

❖ **ELECTRICITIES** *of* NC

ANNUAL REPORT





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Sharnelle Tate-Hunt, owner of Anointed Children Childcare Academy in Shelby, N.C., holds story time for her class on a Wednesday afternoon.



MESSAGE *from the* CHAIR and CEO



DONALD I. EVANS
Chair



ROY L. JONES
Chief Executive Officer

Decades ago, leaders made choices that made our public power communities stronger. Now we're doing the same to help ensure our public power communities continue to grow and prosper. In 2022, we created a vision and plan for building public power's future.

Revealed at the 2022 Annual Conference in Cherokee, North Carolina, the strategic plan for public power in our region is the result of a rigorous process. The ElectriCities Board of Directors considered the industry, technology, and customer changes we're facing, looked at public power's strengths and opportunities, and weighed valuable input from ElectriCities members to define our

vision, purpose, and values. From there, the Board developed five strategic priorities we need to focus on for public power in our region to be successful.

This year's Annual Report highlights how five communities are embodying those priorities and charting a path toward a bright future.

In the pages that follow, you'll learn how Tarboro is listening to its customers to help define its future, and you'll see how the folks in Concord are tapping multiple resources to tell their public power story. You'll discover how New Bern is providing superior power by developing electric vehicle charging rates that cover the cost of service.

You'll see how Shelby's innovative energy efficiency grants are enabling its Uptown to continue to thrive. And you'll learn about a partnership that's enabling Albemarle to enlighten the next generation of public power lineworkers.

As we celebrate these successes and all the ways public power provides value to our member communities, it's clear that working together to build on our strengths and to seize opportunities for growth and progress is key to a bright future.

We're excited about the opportunities that lie ahead and the differences we can make in our communities as we build public power's future.





Mr. Donald I. Evans
Chair
Wilson



Mr. Randy E. McCaslin
Vice Chair
High Point



Mr. Troy R. Lewis
Secretary
Tarboro



Mr. Joseph P. Albright
Gastonia



Ms. Whitney Brooks
Lexington



Mr. Anthony C. "Tony" Cannon
Greenville Utilities Commission



Mr. Jonathan Franklin
Louisburg
(partial year)



**Mr. J. Richard
"Rick" Howell, Jr.**
Shelby



**Mayor Constantine H.
"Costi" Kutteh**
Statesville



Mr. Edmond C. "Ed" Miller
New River Light & Power



Mr. Charles D. Nichols, III
Laurinburg



Mr. Jonathan "Jon" Rynne
Fayetteville PWC



Mr. John M. Stiver
Newton



**Mr. Robert
"Robbie" Swinson, IV**
Kinston



**Mayor John
"Jack" Edwards**
NCMPA1 Chair
Pineville



Mayor Eddie Braxton
NCMPA Chair
Scotland Neck

MEMBER COMMUNITIES




LEADERSHIP TEAM

Roy L. Jones
Chief Executive Officer

F. Timothy Tunis
Chief Financial Officer

Matthew E. Schull
Chief Operating Officer

Jay Morrison
Chief Legal and External
Affairs Officer

A photograph of two men in an office. One man, wearing a blue and white striped polo shirt and glasses, is standing and pointing at a computer monitor. The other man, wearing a teal polo shirt, is seated at the desk, looking at the monitor. The desk has two large monitors displaying data, a keyboard, a telephone, and various office supplies. A window in the background shows a view of trees.

Tarboro's Electric Support Supervisor, Jimmy Lewis (seated), and Electric Utilities Director, Chip Dickson, analyze data through the Town's SCADA system.

TARBORO, NORTH CAROLINA

Future-focused

Future-focused utilities are built on strong fundamentals. They have a defined purpose, and they know how they provide value to customers. They utilize talented employees to innovate, solve problems, and take decisive action, resulting in long-term success for their community.

Anticipating Customers' Future Needs While Delivering on Today's Requirements

The Town of Tarboro's electric department knows that being well-equipped and future-ready takes an ongoing, multifaceted approach. And it starts with listening to their customers. In fact, it was feedback from the first North Carolina Public Power Retail Customer Survey they participated in that led them to deploy Advanced Metering Infrastructure (AMI). They completed that project in March 2022.

"We've implemented a lot of new technology to help us and help our customers," said Jimmy Lewis, Electric Support Supervisor.

AMI is already providing better outage management. Future benefits include load insight to ensure correct transformer sizing, reduced load losses and line losses, and a customer portal, launching soon. Tying the AMI system into the Town's upgraded billing system provides further efficiencies, like more complex rate structures.



