

Blue Ridge Electric Membership Corp.

October 18th, 2022

Dirk:

Good evening everyone, and welcome to Blue Ridge Energy's telephone Town Hall for members. We're glad you joined us and we hope you find tonight's call informative. My name is Dirk, and I'll be moderating tonight's call. In a moment, I'll turn the call over to Blue Ridge Energy CEO, Doug Johnson, he has some informative updates to share with you about your cooperative. First though, I want to explain the format for this telephone town hall. We encourage your questions, so if you'd like to ask a question, simply press *3 on your phone at any time, you'll be connected with the staff person for a few moments and you will be able to hear the telephone town hall while you're waiting to ask your question. If we can't get to all of the questions tonight, or if you prefer not to speak live, you'll be prompted to leave your message at the end of tonight's town hall, be sure to include your name and your telephone number so that we can contact you back.

We'd like to get to as many questions on air during the call as possible tonight, so we're asking for a limit of one question per member. If there are multiple questions on the same topic, we'll try to take one caller with that question, that'll help us get as many members and different topics on as possible. Again, it's very simple to ask a question, please press *3 on your phone at any time during the town hall this evening if you'd like to get in queue to ask a question. And remember, you can always reach Blue Ridge Energy anytime by telephone, through district offices, email, social media, or the website at blueridgeenergy.com. Now, before we get to the Q&A portion of this call, and before we hear from your CEO, I'd like to start off by taking a quick poll.

You can provide your answer by pressing the correct number on your phone keypad. I'll repeat the question immediately after I ask it the first time. So here we go with our first poll question, and again, you can use your telephone keypad to respond. Question is, is this the first time you've participated in Blue Ridge Energy's telephone Town hall, or have you joined any of our earlier telephone town halls? Please press one if this is your first Blue Ridge Energy telephone Town Hall. Please press two if you've participated in an earlier Blue Ridge Energy telephone Town Hall. So again, we're looking for your input on this question, is this the first time you've participated in Blue Ridge Energy's telephone Town Hall, or have you joined any of our earlier telephone town halls? Press one if this is your first time, press two if you've participated in an earlier Blue Ridge Energy telephone Town Hall.

Now it looks like our system is tabulating the results. Great response everyone. Thank you very much for inputting your response. As of this very moment, it looks like we've got 80% or roughly 80% of the folks on the line with us, where this is your first telephone town hall. Thank you very much for getting engaged with us. And now it's time to hear an update about your cooperative. You're going to hear some exciting news and good information from members this evening. So at this time, it's my pleasure to introduce Blue Ridge Energy CEO, Doug Johnson and turn the call over to him. Doug, the floor is yours, sir.

Doug Johnson:

Thank you Dirk and welcome members, and thank you for joining us tonight for this telephone town hall. I'm pleased to share that we are continuing to have excellent performance and result achievement for the first three quarters of 2022, and I want to give a big thank you to all of our employees that work so hard to provide outstanding service to you. Last year on this call, I shared our brighter future vision and it's three pillars and I want to review those again briefly with you. The first is member and community engagement, that's our first pillar in our vision and that's really our heartbeat, serving our members and customers well, providing energy solutions to help you manage your cost, and being really engaged with our communities to find ways to help make life better for our members and for all the different areas that we serve.

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Our second pillar is low carbon and our vision goal is a 50% reduction in carbon over 2005 levels by 2030, and net zero carbon by 2050. But last year the North Carolina General Assembly passed and the governor signed into Law House Bill 951, or the Energy Solutions for North Carolina Bill that sets the target for 2030 at a 70% reduction and gives the authority to the North Carolina Utilities Commission to establish the carbon reduction plan for Duke Energy. While electric cooperatives and municipal systems were not included in this bill, we will see cost impacts from its implementation. As we embrace these lower carbon goals for our state, I believe it's very important that we have three top priorities. Number one is reliability, number two is affordability, and three, sustainability. We have to maintain emphasis on all three priorities so that we're not achieving one at the expense of the other two.

Our third pillar is innovation and reliability and cost, and we're doing a lot of constant work and making investments to build grid resiliency, enabling us to continue to achieve top electric reliability results. And I'm always proud to share with our members that we continue to be in the top quartile across America of utilities in the level of reliability that we are providing to you. And over the last eight years, from 2014 to 2021, we were able to return \$40 million to you in rate reductions and refunds. So these were really eight good years. So what I want to talk with you tonight is what's so different this year from the past good years that we've experienced. First and foremost, and I'm sure you're painfully aware that there's a lot of geopolitical activity going on at this time, the issues that we're seeing with Russia and Ukraine have sent energy prices skyrocketing to levels that we haven't seen in many years.

