Box 9
Young Harris, Georgia 30582

Phone

(706) 379-3121

Fax

(706) 379-4834

Key Staff:

Matthew Akins, Executive Vice-President & General Manager
Gene Coker, Director of Engineering & Operations
Sonny Mahan, Director of Member Services
Erik Brinke, Director of Economic Development
Patricia Young, Director of Office Services
Dwayne Long, Director of Information Systems
Daniel Frizzell, Director of Broadband Services

Annual Meeting: Second Saturday in September

Active Meters – 17,402 (In North Carolina)

Counties Served: Clay and Cherokee

Current and Future Plans

The first lines were energized in the latter part of 1939. There have been many changes throughout the years. A new building was built along Highway 76 in Young Harris in 1955. Building additions/renovations were added in 1975 and 1995. In late 2012 the Co-op moved into its new corporate headquarters campus located just down the road from its 1955 location. The Co-op has seen considerable growth, presently serving approximately 50,493 meters by the end of October, 2014. Approximately 35% of these meters are in Clay and Cherokee Counties in North Carolina, and 65% are in Towns, Union and Fannin County, Georgia.

Our projections are that we will continue to grow at the rate of approximately 1.0% - 1.5% per year in the number of customers and approximately 3.0% - 3.5% per year in energy sales.

Blue Ridge Mountain EMC has constructed and continues to build out a fiber-optic network to provide broadband services to homes and businesses in the service area. Additionally, BRMEMC continues to work closely with the North Georgia Network (NGN), a regional broadband cooperative, to reduce broadband costs to members, and to improve the quality of broadband backhaul serving the region.

Broad River Electric Membership Corporation

Physical Address:

811 Hamrick Street
Gaffney, SC 29340

Mailing Address:

P. O. Box 2269
Gaffney, SC 29342

www.broadriverelectric.com

Phone

(864) 489-5737
(866) 687-2667

Fax

(864) 487-7808

Key Staff:

Douglas E. Wilson, CEO
Cary Johnson, Operations Manager
John Brown, Office manager
Josh Crotzer, Member Services

Annual Meeting: First Saturday in May

Active Meters - 411

(In North Carolina)

Counties Served: Cleveland, Polk, Rutherford

Current and Future Plans

Technology has changed many times since 1940. Computers have made a major impact on the way we run our business today, which enables us to fulfill our mission. Some of the innovations include: communications via the internet, automatic telephone system (answering and operations), Supervisory Control and Data Acquisition (SCADA) in all substations, digital mapping, digital line staking, engineering software for long range planning, outage reporting system, automatic meter reading system with signal over our power lines (read every meter every day, monitors power quality, etc.) to name a few.

Broad River's Annual Meeting is held on the first Saturday in May each year at our office in the Broad River Electric Cooperative Auditorium. Registration opens at 8:30 a.m. with the business meeting beginning at 10:00 a.m.

Mecklenburg Electric Membership Cooperative

P. O. Box 2451
Chase City, VA 23924

www.meckelec.org

Phone

Telephone: 434 372-6100 Fax: 434 372-6101

Key Staff

John C. Lee, President & CEO
Carolyn Glass, Executive Assistant
Glen Gillispie, Chief Operating Officer
B.J. Seamans, V.P. Engineering & Operations
David Lipscomb, V.P. Member and Energy Services
Leilani Todd, V.P. Human Resources
Phyllis Williams, Director of CIS
Robert Lankford, Director of Operations
Brian Woods, Director of Engineering

Annual Meeting: Third Wednesday in June

Active Meters in NC: 132

Counties Served: Granville, Vance, Warren, Person, Northampton

Current and Future Plans

Mecklenburg Electric Cooperative (MEC) is a Touchstone Energy Cooperative, headquartered in Chase City, Virginia, with three district offices—Chase City, Gretna, and Emporia. Serving over 31,000 accounts, it provides electricity to portions of 13 counties in southern Virginia and northern North Carolina. We have served our members since 1938 and will continue to fulfill our mission of providing safe, reliable, affordable and environmentally responsible electric service.

Through the years MEC has grown to become more than a utility providing electric service, but an organization that has become an integral part of the community. This was evidenced by the fact that we received a continuously growing ACSI score of 86 in 2012, which surpasses an elite group of acclaimed consumer friendly corporations, including Nike, Outback, Dell, Hyatt, Nordstrom, and Starbucks. In 2010, MEC was honored to be included in the Best Practices Knowledgebase for receiving the highest scores on a section of the Touchstone Energy Survey.

While the concept of conservation and energy efficiency has been promoted by Mecklenburg Electric for many years, it has become an increasingly more important subject, given the continuing volatility of power supply costs and the regulatory uncertainty associated with traditional generation sources. MEC provides a free home energy audit that includes infrared pictures and will continue to look for programs and services that will help our Members save energy.

Mountain Electric Membership Cooperative

Mailing Address:

Corporate Office
P. O. Box 180
Mountain City, Tennessee 37683

District Office
P. O. Box 1240
Newland, NC 28657

Phone

(423) 727-1800

Fax

(423) 727-1822

Key Staff:

Joseph A. Thacker, III, General Manager
Richard Grubb, Director of Engineering and Operations
Sally Snyder, Director of Member Services
Danny Cuthbertson, District Manager
Judy L. Walsh, Director of Accounting & Financial Services

Annual Meeting: September

Active Meters – 18,491

(In North Carolina)

Counties Served: Avery, Burke, McDowell, Watauga

Current and Future Plans

MEC's largest on-going project is the Sugar Mountain Transmission Line. We are in the process of acquiring a ROW easement to construct a 4.2 mile transmission line to a new substation in the Sugar Mountain area. The transmission line and associated substation is expected to cost 4.5 million dollars and will take 4 years to complete.

MEC's new eScore program provides cash incentives for making home energy improvements. Customers arrange for an on-site energy audit by a certified evaluator who reviews the home and creates a report of useful energy-efficiency modifications. Once the customer makes recommended improvements to their home, they are eligible for cash rebates.

For members interested in Renewable energy, MEC offers a couple of green power programs. The *Green Power Switch* program provides a method for members to purchase green power as part of their individual energy usage. The *Green Power Providers* program provides members a method to generate green power and sell it back to MEC's wholesale power supplier.

Mountain Electric Cooperative, Inc. (MEC) distributes electricity to over 33,600 residential and business members in a 700 square mile service area located in northeast Tennessee and northwest North Carolina. The organization, formed by farmers and home owners in 1941, is a member owned electric cooperative. Its headquarters office is located in Mountain City, TN with a district office in Newland, NC and a branch office in Roan Mountain, Tennessee. MEC's wholesale power supplier is the Tennessee Valley Authority.

Tri State Electric Membership Cooperative

Mailing Address:

Box 68
McCayesville, Georgia 30555

Phone:

(706) 492-3251

Fax:

(706) 492-7617

Key Staff:

Stacy Chastain, General Manager
William Grady Anderson, President
Connie B. Ramey, Manager, Finance
Terry Arp, Manager, Operations
Keith Thomas, Manager, Right of Way
Barbara Wilcox, Manager, Office Services
Lisa Hood, Manager, Billing
Christ Hulsey, Manager, Human Resources
David Lewis, Manager, IT Services

Annual Meeting: Third Saturday in September

Active Meters: 1,398
(In North Carolina)

Counties Served: Cherokee

Current and Future Plans

Tri-State has been proactive in moving with change and new innovations. For example, it has moved into the automated meter reading service. The office has been renovated for more up-to-date computer service and office space. In 2003, Tri-State EMC constructed a new mechanics shop consisting of a three bay garage. This shop was needed to store the latest digging equipment for underground service.