Tarboro Utility Technician James Barnes, Jr., stops to talk to a neighbor on his way to service a nearby meter.

“As we prepare for more electric vehicles, having time-of-use rates means customers can shift energy-intensive activities like EV charging to off-peak hours,” said Chip Dickson, Tarboro’s Electric Utilities Director.

Equipping crews’ trucks with tablets enables them to take advantage of tech upgrades, operating more efficiently and responding to customers faster. “In the field, crews can remotely connect or disconnect meters, access our GIS mapping system to locate underground wires, and use functions of our updated SCADA system,” said Chip.

During residential energy audits, the team uses thermal imaging to pinpoint drafty areas and assess HVAC system air temperature. “By combining that information with the new meter data our AMI system provides, we’ve helped customers reduce their electric bills,” Jimmy said.

Tarboro has expanded their key

accounts program to keep those larger industrial customers involved in the utility’s future. The team advises key accounts on ways to reduce costs, and they hold regular key accounts events, bringing those customers together to discuss shared challenges and solve problems.

A strong future also means supporting fellow public power communities. From providing mutual aid and sharing resources, to serving on the ElectriCities Board and sharing knowledge at Electri-Cities member conferences, the Tarboro team is providing leadership that’s driving public power forward.

❖ **OUR SUPPORT**

ElectriCities supports its members by providing strategic consulting, assisting with strategic road mapping, performing economic benefit studies and analysis, providing training, and assisting with data collection efforts such as customer surveys.



Left: Tarboro Line Technicians Mark Wells, III, and Kaleb Edmondson use new technology to find underground wiring. **Right:** A view of a Tarboro neighborhood from above. **Top right:** Jimmy Lewis demonstrates how infrared technology helps identify energy efficiency gaps.

“ A strong future also means supporting fellow public power communities. ”

CONCORD, NORTH CAROLINA

Strengthen Public Power

Public power providers deliver value their communities sometimes aren't aware of, including exceptional reliability, local jobs, and community investment. In fact, many customers don't even realize their power is provided locally. We can change that and strengthen public power by educating our communities and sharing the value of public power with customers, local elected officials, and state and federal decision-makers.

The team in Concord brainstorms ideas for videos promoting lineworkers' value and expertise. Left to right: Safety Coordinator Jenny Volpicelli, Deputy Director Andrea Cline, Director Alex Burris, Coordinator II Jackie Rushing, and Electric Systems Administration Manager Kim Hardy.



Tapping Multiple Resources to Tell the Public Power Story

The City of Concord is proof that there are plenty of opportunities to educate about public power and plenty of people who can do that.

"We weave in the story of public power whenever we can," said Lindsay Manson, Concord's Public Affairs and Project Manager.

That's quite often—on social media, at community events, in city leaders' speeches, in civic education and school programs. The list goes on.

"On the City's social media channels, we feature our people and the good work they're doing every day in our neighborhoods, and the community really likes those stories," Lindsay said. The team worked with a local company to create a well-received video that highlights lineworkers and the important work they do.

“ We weave in the story of public power whenever we can. ”

Lindsay and team spotlight electric department employees during Public Power Week, and they share photos of lineworkers repairing damage and restoring power after storms and other disasters. “It’s about sharing the 24/7 responsiveness and reliability of public power,” she said.

Lineworkers attend community events to show off bucket trucks and demonstrate tools. Members of the electric department participate in school and civic programs where they educate grade schoolers and adults about electricity and public power’s benefits.

When Concord’s electric department staff built a new substation, Lindsay and team used the news media to help tell the story. They did the same to announce the City’s new electric systems operations center.

“A lot of people forget that the media should be an ally,” she said. Sending media advisories, inviting media to groundbreakings and ribbon-cuttings, and contacting reporters directly has garnered coverage on a local television station and in the local newspaper —coverage the team amplifies on social media.

“The substation provided an opportunity to educate our community, including our customers and local officials, on why building it is important, what it does, and why it means better and more reliable electric service for them,” Lindsay said. “It was also an opportunity to highlight the individuals who built it and how doing that completely in-house was so unique and part of the value of public power.”

❖ OUR SUPPORT

ElectriCities provides communications support, resources, and events to help members spread the word about the value of public power. ElectriCities’ communications team also consults with members on developing their own campaigns and initiatives to highlight the benefits of public power within their communities, educating customers and elected officials. The ElectriCities government affairs team advocates on behalf of members at the state and federal levels, building relationships with elected officials and sharing public power’s many benefits with them.



Top: Sharee Allen and her children McKenzie and Marc greet neighborhood lineworkers Terry Morton and Blair Barrier. **Bottom:** Concord lineworker Tim Furr works to repair an outage in a residential area.