Electric generation fuels such as natural gas have almost tripled in cost over the past year. Then the Duke Energy carbon plan is currently before the North Carolina Utilities Commission, and we're now seeing what the likely cost impacts could be for all North Carolina electric consumers. As Duke begins plans to shutter coal plants and build solar, wind, offshore wind, more natural gas fired power plants, small modular nuclear reactors, battery storage and pump storage facilities, we will likely see our costs for wholesale power increase 1.5 to 2% per year, year over year for the next 10 years. Plus there will likely be billions of dollars in transmission line investments necessary to move the renewable energy from rural areas in the eastern part of our state, to the more heavily populated regions in the Piedmont and western parts of our state. So we're really concerned about what this will mean for our members monthly bills, for your bills. The current impact just from increased generation fuel cost, means that we're going to need to begin a monthly charge on your bill, likely beginning in February of 2023.

We have reserved enough dollars to cover these increased costs in 2022 and into the first month of next year, but after that, we'll be talking with you and sharing with you what this monthly wholesale power cost adjustment needs to be. Now this is not a rate increase, it's a pass through of the higher wholesale power costs from our supplier, Duke Energy Carolinas. We plan to review these cost impact projections and the estimated monthly amount for members bills at our upcoming board of directors meeting next week. Also want you to keep in mind that generation fuel costs are volatile, if they go up more than projected, the bill amount that we announce could increase throughout next year, and likewise, if these generation fuel costs go down, the amount we would need to recover will decrease. And more specific information about these increased costs that are caused mostly by current natural gas prices, will be shared with you by the end of December.

It's also important to note the bill charge planned for early next year does not include the cost impacts I previously mentioned from the Duke Carbon Reduction plan. So what are we doing about all this? Here are some initiatives that we're working on to help the cooperative and you, our members, deal with this significant cost pressure. One of the things we're doing in our first area, is working with our members foundation to evaluate providing more member assistance dollars for hardship cases and possibly doing a special campaign again to raise additional money. This may become even more important if we have a really cold winter. Secondly, we're looking at how can we achieve maximum value from our subsidiaries

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to keep rates affordable and to help with these cost increases. For example, the board is evaluating a possible upstream of cash from our propane and fuel subsidiary next year, to help offset some of the member impact from this wholesale power cost increase.

And of course, we're diligently managing our operating costs, but I have to tell you, this is just very challenging because we are seeing considerable inflation in our vehicles and in our operating costs and everything that we're doing, we're seeing the impacts of inflation and we're seeing a lot of material supply disruptions that are causing some additional costs for us. So we also need to engage you, our members, to help us reduce peak demand for electricity. The more we can reduce our peak demand, the more dollars that we can save in what we pay to Duke Energy. And then we'll be pursuing innovative programs over the long term, for electric vehicles and other distributed energy resources that will help increase our kilowatt hour sales and as I said a moment ago, decrease our peak demand for electricity.

So during challenging times like this, I would also say it's really important to maintain the cooperative's financial strength, and I'm pleased to share tonight that your cooperative is in excellent financial condition, which will help us to weather this storm. I want to thank you for staying with us tonight on this town hall meeting and giving me the opportunity to share this update with you. And I'll turn it back over to Dirk to moderate our questions and answers discussion. Dirk.

Dirk:

Thank you very much, Doug. Very informative, insightful, and direct, and we appreciate you doing that update for us. So I noticed a huge engagement, a lot of folks on the line with us. And just in case you joined a little late, if you've got a question you'd like to ask Doug, please press *3 on your telephone keypad to enter the question queue. Again, *3 if you've got a question you'd like to ask. Now, a moment ago I asked a poll question, this is where you used your telephone keypad to respond. I'm going to go ahead and do a couple more quick poll questions. And this one was just mentioned, and our poll question is, are you aware that the cooperative's propane and fuel subsidiary offers senior citizens discounts on propane? Please press one if you are aware of the senior citizen's discount for propane. Press two if you're not aware of the senior citizen's discount for propane.

Again, are you aware that the cooperative's propane and fuel subsidiary offers senior citizens discounts on propane? Press one if you are aware, press two if you're not aware of the senior citizens discount for propane. And I see that the results are coming in and it looks like, oh, this is new news for folks. So yes, there is the cooperative's propane and fuel subsidiary that offers senior citizen discounts on propane, so you can certainly get more information by checking in with your cooperative. A reminder, I see a number of people have opted to ask a question, we still have spaces for more folks to ask questions, so please press *3 now to get in the queue to ask a question. And Doug is going to be certainly answering a number of them, but we'd love to hear from you. *3 if you have a question you'd like to ask.