An engineering wing was added in 2006 to accommodate Tri-State's move to an automated mapping system. This system will enable Tri-State to plan and develop for future growth in its service territory.

STATEWIDE ORGANIZATIONS

Collectively Giving the Individual Corporations a Statewide Presence

North Carolina Association of Electric Cooperatives, Inc.

3400 Sumner Boulevard (27616)
Post Office Box 27306
Raleigh, North Carolina 27611
Telephone: 919-872-0800

In 1943, North Carolina's electric cooperatives formed the North Carolina Association of Electric Cooperatives, Inc. (NCAEC), a statewide association to promote training, safety and education among their consumers and the general public. These programs are arranged for and utilized by each of the 26 member cooperatives.

Functions of NCAEC:

- Promote government relations in Raleigh and its local communities and in Washington, D.C.
- Develop and distribute the Carolina Country magazine, published monthly for consumer-members since 1946
- Provide training programs and conferences for co-op directors, managers and staff
- Encourage and promote youth scholarships, education programs and tours to Washington, D.C.
- Provide safety and job training for line workers
- Initiate strategic communications planning, advertising, branding and community relations efforts on behalf of the member cooperatives

2014 OFFICERS:

Allen W. Speller, President
Roanoke EC

Jeffrey B. Joines, Vice President
Blue Ridge EMC

Carl W. Kornegay, Jr., Secretary-Treasurer
Tri-County EMC

Joseph P. Brannan, Executive Vice President & CEO
North Carolina Association of Electric Cooperatives, Inc.
Post Office Box 27306
Raleigh, North Carolina 27611

Robert H. Goodson, Senior Vice President & COO
North Carolina Association of Electric Cooperatives, Inc.
Post Office Box 27306
Raleigh, North Carolina 27611

Chartered as North Carolina Association of Electric Cooperatives, Inc., on October 3, 1977.

North Carolina Electric Membership Corporation

The North Carolina Electric Membership Corporation (NCEMC), the power supplier for most of the electric cooperatives throughout the State, has a mission to provide reliable, affordable and safe electric and related services to members of the organization.

NCEMC acquires the power it sells to its member cooperatives in a number of ways, including:

- Ownership of 61.5% of the Catawba Nuclear Station Unit 1, and a 30.76% interest in the common facilities of the Catawba Nuclear Station in York County, South Carolina.
- NCEMC-owned and operated peaking generators on the Outer Banks: one at Buxton (15 megawatts) and the other at Ocracoke (3 megawatts)
- Purchases from investor-owned utilities, such as Progress Energy, American Electric Power and SCANA
- Ownership of two natural gas peak-load power plants located in Anson and Richmond counties, with a combined rating of approximately 600 megawatts of capacity.

NCEMC also supports the various cooperatives in the following ways:

- Operation of a load management system
- Engineering and construction management
- Power supply planning
- Demand Side Management (DSM) planning

As North Carolina's energy demand continues to grow, the electric cooperatives continue to have an obligation to ensure a reliable and affordable source of electricity to their members.

NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION

3400 Sumner Boulevard (27616)
Post Office Box 27306
Raleigh, North Carolina 27611
Telephone: 919-872-0800

2014 OFFICERS:

Mitchell L. Keel, President
Four County EMC

Mark A. Suggs, Vice President
Pitt & Greene EMC

Dale F. Lambert, Secretary-Treasurer
Randolph EMC

Joseph P. Brannan, Executive Vice President & CEO
North Carolina Electric Membership Corporation
P. O. Box 27306
Raleigh, North Carolina 27611

Chartered as Eastern North Carolina Electric Membership Corporation on April 4, 1949
Chartered as North Carolina Electric Membership Corporation on May 27, 1958
Counties covered by charter: All 100 North Carolina counties

Tarheel Electric Membership Association, Inc.

8730 Wadford Drive
Post Office Box 61050
Raleigh, North Carolina 27661
Telephone: 919-876-4603

The Tarheel Electric Membership Association, Inc. (TEMA) is a product of 26 member cooperatives combining efforts to purchase material, equipment and supplies at competitive prices. The modern warehouse contains 112,000 square feet of storage space. Common carrier and contract haulers ship supplies, a system that assures economy, 24-hour-a-day service, and on-time delivery. TEMA maintains a multi-million dollar inventory to respond rapidly to customer needs. Material on hand includes:

- Protective equipment: arrestors, cutouts, switches
- Conductor: primary overhead, underground, secondary
- Transformers: three-phase and single-phase
- Hardware
- Insulators
- Meters
- Crossarms
- Plant construction and maintenance materials

In the event of a storm or other emergency, TEMA goes to work immediately to direct materials and crews to where they are needed most. Cooperatives respond with teamwork, sending their crews and equipment, if necessary, to help other cooperatives.

2014 TEMA Board Officers:

David Eggers, President – Blue Ridge EMC

J. Michael Davis, Vice President – Tri-County EMC

Bertice Lanier, Secretary-Treasurer – Four County EMC

Lonnie Moore, Senior Vice President & COO

The Tarheel Electric Membership Association, Inc.

Post Office Box 61050

Raleigh, North Carolina 27661

A SNAPSHOT OF SERVICE BY COUNTY

A Microscopic View

RURAL ELECTRIC AGENCIES BY COUNTY

Alamance	Piedmont Electric Membership Corporation Randolph Electric Membership Corporation Duke Energy
Alexander	Blue Ridge Electric Membership Corporation EnergyUnited Electric Membership Corporation Duke Energy
Alleghany	Blue Ridge Electric Membership Corporation
Anson	Pee Dee Electric Membership Corporation Union Power Cooperative Duke Energy
Ashe	Blue Ridge Electric Membership Corporation
Avery	Blue Ridge Electric Membership Corporation French Broad Electric Membership Corporation Rutherford Electric Membership Corporation Mountain Electric Cooperative Duke Energy
Beaufort	Edgecombe-Martin County Electric Membership Corporation Tideland Electric Membership Corporation City of Washington Town of Belhaven Greenville Utilities Commission Duke Energy Dominion North Carolina Power
Bertie	Edgecombe-Martin County Electric Membership Corporation Roanoke Electric Cooperative Dominion North Carolina Power
Bladen	Brunswick Electric Membership Corporation Four County Electric Membership Corporation South River Electric Membership Corporation Duke Energy

