


THE POWER OF COMMUNITY



LEC Laurens Electric
Cooperative, Inc.

A Touchstone Energy® Cooperative 

2024 Annual Report



Charles Adair
CHAIRMAN OF THE BOARD



Matt Stanley
PRESIDENT AND CEO

LAURENS ELECTRIC COOPERATIVE'S

MISSION

To consistently deliver exceptional value to our members and communities through safe, reliable, affordable, and sustainable services.

VISION

To be the trusted energy partner in the communities we serve.

VALUES

Service
Integrity
Commitment
Safety

THE POWER OF COMMUNITY

More than 85 years ago, neighbors came together to do what no one else would or could – bring power to the people in our area by forming an electric cooperative. Since then, Laurens Electric has existed for the purpose of improving our communities and the lives of our members.

In late September of 2024, the co-op and the people it serves once again came together to prove the power of community. Hurricane Helene devastated our infrastructure, destroyed homes, and rendered entire neighborhoods inaccessible.

Laurens Electric had to rebuild or repair 98% of a system that took decades to create. The scale of the damage and the work to undo it may have seemed insurmountable, but your support and perseverance made the impossible possible.

Your offers of food and supplies, encouraging words and prayers, and your cooperation proved to us that together, we can weather any storm. You highlighted the power we have when we help one another. You have our gratitude.



“As a local electric co-op, our employees live and work here. We saw firsthand the struggles our members faced in the aftermath of this storm. The way our community united to overcome these challenges was nothing short of inspiring.”

— Matt Stanley
Laurens Electric President and CEO

Katie Lee and Taylor posted an encouraging sign at the entrance to their neighborhood to cheer on crews during Hurricane Helene recovery efforts.



“My son spotted a few of your trucks in the area earlier this morning and I explained to him that you guys were the true heroes of this disaster! Thank you for all you are doing and we pray for your safety.”

— Billy Nivens

RELIABILITY

When the power goes out, so do we.

Providing you with reliable, affordable power is our top priority.

That pledge was at the forefront of Hurricane Helene recovery efforts. While the storm was unprecedented in the history of the co-op, there were also takeaways; lessons, best practices, and ideas to strengthen readiness.

Those takeaways will be factored into the scope of preparation for everything that follows, from materials contracts to cultivating relationships.

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

Beyond our work at home, we also assist other co-ops during times of great need. Co-ops helping co-ops is one of the Seven Cooperative Principles we adhere to, and that cooperation came to the fore when co-ops from all over the country sent crews to help us rebuild after Helene.



There are challenges on the horizon, but also opportunities.

People are flocking to South Carolina and the Upstate is one of the fastest growing areas in the state. In 2024 alone, Laurens Electric provided service to roughly 1,200 new homes. Based on industry indicators, we anticipate higher growth in 2025.

New domestic manufacturing in areas such as semiconductors and electronics – while providing much-needed jobs – is also increasing demand for electricity.

Yet South Carolina hasn't built new, large-scale power generation to keep up. There is increasing demand for electricity at a time when there is decreasing reliable supply.

We support a diverse, all-of-the-above energy mix that includes nuclear, natural gas, hydro, coal, and renewables, and recommend delaying the retirement of power plants until adequate replacement generation is up and running.

Electric cooperatives are reaching out to lawmakers and providing them with the information they need to craft smart energy policies.

“This is an amazing team. The dedication and perseverance is unparalleled. Some may say ‘it’s their job’ but the reality is you don’t go to this extent just for a job. This is a core belief in commitment.”

– Lois R. Durrah



The energy industry is undergoing monumental changes, but our mission remains the same. We are ready to navigate these changes and ensure every step forward is in the best interests of our members.

LEC board member Marcus E. Cook (left) and Board Chairman Charles Adair (right) speak with State Representative David Vaughn about energy policies that affect Laurens Electric Cooperative members. (photo credit: Sydney Dunlap)

SERVICE

Another takeaway from the hurricane was the need for communications efforts to meet members where they are. When the power was out and cell phone towers were damaged, we had to find new ways to provide information, as well as replying on classic, proven methods.