And I'd like to go ahead and have the operator set up our next poll question for us. Again, this is where you get to give us some feedback and we can learn what you do, do not know, and where we can do a better job for you, in letting you know about some great programs and plans. So our next poll question, did you know your cooperative offers operation roundup to help members with crisis energy bill assistance? Please press one if you are aware of Blue Ridge Energy's operation roundup program for crisis heating assistance. Press two if you're not aware of operation roundup. So again, the poll question we're looking for your input on, did you know your cooperative offers operation roundup to help members with crisis energy bill assistance. Press one if you are aware of Blue Ridge Energy's operation roundup program for crisis heating assistance. Please press two if you're not aware of operation roundup.

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I see that we've got a lot of folks keying in their responses, thank you very much. And it looks like just about 65% of the folks that are on the line with us right now, are aware of Blue Ridge Energy's operation roundup. So kudos to you, and for those that were not aware, again, please check in with Blue Ridge Energy to learn more. And I see a number of folks in the line here for asking a question. So if you've got a question to ask, please go ahead and press *3 to enter the question queue. And Doug, are you ready for a live question?

Doug Johnson:

I'm ready, Dirk.

Dirk:

All right, sir. So our first question, we've got John joining us on the line, he's out in, it looks like Wilkes County. John, welcome to the call, you're live, go ahead with your question.

John:

I guess that's me. My question-

Dirk:

Yes sir, it is you. Go ahead.

John:

Yes, thank you. Is there a plan to begin our own generation photovoltaically? Presently we buy our energy from Duke and photovoltaic generation can be scaled from small up to megawatt generations, and it would make us our own producer rather than having to buy, and it would stabilize the cost because the sun doesn't charge more next month than it did last month. Thank you.

Doug Johnson:

Right. Thank you John, for your question. And yeah, we're very aware of the possibility of utilizing solar. We just did a power purchase agreement for an 11 megawatt utility scale solar in Caldwell County. We still would need to have the scale to be able to do this on, with the size of our cooperative, the scale size would be a challenge for us, but we'll continue to look at opportunities to invest in renewable resources. And of course right now, 10% of our power through our Duke contract, comes from renewables, and that's going to increase as we move into the carbon reduction plan. Thank you, John.

Dirk:

Thank you for providing that answer there, Doug. And a reminder, *3 is how you get engaged in tonight's conversation if you have questions. Please press *3 if you'd like to ask a question. Next up, we're going to Lori in Watauga County. Hello, Lori, you're live on the call. Go ahead with your question, please.

Lori:

Hi. So I've got a question, because I know in August we got the information that the electric bill was going to increase by two and a half percent. I am one of these people that I pay by the day, so I monitor my usage. And over the last week, even with nothing changing, no heat on, my daily use went from \$4

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to \$8, so that's not two and a half percent. So my question is, if it's going to continue to go up, what's it going to go up to in February of 2023? It's difficult now.

Doug Johnson:

I understand, Lori, I understand what you're saying. And the rate increase that started the 1st of October was three and a half percent, which was for the average member, about \$5 per month increase. We don't know exactly what the charge is going to be for the natural gas increases and generation fuel increases that we're experiencing. We're putting all that together, at the same time we're putting together everything we can do financially to try to keep that as low as possible for our members. And I mentioned some of those things like upstreaming money from a subsidiary, and we have other items that we'll be talking about with the board, but I don't have the number tonight, but just wanted you to be aware to be on the lookout for it. It'll be coming out the end of December and then we will hold off until February before it impacts the bill.

Now if you have a bill that's higher than expected, we do offer, through our energy specialist, you can call us or come by our district office and we can help you with usage tracker and help to figure out why your daily usage is increasing, what's being used in your home. So our meters provide us a lot of data that we can help you determine what are the things that you're doing, are there things that you could change that would help you manage your daily or monthly electric bill.

Dirk:

Moving on, we're heading out to Glowing Rock and you'll have to forgive me, I'm going to take a stab here, is this Joanie?

Joanie:

It is.

Dirk:

Wonderful, welcome to the call, ma'am.

Joanie:

Yeah, thanks. I don't know that Blue Ridge Electric publishes when the off peak periods are so that we can know when to run our dishwashers and charge electrical equipment, whether it's cars or other things, so that we can help reduce the amount and whether you would offer discounts for people who use that time?

Doug Johnson:

Yeah, we do make available when those times occur and we have a meet to peak program, when we send out alerts when we're most likely to be experiencing a peak that will cost us additional money, we encourage you to look into signing up for that. And we also do publish and talk about when our summer peaks occur, that's when our power supply from Duke is billed to us, it's based on our summer peak. Then our winter peak is what drives our distribution grid, and we have a much higher winter peak than we do a summer peak. In the wintertime, it usually occurs between 6:00 and 9:00 in the morning on the coldest days, in the summertime, typically between 1:00 and 6:00 or seven o'clock in the afternoon on the hottest summer days. Thank you, Joanie.