Brunswick	Brunswick Electric Membership Corporation City of Southport Duke Energy
Buncombe	French Broad Electric Membership Corporation Haywood Electric Membership Corporation Duke Energy
Burke	Rutherford Electric Membership Corporation Mountain Electric Cooperative City of Morganton Town of Drexel Duke Energy
Cabarrus	EnergyUnited Electric Membership Corporation Union Power Cooperative City of Concord Duke Energy
Caldwell	Blue Ridge Electric Membership Corporation Rutherford Electric Membership Corporation Town of Granite Falls EnergyUnited Electric Membership Corporation Duke Energy
Camden	Albemarle Electric Membership Corporation City of Elizabeth City Dominion North Carolina Power
Carteret	Carteret-Craven Electric Membership Corporation Jones-Onslow Electric Membership Corporation Duke Energy
Caswell	Piedmont Electric Membership Corporation Town of Granite Falls Duke Energy
Catawba	EnergyUnited Electric Membership Corporation Rutherford Electric Membership Corporation City of Newton Town of Maiden Duke Energy

Chatham	Central Electric Membership Corporation Randolph Electric Membership Corporation Duke Energy
Cherokee	Haywood Electric Membership Corporation Blue Ridge Mountain Electric Membership Corporation Tri-State Electric Membership Corporation Duke Energy
Chowan	Albemarle Electric Membership Corporation Roanoke Electric Cooperative Town of Edenton Dominion North Carolina Power
Clay	Haywood Electric Membership Corporation Blue Ridge Mountain Electric Membership Corporation Duke Energy
Cleveland	Rutherford Electric Membership Corporation City of Kings Mountain Broad River Electric Cooperative, Inc. Town of Shelby Duke Energy
Columbus	Brunswick Electric Membership Corporation Four County Electric Membership Corporation Duke Energy
Craven	Carteret-Craven Electric Membership Corp. Jones-Onslow Electric Membership Corporation Tideland Electric Membership Corporation Greenville Utilities Commission City of New Bern Duke Energy
Cumberland	Lumbee River Electric Membership Corporation South River Electric Membership Corporation Duke Energy
Currituck	Albemarle Electric Membership Corporation Dominion North Carolina Power
Dare	Cape Hatteras Electric Membership Cooperative Dominion North Carolina Power Tideland Electric Membership Cooperative

Davidson	EnergyUnited Electric Membership Corporation City of High Point City of Lexington Duke Energy
Davie	EnergyUnited Electric Membership Corporation Duke Energy
Duplin	Four County Electric Membership Corporation Jones-Onslow Electric Membership Corporation Tri-County Electric Membership Corporation Duke Energy
Durham	Piedmont Electric Membership Corporation Wake Electric Membership Corporation Duke Energy
Edgecombe	Edgecombe-Martin County Electric Membership Corporation Pitt and Greene Electric Membership Corporation City of Rocky Mount City of Wilson Town of Fountain Town of Macclesfield Town of Pinetops Town of Sharpsburg Town of Tarboro Duke Energy Dominion North Carolina Power
Forsyth	EnergyUnited Electric Membership Corporation Surry-Yadkin Electric Membership Corporation Duke Energy
Franklin	Wake Electric Membership Corporation Town of Louisburg Duke Energy
Gaston	EnergyUnited Electric Membership Corporation Rutherford Electric Membership Corporation Town of Cherryville Town of Dallas City of Gastonia Duke Energy

Gates	Albemarle Electric Membership Corporation Roanoke Electric Cooperative Dominion North Carolina Power
Graham	Haywood Electric Membership Corporation Duke Energy
Granville	Piedmont Electric Membership Corporation Wake Electric Membership Corporation Mecklenburg Electric Cooperative Duke Energy Dominion North Carolina Power
Greene	Pitt and Greene Electric Membership Corporation Greenville Utilities Commission Town of Hookerton Town of Stantonsburg Town of Walstonburg City of Wilson Duke Energy
Guilford	EnergyUnited Electric Membership Corporation City of High Point Duke Energy UNC - Greensboro
Halifax	Edgecombe-Martin County Electric Membership Corporation Halifax Electric Membership Corporation Roanoke Electric Cooperative Town of Hobgood Town of Scotland Neck Duke Energy Dominion North Carolina Power
Harnett	Central Electric Membership Corporation South River Electric Membership Corporation Duke Energy
Haywood	Haywood Electric Membership Corporation Duke Energy
Henderson	Duke Energy

Hertford	Roanoke Electric Membership Corporation Dominion North Carolina Power
Hoke	Central Electric Membership Corporation Lumbee River Electric Membership Corporation South River Electric Membership Corporation Duke Energy
Hyde	Tideland Electric Membership Corporation Dominion North Carolina Power
Iredell	EnergyUnited Electric Membership Corporation City of Statesville Duke Energy
Jackson	Haywood Electric Membership Corporation Western Carolina University Duke Energy
Johnston	South River Electric Membership Corporation Tri-County Electric Membership Corporation Wake Electric Membership Corporation Town of Benson Town of Clayton Town of Selma Town of Smithfield Duke Energy
Jones	Carteret-Craven Electric Membership Corporation Jones-Onslow Electric Membership Corporation Tri-County Electric Membership Corporation City of New Bern Duke Energy
Lee	Central Electric Membership Corporation Duke Energy
Lenoir	Jones-Onslow Electric Membership Corporation Pitt and Greene Electric Membership Corporation Tri-County Electric Membership Corporation Town of La Grange City of Kinston Duke Energy

Lincoln	EnergyUnited Electric Membership Corporation Rutherford Electric Membership Corporation City of Lincoln Duke Energy
McDowell	Rutherford Electric Membership Corporation Mountain Electric Cooperative Duke Energy
Macon	Haywood Electric Membership Corporation Duke Energy Town of Highlands
Madison	French Broad Electric Membership Corporation Haywood Electric Membership Corporation Duke Energy
Martin	Edgecombe-Martin County Electric Membership Corporation Halifax Electric Membership Corporation Greenville Utilities Commission Town of Hamilton Town of Robersonville Town of Washington Dominion North Carolina Power
Mecklenburg	EnergyUnited Electric Membership Corporation Union Power Cooperative Town of Cornelius Town of Huntersville Town of Pineville Duke Energy
Mitchell	French Broad Electric Membership Corporation Rutherford Electric Membership Corporation Duke Energy
Montgomery	EnergyUnited Electric Membership Corporation Pee Dee Electric Membership Corporation Randolph Electric Membership Corporation Duke Energy
Moore	Central Electric Membership Corporation Pee Dee Electric Membership Corporation Randolph Electric Membership Corporation Duke Energy

Nash	Edgecombe-Martin County Electric Membership Corporation Halifax Electric Membership Corporation Wake Electric Membership Corporation City of Rocky Mount Town of Sharpsburg City of Wilson Dominion North Carolina Power Duke Energy
New Hanover	Duke Energy
Northampton	Roanoke Electric Cooperative Dominion North Carolina Power Mecklenburg Electric Membership Corporation
Onslow	Carteret-Craven Electric Membership Corporation Four County Electric Membership Corporation Jones-Onslow Electric Membership Corporation Duke Energy
Orange	Piedmont Electric Membership Corporation Duke Energy UNC – Chapel Hill
Pamlico	Tideland Electric Membership Corporation Duke Energy
Pasquotank	Albemarle Electric Membership Corporation City of Elizabeth City Dominion North Carolina Power Elizabeth City State University
Pender	Four County Electric Membership Corporation Jones-Onslow Electric Membership Corporation Duke Energy
Perquimans	Albemarle Electric Membership Corporation Roanoke Electric Cooperative Town of Hertford Dominion North Carolina Power
Person	Piedmont Electric Membership Corporation Duke Energy Mecklenburg Electric Membership Corporation