We gave radio interviews as well as television, continually updated our social media channels, and recorded video updates about progress from the field. Our average call volume doubled, so member service representatives were available for extended weekday hours as well as weekends.

We know communication is important, especially during a power outage, and we are committed to using every platform available to reach you.

We invest in technology and innovation to keep you informed.

Our Outage Center at 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.

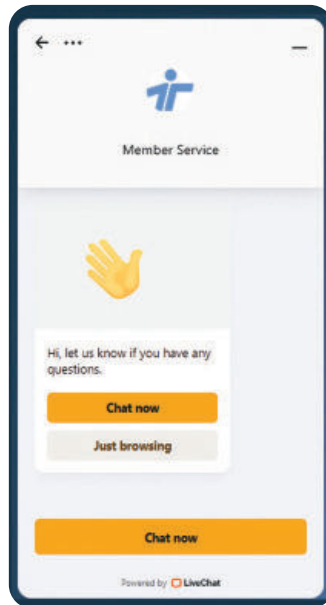
Members can also sign up to receive customized notifications about electric usage, receive due date reminders and be notified in case of severe weather and emergencies by signing in to their account and selecting their preferences in the Member Portal.

And don't forget to download the LEC Connect App in your favorite app store – it's free.

Capital Credits are a benefit of membership.

As a member-owned electric utility, last year the cooperative returned \$1,500,000 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 received power in 1997 and 1998 and are owed \$100 or less received the credit on their accounts in October. Call us to see if you have unclaimed credits.

Laurens Electric is able to present you with Capital Credits year after year because we focus on fiscal responsibility. That strength comes from the trust our members have placed in us and our commitment to excellent service.



We also introduced Live Chat at laurenselectric.com in 2024 as another convenient way to get in touch.

"I continue to be impressed with the customer focus of Laurens Electric and have had nothing but good results with the cooperative since we moved to South Carolina in 1979."

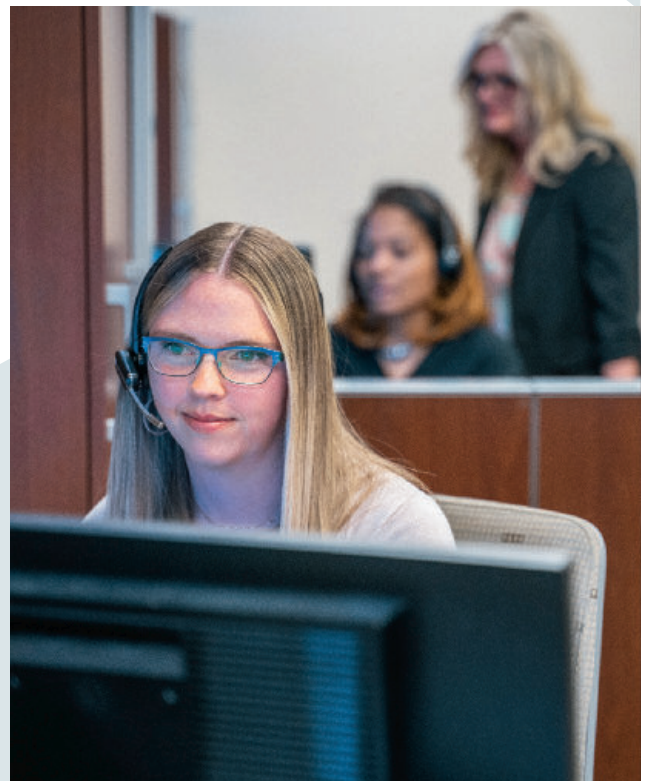
— Andrew Clark



Customer Satisfaction is our priority.

In 2024 you gave us our second highest score ever on the American Customer Satisfaction Index (ACSI), which provides a uniform and independent measure of consumer experience. Laurens Electric, with a score of 89, far surpassed benchmarks set by other utilities, such as the Investor-Owned Utility Average and even Touchstone Energy Cooperatives®.