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Dirk:

So again, if you'd like to get involved in the conversation because you've got a question you'd like to have answered, please press *3 on your telephone keypad to enter the question queue. Again, to ask a question, all you need to do is press *3 on your telephone keypad to enter the question queue. Next, we're heading out to Granite Falls, we've got Alan joining us. Alan, welcome to the call, you are live. We've got Doug Johnson ready to answer your question, what is it, sir? Hello, Alan.

Glenda:

Yeah, Alan's unavailable, my name is Glenda Dillard. My husband has chronic [inaudible 00:21:01] leukemia. And I was just wondering, it's hard on us because he just gets disability because he can't do anything else. We were gifted a home and everything in Granite Falls, but I was wondering are there any assistance out there that help with power bills?

Doug Johnson:

Yeah, we would encourage you to give us a call at our office. We're working, as I mentioned a few minutes ago, to see if we can provide more crisis assistance dollars through our members foundation. We also work with the different departments, the social services and different health agencies in our area. There are dollars that come through from the federal government, through a program called LIHEAP, which is a low income heating assistance program. So our energy specialists have information on this, we also work with some churches and not-for-profits in our area that provide help. So don't fail to reach out and ask for help when you need it. Thank you, Glenda.

Dirk:

All right. Out to Hudson, we've got Cesar on the line with us. Welcome to the call, go ahead with your question please. Hello, Cesar.

Cesar:

Oh, when the rate increase goes up, will it cost more for prepaid power now or no?

Doug Johnson:

Were you talking about the flex pay program?

Cesar:

Yes, sir.

Doug Johnson:

Yeah. Yeah. All of our rates will increase, basic residential rates, commercial rates, industrial rates, and flex pay rates will increase. They've increased the 1st of October by three and a half percent, and then what we're sharing this evening is all of the disruption that's going on around the world has caused generation fuels for electricity to increase dramatically. And that's going to cause an increase of a to be determined amount, beginning in February of next year, and we'll be sharing that with you just as soon as we know what that amount's going to be, plus how much we can do within Blue Ridge to try to hold that amount down to reduce the impact on our members. Thank you.

Dirk:

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So next we've got Edith, from Ashe County on the line with us. Edith, welcome to the call. What is your question?

Edith:

Yes, sir. I was wondering, if by any chance, if it's going to affect those who already have solar panels?

Doug Johnson:

If it's going to affect you?

Edith:

Yes.

Doug Johnson:

Well, if you already have solar panels, you're probably on our net metering rate, I'm going to assume. So all of the different rates that we're implementing where we're selling you electricity, would be impacted. It would not impact the cost, at this point, of what you're being paid for your solar. And you probably would get the best answer if we get you in touch with our energy specialist and let them look at your specific situation and your specific solar array, and help you look at what the impacts are for you individually. Thank you, Edith.

Dirk:

These are very good questions coming in. If you've got a question you'd like to ask, please press *3 on your telephone keypad to enter the live question queue. Just like Rich did from Grassy Creek. Rich, welcome. Go ahead with your question please.

Rich:

Yes, I was asking about just how reliable is the solar power and if I put solar panels on my roof, how does that compare, if I use batteries, how does that compare to having a LP generator installed?

Doug Johnson:

Yeah, well, you're not going to have the comparable reliability, depending on how much you invest in terms of the size of your solar array and how much battery capacity you put in. In terms of your carbon footprint, it'll be much lower if you do solar and batteries. But most of the batteries that are affordable today for residential would not have the kind of time that you could run with an LP gas generator. So I hope I'm answering what you're asking, but an LP gas generator can run as long as you have LP gas available. The solar and battery would be based on the amount of sunshine and the size of the batteries that you have, which would determine how long you could run your house. And of course, I've said a couple times, please feel free to reach out to our energy specialist and our energy solutions group, they can get into a lot more detail with you and help answer your questions specifically related to your home and the area that you're interested in.

Dirk:

And I think, Doug, that's a very important part of the equation, is the idea that here at Blue Ridge Energy, there are folks that can work directly with people to really customize, tailor a solution, right?

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Doug Johnson:

Right, exactly.

Dirk:

So very important to stay engaged with Blue Ridge Energy. And of course, you're doing a first step here, you're taking part in a Blue Ridge Energy live tele town hall, with CEO Doug Johnson, who is here to answer your questions. So if you have a question, all you need to do is press *3 on your telephone keypad to enter the question queue, asking your question live during this call. So again, please press *3 if you have a question you'd like to ask. Next out in Ashe County, we've got Eric on the line with us. Eric, you're live on the call. Go ahead with your question.

Eric:

Yes, sir. I was wondering if there's been any research through you all, toward small nuclear reactors that are buried in the ground, real small ones that are manufactured in a factory and run autonomously for years? I'm not sure exactly what the anagram for them is, but I think that they do exist and they're being improved all the time. I'm wondering whether you all have looked into that at all?