Pitt	Edgecombe-Martin County Electric Membership Corporation Pitt and Greene Electric Membership Corporation Town of Ayden Town of Farmville Town of Fountain Town of Washington Town of Winterville Greenville Utilities Commission Dominion North Carolina Power Duke Energy
Polk	Rutherford Electric Membership Corporation Broad River Electric Membership Corporation Duke Energy
Randolph	Central Electric Membership Corporation EnergyUnited Electric Membership Corporation Randolph Electric Membership Corporation City of High Point Duke Energy
Richmond	Pee Dee Electric Membership Corporation Duke Energy
Robeson	Brunswick Electric Membership Corporation Lumbee River Electric Membership Corporation South River Electric Membership Corporation City of Lumberton Town of Red Springs
Rockingham	EnergyUnited Electric Membership Corporation Duke Energy
Rowan	EnergyUnited Electric Membership Corporation Union Power Cooperative Duke Energy Town of Landis
Rutherford	Rutherford Electric Membership Corporation Town of Bostic Town of Forest City Broad River Electric Cooperative, Inc. Duke Energy

Sampson	Four County Electric Membership Corporation South River Electric Membership Corporation Tri-County Electric Membership Corporation Duke Energy
Scotland	Pee Dee Electric Membership Corporation Lumbee River Electric Membership Corporation Duke Energy
Stanly	Pee Dee Electric Membership Corporation Union Power Cooperative City of Albemarle Duke Energy
Stokes	EnergyUnited Electric Membership Corporation Surry-Yadkin Electric Membership Corporation Duke Energy
Surry	Blue Ridge Electric Membership Corporation Surry-Yadkin Electric Membership Corporation Duke Energy
Swain	Haywood Electric Membership Corporation Duke Energy
Transylvania	Haywood Electric Membership Corporation Duke Energy
Tyrrell	Tideland Electric Membership Corporation Dominion North Carolina Power
Union	Pee Dee Electric Membership Corporation Union Power Cooperative City of Monroe Duke Energy
Vance	Wake Electric Membership Corporation Mecklenburg Electric Cooperative Duke Energy

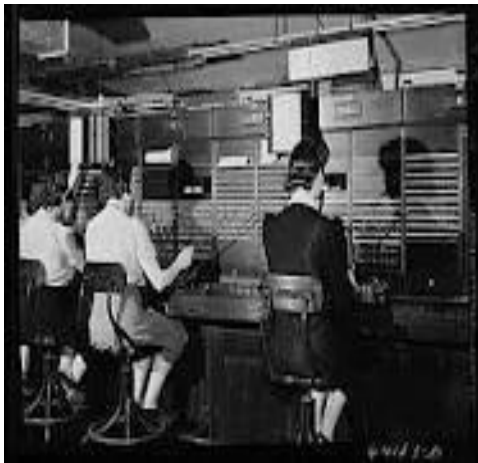
Wake	Wake Electric Membership Corporation Town of Apex Town of Wake Forest Duke Energy
Warren	Halifax Electric Membership Corporation Mecklenburg Electric Membership Corporation Dominion North Carolina Power
Washington	Tideland Electric Membership Corporation Dominion North Carolina Power
Watauga	Blue Ridge Electric Membership Corporation Mountain Electric Cooperative New River Power and Light Company
Wayne	Pitt and Greene Electric Membership Corporation South River Electric Membership Corporation Tri-County Electric Membership Corporation Town of Fremont Town of Pikeville Town of Stantonsburg Duke Energy
Wilkes	Blue Ridge Electric Membership Corporation EnergyUnited Electric Membership Corporation Surry-Yadkin Electric Membership Corporation Duke Energy
Wilson	Edgecombe-Martin County Electric Membership Corporation Pitt and Greene Electric Membership Corporation Tri-County Electric Membership Corporation Town of Black Creek Town of Fountain Town of Lucama Town of Sharpsburg City of Wilson Town of Stantonsburg Duke Energy

Yadkin EnergyUnited Electric Membership Corporation
Surry-Yadkin Electric Membership Corporation
Duke Energy

Yancey French Broad Electric Membership Corporation
Duke Energy

THE TELEPHONE MEMBERSHIP CORPORATIONS

Competition and Technology are Driving the Market



Telecommunications Industry Updates

The North Carolina Telephone Membership Corporations are committed to helping improve the quality of life in rural America and they touch rural America in many ways. For many years the TMCs have provided major contributions to the deployment of state-of-the-art communication services to rural areas assuring that citizens who live in rural, high cost areas have reasonably affordable access to communications services. In early years, efforts were focused on providing traditional telephone service to some of the most rural parts of twenty-eight North Carolina counties. These rural areas were so sparsely populated that investor owned companies declined to provide service to the areas since they were viewed as too risky. Not to be deterred, local citizens organized and formed member owned cooperatives and essentially began to provide service to themselves.

Since that time, the telecommunications industry has experienced and continues to experience constant technological change and challenges. The TMCs are not immune to the economic challenges that all businesses face today and the effects that weaker economy has on those businesses. The telecommunications industry is in a state of continuous technological and economic flux driven by intense competition and new technologies and is shifting gears to embrace IP (Internet Protocol) platforms for switching and transport and this fundamental technological change will forever alter the landscape of communications. Ushered in with this technological change has been the advent of a myriad of communications platforms which include Skype, Facebook, Vonage, magic jack and a host of other services. This is the new age of wired communication via the internet and wireless companies have been extremely successful in the communications marketplace. Today, wireless communications in general have taken center stage for the preferred means of communications. All of these changes have taken a significant toll on the TMCs which is evidenced by the total reduction in their access lines. Several major factors that are creating changes in the telecommunications industry today include:

- A shift from traditional telephone service to VOIP (Voice Over Internet Protocol)
- A shift in residential and personal telephone use from wired services to wireless;
- Intense competition between cable and wired service providers;
- Soaring growth in the amount of data and video accessed via the Internet and over wireless devices for information and entertainment purposes of all types and
- The continuing evolution of advanced wireless technologies, including more smartphones and wider availability of 3G and 4G services.

Simply put, a growing number of telecommunications service users prefer to make their phone calls, download data, view entertainment and otherwise access the Internet via smartphones and tablet, not landline phones or PCs plugged into the wall. The TMCs continue to invest in the network that serves their customers and the communities with the best of connected communications. They continue to deploy fiber optics and advanced means of communications daily. The TMCs continue to invest in Fiber Transport networks that give them the ability to provide fiber optic connectivity to the wireless provider towers in order for the wireless providers to provision their advanced 4G services. Such services cannot be provided via microwave technologies on a dependable basis due to bandwidth constraints which makes the cooperatives' infrastructure invaluable in the most insular rural areas. The TMCs also continue

to explore new technologies as they evolve and implement those technologies to the customers as the market demands and they are offering cutting edge services such as internet access, both dial-up and broadband, either through DSL or licensed spectrum wireless, digital cable telephone and IPTV service along with DVR capability as well as high-definition programming which puts customers on the cutting edge of technology and service. The eight North Carolina TMCs have an outstanding record of bringing state-of-the-art communications services to the rural areas that they serve. In fact, high-speed Internet is available to all TMC members and customer utilization of those services on a percentage basis is similar to that of customers in urban areas. Notwithstanding these successes, however, the TMCs continue to face challenges such as loss of access lines, the reductions in long distance service and access charge revenues, the continued push for the implementation of technological innovations and the further deployments of fiber-to-the-home and IPTV services.

