



***Powering A Brighter Future.***

SUSTAINABILITY | RELIABILITY | SERVICE | COMMUNITY



**Charles Adair**  
CHAIRMAN OF THE BOARD



**J. David Wasson Jr.**  
PRESIDENT AND CEO

## ***Powering A Brighter Future.***

Our focus on sustainability establishes Laurens Electric Cooperative as managers of electricity, not sellers of electricity.

We're committed to using our energy distribution system to maximize the full potential of our current resources before building more generation.

This mindset ensures we're concentrating on programs, services, and policies which increase:

- distributed generation from renewable sources, such as solar and geothermal
- demand-side energy management programs
- energy efficiency resources for members

When our communities do well, we do well. Promoting a more sustainable future is integral to our commitment to community.

# **SUSTAINABILITY**

At Laurens Electric Cooperative, we have always put the good of our community first. While our primary function is to provide reliable and affordable energy to our members, we are more than an electricity provider. Because we are a co-op, our mission is to enrich the lives of our members and to serve the long-term interests of our community. We feel we're doing both by investing in renewable energy sources.

## **Renewable Energy Programs**

Our wholesale power provider, Central Electric Cooperative, is developing more than 300 megawatts (MW) of new solar projects in South Carolina.

At a local level, Laurens Electric has added renewable energy options for members that benefit our community right here at home.

LEC was the first electric utility in South Carolina to create **Community Solar farms**, which gives members the opportunity to share in the benefits of solar power without installing solar panels on their property. Our solar arrays produced an average of 45,212 kilowatt-hours of power per month in 2022. There is a waiting list to participate.

Our **Solar Advisory and Installation Program** helps members understand both the risks and rewards of going solar. We will walk you through the process and help you understand the economics. If you decide solar is right for you, you can choose to use Laurens Electric to install the solar panels at your home.

A Geothermal heating and cooling system is one of the most environmentally friendly options available. It can reduce energy consumption and cut your power bill in half. And currently, members can receive 51% of the cost back in federal and state tax credits.

***"We loved the feel of the warmth this winter from our new geothermal system. It holds a constant temperature and is super quiet. And the utility bills have been a pleasant surprise. Bottom line, we love the fact we are saving money and helping to save the planet."***

*—Member Kathleen Kempe (with her husband Ron)*



## Energy Efficiency

Helping members use energy efficiently not only helps you save on electric bills, but also aids in delaying the need for additional power generation. That helps keep the cost of electricity stable, as well as benefiting the environment.

Our **ENERGY STAR** rate (RES) provides a separate energy efficiency rate for members with standard residential service. The requirements to qualify for the energy efficiency rate are set by ENERGY STAR at [energystar.gov](http://energystar.gov).

Through the **Home Rewards program**, residential members receive cash back for making energy-efficient improvements to their homes, such as upgrading their HVAC system, improving the energy efficiency of ductwork or an attic, and installing a dual-fuel heat pump.

We also provide incentives to reduce the purchase price of premium, reliable, energy efficient lighting products in existing non-residential business, commercial, or industrial buildings.

In addition, through the **LEC Connect app**, we offer our members the convenience and ability to manage and monitor their energy use.



## Demand Management

Demand-side management (DSM) programs encourage members to modify consumption of electricity, especially during peak energy demand timeframes and seasons.

**PowerSaver Rewards** is a cash back program that gives members an opportunity to make a difference in keeping power costs stable. Smart Switch technology allows LEC to manage the energy use of your central air conditioner through the thermostat and/or cycle off the electricity to your swimming pool pump during periods of peak electric demand.

Through our **Smart Thermostat program**, members can get an ecobee smart thermostat for as low as \$50 (installation available). Laurens Electric will sync with your thermostat to make small automatic adjustments based on peak times. Members also receive an annual \$50 incentive for their participation.



## Electric Vehicles

Electricity is getting cleaner, and innovations in energy technologies are creating new ways to use electricity that reduces overall emissions and energy costs. The most predominant example of beneficial electrification is the electric car industry.

The **ChooseEV** tool at [laurenslectric.com/chooseEV](http://laurenslectric.com/chooseEV) is a resource designed to provide you with information about electric vehicles and to help shape a healthy electric vehicle marketplace. Get information such as vehicle range-per-charge, how tax credits work, incentives and promotions, home and public charging, and use the savings calculator.