Doug Johnson:

Well, we haven't looked into as small a scale as you're probably referencing, but we are watching closely what Duke Energy's talking about doing with small modular nuclear reactors. They're significantly smaller than a large nuclear plant that we're used to seeing, but they're not something that would be sized for an individual home or a small community. So we know more about that, and of course, we are watching what Duke's doing and watching the research that's going into these reactors. And I think it's just important to note that nuclear reactors are zero carbon and we believe that we have the know-how, not Blue Ridge, not me, but we believe that our engineers and scientists have the know-how to manage these nuclear power plants and to produce zero carbon power for us. Thank you, Eric.

Dirk:

So next we've got Darrell from Sparta on the line with us. Darrell, welcome. Go ahead with your question please. Hello, Darrell?

Darrell:

Oh yes. Is it me now?

Dirk:

Yes, sir.

Darrell:

I was wondering if y'all are looking into setting up a battery set up like they've done in Australia and California, to collect energy at the off peak time and then redistribute it during the on peak time?

Doug Johnson:

Yes sir, we are.

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Darrell:

[inaudible 00:29:23].

Doug Johnson:

Yeah, we're definitely, our engineers and energy solutions teams are watching the development of battery energy storage systems for utility scale. And I would venture to say you're going to probably see something with Blue Ridge Energy in this area within the next couple of years. We're working on it, the pricing of it has been a little bit higher than we'd like to see, and we'd like to see the economics become a little bit better, but we definitely see battery storage as a part of our future for helping us manage power supply, reliability, and our distribution grid reliability. Thank you.

Dirk:

Next we've got Cora joining us. Cora, welcome to the call. What is your question?

Cora:

Thank you. Everybody in Sparta goes, "Oh no, not Cora, she's long winded." I'll make it short. The main thing I want to do is make a comment, but I want to find out when it happened because I'm almost 88 and I do not have Alzheimer's or dementia, but I do have aging brain and I am forgetful. My parents, I was born here in Whitehead, North Carolina, Albert and Stella [inaudible 00:30:42] where my parents, and we moved to Maryland when I was about in the second grade. Well, when we came back, REA at some time after that came through here. Do you remember what year they came through?

Doug Johnson:

We would've been coming through Allegheny County, most likely in the late '30s, early '40s.

Cora:

Okay. Well, I don't know, of course they probably were too poor then to get it,, I wouldn't doubt that a bit in the world. They were very poor, but they were wonderful Christian hardworking honest people. And I had that heritage and I am very grateful for that and very grateful that I was brought up in the church also. And I remember helping them, I had married young, of course I wasn't born until '35, but I remember helping them financially, get the electricity in the home. And I did not know about this town meeting, and I apologize to you because I missed it in the Carolina country or else if it had been brought to me in a phone message like it was tonight, I must not have been home. But anyway, I am very grateful for it and I'm only going to talk two arms off and leave you your legs tonight.

But I want to say I am very happy with the power and I live alone and I have a very reasonable power bill, and I'm appreciative to you for the power. What on this earth would we do? Go back to the kerosene lamps. My parents had an Aladdin lamp, maybe pronounced Aladdin, and it had a little mantle in it, like a little neck thing that when you lit it, if you ever touched it with your finger after you lit it, it just disintegrated, so you had to be very careful about lighting it. But I just want to say, we've come a long ways, haven't we?

Doug Johnson:

We have, Cora, and we're very happy to serve you and appreciate your compliments tonight and thank you and wish you all the best.

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Dirk:

All right, moving on. Thank you, Ms. Cora for your comments. We've got Christie joining us now. Christie, welcome, you are live on the call. What is your question?

Christie:

Excuse me. In the future, are you saying that we will be on windmills and solar power, instead of the electric grids we're on?

Doug Johnson:

No, I did not say that. I don't think that we have the size to be our own electric generation company. So we're going to need to continue to buy power, whether it's from Duke Energy into the future or another generation company. But what I do believe we'll do is we will use some of these technologies like we've done in Caldwell County with the 11 megawatt solar. We believe we'll be using energy battery storage systems to help us collect off peak energy or solar energy during off peak times, to be able to use it during on peak times. We'll probably not see wind generation in our area because of the mountaintop laws, but we will continue to provide a lot of assistance to our members to be able to utilize rooftop solar or other renewable energies at your home. And we're working on designing our electric grid to be able to accomplish this, to be able to have two way electric feeds on our system and to be able to help manage the impacts to the distribution system.

So there's a lot of changes coming, but I don't see, in the foreseeable future, us being able to go off grid and having our own generation. Thank you.

Dirk:

All right, next we're going out to Blowing Rock and we've got Shirley joining us. Shirley, welcome to the call. Go ahead with your question please.