The TMCs are now offering broadband service to 100% of customers and their rates are comparable to other areas. There are telecom issues at the FCC that will have an effect on the TMCs such as net neutrality, the Broadband Initiatives Program (BIP) and decisions regarding the Connect America Fund. In 2012, Congress passed the Middle Class Tax Relief and Job Creation Act which created the First Responder Network Authority (FirstNet) which is now responsible for building, operating and maintaining the first high-speed, nationwide wireless broadband network dedicated to public safety. FirstNet will allow first responders to have access to more information at the scene of an emergency and they will use existing telecommunications infrastructure and assets in order to reduce costs and the TMCs will fulfill a large role to bring that network to fruition.

The TMCs are also active and involved in the communities they serve. They are involved in the education process in North Carolina by offering scholarships to high school seniors and the scholarships are for schools, such as community colleges, that are located in the serving areas of the TMCs. They are passionate about causes such as the American Cancer Society and the United Way and they are actively involved with their local chambers of commerce and other community organizations.

The competitive pressures from wireless providers, cable television providers and other local competitors are impacting rural TMCs just as they are impacting more urban telephone companies. The difference is that rural TMCs do not have the large volumes of customers or, with few exceptions, access to wireless spectrum that helps larger companies offset competitive losses. In the intervening years, technology has changed rapidly but the economics of serving rural areas are more challenging than ever. Today, state-of the-art connectivity is defined not by a basic telephone that can access the local operator but by broadband services that connect rural consumers to the Internet at speeds that are equivalent to access provided to consumers that live in urban areas. The TMCs will continue to provide high quality service with the best and most innovative services available because they know that is what their rural customers expect and deserve.

KEY DATA AND ACTIVITIES TRACKED BY THE AUTHORITY

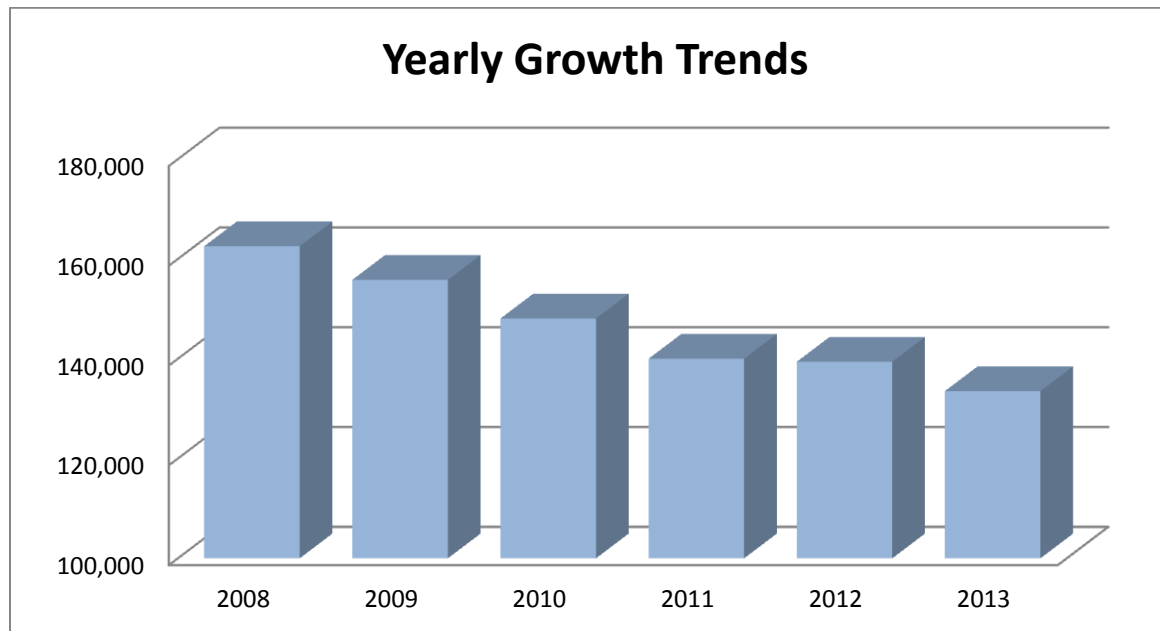
Number/Type of Inquiries, Growth Trends,
Revenues, and Loan Applications

Member Inquiries to the Authority

INQUIRY TYPE	Year	Year	Year
	2011-2012	2012-2013	2013-2014
Cable TV	0	0	0
Charges	0	2	1
Delinquent Bill	0	0	0
Deposit	0	0	0
Disconnects	0	0	1
Final Bill	0	0	0
High Bill	0	0	0
Insurance Claim	0	0	0
Internet Service	0	0	0
Miscellaneous	3	1	1
Outages	0	0	0
Capital Credits	0	0	0
Payment Arrangements	0	0	0
Right of Way	0	0	0
Service	3	8	5
Number Portability	0	0	0
TOTAL	6	11	8

Numbers are listed by fiscal year (July 1st – June 30th)

Yearly Growth Trends



The communications industry remains a dynamic market with many new products and service options encompassing multiple technologies and platforms. As the chart above demonstrates, access lines have decreased considerably over the last six years. That line loss continues to be a concern for the North Carolina TMCs. Reports show that wireless subscriptions continue to increase and at least some of the decline in TMC residential access lines is attributable to wireless substitution as well as competitive offerings from other local providers. Some other services that are replacing traditional landline service include Voice Over Internet Protocol Service (VOIP), texting, Facebook and SKYPE. Since the rural areas served by the coops are predominately residential service, this makes these areas particularly vulnerable to landline substitution. It is expected that technology and competitive wireless telephone pricing will continue to erode the need for landline phones in the residential marketplace. To offset the declining landline revenues, telephone cooperatives have expanded their products and expertise to offer landline bundles (residential and business packages) which include DSL, cable TV service, wireless, surveillance and home security, computer networking and computer repair businesses.

