

## Official Notice of Annual Membership Meeting of A&N Electric Cooperative

The Annual Membership Meeting of A&N Electric Cooperative will be held at the cooperative's Tasley headquarters at 21275 Cooperative Way, Tasley, VA 23441 at 6:30 p.m. Thursday, Aug. 24, 2023, to take action on the following matters:

- (a) Reports of officers, directors and committees;
- (b) The election of three (3) directors of the cooperative; and
- (c) All other business that may properly come before this meeting or any adjournments thereof.

—Ralph W. Dodd, Secretary  
June 22, 2023

## Holiday Office Closing

A&N Electric Cooperative will be closed on Monday, Sept. 4, in observance of Labor Day. If you experience an outage or power emergency during this time, please report it by calling 757-787-9750 or by using our SmartHub app.

### CONTACT US

21275 Cooperative Way, P.O. Box 290  
Tasley, VA 23441-0290

**Phone**  
757-787-9750

**Payments**  
855-386-9921

**Website**  
anec.com



**Office Hours**  
Monday-Friday, 7:30 a.m.-4:30 p.m.

**President & CEO**  
Butch Williamson

**Local Pages Editor**  
Jay Diem

*A&N Electric Cooperative is an  
Equal Opportunity Provider and Employer.*

# Annual Meeting is Aug. 24



**Vote and return completed proxies to the cooperative before Aug. 24**

**A**&N Electric Cooperative will hold its Annual Meeting of the Membership on Thursday, Aug. 24. The meeting will be held at the cooperative's Tasley headquarters beginning at 6:30 p.m.

There will be no registration gifts or door prize drawings at the meeting. All members who return a valid signed designated proxy by Aug. 21, 2023, for this year's director election will be eligible to win one of several bill credits ranging from \$50 to \$250. Return the completed proxy, which accompanied your July billing statement (members who use paperless billing were mailed a proxy form), to A&N Electric Cooperative either by mailing it back to the cooperative or by returning it in person to the cooperative's office in Tasley.

If you would like to attend, please contact the cooperative at 757-787-9750 and select option 3, or fill out the web form under the "Annual Meeting" tab on the cooperative's website to register your attendance and to receive information concerning meeting requirements and updated information.

A recorded broadcast will be made available after the meeting.

Look for more 2023 Annual Meeting details online at [anec.com](http://anec.com) and on the cooperative's Facebook page.

## ANNUAL MEETING AGENDA

### 1. BUSINESS SESSION

- a. Secretary's Report
- b. Credentials and Election Report
- c. Election of Directors
- d. Officer Reports
  - i. Chairman
  - ii. Treasurer
  - iii. President
  - iv. Other

### 2. OLD BUSINESS

### 3. NEW BUSINESS

### 4. ADJOURNMENT

**District 1**

- GREGORY L. DUNCAN SR.
- MARK HICKMAN
- CHRISTOPHER D. BOTT

**District 2**

- E. GARRISON DRUMMOND
- BOARD VACANCY

**District 3**

- ADDISON W. NOTTINGHAM JR.
- W.E. "TED" SHOCKLEY III

**District 4**

- RALPH W. DODD
- PENNEY P. HOLLAND

## A&N Electric Cooperative Board Districts

A Touchstone Energy Cooperative

**va811.com**  
Dig With CARE

**NATIONAL SAFE DIGGING DAY**

**811 DAY**  
IT'S A BIG DAY!

**August 11<sup>th</sup> (or 8-11 Day) serves as a BIG reminder...**

to always contact Virginia 811 before doing any digging project. Whether you're a professional excavator or weekend warrior, you have an important role in preventing damage to underground utilities. No matter how big or small your project is, contacting Virginia 811 to request utility line markings before you dig will help avoid physical injury, property damage, costly repairs, and service interruptions.

**FRIDAY | AUGUST 11**

**Know what's below. 811 before you dig.**

# 2022 Annual Report

Presented for the 2023 Annual Meeting



## Pole Basics

- A, B, C - energized phases
- D - System neutral
- E - fused disconnect (cut out)
- F - Mount
- G - Transformer
- H - Secondary
- J - Service Drop
- K - Communication cabling



# ANEC

A&N ELECTRIC

COOPERATIVE

A Touchstone Energy® Cooperative



#ANECPhotoBucket

## WHO WE ARE

With a service area that encompasses the entire Eastern Shore of Virginia peninsula, Tangier Island, Va., and Smith Island in Somerset County, Md., A&N Electric Cooperative serves over 39,000 connections and operates over 2,500 miles of power line. The cooperative services a variety of residential, commercial and industrial accounts with a large member base of homes, some commercial developments, and agricultural enterprises.