Shirley:

Yes. When we built our home here in 2000, we decided to use kerosene for heat because it was actually the lowest price of all the fuels and it's the most efficient, but now it is soaring, it's the highest price of all the fuels. What happened?

Doug Johnson:

Yeah, kerosene and to some degree, heating oils, have followed gasoline and even gone beyond that, and it's the disruption that we've seen geopolitically, that I talked about earlier. And in the refinery capacity that we have, there's a lot of different factors that are creating this. In our propane and fuels company, we have a lot of kerosene customers and we're very concerned, in fact, I was just talking with our chief operating officer early this afternoon, that we're going to need to really see what we need to do to help members who are distressed and not able to stay warm this winter because they can't afford kerosene at some \$6 per gallon. There's nothing that we're doing, it's just that's what the market is calling for, for kerosene. And so hopefully this too will pass as things settle down some, but that's what kind of wholesale costs that we're seeing in the marketplace, as our all other kerosene and heating oil providers in our area. Thank you, Shirley.

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Dirk:

So next we've got Laura from Granite Falls on the line. Laura, welcome. Go ahead with your question now.

Laura:

Hi. I actually have two questions, if that would be okay. My first question is, due to the inflation and the situation in our economy right now and everybody pretty much is struggling with the high price of everything, have you considered maybe offering your propane fireplaces and water heaters in your showroom in Lenoir, maybe on a payment plan with your utility bills, to assisting people that may not be able to afford going out and purchasing them in a big price payout?

Doug Johnson:

We have Laura, we've looked at that and we've done some work with the ElecTel Credit Union, to enable members to be able to finance some of these products through ElecTel, and get a better interest rate. We just aren't really able to become a finance company or a bank because of North Carolina laws, we can be in the propane and fuels business, but we can't be in the lending business. So that has sort of prevented us from being able to do some things we might otherwise like to do, but just legally we're not able to be in that line of business. But we do have financing resources available, if you want to come by our office or call us, our folks can talk with you about what options are out there, to see if we can help make these products more affordable. Thank you.

Dirk:

So next up we've got Betsy out in Boone on the line with us. Betsy, you're live with CEO Doug Johnson. Go ahead with your question.

Betsy:

Hi Doug, this is Betsy Payne and I was just wanting to-

Doug Johnson:

Hey Betsy.

Betsy:

Hi. I was wanting to tell you and the board how much appreciate all their hard work. I don't think people really realize how hard they have to work when they go on these trips, because they're in meetings and constantly learning and working with things like the nuclear reactor comments and the battery collection storage and all that. But I do want to thank you and the board for all your efforts.

Doug Johnson:

Thank you so much, Betsy. It is a very complicated business, the electric industry, and we do have to continue to learn and keep up with all the things that are changing. And I do appreciate hearing that from our members, so thank you so much.

Dirk:

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So next we've got a question from Jeff in Piney Creek. Jeff, you're live on the call, go ahead with your question. Hello, Jeff. Looks like we've lost Jeff. This does occasionally happen, as we have folks holding on for an extended period of time. We are sorry it's taken a few moments to get to questions, but we're going to move on now. Analia is on the line with us. Analia, welcome. What is your question? Hello, Analia.

Analia:

Hello?

Dirk:

Yes ma'am, you're live. Go ahead with your questions please.

Analia:

Yes, I have ETS units that I bought, oh, probably 33, 34 years ago.

Doug Johnson:

Right.

Analia:

They still work good. I only use one of them and I use it every winter. When you put new meters up, are you going to put new meters up on them also and are you still the only ones that service them?

Doug Johnson:

We do plan to continue our ETS program because the members that have those are so happy with them. And yes, we will include that in our new metering program. And we do continue to provide service because there's not a lot of other people that can service the ETS units, and we just brought back in a fellow that used to be a lineman for us, to help us provide service on ETS units, so glad to hear that you're enjoying yours. And that's an electric thermal storage unit for those that are on the call that might not know what an ETS is. Thank you. Analia.

Dirk:

Thank you for defining that for us, Doug. So next question, we've got Robert joining us from Ashe. Hello Robert, go ahead now.

Robert:

Hello. Yeah, I just want to thank Blue Ridge for their power service. We're a fairly new residents in the area and actually we live in Tennessee, but Blue Ridge is right on our border and so they supply our power and I've had really great service. But the question I have is, in developing my property here, I've given some consideration to residential solar and I just wondered if Blue Ridge is going to give any consideration in the future for residents to net meter power that they produce?

Doug Johnson:

Yes, we do have net metering rates, we do have energy solution people that can work with you and help you look at what size system that you want to install, talk to you about your economics of that. And then

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a couple years ago, I think, we also implemented a banking program. So if you're generating more electricity certain months than you can use, we allow you to bank that and we'll buy it back each year in May. So we have over 220 members that are on our net metering rate and we'd love to share more information with you, so please feel free to give us a call and ask to speak with our energy solutions team about solar for your home. Thanks, Robert.