INDIVIDUAL CORPORATION STATISTICS

ACCESS LINE DATA BY CORPORATION

COMPANY	TOTAL ROUTE MILES	SUBSCRIBERS PER MILE	OPERATING REVENUES PER SUBSCRIBER	NET INCOME PER SUBSCRIBER
ATLANTIC TELEPHONE MEMBERSHIP CORPORATION	4214.11	12	545.00	119.05
RANDOLPH TELEPHONE MEMBERSHIP CORPORATION			1270	389
SKYLINE TELEPHONE MEMBERSHIP CORPORATION	4,451	6.77	825.90	239.00
STAR TELEPHONE MEMBERSHIP CORPORATION	4,670	3.01	1,009.94	152.49
SURRY TELEPHONE MEMBERSHIP CORPORATION	3,641	3.73	891.93	296.47
TRI-COUNTY TELEPHONE MEMBERSHIP CORPORATION	909	2.86	873.28	3.47
WILKES TELEPHONE MEMBERSHIP CORPORATION	2348.73	3.78	1,926.99	582.11
YADKIN VALLEY TELEPHONE MEMBERSHIP CORPORATION	1,881	11	864	93

*Data extracted from RUS Form 479 for year ending 2013

REVENUE DATA BY CORPORATION

COMPANY	LOCAL SERVICE REVENUES	NETWORK ACCESS AND LONG DISTANCE REVENUES	NET OPERATING REVENUES	RUS FUNDS ADVANCED	NET WORTH PERCENT OF TOTAL ASSETS
	\$	\$	\$	\$	%
ATLANTIC TELEPHONE MEMBERSHIP CORPORATION	7,933,672	13,989,014	24,494,216	0	63.42
RANDOLPH TELEPHONE MEMBERSHIP CORPORATION	3,463,109	6,493,432	10,438,015	0	92.8
SKYLINE TELEPHONE MEMBERSHIP CORPORATION	7,648,140	13,223,328	25,214,855	0	75.41
STAR TELEPHONE MEMBERSHIP CORPORATION	4,277,848	9,195,753	14,004,324	3,411,978	55.33
SURRY TELEPHONE MEMBERSHIP CORPORATION	3,345,253	5,581,323	11,103,018	0	72.61
TRI-COUNTY TELEPHONE MEMBERSHIP CORPORATION	858,673	1,230,649	2,242,916	656,377	15.61
WILKES TELEPHONE MEMBERSHIP CORPORATION	2,544,890	12,867,584	15,572,201	7,052,349	60.07
YADKIN VALLEY TELEPHONE MEMBERSHIP CORPORATION	6,398,434	135,725	2,965,997	2,128,161	70.79

*Data extracted from RUS Form 479 for Year Ending 2013

RURAL UTILITIES SERVICE

An Agency of the US Department of Agriculture
Providing Loans for Telecommunication Infrastructure

Purpose of Rural Utilities Service

Utility services are the foundation of rural infrastructure. Reliable and affordable telecommunications, electric, water and waste treatment services can help rural areas expand economic opportunities and improve the quality of life for rural residents. The Rural Utilities Service (RUS) is a policy, planning and lending agency with the USDA who has been an advocate for rural consumers, as well as a lender that supports the construction and deployment of modern utility infrastructure throughout rural America for over 75 years. The RUS, USDA and the Federal Communications Commission (FCC) have a shared mission to ensure that all Americans enjoy the benefits of modern telecommunications technologies and a history of working together to advance that goal. RUS has gained great insight into the economics of providing safe, reliable, and affordable utilities service through the administration of its loan and grant programs.

RUS finances telecommunications infrastructure under two titles of the Rural Electrification Act. Title II of the Act is the basis for the traditional Telecommunications Program that started financing telephone service in 1949, but today lends for broadband infrastructure. RUS grant and loan programs are among the few sources of affordable financing available to small, rural independent providers and tribally-owned entities. The RUS maintains a strong technology neutral policy across its telecommunications and broadband loan and grant programs and encourages all borrowers to build the most efficient systems needed to meet consumer demand. The RUS Telecommunications Infrastructure and Broadband Loan programs have financed telecommunications and broadband network construction to some of the most remote and economically distressed regions of the country. The Broadband Loan Program targets rural communities, while the traditional Telecommunications Program targets high cost service areas, including very high cost regions beyond communities. The typical RUS borrower and grantee operate in markets with extremely low population density, often high unemployment rates, an aging workforce, and challenging topography. In telecommunications, RUS financing is dependent on sufficient, specific, and predictable revenues. Universal Service Fund (USF) support and Intercarrier Compensation (ICC) revenues are among the factors evaluated in virtually every RUS loan. The RUS finances fundamental infrastructure systems that are vital to the economic growth and sustainability of rural communities and RUS has a goal to expand broadband deployment and adoption throughout America.



**RURAL UTILITIES SERVICE
TELECOMMUNICATIONS**

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Telephone: (704) 896-8402

TELEPHONE MEMBERSHIP CORPORATIONS

With Telecommunication Systems
in North Carolina

Telephone Membership Corporation

Atlantic Telephone Membership Corporation

Mailing Address

P. O. Box 3198
Shallotte, NC 28459

www.atmc.com

Phone

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Key Staff

Douglas H. Hawes, Board President
Allen Russ, Chief Executive Officer
Roger Cox, Chief Operating Officer & General Manager
Patricia Olsen, Vice President – Marketing & Customer Service
Russell Green, Vice President – Human Resources
Clint Berry, Vice President – Network Operations
Vacant, Vice President – Plant Operations
Keith Holden, Vice President – Information Services

Annual Meeting: October

County Served: Brunswick

Current and Future Plans

Our co-operative spirit has helped to make high-speed Internet access available to 100% of our customers. We offer up to 100 Mg service to 75% of our customers, 6 Mg to the other 25% of our customers and 1 Gig to our customers with fiber optic lines.

ATMC began deploying services using fiber-to-the-home (FTTH) technology as early as 2005. ATMC was the first company in North Carolina to be certified by the FTTH Council. ATMC has deployed fiber optics in more than 50 residential and commercial developments in Brunswick County over the past 10 years.

Brunswick County is often referred to as a community of small businesses. ATMC is committed to serving the needs of those businesses. We offer business-class broadband services as well as carrier Ethernet services. We have an IT Support service which allows a small business to take advantage of professional-level IT services without the overhead costs of an IT professional.

ATMC and its subsidiaries remain committed to serving the communications needs of Brunswick County & parts of Columbus County. We offer five key services to our customers – telephone, cable TV, high-speed Internet, wireless, and alarm monitoring. We will continue to grow and expand our services to meet the needs of our membership.

Randolph Telephone Membership Corporation

Mailing Address

3733 Old Cox Road
Asheboro, N.C. 27205

Phone

(336) 879-5684

Fax

(336) 879-2100

Key Staff

Frankie L. Cagle, General Manager
Wm. Joe Allen, President
Dee Lowe, Financial Director
Glenn Garner, Technology Director
Stephanie Gee, Marketing Director

Annual Meeting: Second Saturday in August

Counties Served: Randolph, Chatham, Moore, Davidson, Montgomery, Alamance, Guilford

Current and Future Plans

Locally owned and operated, Randolph Telephone is proud of its more than 60 years of providing services to exchanges in Badin Lake, Bennett, Coleridge, Famer, High Falls, Jackson Creek, Liberty and Pisgah.

After launching IPTV in August 2008, Randolph Telephone recently launched its own Local Channel, available to only RTMC IPTV subscribers, on September 4, 2013. On May 13, 2014, our rural Cooperative celebrated 60 years of service to the rural communities it serves. .

Randolph Telephone is committed to providing the most advanced communications technology and services to meet the growing demands of our customers-faster broadband services, better quality phone service and digital television entertainment services. While we are working furiously to deploy fiber to as many as we can within our cooperative footprint, we are also working tirelessly to meet the high-speed internet demands to areas outside our boundaries. Our goal is to be 100% fiber-fed in the future.