Laurens Electric earns this award based on data modeled by the ACSI® in 2024. Award criteria are determined by the ACSI based on customers rating their satisfaction with Laurens Electric in a survey independent of the syndicated ACSI Energy Utility Study. For more about the ACSI, visit www.theacsi.org/badges. ACSI and its logo are registered trademarks of the American Customer Satisfaction Index LLC.



ENERGY PROGRAMS AND SERVICES

As a member-owned cooperative, Laurens Electric provides more than just electricity - our ultimate goal is to enrich the lives of our members and to serve the long-term interests of our community. That's why we invest in energy efficiency programs, renewable energy sources, and services to help you manage your energy use.

Calls and emails about our Generator Program spiked after Hurricane Helene, and our Energy Advisors performed free site evaluations and facilitated installation of whole-home generators for dozens of members. In addition to promoting renewable programs like Solar Advisory and Installation, Geothermal HVAC replacement, and our Electric Vehicle Charging Station and Rebate incentives, we've continued to build on tools and services that help members make smart energy choices.

Energy Efficiency helps our members save.

Through our 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.

The LEC Connect app offers our users convenience and the ability to manage and monitor their energy use.

And hundreds of members have used our Home Energy Audit online assessment, where we also feature calculators to help determine where your energy dollars are going.

We also offer Full Home Energy Audits. Our BPI Certified Energy Advisors will come to your home and evaluate insulation levels, air tightness, heating and cooling systems, windows and doors, and lighting and appliances.

Demand management programs encourage energy reduction during peak times.

Peak demand is when the need for electricity is at its highest and most costly. By helping LEC reduce peak demand, you help keep electricity costs stable.

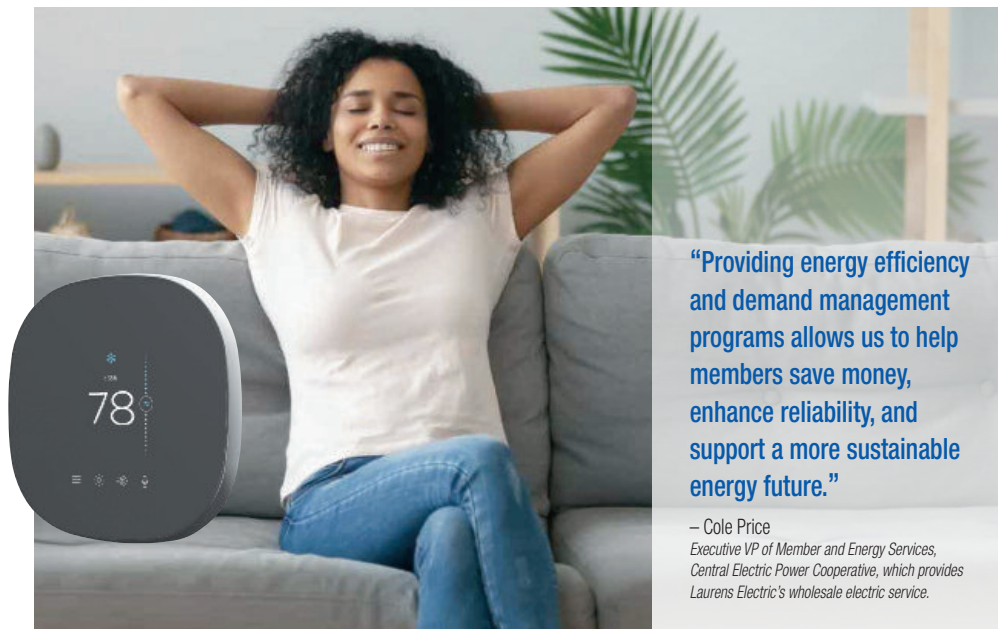
Our Smart Thermostat program offers members an ecobee smart thermostat for as low as \$50 (installation available). Laurens Electric will sync with your thermostat to make small automatic adjustments based on peak times. Members also receive an annual \$50 incentive for their participation.