Concord City Council member Brian King talks about the benefits of public power with residents. The 2021 Avett Brothers mural (by local artist Caswell Turner) creates a fun backdrop.





New Bern resident Carnell Wallace charges his electric vehicle at the City's charging station.

NEW BERN, NORTH CAROLINA

Provide Superior Power

Wholesale power makes up over 70% of a utility's annual electric enterprise costs. But utilities can help control those costs. Being locally owned means public power utilities know their customers best and can provide programs their customers want. Knowing a utility's wholesale power supply arrangements is key to creating programs that benefit the municipality and the customers while providing the safest, most reliable power.

Doing the Math on EV Charging

Reviewing the energy requirements for a commercial customer's requested electric vehicle (EV) fast charging station, Charlie Bauschard, Director of Public Utilities for the City of New Bern, quickly realized the math didn't add up in the City's favor. "If I applied one of my standard general service rates to this situation, we'd lose over \$7,000 a month," he said.

Similar losses would result if he applied those rates to the two fast charging stations the City of New Bern had purchased using grant money from the Volkswagen emissions settlement.

Part of that is because fast chargers, sometimes called DC fast chargers, superchargers, or Level 3 chargers, require a lot of energy. Grocery store-level energy, Charlie said.

Instead of taking 12-20 hours to fully charge an EV, like the more common Level 1 and Level 2 chargers, fast chargers can provide a full charge in 30 minutes.

In this early phase of EV adoption, it's difficult to know how many people will use a fast charging station, Charlie said. "So, when creating a rate structure for fast chargers, you have to account for low load factor."

“Many utilities are losing money because they put fast chargers on an existing rate structure that’s not designed for low load factor, so they can’t recover the cost,” he said. “We designed rates to cover cost of service.”

In fact, the City of New Bern developed two rate structures.

One is for the City-owned fast charging stations. The chargers are open to the public, and customers pay using the ChargePoint app.

The other rate is for commercially owned charging stations, like the Tesla supercharger in New Bern. The City sets the meter, and Tesla sets their customers’ rate.

Both rates are load-factor based, so as charger use increases, the energy rates decline. The rate for commercially owned charging stations recognizes coincident peak times and encourages off-peak charging.

“We’re feeling the market emerge,” Charlie said. “Providing superior power means having these rates available, so as more businesses come in and the market grows, we’re ready.”