Another tool available to LEC members is the free **Optiwatt app**, which helps prioritize charging efficiency. The app allows EV owners to see how long their vehicle charged, how much the charge cost them, and sign up to become a “Watt Hero” for load control events and receive a bill incentive. Get started at [getoptiwatt.com](http://getoptiwatt.com) or download the app.

Laurens Electric also offers Electric Vehicle Charging Stations for commercial and industrial members, and in 2023 announced a new **Electric Vehicle Charging Station and Rebate Program** through which members can get a \$600 rebate when they purchase a Level 2 electric vehicle charging station from the co-op and agree to participate in peak load management efforts.



# RELIABILITY

Despite the changes in the energy industry, **reliable, affordable power is the bottom line.** We constantly monitor and assess energy industry challenges, changes, and policies that can impact our members, and work continuously to keep rates stable while keeping the power on.

We maintain rights of way year-round to lessen the chances of outages, but when storms approach or the potential for outages occurs, our crews are on call and ready to work.

***Our crews are ready at a moment's notice to get your power back on when there is an outage.***



## Weathering a windstorm and arctic freeze for Christmas

In the days before Christmas 2022, electric providers across South Carolina were preparing for extremely high winds and freezing conditions that would affect thousands across the state. By early morning on December 22, gusty winds caused power outages for 5,000 LEC members as trees struggled to maintain a foothold in soggy soil following days of rain.

Crews worked throughout the day and night, and by sunset on December 23, only a handful of members remained without power.

***"Thank you to the guys who were on my street. My power was restored early this morning, but you still had work to do! You lost a day or days with your family when I know that's where you would have rather been. You worked faithfully in the coldest days of maybe your lifetime!"***

*—Member Kimberly King Caldwell*

## Technology and innovation keep you informed.

Aside from our web site and social media channels, we also provide methods of communication that put the power in your hands.

Our Outage Center at [LaurensElectric.com](https://LaurensElectric.com) allows members to sign up for outage alerts via text message, so you can report an outage or check the status of an ongoing outage with a cell phone.

Members can also sign up to receive customized notifications about electric usage, receive due date reminders and be notified in case of severe weather and emergencies by signing into their account and selecting their preferences in the Member Portal.

Don't forget to get the LEC Connect App in your favorite app store – it's free.



*Line crews worked until the early morning hours of Christmas Eve, 2022, restoring power to members after a wind storm and historic cold temperatures.*



## SERVICE

### Customer Satisfaction is our priority.

In 2022 we continued to achieve above-industry scores on the American Customer Satisfaction Index (ACSI), which provides a uniform and independent measure of consumer experience. Laurens Electric, with a score of 85, far surpassed benchmarks set by other utilities, such as the Investor-Owned Utility Average and even Touchstone Energy Cooperatives.

***"I just wanted to extend a thank you to two employees (Drew Munyan and Nate Wood). There was an accident Saturday morning outside of Whitmire on Highway 72, where two linemen were on scene for a broken pole. My aunt and I were there picking up the 4 dogs that were involved in the accident. These two men went above and beyond to help us get these dogs out of the truck safely. They represented your company exceptionally well and we are so appreciative of the kindness they showed us."*** —Members Ashley Wallace and Tonya Ferguson

### Capital Credits are a benefit of membership.

As a member-owned electric utility, last year the cooperative returned \$1,178,469 in patronage capital credits, which are similar in nature to the dividends paid to stockholders in investor-owned utilities. You could consider this money your dividend as a member-owner of the co-op. Members who are owed \$100 or less received the credit to their accounts in October. Call us to see if you have unclaimed credits.

***"Thanks to LEC for the rebate. We appreciate the management and personnel, and especially the field team for keeping the power on. You keep your customers confident that we can count on you."*** —Member Jerry Williams

But Capital Credits are just a small part of what it means to be a member of the Co-op. More importantly, it means you have a say in how your power company is run. As a result, we know we must answer to the people we serve – not to a select group of investors who may not even live in the same area where their customers receive power.

Laurens Electric is able to present you with Capital Credits year after year because we continue to remain strong. That strength comes from the trust our members have placed in us and our commitment to excellent service you've come to depend on since 1939.