A board of directors, elected by the membership, guides the cooperative. Board members are elected to one of four election districts. Directors serve three-year terms.

Each August, A&N Electric Cooperative holds an annual business meeting. The meeting provides co-op members the opportunity to meet the management of the cooperative, review the annual report and elect directors. Members who do not attend the Annual Meeting may participate in the election process through the return of their proxy ballots.

## BOARD OF DIRECTORS

**Addison W. Nottingham Jr.** - District 3  
Chairman

**Christopher D. Bott** - District 1  
Vice Chairman

**Ralph W. Dodd** - District 4  
Secretary-Treasurer

**E. Garrison Drummond** - District 2

**Gregory L. Duncan Sr.** - District 1

**Mark Hickman** - District 1

**Penney P. Holland** - District 4

**W.E. "Ted" Shockley III** - District 3

## OUR MISSION & VISION

### Mission

Enhancing life on the Shore through member-driven services.

### Vision

Exceed expectations as a trusted community resource.

## CO-OP PRINCIPLES

The cooperative business model centers around seven principles that guide A&N Electric Cooperative.

1. Voluntary and Open Membership
2. Democratic Member Control
3. Members' Economic Participation
4. Autonomy and Independence
5. Education, Training and Information
6. Cooperation Among Cooperatives
7. Concern For Community

## SYSTEM STATISTICS

	<b>2022</b>	<b>2021</b>
Number of Services	39,443	39,027
Miles of Energized Power Line	2,747.60	2,507.16
Total kWh Purchased by Cooperative	753,741,198	745,321,070
Total kWh Bought by Co-op Members	716,289,355	716,801,572
Number of Employees	72	77

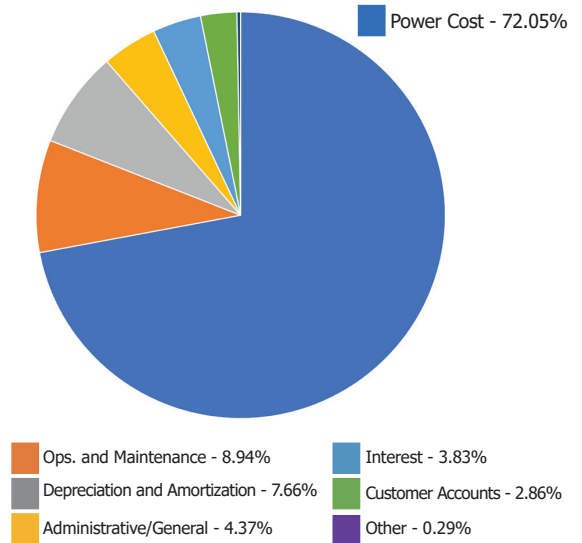
## RENEWABLES

	<b>2022</b>	<b>2021</b>
Net Metering Accounts	152	116
Cooperative Sunshare Subscriptions	30	28

## CONDENSED OPERATING STATEMENT

	2022	2021
<b>Operating Revenues</b>	<b>\$ 84,245,526</b>	<b>\$ 74,936,647</b>
Power Cost	\$ 58,898,107	\$ 49,350,591
Operations and Maintenance	7,309,460	7,300,196
Customer Accounts	2,339,519	2,117,101
Administrative and General	3,572,410	3,563,559
Depreciation and Amortization	6,264,326	6,413,009
Interest	3,129,262	3,042,256
Other	238,330	239,231
<b>Total Operating Expenses</b>	<b>\$ 81,751,414</b>	<b>\$ 72,025,943</b>
Operating Margins	\$ 2,494,112	\$ 2,910,704
Patronage Allocations	835,027	1,491,869
Non-Operating Margins	596,404	322,263
<b>Net Margins</b>	<b>\$ 3,925,543</b>	<b>\$ 4,724,836</b>

