



**BlueRidge**  
**ENERGY**

Annual Report



2022

people behind the power



Dear Member,

Making life better for members and the communities your cooperative serves is the driving force behind everything we do at Blue Ridge Energy!

As a cooperative, we exist to provide affordable, reliable, and sustainable energy and look out for the best interests of our members. We pledge to work diligently to achieve this purpose.

Rising costs have affected our nation and your cooperative for the foreseeable future, but our commitment to you, our members, is that we will do everything possible to mitigate these costs while providing the best reliability and member service in the nation. Even in a rising costs environment, we are committed to the cooperative principle of keeping your bill as low as possible.

We were pleased money was given back to our members this past May thanks to a \$5.8 million capital credits retirement. This is one of the many ways we are committed to serving our members and fulfilling our responsibility to you.

We want to thank our members for your continued support, particularly during these challenging times. We are committed to working hard on your behalf to improve the quality of lives of the members and communities we serve so that together we can continue to build a brighter future!

Jeff Joines, President  
Doug Johnson, CEO

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**CHECK OUT THE CAROLINA COUNTRY COVER WRAP for more information on this year's Annual Meeting!**

*Carolina Country* is a monthly consumer magazine exclusively for members. It contains tips on electricity safety, pointers on energy efficiency and feature stories about interesting places, things and people in North Carolina.





## Affordability

## Reliability

## Sustainability

At Blue Ridge Energy, we're committed to providing you with affordable energy. Profits earned by our subsidiaries are used to keep your electric bills as low as possible and with our internal cost control efforts, we strive to deliver maximum value in a high-cost environment.

You can count on us to keep your lights on. Blue Ridge Energy ranks among the most reliable providers in the nation, with a 99.99% electric reliability rate. Our dedicated people behind the power such as linemen, engineers and system operators play an important role in serving you, our members.

We're focused on providing you with electricity that's not only affordable but also environmentally sustainable. We are collaborating with other cooperatives and our power supplier to reach significant carbon reduction goals. Together, we are working to create a low-cost, low-carbon future for all.



## PEOPLE BEHIND THE POWER HIGHLIGHTS

- 99.99% - Blue Ridge Energy ranks among the most reliable providers in the nation.
- The Foundation has returned almost \$4.5 million to our members and local communities.
- Since 2013, over \$109,000 has been donated through our Pink Truck program.
- Members received \$5.8 million in May thanks to the capital credits retirement.
- Blue Ridge Energy has awarded more than \$593,000 in Bright Idea grants that has impacted over 100,000 students.
- Our Blue Ridge Energy line technicians maintain over 8,500 miles of power lines across seven counties.



## **USDA RURAL ECONOMIC DEVELOPMENT LOAN & GRANT PROGRAM (REDLG)**

As liaisons for the USDA REDLG program, we've helped qualifying local entities access over \$13 million of government funding to support critical community services and economic development over nearly 20 years. It's all part of our commitment to supporting the economic and social well-being of the communities we serve.

In 2022, over \$3.5 million in zero-interest, federally funded loans were provided to:

- Ashe County Industrial Park
- Ashe Memorial Hospital: Mammography Equipment
- Collettsville VFD: New Fire Truck
- Deep Gap VFD: New Satellite Fire Station
- Oak Hill Development Corp: Building and Property Purchase
- Patterson VFD: New Fire Truck
- Piney Creek VFD: Fire Truck
- Warrensville VFD: New Fire Truck

## **MEMBER ADVISORY COMMITTEES**

Four district Member Advisory Committees (MACs) comprised of at least fourteen cooperative members are appointed by the Board of Directors. These committees meet regularly to provide us with important input on programs and services. They help us identify and address the needs of our members as our eyes and ears in the community.

## **COMMUNITY LEADERS COUNCIL**

The Community Leaders Council (CLC) is made up of community leaders from each of the four districts who can give input to and work with us regarding local, state and national issues of interest to the cooperative and its service area.

# CAPITAL CREDITS

Our members received \$5.8 million in capital credits retirements in May, thanks to the sound financial decisions made by our Board of Directors. Our board reviews the cooperative's financial health each year and determines the amount of capital credits that can be returned to our members.