*We are just a phone call or a click away when you need us.*

### ProTec provides more services for members.

ProTec Services is a division of Laurens Electric and a BBB Accredited and award-winning business. ProTec serves more than 10,000 customers throughout the state, offering security systems, fire alarms, closed-circuit TV, access control, LifeGard medical response systems, appliance/HVAC protection, surge suppression, and more. Visit the web site at [protecsecuritysystems.com](http://protecsecuritysystems.com) or find us on Facebook to see how ProTec can protect you.



**ProTec**<sup>TM</sup>

***"I am reaching out to you about my 5 Star+ experience with two of your (ProTec) employees. Randy Brady, our account representative has gone above and beyond with being patient and answering my many questions, and Lewis Lawson is the best on-site technician I have ever had the pleasure to work with."***

—Edith Weger, Newberry Memorial Gardens Safety Officer

*ProTec Services recently celebrated its 25th year as a BBB Accredited Business.*

# COMMUNITY

**Commitment to community is a core value.**

Throughout the year, Laurens Electric Cooperative organizes programs and charitable events. The co-op sponsors local high school students each year to attend Washington, D.C. Youth Tour and the South Carolina Cooperative Youth Summit. We hold an annual employee United Way fundraiser and reach out to the community through our women's charitable group, WIRE (Women Involved in Rural Electrification).

***"We truly appreciate all of the support we continue to receive from Laurens Electric employees. We wouldn't be able to help those that need it most without all of your generosity."***

*—Aryele Redmond, United Way of Laurens County*

As a not-for-profit cooperative, fundraising events like our Annual Charity Golf Tournament allow us to raise money for several giving programs.

Laurens Electric helps hundreds of families in need each year through our Cooperative Caring program, which supplies funds to the Golden Strip Emergency Relief and Resource Agency and Laurens Baptist Crisis Center. They distribute the funds to local member families in need of help paying their utility bills.



**CooperativeCaring**



*LEC employee Bakinka Bailey (center) chaperoned local high school juniors Mykayla Neely and Joshua Cordeiro during the 2022 Washington Youth Tour.*





With the **Pay it Forward** program, every LEC employee is entered into a random monthly drawing to receive \$500 to pay forward in any way he or she chooses. The program allows employees, who are co-op members' friends and neighbors, a hands-on opportunity to contribute to their communities.

Laurens Electric's Community Impact Initiative provides grants of up to \$2000 intended for public charitable purposes that enrich the quality of life of citizens in the communities we serve. Community members apply through their local Chambers of Commerce in Laurens, Mauldin, Simpsonville, and Fountain Inn. Suggested interest areas are community development, education, the environment, health or arts and culture.

Thanks to our employees, who volunteer their time, and thanks to the members of the community who participate in and support these events, the co-op has raised \$665,000 to invest back into the community since 2003.

*LEC Field Services Dispatcher Donna Harbin paid forward \$500 to the Prisma Health–Upstate Children's Hospital Facility Dog Program in honor of her grandson Karson's 4th birthday, shown here petting Kalle during one of his hospital stays last year.*