## WHERE THE DOLLAR GOES

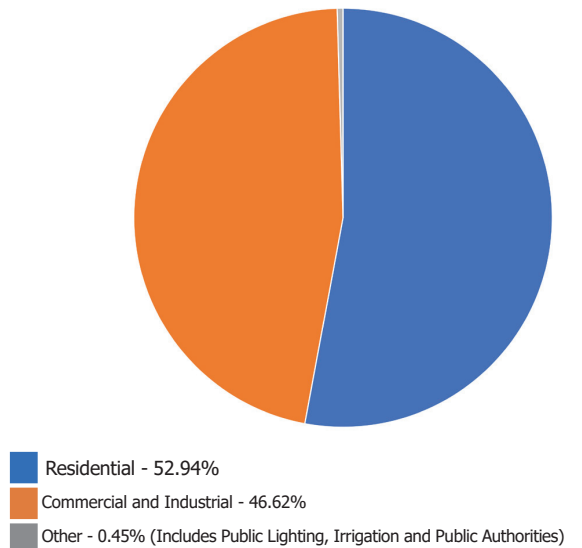


\*Percentages are rounded to the closest hundredth

## CONDENSED BALANCE SHEET

Assets	2022	2021
Electric Plant	\$ 231,348,613	\$ 213,584,607
Less Accumulated Depreciation	69,625,379	67,017,712
<b>Net Utility Plant</b>	<b>\$ 161,723,234</b>	<b>\$ 146,566,895</b>
Investments	27,948,590	26,716,398
Current Assets	25,215,141	30,274,813
Deferred Charges	(655,928)	386,576
<b>Total Assets</b>	<b>\$ 214,231,037</b>	<b>\$ 203,944,682</b>
Members' Equity	\$ 81,232,626	\$ 79,550,038
Noncurrent Liabilities	116,219,254	110,318,215
Current Liabilities	16,718,945	12,906,557
Deferred Credits	60,212	1,169,872
<b>Total Liabilities and Member Equity</b>	<b>\$ 214,231,037</b>	<b>\$ 203,944,682</b>

## WHERE THE DOLLAR COMES FROM



\*Percentages are rounded to the closest hundredth

## MEMBERS HELPING MEMBERS ANNUAL REPORT

		2022	2021
Funds Received	\$	71,871	\$ 57,896
Funds Distributed	\$	63,957	\$ 46,687
Members Assisted		283	210



### WHAT IS MEMBERS HELPING MEMBERS?

Members Helping Members Inc. is a community nonprofit 501(c)(3) organization and was established to assist families needing assistance in paying their electric service bills.

Thanks to our generous local community, over \$414,000 has been applied to members' electric bills since 2009. Over 2,400 members are currently contributing over \$3,000 monthly in amounts ranging from under \$1, with our round-up option, to as much as \$10.

The Accomack and Northampton County Departments of Social Services determine qualified candidates for assistance in the program.

A&N Electric Cooperative, in cooperation with Members Helping Members Inc., secures funding through voluntary donations through the cooperative's electric service bills. Members of A&N Electric Cooperative who would like to donate to the program may do so by checking a box on their electric service bills.

The cooperative also matches a funding grant from CoBank to help support the program.

## LIGHTING THE WAY ANNUAL REPORT



A&N Electric Cooperative employees have always been committed to our community by supporting local causes.

In 2019, we organized and created an employee nonprofit organization, Lighting the Way. In 2022, we continued our regular monthly Foodbank volunteer work, held two successful American Red Cross blood drives and cleaned our adopted roadways in Tasley through the Virginia Department of Transportation's Adopt-A-Highway program. The group also supported local organizations including the Eastern Shore Public Library Foundation, Accomack and Northampton Social Services Angel Tree programs, Eastern Shore Literacy Council, and more.

Lighting the Way has empowered co-op employees to highlight community needs and organize support for those needs.

Our nonprofit continues to partner with the U.S. Department of Agriculture and project: HOMES to help local co-op members make improvements to their homes, making them safer and more energy efficient.

Since its inception, Lighting the Way also has raised money through internal fundraising.

### OUR MISSION

To support and enrich local causes through monetary donations and volunteer efforts.

### 2022 STATISTICS

**Hours Volunteered**  
Over 250

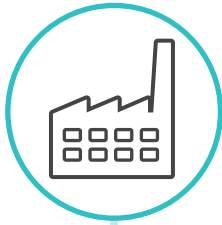
**Roadway Cleaned**  
4.8 miles

**Dollars Awarded to Local Causes**  
Over \$6,000

**Blood Drives/Units Donated**  
Hosted 2 blood drives/  
36 total units collected

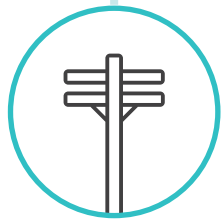
# 4 KEY FACTORS That Impact Energy Bills

You pay for the electricity you consume each month, but there are additional factors that impact your energy bills.



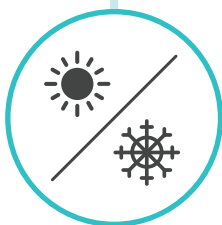
## Fuel Costs

Before electricity can be delivered to your home, it must first be generated at a power plant or from a renewable source. The cost of fuels used to generate electricity fluctuates, which is why you see a power or fuel charge on your monthly bill. This monthly charge covers cost fluctuations without having to continually restructure electricity rates.



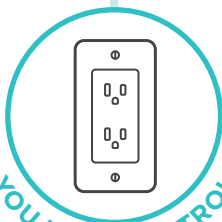
## Service Costs

Your bill includes a monthly service charge, which recovers part of the co-op's ongoing investments in poles, wire, meters, system maintenance and additional costs necessary to provide electric service.