Taking advantage of the energy efficiency programs and incentives we offer not only helps you save money but also helps the co-op work toward long-term goals of ensuring a bright energy future.



Energy Advisors perform blower door and air duct tests, thermal imaging, and provide a report with recommendations.

Live smart and save more with the LEC Smart Thermostat program.



"Providing energy efficiency and demand management programs allows us to help members save money, enhance reliability, and support a more sustainable energy future."

— Cole Price
Executive VP of Member and Energy Services,
Central Electric Power Cooperative, which provides
Laurens Electric's wholesale electric service.

Find out more about these services at laurenslectric.com under Energy Programs.

GROWTH AND ECONOMIC DEVELOPMENT

Economic Development means community development.

In 2024, South Carolina's capital investment was \$8.19 billion, which is expected to create over 5,500 new jobs. That's the third-highest amount of capital investment in the state's history.

Laurens Electric is a part of that success, working with businesses, industrial leaders, and economic development teams to bring growth and jobs to our area.

Progress continues on the Connexial Center, a 600-acre industrial park located in Laurens County owned by the co-op. Working in collaboration with Laurens County Economic Development and the South Carolina Power Team, the park brings in capital investment, creates jobs, and grows electric load, which ultimately helps keep rates stable.

"The staff at Laurens Electric Cooperative works hard to capture new opportunities and facilitate the growth of existing industrial members. It is an honor for our team to work alongside them."

- James A. Chavez
South Carolina Power Team President & CEO

Working hand in hand with the communities we serve to help provide infrastructure for new construction.
(photo credit: Josh Crotzer)



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 the Washington 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).

The co-op's women's charitable group, WIRE, organizes events like school supply drives to benefit local students.



Unique to LEC is its employee Pay It Forward program and Community Impact Initiative grants. Through Pay It Forward, every Laurens Electric Cooperative employee is entered into a random drawing to receive \$500 to pay forward in any way they choose. Each month a new name is drawn, and the employee then has one month to apply the funds toward their own act of kindness.

The Community Impact Initiative provides grants up to \$2000 intended for public charitable purposes that enrich the quality of life of citizens in the communities the cooperative serves. Community members apply through their local Chambers of Commerce, which select winners. Projects include innovative, creative, and practical solutions to current community needs, represent a new or unique community opportunity, and make a clear difference in the quality of life.

LEC also participates in school career days, litter pick-ups, and much more. Laurens Electric's charitable programs are funded by community events, like our popular annual golf tournament, which employee volunteers make possible. In 2024, the co-op's total community investment was \$212,000.

Laurens District 55 High School's Agriculture program used grant funds to upgrade their barn, installing more stalls, self-waterers, heat lamps, fans, and feeders for show livestock.



"The grant helped us tremendously... other schools have come to look at our set up and are hoping to copy it to better their programs. Several students have won premiums and scholarships for college as well."