## 2022 Board of Directors



**Joe Nicholson** DISTRICT 1



**Bill Hendrix** DISTRICT 2



**Jim L. Perry** DISTRICT 3



**Charles Adair** DISTRICT 4



**Willie Belle Blakely** DISTRICT 5



**Eddie Abrams** DISTRICT 6



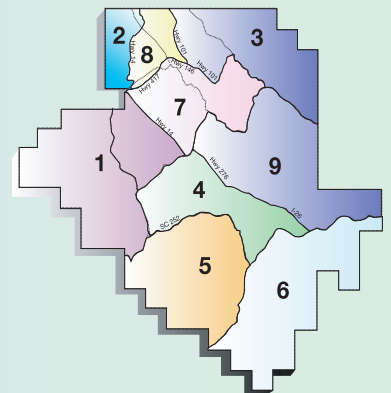
**Marcus E. Cook** DISTRICT 7



**Reid Fisher** DISTRICT 8

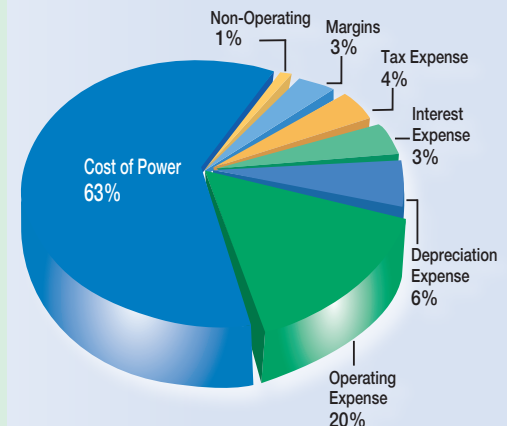


**Mitchell Powers** DISTRICT 9

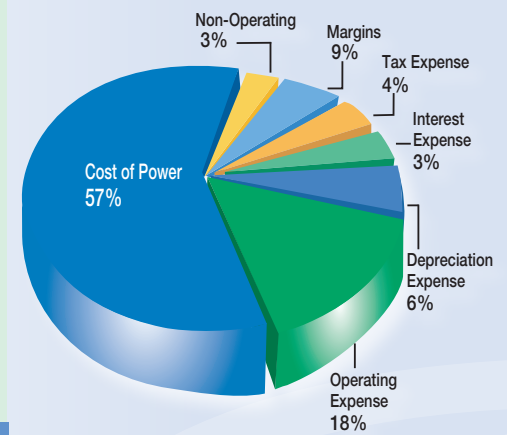


## Balance Sheet

	2022	2021
<b>Assets</b>		
<b>UTILITY PROPERTY, PLANT &amp; EQUIPMENT</b>		
Total Utility Plant	\$ 320,033,975	\$ 301,859,590
Less: Accumulated Depreciation	96,631,841	91,412,244
Net Utility Plant	223,402,134	210,447,346
Other Property & Investments	27,058,998	30,628,414
Total Property, Plant & Equipment	250,461,132	241,075,760
<b>CURRENT ASSETS</b>		
Cash & Cash Equivalents	17,825,038	27,515,746
Accounts & Notes Receivable	29,712,427	23,017,047
Materials and Supplies	3,074,839	2,375,183
Other Current Assets	756,071	865,194
Total Current Assets	51,368,275	53,773,170
DEFERRED DEBITS	0	0
<b>TOTAL ASSETS</b>	<b>\$ 301,829,507</b>	<b>\$ 294,848,930</b>
<b>Liabilities &amp; Equities</b>		
<b>EQUITY</b>		
Memberships	\$ 334,410	\$ 330,105
Patronage Capital & Other Equities	104,138,894	104,621,265
Total Equity	104,473,304	104,951,370
<b>LIABILITIES</b>		
Long Term Debt	151,044,533	145,979,484
Accounts & Notes Payable	10,847,128	8,794,779
Member Deposits	2,862,014	2,892,189
Other Liabilities	29,521,402	27,150,510
Total Current Liabilities	194,275,077	184,816,962
DEFERRED CREDITS	3,081,126	5,080,598
<b>TOTAL LIABILITIES &amp; EQUITIES</b>	<b>\$ 301,829,507</b>	<b>\$ 294,848,930</b>



2022 Operating Expense



2021 Operating Expense

## Statement of Operations and Patronage Capital

	2022	2021
<b>OPERATING REVENUE</b>	<b>\$ 147,432,413</b>	<b>\$ 140,313,877</b>
<b>OPERATING EXPENSES</b>		
Cost of Power	94,525,984	86,374,734
Cost of Operations	29,387,293	26,290,659
Depreciation Expense	8,747,053	8,525,141
Tax Expense	6,613,269	6,169,627
Interest Expense	4,917,294	4,881,860
<b>TOTAL OPERATING EXPENSES</b>	<b>144,190,893</b>	<b>132,242,021</b>
<b>NET OPERATING MARGINS</b>	<b>3,241,520</b>	<b>8,071,856</b>
<b>NON OPERATING MARGINS</b>	<b>1,719,453</b>	<b>4,974,165</b>
<b>TOTAL NET MARGINS</b>	<b>\$ 4,960,973</b>	<b>\$ 13,046,021</b>
Margins & Equities, Beginning of Year	\$ 104,951,370	\$ 90,435,800
Retirement of Capital Credits	1,748,469	1,395,448
Margins & Equities, End of Year	\$ 104,473,304	\$ 104,951,370