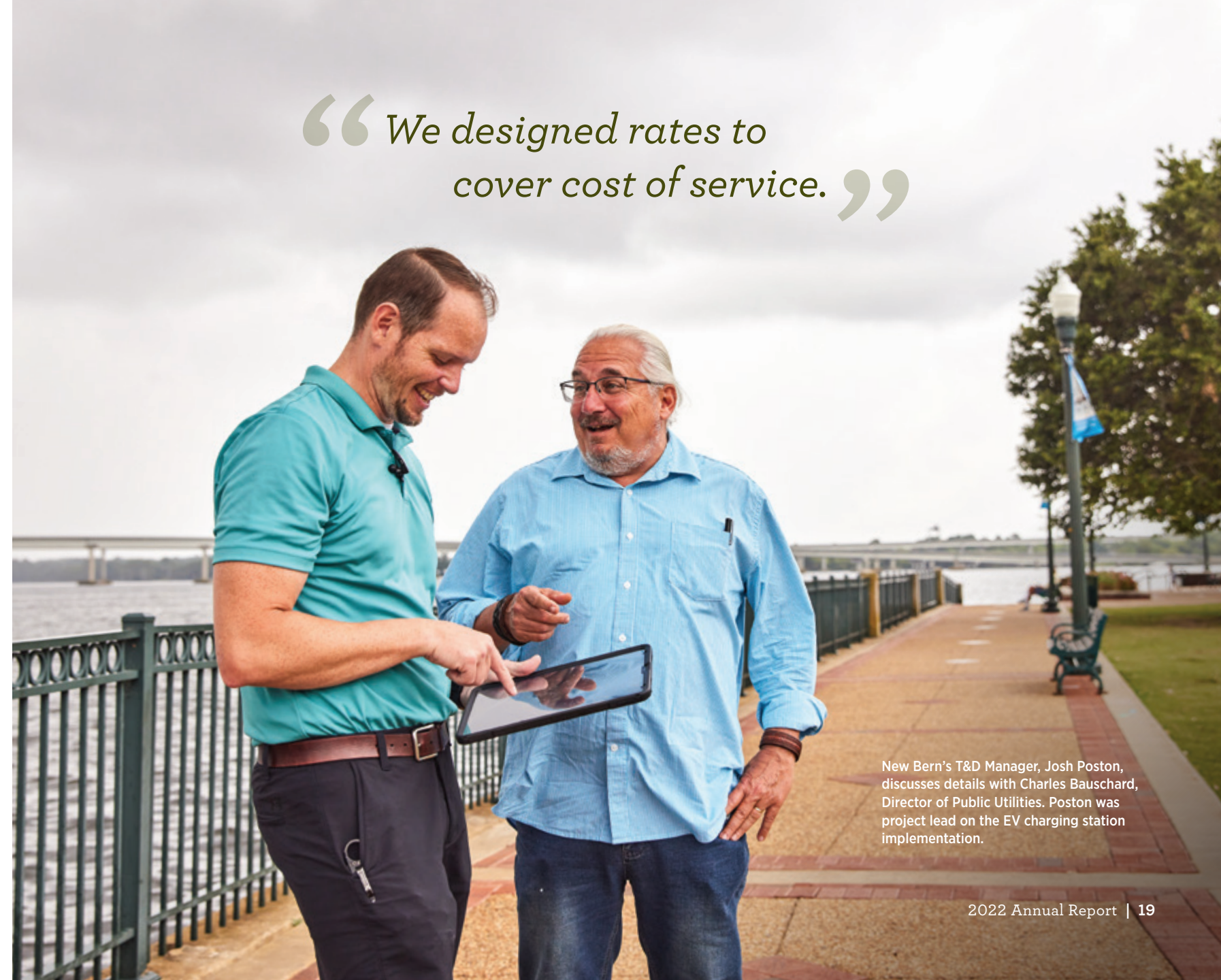
❖ OUR SUPPORT

ElectriCities supports its members by consulting on power delivery issues related to generation, transmission, and distributed resources, consulting on rate issues, assisting with cost of service studies, and advising on load forecasting and system planning. ElectriCities regularly advises members on infrastructure improvements and keeps them informed about emerging technologies—from smart meters to SCADA solutions—that can improve operations, increase efficiencies, and enhance customer service.




Top: Carnell Wallace approaches the touchscreen kiosk at New Bern’s EV charging station.
Bottom: While waiting for his car to charge, Carnell opens the ChargePoint app he used to find the charging station location.

“ We designed rates to cover cost of service. ”



New Bern’s T&D Manager, Josh Poston, discusses details with Charles Bauschard, Director of Public Utilities. Poston was project lead on the EV charging station implementation.

A photograph of three young children of African descent sitting at a table in a classroom, focused on coloring. The child on the left is a boy with curly hair wearing a light-colored shirt. The child in the middle is a boy with short hair wearing a red t-shirt, reaching into a green plastic bin filled with markers. The child on the right is a girl with her hair in a bun, wearing a white t-shirt and a large light-green bow, holding a yellow marker over a coloring page. The background shows a classroom setting with a blue cabinet and a poster on the wall.

Children color at Anointed Children Childcare Academy in Shelby, N.C. The academy received grant funds from the City for energy efficiency upgrades.

SHELBY, NORTH CAROLINA

Customer-centered Innovation

Meeting customer expectations in the long term requires listening to customers today to prioritize and deliver valuable energy solutions and programs.

Providing Innovative Grants to Keep the Community Thriving

When opening her daycare center in a historic home near Uptown Shelby in 2017, Sharnelle Tate-Hunt didn't expect one of her first challenges to be a high energy bill. "Our utility bill was about \$500 a month," she said. She was shocked.

Uptown Shelby property owners were hearing similar stories from their business tenants. Even as Uptown was thriving, business owners in those older buildings were struggling with high energy bills.

Many of those buildings are close to 100 years old, said Cale Wright, Utility Services Specialist for the City of Shelby. Many lacked quality insulation, had single-pane windows, and contained inefficient HVAC systems.

Cale said folks didn't want to close their businesses or leave Shelby, but they needed help to be able to stay.

Cale and four other City representatives got together and developed an innovative plan. They set aside \$75,000 a year in the energy department's budget to provide grants for energy efficiency upgrades for commercial customers in buildings 50 years old or older.

For businesses that qualify, the City pays half the cost for a new HVAC system that's a 16 SEER or higher, up to a cap of \$20,000. The City also pays 80% of the costs to upgrade or replace windows, doors, insulation, water heaters, and some commercial appliances, if they

meet specified energy standards.

Daycare owner Sharnelle couldn't be happier with the impact the program has had on her business. She first used grant funds to upgrade her HVAC system in 2017. In years since, she has received City grants for a tankless water heater, insulation upgrades, and energy-efficient windows and doors. Her energy bill has dropped from \$500 that first year to around \$300 or less. "It has been a tremendous change—such a blessing."