— Anna Sue Crowder
Laurens District 55 High School Agriculture Instructor



Joe Nicholson DISTRICT 1



Bill Hendrix DISTRICT 2



Jim L. Perry DISTRICT 3



Charles Adair DISTRICT 4



Janice Cunningham DISTRICT 5



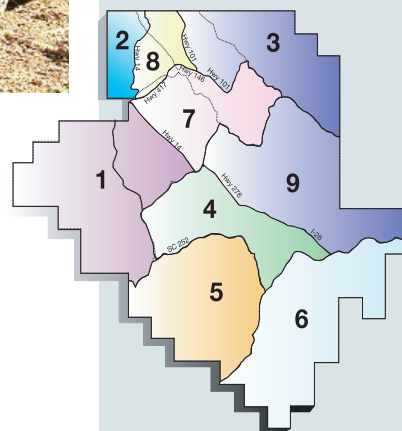
Eddie Abrams DISTRICT 6



Marcus E. Cook DISTRICT 7



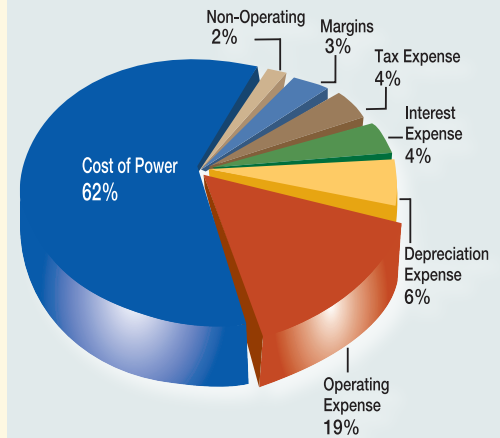
Reid Fisher DISTRICT 8



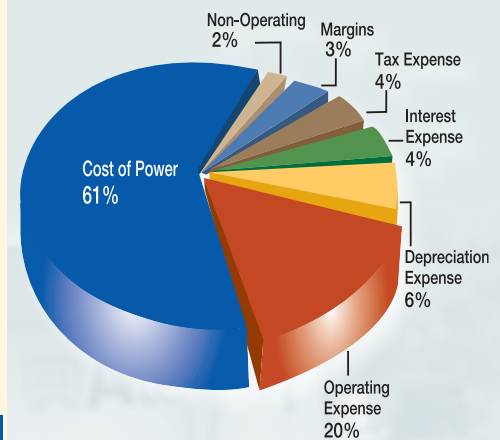
Mitchell Powers DISTRICT 9

Balance Sheet

	2024	2023
Assets		
UTILITY PROPERTY, PLANT & EQUIPMENT		
Total Utility Plant	\$ 373,027,241	\$ 336,254,968
Less: Accumulated Depreciation	103,774,164	99,819,285
Net Utility Plant	269,253,077	236,435,683
Other Property & Investments	37,981,284	32,415,476
Total Property, Plant & Equipment	307,234,361	268,851,159
CURRENT ASSETS		
Cash & Cash Equivalents	1,952,357	6,167,212
Accounts & Notes Receivable	31,276,491	28,562,570
Materials and Supplies	4,640,912	3,310,863
Other Current Assets	614,052	694,004
Total Current Assets	38,483,812	38,734,649
DEFERRED DEBITS	0	0
TOTAL ASSETS	\$ 345,718,173	\$ 307,585,808
Liabilities & Equities		
EQUITY		
Memberships	\$ 347,200	\$ 340,500
Patronage Capital & Other Equities	118,457,720	112,712,000
Total Equity	118,804,920	113,052,500
LIABILITIES		
Long Term Debt	158,756,967	156,430,187
Accounts & Notes Payable	34,630,679	9,052,550
Member Deposits	2,883,759	2,998,005
Other Liabilities	26,497,005	26,023,149
Total Current Liabilities	222,768,410	194,503,891
DEFERRED CREDITS	4,144,843	29,417
TOTAL LIABILITIES & EQUITIES	\$ 345,718,173	\$ 307,585,808



2024 Operating Expense



2023 Operating Expense

Statement of Operations and Patronage Capital

	2024	2023
OPERATING REVENUE	\$ 155,895,246	\$ 148,567,941
OPERATING EXPENSES		
Cost of Power	100,418,787	93,557,126
Cost of Operations	30,815,506	31,359,564
Depreciation Expense	9,319,311	8,847,830
Tax Expense	7,326,347	6,677,833
Interest Expense	6,297,019	5,506,951
TOTAL OPERATING EXPENSES	154,176,970	145,949,304
NET OPERATING MARGINS	1,718,276	2,618,637
NON OPERATING MARGINS	2,769,703	2,585,066
TOTAL NET MARGINS	\$ 4,487,979	\$ 5,203,703
Margins & Equities, Beginning of Year	\$ 113,052,500	\$ 104,473,304
Retirement of Capital Credits	1,506,848	1,499,871
Margins & Equities, End of Year	118,804,920	113,052,500