Since our inception as an electric cooperative, we've returned over \$92 million in capital credits retirements to our members, demonstrating our commitment to operating as a not-for-profit cooperative.



## GRANT-FUNDED BROADBAND PROJECT

Blue Ridge Energy and SkyLine/SkyBest have made excellent progress through our partnership to bring much-needed high-speed internet access to unserved communities in our region. The first major grant-funded broadband project was completed earlier this year and more than 400 Caldwell County homeowners now have access to high-speed internet for the first time. In Watauga County, progress is well underway to build broadband infrastructure to serve approximately 1,700 homes and businesses with American Rescue Plan funds awarded by the Watauga County Board of Commissioners.

# BOARD OF DIRECTORS

**Jeff Joines**, President, Caldwell District  
**John Wishon, Jr.**, Vice-President, Alleghany District  
**Kelly Melton**, Secretary-Treasurer, Caldwell District  
**James Burl (JB) Lawrence**, Assistant Secretary-Treasurer, Watauga District  
**David Eggers**, Caldwell District

**Angie Miller**, Watauga District  
**Tom Trexler**, Watauga District  
**David Boone**, Ashe District  
**Cindy Price**, Ashe District  
**James Young**, Ashe District  
**Bryan Edwards**, Alleghany District  
**Mitch Franklin**, Alleghany District



# VALUE TO MEMBERS

**99.99%**  
Electric reliability

**79,531**  
Electric meters in 2022

**87**  
Member Advisory Committees members

**307**  
Community Leaders Council members

**\$4.87 Million**  
Member benefit from Blue Ridge Energies, LLC (propane and fuels subsidiary) and RidgeLink, LLC (telecommunications subsidiary)

**1.13 Billion**  
Electric kilowatt hours sold in 2022

**At Blue Ridge Energy, we're always looking for ways to benefit our members and the communities we serve.**

One way we've done this is by diversifying our offerings through our two subsidiaries.

Not only have these subsidiaries created local jobs to strengthen the economy, but they've also generated profits that we've used to keep electric bills low. In addition, our subsidiaries have contributed to the Members Foundation, which supports crisis heating assistance and community grants thus contributing to the local quality of life in our communities.

## ELECTRIC BILL BREAKDOWN BASED ON A \$100 BILL





## VISIT ONE OF OUR SHOWROOMS TODAY!

### Products We Offer:

- Gas Logs & Fireplaces
- Water Heaters
- Grills
- Space Heaters
- Outdoor Fireplaces
- Fire Pits & Tables
- Outdoor Furniture
- Outdoor Kitchens
- Patio Heaters



# COOPERATIVE CONSOLIDATED FINANCIAL REPORT

## OPERATING STATEMENT

Year Ending Dec 31 (dollars in thousands)

	2021	2022
<b>INCOME</b>		
Operating Revenues	\$163,518	\$172,573
<b>LESS OPERATING EXPENSES</b>		
Cost of Power/Sales	80,612	86,817
Operations & Maintenance	42,971	45,496
Depreciation & Amortization	23,209	19,428
Taxes	2,071	2,189
Interest	8,277	8,307
<b>TOTAL OPERATING EXPENSES</b>	<b>\$157,140</b>	<b>\$162,237</b>
Margins from Operations	6,378	10,336
Non-Operating Margins	4,189	4,154
Income Tax Expense	469	1,645
Total Margins	\$10,098	\$12,845

## BALANCE SHEET

Year Ending Dec 31 (dollars in thousands)

<b>ASSETS</b>		
Electric Facilities	\$591,931	\$600,748
Less Accumulated Depreciation	212,181	207,837
Net Electric Facilities	379,750	392,911
Net Non-Utility Property	23,472	23,787
<b>CURRENT ASSETS</b>		
Cash & Cash Equivalents	\$23,791	\$16,386
Accounts Receivable (Net)	24,364	31,330
Inventory	7,182	8,745
Other Current Assets	3,979	4,791
Short Term Investments		21,000
<b>TOTAL CURRENT ASSETS</b>	<b>\$59,316</b>	<b>\$82,252</b>
Investments	14,801	15,260
Other Assets	13,096	14,130
<b>TOTAL ASSETS</b>	<b>\$490,435</b>	<b>\$528,340</b>