Cale is proud of the program's success. "It has helped keep Uptown and surrounding areas thriving, and it's enabling folks to keep their businesses going without having to battle those sky-high bills."

❖ OUR SUPPORT

ElectriCities works with members to identify and implement impactful improvements to their electric utilities. Members can participate in the annual North Carolina Public Power Retail Customer Survey to identify changing customer needs and in a Utility Assessment to benchmark their utility operations. With this information, members know where to make investments. Members can also participate in forums to share best practices and learn about emerging technologies and issues.



Top: Raymond Hunt (left) and Sharnelle Tate-Hunt, the husband and wife team that owns Anointed Children Childcare Academy, with Cale Wright, Shelby's Utilities Services Specialist.
Bottom: Local business owner Seth Stevens shakes hands with Cale Wright. Seth, also owner of local Broad River Roasters, received funds from Shelby's grant program to improve energy efficiency for his historic bed and breakfast as it undergoes renovations.

“ It has helped keep Uptown and surrounding areas thriving, and it's enabling folks to keep their businesses going without having to battle those sky-high bills. ”



City of Shelby staff (left to right): Public Information Officer Chip Nuhrah with Shelby's Grant Committee members Utilities Services Specialist Cale Wright, Senior Planner Audrey Whetten Godfrey, Director of Finance Beth B. Beam, Chief Building Inspector Clint White, and Business Manager Bryant Nodine.

ALBEMARLE, NORTH CAROLINA

People

Maintaining a culture of service excellence in the face of a changing workforce and technology landscape demands communities attract, develop, and retain a new, diverse generation of utility leaders. A healthy workplace culture, competitive compensation, and a clear career path are critical to maintaining and growing the public power workforce of today and tomorrow.

Through the City of Albemarle's partnership with Stanly Community College, members of Albemarle's Electric Division teach students in SCC's Electrical Lineworker training program.

Partnering to Help Power the Community’s Future

“Our Electric Division has a long tradition of passing down critical knowledge to new members of our organization,” said Albemarle Public Utilities Director, Jay Voyles.

In late 2022, when the opportunity arose to take that a step further by providing instruction to students in the Stanly Community College (SCC) Electrical Lineworker training program, the Albemarle Public Utilities team took it.

“We’ve always been very engaged with the SCC program,” said Dana Chaney, Human Resources Director for the City of Albemarle. “Since its inception, the City has donated tools, equipment, and other resources.”

The City has also hired several program graduates, including its very first female lineworker. So, when the program’s long-time instructor retired, SCC and the City decided a partnership made sense.

“We want the program to succeed as much as the college wants the program to succeed,” Dana said.

The partnership involves SCC paying the City of Albemarle the equivalent of an electric line crew supervisor’s salary in exchange for an instructor for the college’s lineworker program.

Over the 12-week program, which runs three times per year, members of the Albemarle Electric Division teach students about electricity basics, constructing overhead poles and electrical lines, safety codes and how to apply them, and installing systems, transformers, and meters. Students also learn CPR and the skills needed to earn a Commercial Driver’s License.

“We have one main instructor (Jimmy Huneycutt, an Electric Line Crew Leader) and an assistant from Stanly Community College, and we can rotate multiple people through to meet the needs of the

curriculum on any given day,” Dana said. “We use the talent best suited to teach each area—in fact, some of the City’s newer lineworkers who are recent graduates of the program teach climbing techniques.”

Students aren’t the only ones benefiting from the partnership. The lineworker instructors increase their skill sets as managers. And, by sharing their knowledge, those experienced lineworkers are helping to ensure a safe, reliable electric system in Albemarle for years to come.

❖ OUR SUPPORT

ElectriCities works with member communities to establish career development programs and assist with compensation studies. Learning and development programs are available through ElectriCities, including safety training, customer service classes, and a lineworker apprenticeship program. ElectriCities actively promotes energy careers to students and works in partnership with other utilities to address workforce challenges.



Students in SCC’s Electrical Lineworker training program gain invaluable experience on the training ground.



Albemarle Electric Line Technician Carter Williams (left) works alongside and continuously learns from Electric Line Crew Leader Jamie Hatley.

“ Our Electric Division has a long tradition of passing down critical knowledge to new members of our organization. ”




ELECTRICITIES
of NORTH CAROLINA, INC.
The energy behind public power

ElectriCities of NC, Inc.
1427 Meadow Wood Blvd
Raleigh, NC 27604
919.760.6000
www.ElectriCities.com