Skyline Telephone Membership Corporation

Mailing Address:

P.O. Box 759
West Jefferson, NC 28694

www.skyline.org

Phone

336-877-3111 Fax 336-877-2020

Key Staff

Jimmy Blevins, Chief Executive Officer
Kim Shepherd, Executive Director of Customer Operations
Steven Hardin, Executive Director of Corporate Operations

Annual Meeting: Last Saturday in September

Counties Served: Ashe, Avery, Alleghany, Watauga

Current and Future Plans

SkyLine marked its 60th year as a cooperative in 2011, and its commitment to providing advanced and affordable telecommunications services to its members is as strong today as it was in 1951.

In 2010, SkyLine was awarded a \$29 million grant/loan from the Rural Utilities Service through the National Broadband Plan to expand fiber-to-the-premise (FTTP) services to 25 communities in three of the five counties it serves in northwest North Carolina and east Tennessee. The three-year project will include 889 miles of buried and aerial fiber construction, and provide capabilities of offering broadband speeds of 20 Mbps or higher to more than 7,000 households, businesses and anchor institutions. This project is helping to accelerate the co-op's timeline for fiber deployment, which was first announced in late 2004 to overbuild the co-op's entire service area with FTTP technology. FTTP has allowed SkyLine to expand its broadband platform and to introduce digital television service to its members/subscribers.

In 2011, SkyLine joined with its affiliate Carolina West Wireless and Surry and Wilkes Telephone Membership Corporations to establish Clear Stream Communications, LLC. The establishment of Clear Stream will help to advance 4G wireless deployment to areas of western North Carolina through its participation in Verizon's LTE (Long-Term Evolution) in Rural America Program. Clear Stream will lease Verizon's 700 MHz upper C block wireless spectrum and provide tower and backhaul assets to build and operate a 4G LTE network.

Star Telephone Membership Corporation

Mailing Address

P.O. Box 348
Clinton, NC 28329

Phone

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Fax

(910) 564-4199

Key Staff

Lyman M. Horne, Executive Vice-President & General Manager

Jeff Nethercutt, Vice President-Corporate Operations

Clark D. Honeycutt, Vice President-Operations (Plant and Engineering)

Phoebe McGavock, Vice President-Human Resources

M. Suzan Daly, Vice President-Customer Service Operations

Kyle W. Randleman, Vice President-Sales and Business Operations

Jeffrey A. Shipp, Vice President-Competitive and Subsidiary Operations

Annual Meeting: Second Saturday in November

Counties Served: Bladen, Columbus, Cumberland, Duplin, Sampson

Current and Future Plans

Star Telephone is in the developing stages of overbuilding our current outside facilities to fiber. This project, better known as Fiber to the Home (FTTH), will provide the future needs of our fast-growing technological industry. In its infancy, this project is providing fiber-to-the-home in limited areas. This is an ongoing long-term project that will eventually replace copper to the home; therefore, providing broader bandwidth for high-speed Internet and IPTV with high definition capabilities.

As a good neighbor, Star Telephone is a corporate sponsor of the American Cancer Society's Relay for Life, the United Way and our local chamber of commerce. We also support community recreation leagues and various school-related projects. Through its scholarship program, Star Telephone provides scholarships to deserving students who reside in its service area and attend Sampson Community College or Bladen Community College. Nothing makes the Star family of companies shine brighter than its employees and board members. Even with the most modern equipment available, the real "backbone" of the company remains the men and women who give their very best. Star's employees live in the communities they serve, which makes Star proud of its motto, "Neighbors Serving Neighbors".

Surry Telephone Membership Corporation

Mailing Address

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Dobson, N.C. 27017

Phone

(336) 374-5021

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(336) 374-5031

Key Staff

Curtis R. Taylor, Chief Executive Officer
Amy R. Hanson, Chief Operating Officer
Richie Parker, Chief Technical Officer
Brenda Goad, Commercial Manager
Melanie Senter, Marketing Manager
Sunny Chrismon, Accounting Manager
Mike Lawson, Plant Manager
Scott Mosley, Network Manager
Andy Hull, Engineer Manager

Annual Meeting: Third Saturday in March

Counties Served: Surry, Stokes & Davidson

Current and Future Plans

Today, with 50 plus employees, Surry TMC serves over 29,000 members and customers with Traditional Landline, High Speed Internet, IPTV, Wireless, Home Networking, Fiber to the Home (FTTH), Home Security and Medical Alert. A top priority at Surry TMC is the focus on Information Technology. Through acquiring personnel with IT backgrounds and experience and retraining their current staff in these areas, Surry plans to have the best-of-the-best serving their customers. In addition to serving customers with superior service, Surry TMC is committed to the communities they serve through involvement by their management and staff and sponsorships that help assist communities. Surry TMC has worked to collect and distribute school supplies, canned food, and toys during annual events. Additionally, Surry TMC partners with our local Electric Coop to host two Blood Drives each year. Surry TMC is proud to be a part of the communities they serve and hope to better these areas through their involvement and the technology they offer.

As growth in the rural areas and towns continues to be modest short-term and in efforts to remain profitable, Surry TMC has adjusted the work force to compensate for declining access lines. Demand for cutting-edge services is anticipated and the Cooperative plans to meet those demands by providing the services where sound economics prove feasible and financing resources are available.

Through the years, Surry has continued to grow their market area and increase their service options.

As the pace of technological advancements continues to hasten, the management team and staff at Surry Telephone are committed to remaining at the forefront of the marketplace. For more information on Surry Telephone, please visit online at www.surry.net.

Tri-County Telephone Membership Corporation

Mailing Address

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Belhaven, N.C. 27810

Phone

(252)-964-8000

Fax

(252) 964-2211

Key Staff

Gregory S. Coltrain, Chief Operating Officer
Teresa E. Whitney, Accounting Manager
Teresa Raupe, Marketing and Media Relations Manager
Melinda Jackson, Commercial Manager
Martha Neal, Customer Care Supervisor
Fred Smith, IV, Plant Manager

Annual Meeting: Second Thursday in May

Counties Served: Beaufort, Hyde, Washington

Current and Future Plans

Like most telephone companies, TriCounty has experienced declined access line growth during recent years, partly due to DSL broadband technology which allows voice and data to travel on the same line. However, new residential subdivisions are under development in the area, and TriCounty anticipates new growth in those areas. TriCounty continues to expand wireless broadband service to unserved and underserved areas.

With the transition of broadcast television from analog to digital transmissions and the demand for more video services by consumers, TriCounty began to look at the ways the cable television system could meet these demands. As a company with limited bandwidth, TriCounty could continue to operate as usual based upon the FCC exemptions granted to small operators. However, TriCounty has always tried to offer its rural customers the same services enjoyed by residents of more populated areas. With this ideal in mind, TriCounty launched an upgrade to the cable television system, converting to an all-digital headend. The more efficient use of bandwidth allows for added channels, including High Definition channels, an interactive on-screen program guide and DVR service. In keeping with serving our rural customers with the latest in technology, TriCounty sought and received a \$14.1 million grant/loan to provide an all fiber network to deliver affordable, reliable high-speed internet and video services to parts of Beaufort, Hyde and Washington Counties. Funding for this grant was issued by the US Department of Agriculture Rural Utilities Service (USDA-RUS) in conjunction with the American Recovery and Reinvestment Act's Broadband Stimulus Program. Today, TriCounty provides voice, video and high speed broadband over a FTTP network.