Dirk:

All right, next we're heading to Caldwell County and we've got Jeffrey on the line with us. Jeffrey, you're live, go ahead with your question.

Jeffrey:

Yes sir. My question is, I'm all about energy efficiency, saving and so on so forth, I've actually got solar panels on my house. But here recently, I mean I don't know if it's governmentally driven or what, but some of the initiatives, these countries where they've gone toward wind power and some of these other types of power, the consumer has seen nothing but increased bills and lack of reliability. And so our initiatives, our goals, what we're shooting for is actually going backwards, not forwards. And my concern is once you switch over to some of these newer technologies, if the efficiencies are not there and the costs are higher, I mean are we still going to have availability of tried and true power production to where people can afford to power their homes?

Doug Johnson:

Yeah, that's excellent question Jeffrey, and one of those things that sort keeps me up at night a bit myself, and I mentioned it in my earlier remarks, the three things that must be priorities are reliability, affordability, and we need sustainability. And sustainability embraces reducing carbon, but we can't reduce carbon to the point that we don't have reliable power or people can't afford it. So our vision and our view is that we've got to have an emphasis on all three of those things, because a lot of the resources that we use like wind and solar, are not dispatchable resources, they give you energy when the sun shines and when the wind blows. Now battery technology is going to help us capture some of that energy during off peak periods, but we still need dispatchable energy resources lest we end up like California or some other countries, that have gone too far, too fast and do not have reliable, affordable electricity. So I agree with your concern and I appreciate you making the point. Thank you.

Dirk:

For joining now by Mikayla out in Ashe County. Mikayla, welcome to the call. Go ahead with your question.

Mikayla:

Okay, thank you. Thanks for taking my question and thank you for having this opportunity for folks to have a chance to ask questions, I really appreciate that. I was curious, I know in the inflation reduction act there's funding that's specifically for electric cooperatives and I was curious how Blue Ridge is planning to take advantage of that?

Doug Johnson:

Well, we're looking at that with our statewide organization and with our national organization. There are a lot of opportunities in there, and we've got some of our staff that are pursuing what kinds of

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options might be available to us, particularly around transmission line investments and grid security and grid resiliency. So we are actively looking at that and participating with other folks on the inflation reduction act, as well as the infrastructure act. So we've got two different acts and a lot of different pots of dollars out there, but we are looking at any opportunity that we might have to pursue some of that. And I appreciate your question. Thank you, Mikayla.

Dirk:

So next we're heading out to Sparta, we've got Uriah on the line with us. Uriah, you're live on the call. What is your question?

Speaker 21:

Hey, I'm speaking for Uriah. His question was answered a couple questions ago and he took off. So anyway, appreciate the town hall tonight, so thank-

Doug Johnson:

Thank you, Uriah.

Speaker 21:

Okay, thank you.

Dirk:

All right, we're heading out now to Boone. We've got Lance joining us. Lance, welcome to the call. Go ahead with your question.

Lance:

Yeah, thank you. So my question is about incentives for putting solar panels on your roof, and do you have to have a battery set up, as well as solar panels, to be able to put the solar panels on your roof?

Doug Johnson:

No, you do not have to have a battery. We will actually let the distribution grid and our system be a virtual battery for you, or a sink if you're generating more power than you can use at your home, and as I mentioned earlier, we'll actually meter that and pay you for it. So I would encourage you, Lance, to, as I've mentioned to others, is call our energy solutions team and the energy specialist will get you with the right people if you call our office or to our contact center, to make sure that we specifically answer what you're wanting to do maybe at your home. Thank you.

Dirk:

All right. Our next question comes from Henry in Hickory. Henry, you are live. What is your question?

Henry:

Do you folks have any intentions to update the telephone service in the Meat Camp section of Boone there?

Doug Johnson:

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The telephone service or the internet service?

Henry:

Cell phone service.

Doug Johnson:

Cell phone? Yeah, we're not really in the cell phone business. We do provide some assistance to carriers that provide cell phone service and we've have been putting some new antenna in through our Ridge Link subsidiary company, but I don't know offhand if there's a plan by any of our carriers to do anything. And you said in the Meat Camp area?

Dirk:

I believe he did, yes sir.

Doug Johnson:

Yeah, so we've got your name Henry and some of our staff with our Ridge Link company that does a lot of work with Skyline and Sky Best and some of the other carriers that provides cell phone service, we'll try to get a more definitive answer back to you. Thank you.

