



# BALANCE

TRI-COUNTY EMC 2009 ANNUAL REPORT

**E**cology versus economy. Politics versus physics. Sustainability versus affordability. These are unique times for electric cooperatives and our members. And these opposing issues which dominated the past year are profound. Does a balance exist?

Everyone is facing pressures from our nation's economic downturn. At the same time, the climate change legislation being debated is thought to be very harmful to the average electric consumer by many experts while delivering minimal reductions in greenhouse gasses. Many of the same elected officials promote stimulus packages, a nationwide smart grid, and increased levels of renewable energy in the form of renewable portfolio standards.

In this chaotic swirl of bills, debates, and economic pressure, Tri-County EMC has progressed with plans for dealing with these issues. We believe that there can be balance between the environment and new growth, affordable energy and carbon capture, or conservation and the construction of new generation. And we believe member-owned electric cooperatives are best suited to meet these challenges.

## Balance in Meeting New Needs

Despite the challenging economic environment, Georgia will continue to grow. New home construction and the start of new businesses will rebound. Even when adjusted for growth reductions, Georgia's electric cooperatives forecast a need for approximately 7,900 additional megawatts of capacity by 2020. Tri-County EMC anticipates needing an additional 42 percent above existing electric generation resources over the same period.

A significant accomplishment in meeting growing energy demands is the permitting of two additional nuclear units at Plant



## Recent Accomplishments

- No lost-time accidents since November 2005
- Completed safety accreditation program
- Converted 3,400 meters to complete three-year TWACS smart metering implementation
- Reconductered 18.5 miles of line
- Received 2008 Award of Excellence for Communication Plan for No Sweat Program
- Completed backup control center in Eatonton
- Enrolled over 1,500 units in No Sweat program

Vogtle in Waynesboro, Georgia. Thirty-nine of Georgia's EMCs will receive 660 MW of 2,240 MW of capacity from these two units. Additionally, Georgia coopera-

## 2009 In Review

tives are planning to build two 100 MW wood-based biomass plants, adding needed capacity in the form of renewable power generation.

Renewable energy is certainly a large part of meeting future needs. Through Green Power EMC, Georgia's first renewable energy program, cooperatives have generated 151,191,763 kWh in earth friendly energy since 2001.

### **Energy Efficiency is No Sweat™**

Future energy needs cannot be met with the construction of new power plants alone. For several years, Tri-County EMC has encouraged our members to find ways to conserve energy. We have added rebate programs for insulation and introduced the No Sweat air-conditioning load management program. By October of 2009, nearly 2,500 No Sweat load control devices were installed, making an immediate impact on Tri-County's peak electricity requirements and reducing power costs for coming years.

Conservation can start very small. This year, Tri-County purchased several thousand compact fluorescent lamps (CFLs) to distribute to our members.

Installing a single 13W CFL in place of a 60 watt standard incandescent bulb saves a seemingly small 47 watts. But over the life of the lamp, it could save 376 kWh. And if every Tri-County consumer made this single lamp switch, the net savings would be about one megawatt of generation capacity and nearly eight million kWhs.

### **Investing in Technology**

In May, Tri-County employees finished a three-year conversion to the next generation AMI (advanced metering infrastructure) meters. These "smart meters" allow for automated meter reading through the power lines and a host of advantages in gathering data, answering usage inquiries, responding to outages, and planning system upgrades.

Coming soon, Tri-County EMC will utilize the technology of the cooperative's new metering system to offer "pay•your•way". This innovative program will allow you, the Tri-County member, to purchase electric service in advance, allowing you to choose when and how much you want to pay. And you can receive updates, pay for usage, or track daily energy consumption with your cell phone or the Internet.

### **Tri-County EMC's Board of Directors (L-R):**

Sammy Hall, Rev. Charlie Richardson, Mike Rainey, Vice Chairman Brenda P. Green, Chairman Tom Thompson Jr., Dan Greene, Chester Mercer Secretary/Treasurer Tommy Noles, and Marion Nelson



# Financial Summary

## Statement of Operations

(for the years ended April 30)

	<b>2009</b>	<b>2008</b>
Operating Revenue and Capital	\$ 40,694,514	\$ 36,120,250
Operating Expense		
Cost of Power Purchased	26,384,316	24,133,217
Operating the Electric System	6,316,081	5,892,723
Depreciation	2,865,250	2,593,658
Interest on Loans	2,901,107	2,704,702
Total Cost of Electric Service	38,466,754	35,324,300
Patronage Capital and Operating Margins	2,227,760	795,950
Non-Operating Margins	26,675	33,932
G&T Capital Credits	369,746	352,095
Other Capital Credits	199,744	213,870
Total Patronage Capital or Margins	\$ 2,823,925	\$ 1,395,847

## Balance Sheet

(as of April 30)