## Weather

When temperatures soar or dip, your cooling or heating equipment must run longer and at maximum capacity, which can greatly increase your energy use. Extreme temperatures can also affect electricity market prices. When the need for electricity increases due to extreme heat or cold, the price of power typically rises.



## Energy Consumption

This is the amount of electricity you use each month to power your home's cooling/heating system, appliances, lighting, electronics and more. The amount of electricity you consume is measured in kilowatt-hours, or kWh. You have control over how much energy you use, which can ultimately help manage your monthly costs.

## Cooperative Returned Capital Credits in July

Eligible A&N Electric Cooperative members should have noticed a capital credits line item on their electric service bill last month.

As a not-for-profit utility company, A&N Electric Cooperative works hard to provide affordable and reliable service. Each year, the cooperative's Board of Directors reviews the financial condition of the cooperative to determine if a retirement of capital credits can be made.

The board voted to approve the return of capital credits at its May board meeting.

A total of \$2.57 million in capital credits was returned to eligible cooperative members last month.

## Energy-Efficiency Tip of the Month

Did you know ceiling fans can make a room feel 4 degrees cooler?

To save energy through ceiling fan use, remember to raise your thermostat a few degrees while fans are turned on. Ceiling fans can help improve comfort year-round. In the summer, operate ceiling fans in a counterclockwise direction. Reverse the direction to clockwise during winter months and set fans on a low speed so warm air can circulate from the ceiling to the lower levels of the room.

Remember, ceiling fans cool people, not spaces. Be sure to turn them off when you leave the room.

*Source: energy.gov*



Butch Williamson accepts the Distinguished Service Award at the Eastern Shore Chamber of Commerce Annual Meeting.

# Williamson Receives Chamber's Distinguished Service Award

**A** &N Electric Cooperative President and CEO Butch Williamson recently received the Eastern Shore Chamber of Commerce's Distinguished Service award for his tireless service to the Eastern Shore of Virginia.

Chairman of the ESVA Chamber of Commerce, Ace Seybolt, commented that "Williamson's knowledge of business and organization has played such an integral

role in the success of the Eastern Shore of Virginia Chamber of Commerce and A&N Electric."

Williamson received the award at the Eastern Shore Chamber of Commerce's annual meeting in June. He has served as a chamber board member since 2017.



Butch Williamson

## PCA to Decrease Slightly Beginning Aug. 1

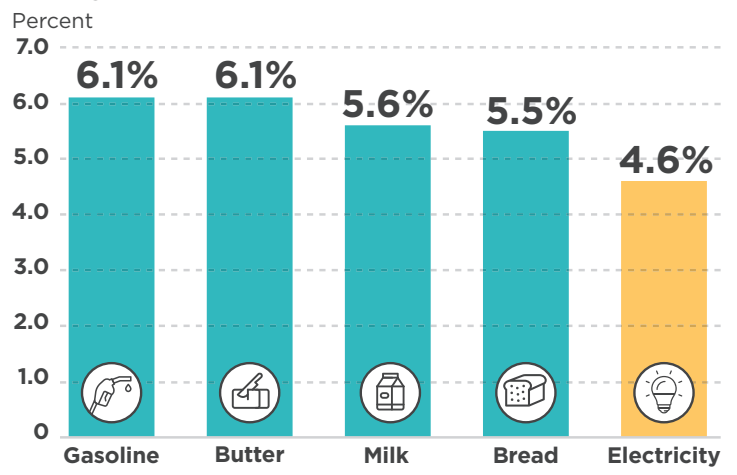
A&N Electric Cooperative's cost for wholesale power decreased for members beginning Aug. 1, 2023. Residential co-op members should notice the power cost adjustment is now \$0.00604/kilowatt-hour. For every 1,000 kilowatt-hours of use, residential members will save \$5.25 (about a 4% reduction) compared to the most recent power cost adjustment on Jan. 1, 2023. While the power cost adjustment decreased, it will remain an overall charge on a co-op member's monthly billing statement.

The power cost adjustment changes periodically to reflect the cooperative's current wholesale power costs, which includes the costs of generating the electricity you use. This is a State Corporation Commission-approved adjustment and is a direct pass-through of actual costs, plus or minus any over- or under-recovery of electricity supply costs during the previous year.

## ELECTRICITY REMAINS A GOOD VALUE

Although inflation has led to increasing costs in many areas of our lives, the cost of powering your home rises slowly when compared to other common goods. Looking at price increases over the last five years, electricity remains a good value.

Average Annual Price Increase 2017-2022



Source: U.S. Bureau of Labor Statistics Consumer Price Index