## LIABILITIES & MEMBER EQUITY

### MARGINS & EQUITIES

Memberships	\$88	\$84
Other Equities	5,292	7,605
Patronage Capital	182,644	188,785
<b>TOTAL MEMBERSHIP OWNERSHIP</b>	<b>\$188,024</b>	<b>\$196,474</b>
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$10,689	\$16,163
Lines of Credit	0	0
Other Current & Accrued Liabilities	30,024	34,666
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$40,713</b>	<b>\$50,829</b>
Long Term Debt	221,140	245,596
Other Non-Current Liabilities	40,558	35,442
<b>LIABILITIES &amp; MEMBER EQUITY</b>	<b>\$490,435</b>	<b>\$528,341</b>

# FINANCIAL REPORT

The Blue Ridge Energy Members Foundation is another example of the people behind the power. You, our members, contribute to Operation Round Up® to help support the Members Foundation. Your Foundation is unique in that 100 percent of all donations go directly to help members, as well as funding community grants to small, local, not-for-profit organizations that help our members and improve the quality of life.

## STATEMENT OF ACTIVITIES

Year Ending Dec 31

### REVENUE

General Public Contributions	\$294,919	\$361,880
Value of Contributed Service	27,847	29,321

**TOTAL** **\$322,766** **\$391,201**

### EXPENSES

Assistance Provided	302,632	296,128
Administrative Services	27,847	29,321

**CHANGE IN UNRESTRICTED NET ASSETS** **(\$7,713)** **\$65,752**

### UNRESTRICTED NET ASSETS

Beginning of Year	\$95,630	\$87,917
End of Year	\$87,917	\$153,669

## STATEMENT OF FINANCIAL POSITION

Year Ending Dec 31

### ASSETS

Cash and Cash Equivalents	\$95,407	\$153,669
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**TOTAL ASSETS** **\$95,407** **\$153,669**

### LIABILITIES AND NET ASSETS

Awards Payable	7,490	0
Unrestricted Net Assets	\$87,917	\$153,669

**TOTAL LIABILITIES AND NET ASSETS** **\$95,407** **\$153,669**

## BLUE RIDGE ENERGY MEMBERS FOUNDATION

The Foundation is funded by member donations to Operation Round Up® and our subsidiaries; Blue Ridge Energy Propane and Fuels, and RidgeLink, LLC, both contribute a portion of their annual profits. The Foundation has returned almost \$3 million to our members and local communities through member assistance.

The Members Foundation, with approval from your Board of Directors, has also awarded \$1.6 million in community grants. These grants help provide services that contribute to the quality of life in our area.



Giving back is a cooperative tradition. The Members Foundation and Operation Round Up® reflect the power of partnership between members and your electric cooperative. Working together, we are making life better for the people and communities we serve.

Due to increased heating costs this past winter, a special Neighbors Helping Neighbors campaign was created in December 2022 to infuse more funds into Operation Round Up® and fill a critical need we foresaw coming. These funds helped our members with crisis heating assistance from January-March 2023. Once again, 100% of these donations were used to help local households!



Give a little. Help a lot.  
Scan to join Operation Round Up® today!





# SOURCES OF 2022 FOUNDATION FUNDS



**\$317,081**

Operation Round Up®  
(Includes Balance Forward From 2021)



**\$75,000**

Blue Ridge Energies, LLC  
RidgeLink, LLC  
Subsidiary Profits



**\$57,716**

Capital Credits Donations  
to Operation Round Up®

**\$449,797**



# DISTRIBUTION OF 2022 FOUNDATION FUNDS



Member & Customer Assistance  
**\$81,128**



Health Wellness/Health Treatment Grants  
**\$105,000**



Economic & Community Development Grants  
**\$55,000**



Education & Youth Grants  
**\$30,000**



Scholarships to Blue Ridge Energy Leadership Track Students  
**\$25,000**

**Total Given Back to Our Local Communities**  
**\$296,128**

# COMMUNITY HIGHLIGHTS



**\$190,000**  
Community Projects

## MEMBER ASSISTANCE

Electric Bills and Fuel Assistance

**1,064 Families**