	<b>2009</b>	<b>2008</b>
<i>Assets</i>		
Total Utility Plant	\$ 90,779,135	\$ 86,812,107
Less Depreciation	13,493,474	13,094,919
Net Utility Plant Book Value	77,285,661	73,717,188
Investments in Associated Organizations	9,531,137	9,063,173
Cash and Reserves	150,477	506,245
Owed to EMC on Account and Notes	1,870,342	1,700,448
Material in Inventory	420,789	431,590
Expenses Paid in Advance	25,906	27,210
Deferred Debits and Other Assets	286,596	348,399
Total Assets	\$ 89,570,908	\$ 85,794,253
<i>Equities and Liabilities</i>		
Consumer Deposits	\$ 961,580	\$ 944,270
Membership, Patronage Capital, Other Equities	28,795,616	26,059,679
Long-term Debt	53,881,112	51,719,399
Notes and Accounts Payable	4,865,002	5,993,658
Other Current and Accrued Liabilities	856,207	875,645
Non-current Liabilities	211,391	201,602
Total Equities and Liabilities	\$ 89,570,908	\$ 85,794,253

Tri-County EMC is audited by the independent accounting firm of McNair, McLemore, Middlebrooks & Co., LLP. A complete financial statement may be obtained by calling Tri-County EMC at (478) 986-8108 or 1-866-254-8100, ext. 8108.

# Statistical Snapshot

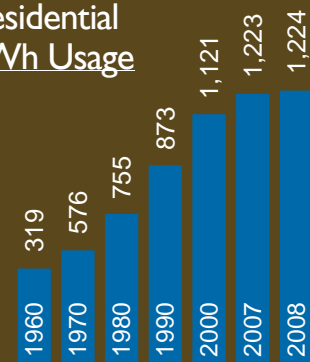
## Fiscal Fitness

In challenging economic times, everyone seeks ways to become more efficient—to stretch dollars as far as possible. Tri-County has challenged our members and employees to cut energy consumption. Based on the past two years, we feel our members are responding. The average residential kWh usage has remained relatively flat, even though we know that many homes are adding items.

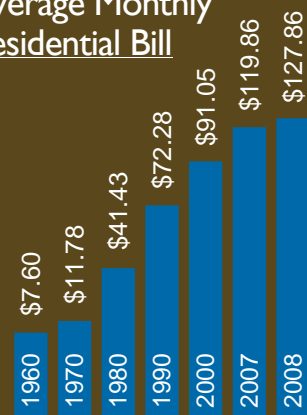
To be a credible leader in energy conservation, Tri-County EMC had to take steps to reduce internal energy consumption as well. Cooperative employees installed motion sensors to cut off lighting in less-used common spaces and reduced hallway lighting. And thermostat settings were moderated. From August 2008 to July 2009, Tri-County employees reduced the total energy consumption by 67,680 kWh, a decrease of 19% from the previous twelve months.

Operating efficiently is nothing new to Tri-County. Faced with rising wholesale power costs, the cooperative has reduced operating costs to unprecedented levels while maintaining high levels of reliability and service.

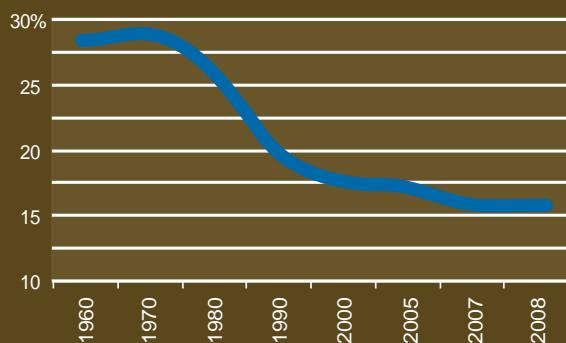
## Average Monthly Residential kWh Usage



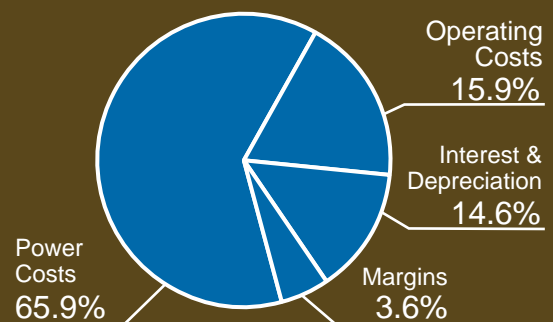
## Average Monthly Residential Bill



## Operating Costs as a Percentage of Total Revenue



## Where Your Energy Dollar Goes



### Tri-County EMC Senior Staff:

C. Hill Bentley - CEO  
 Donald Appling - VP of Construction Services  
 Dawn Haskins - VP/CFO

Lee Marsh - VP of Distribution Services  
 Greg Mullis - VP of Energy Services  
 Beverly Smith - Administrative Assistant

Tri-County EMC, P.O. Box 487, Gray, GA 31032 ■ 478.986.8100 ■ [www.tri-countyemc.com](http://www.tri-countyemc.com)