Dirk:

All right, next we're off the Deep Gap and we've got Ann with us. Ann, welcome to the call. What is your question? Hello, Ann. Looks like we might have lost Ann, I do apologize for that. I would like to borrow everyone here for another quick poll question. Again, we just use your telephone keypad to answer. And the question is, do you consider yourself a member/owner or customer of your electric cooperative? Press one if you consider yourself a member/owner of Blue Ridge Energy. Press two if you consider yourself only a customer. So again, do you consider yourself a member/owner or customer of your electric cooperative? Press one if you consider yourself a member owner of Blue Ridge Energy. Press two if you consider yourself only a customer. See a number of folks are keying in their answer and we're very happy that in fact you're participating in this quick poll. Great response, thank you very much. About 63% of respondents consider themselves a member owner of Blue Ridge Energy. So thank you for taking a moment to respond to that poll question.

And one more try. I want to see if I can get Ann in Deep Gap again here. Ms. Ann, are you back with us? Can you hear me? Nope. Sorry about that. I don't know where Ann went to. But certainly this has been a very lively and informative Q&A session with Doug Johnson. Do you have anything else, Doug, you'd like to add?

Doug Johnson:

Yeah, I would just say, Dirk, that the last polling question that 63% of our members consider themselves member owners, made me smile because we think of you as member owners and that's more than a customer. You're customers, but you're much more than a customer. So you made my night with that polling question. Thank you.

Dirk:

Well, I appreciate you taking so many questions and doing such a great job of fielding them. Looks like I've got one more person that's entered the queue and I'm going to take try and make this the last

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question, because I'm sure by now you need a drink of water there, Doug. But take a quick gulp as we go out to Lynn in Caldwell County. Lynn, you're live on the call, what can we do for you?

Lynn:

Hi, good evening and thanks for taking my call. I'm in Blowing Rock, but in Caldwell County. And I'm sorry to digress a little from your solar and energy questions, but about three years ago you discussed or you tried to get a grant to help those of us that do not have high speed internet or cable and were kind of stuck. And I know that unfortunately fell through, I remember writing a letter for that as well. But we haven't been able to work from home, do school from home, have no security because we can't get any type of high speed internet. And I was just wondering if anything-

Doug Johnson:

What community are you in, Lynn? Do you know the name of your community?

Lynn:

No. I live on the backside of the Gorge in Blowing Rock, in Caldwell County. So off 221 South, back Old Johns River Road, that area, back behind Misty Mountain in Arrowhead, which some of them are stuck too, I think, [inaudible 00:52:38] area.

Doug Johnson:

I mean right now as I speak, we finished up a lot of the main feeder lines in parts of Caldwell County. We know that there's still people, from you, all the way over to Collettsville and towards Burke County, that do not have high speed internet, and we're continuing to pursue this with Skyline, Sky Best and continuing to see if we can get grants. And some of the larger cable companies have received funds from the government that made it not possible for us to get grant dollars, so we're trying to work our way through that as well. So I know it's taking longer than you would hope or I would hope, but it's not a dead issue, we continue to look at it and work on it. We're talking with Caldwell County and we're looking at state grants and anything that we can do to try to do a get more broadband to that part of Caldwell County, as we're doing in Watauga County, we're working with Sky Best and getting a lot of internet out.

So it's very important to us and we've set a vision goal for our members to be able to have access to internet and all of the things it provides. It's just very expensive in the area that you live, which as you know, is pretty rough terrain, a lot of rock and sparsely settled. So it takes government grants in order to make it financially feasible, but we're not giving up, we're continuing to look at it and work on it. Thank you, Lynn.

Dirk:

So Doug, looking at the clock and being aware of everyone's time, I would like to see if there are any parting words or final comments you would like to make as we begin to wrap up this call, sir?

Doug Johnson:

Yeah, I would like to say thank you to all of the members that participated tonight. For those of you that ask questions, those of you that will send us questions, we will get back with you quickly and talk with you. I encourage members to give us a call and let us help you with some of the questions that you had with solar and battery storage and all the other things that were brought up tonight. If you have a

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challenge with your bill, come and see us and talk to us, we will go to work to try and help you and see if we can come up with some solutions for you. So it was a good conversation tonight and I appreciate the opportunity that we have to serve our member owners here in this part of Northwest North Carolina.

Dirk:

So I'd like to thank everyone for participating in tonight's telephone town hall for Blue Ridge Energy members. As mentioned, we're almost out of time, but we definitely do want to hear from you. So if you have a question or comment, you didn't get to ask live or you didn't want to ask something live, all we ask is that you please stay on the line right now, you'll have a chance to leave us a voicemail for Blue Ridge Energy. So all you need to do is include your name and your telephone number or your email address, and a Blue Ridge Energy representative will return your call as soon as possible and answer your question. Again, thanks for making the time, thanks for being active in your cooperative. We hope you have a wonderful evening and goodnight.