Being knowledgeable and prepared for change is very important for TriCounty's future, so its management, board of directors and employees actively participate in telecommunications seminars and state and national organizations to stay informed of advances and changes that are shaping the industry.

Wilkes Telephone Membership Corporation

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Wilkesboro, NC 28697-2108

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(336) 973-9041

Key Staff

Jimmie Church, President
Eric Cramer, CEO
George Roark, Network Engineering Manager
Jody Call, Network Operations Manager
Debbie Johnson, Executive Assistant/HR Generalist

Annual Meeting: September or October

Counties Served: Wilkes County

Current and Future Plans

Today, the co-op serves more than 8,800 residential and business access lines, has one NOC, five central offices and 43 remote switches. Wilkes Communications was created as a subsidiary of Wilkes Telephone Membership Corporation in 2004 to better reflect the wide range of services now offered. In 2014, the RiverStreet Networks initiative began to expand services outside of the core market and create a local television channel for Wilkes County. Wilkes Communications is continuously working to stay on top of the latest technologies and upgrades, to better serve its communities. Wilkes offers a variety of services, including local and long distance voice, high speed Internet, digital television with high definition channels and DVR, security and fire monitoring, business phone systems, VoIP, directory advertising and wireless networking. Wilkes has completed an over build of its existing ILEC service area with a Fiber-To The-Home (FTTH) deployment, allowing for Internet speeds of up to 1-Gig to each subscriber. Wilkes also operates an all fiber optic CLEC expansion into the remainder of Wilkes County currently serving over 1500 access lines.

Wilkes Communications' goal is to continue growth in and out of its core market.

Wilkes Communications was awarded the Excellence in Business Award by the Chamber of Commerce for 2005, and the Duke Energy Citizenship and Service Award in 2010.

Yadkin Valley Telephone Membership Corporation

Mailing Address

P.O. Box 368
Yadkinville, N.C. 27055

Phone

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(336) 463-5005

Key Staff

Michael R. Morton, President
Mitzie S. Branon, Chief Executive Officer
Scott G. Rudolph, Chief Technical Officer
David Williams, Controller
Jenny Dwiggin, Customer Service and Sales Manager
Mark Campbell, Engineering Manager
Jose Diaz, Plant Operations Manager

Annual Meeting: April

Counties Served: Alexander, Davie, Iredell, Rowan, Wilkes, Yadkin

Current and Future Plans

In 1997, the Cooperative established a wholly owned subsidiary company called Yadkin Valley Telecom, Inc. This is a for-profit company engaged in providing all non-regulated services to both Yadkin Valley Members and customers who are not members. It provides residential telephones and in-house wiring, Internet access, wireless service, voicemail, long distance, Internet Protocol Television (IPTV) and security systems. In 2002, a Competitive Local Exchange Carrier (CLEC) operation was established as a part of the Telecom operation

In 1998, the Cooperative established another subsidiary company called The Data Center, Inc. This company is comprised of two divisions; Yadtel Billing/OSS and Yadtel Publishing.

In 2006, the Cooperative ordered the materials to begin a Fiber-to-the-Home build out project. By July 2008, the first customers were serviced by fiber. The goal of the cooperative is to eventually provide Fiber-to-the-Home to the entire serving area. As of year-end 2014, approximately 61% of the total structures in the serving area have fiber available. Service provided over fiber includes high-speed Internet up to 50 Mbps, voice services, and Internet Protocol Television.

STATEWIDE ORGANIZATIONS

Strength in Numbers

Carolina-Virginia Telephone Membership Association, Inc.

The Carolina-Virginias Telephone Membership Association, Inc. (CVTMA) was incorporated on May 27, 1957 as a non-profit, tri-state, trade association for the rural telephone companies in North Carolina, Virginia and West Virginia. The mission of the CVTMA is to provide education and dissemination of information to managers and directors of member companies. The Association is comprised of the rural telephone cooperatives in North Carolina, Virginia and West Virginia, as well as businesses (associate members) that provide goods and services to the telecommunications industry. The Secretary of the State of North Carolina chartered the Association on May 27, 1957. The website address is www.cvtma.org.

Carolina-Virginia Telephone Membership Association, Inc.

OFFICERS - 2013-2015

Jimmie M. Church, President
Wilkes Telephone Membership Corporation
Wilkesboro, North Carolina

Lyman M. Horne, Vice-President
Star Telephone Membership Corporation
Clinton, North Carolina

William Joe Allen, Secretary-Treasurer
Randolph Telephone Membership Corporation
Asheboro, North Carolina

Scott Sherman, Assistant Secretary-Treasurer
Hardy Telecommunications
Lost River, West Virginia

Carole M. McLamb, Executive Vice-President
CVTMA, Inc.
Raleigh, North Carolina

Lisa W. Epperley, Past President
Pembroke Telephone Cooperative
Pembroke, Virginia

Carolina-Virginia Telephone Membership Association, Inc.

BOARD OF DIRECTORS – 2013-2015

Allen Russ, Atlantic TMC
Douglas H. Hawes, Atlantic TMC
Ed Smith, Jr. Buggs Island TC
Greg Sapp, Citizens TC
Melvin Gearhart, Citizens TC
Scott Sherman, Hardy Telecommunications, Inc.
Greg M. Zirk, Hardy Telecommunications, Inc.
Lisa W. Epperley, Pembroke TC
Leon A Law, Pembroke TC
Frankie L. Cagle, Randolph TMC
William Joe Allen, Randolph TMC
William Franklin, Scott County TC

Jimmy Blevins, Skyline TMC
R. C. Mitchell, Skyline TMC
Lyman M. Horne, Star TMC
Robert G. Hester, Star TMC
Curtis Taylor, Surry TMC
Gary Brown, Surry TMC
Gregory S. Coltrain, Tri-County TMC
Frank W. Waters, Tri-County TMC
Eric S. Cramer, Wilkes TMC
Jimmy Church, Wilkes TMC
Homer J. Creed, Yadkin Valley TMC
Mitzie Branon, Yadkin Valley TMC

(TMC is Telephone Membership Corporation and TC is Telephone Cooperative.)

North Carolina Telephone Cooperative Coalition

CarolinaLink, the trade name for the North Carolina Telephone Cooperative Coalition, was organized to bring more public awareness to the efforts made by North Carolina's TMCs to provide modern communications services to rural areas. In addition, CarolinaLink assists member companies in advocating public policy goals that will assure the rural areas continue to have the same state of the art communications services available in urban areas at reasonably comparable prices.

Address:

1514 Glenwood Avenue

Suite 200

Raleigh, NC 27608

info@carolink.org – (919)838-0529

Web Site: www.CarolinaLink.org

The members of CarolinaLink providing these state of the art services and the towns for their headquarters are listed below:

- Atlantic Telephone Membership Corporation, Shallotte
- Randolph Telephone Membership Corporation, Asheboro
- SkyLine Telephone Membership Corporation, West Jefferson
- Star Telephone Membership Corporation, Clinton
- Surry Telephone Membership Corporation, Dobson
- Tri-County Telephone Membership Corporation; Belhaven
- Wilkes Telephone Membership Corporation, Wilkesboro
- Yadkin Valley Telephone Membership Corporation, Yadkinville