

# Answering

# the call

## 2022 Annual Report





# CEO Message

**As a member-owned cooperative, Singing River Electric wants to see the communities we serve grow and prosper.**



**Brian Hughey**  
General Manager and CEO

Over the past year, your electric cooperative continued to answer the call of our members by providing quality electric service. Our dedicated team of board members and employees understand the primary goal of a member-owned electric cooperative: to

safely deliver the most efficient service at the lowest possible cost.

As residents of our local communities, our employees take pride in providing this essential service. Whether we constructed service to a new home, upgraded a line to assure reliable service, energized a new substation to meet energy needs for growing communities, or assisted members by phone or text, our employees were there for you.

In 2022, your electric cooperative made significant progress constructing fiberoptic lines used by our subsidiary company, Singing River Connect, to provide high-speed internet service for subscribers in our service area. These same fiberoptic lines will transport information from our electric substations to our

three offices, providing an even more efficient response for our members' electrical service needs. This technology is called SCADA, an acronym for supervisory control and data acquisition. Once this extensive project is complete, engineers and dispatchers will be able to analyze real-time data from equipment located in our substation and monitor substation voltages, electric currents, and outage events. Being able to monitor these conditions concurrently means a faster outage response time and can even result in outage prevention. Our employees have worked diligently to install the necessary equipment to successfully implement this technology. SCADA was tested in our first substation earlier this year, and we are diligently moving forward to implement this technology in all 45 substations.

In the coming year, we will continue our focus on community programs with a strong emphasis on education, assistance, and value for our members. Examples include the Neighbors Helping Neighbors Community Grant and Energy Assistance programs, community cleanup events, and a variety of youth education programs.





# Planning for growth.

Planning for improvements and additions to Singing River Electric's distribution system is essential for maintaining reliable electric service for members. The planning process, led by Singing River Electric's engineering team, evaluates the existing electrical system and ensures it is ready to handle expected load growth and future extreme temperatures. Developing a Construction Work Plan is an integral part of this process as it provides a roadmap to assuring the highest level of member service.

Singing River Electric's construction crews implement the plan by safely replacing undersized lines, upgrading transformers, and building new substations. Some recent examples of this work include constructing and energizing the Cumbest Bluff substation in Jackson County, upgrading single-phase lines to three-phase lines along River Road in George County, rebuilding three-phase lines in Pascagoula to accommodate new LED lights and fiber lines, upgrading aging copper wire to more reliable aluminum conductor steel reinforced line throughout George, Greene, and Wayne counties, and ongoing work to relocate lines for the Highway 57 expansion.





# Maintaining reliability.

Singing River Electric linemen and engineers constructed the Cumbest Bluff substation in north Jackson County and energized it in June 2022. This substation took on load from the Big Point and Wade substations, adding load capacity and improved voltage for the area. It serves the Cumbest Bluff pumping station, which provides water for the Chevron Refinery in Pascagoula. This 25 kV structure is Singing River Electric's 45th substation.

Upgrades to existing substations take place annually in spring and fall. During these seasons, electric load is not as high and extra voltage help isn't needed, so Singing River Electric linemen can back feed load to adjacent substations to perform work without causing an outage for members. Singing River Electric's transmission and generation partner, Cooperative Energy, performs an infrared scan on all substations during the summer when energy use is high to identify weak connections to be corrected before they cause major outages. Immediate issues identified on the infrared report are addressed, while proactive improvements are scheduled during the milder two seasons.

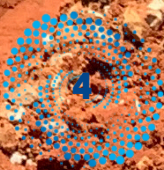


# Implementing SCADA.

Singing River Electric is installing a SCADA (supervisory control and data acquisition) system to improve electric reliability and speed restoration times. This extensive project requires the 400-mile fiber distribution ring installed throughout our system to provide real-time information from Singing River Electric's 45 electric substations to its three offices. This system will allow dispatchers and engineers to control substation equipment from the offices.

Singing River Electric commissioned its first substation for SCADA in January 2023 and its second in May 2023. During the commissioning process, SRE personnel inspect the design built in the SCADA software, verify communication from the office to the substation and vice versa, check safety features of the supervisory controls, check power, voltage and demand values, and test every feature on equipment such as reclosers and voltage regulators.

Work and training will be ongoing for the many Singing River Electric employees involved in commissioning future substations, preparing substations with compatible equipment and fiber connections, operating the SCADA controls, and analyzing the data.





# 95.9%

**SRE receives Electric Co-ops of Miss.  
safety accreditation renewal score**

This three-year renewal was granted  
thanks to the hard work of our  
safety committee and employees.





# Conservation and community.

During 2022 Singing River Electric employees logged volunteer hours in the great outdoors by donating trees to local cities for Arbor Day, removing trash and debris from the Pascagoula River during Renew Our Rivers, and clearing invasive vegetation at Moss Point's Sawmill Landing. For the annual Cooperative Days of Service to honor Dr. Martin Luther King Jr's legacy, employees painted benches, bleachers and scoreboard at the Leakesville tennis courts and beautified boat launch areas at George County's Wilkerson Ferry West and Jackson County's Bennett Bayou Preserve.

Employees contributed their own funds to organize soup fundraisers for breast cancer awareness with donations made to local cancer centers, collect peanut butter for local food pantries, and donate pet food and supplies for two animal shelters.

Singing River Electric awarded more than \$15,000 in Neighbors Helping Neighbors Community Grants to schools and non-profit organizations for projects designed to help live out their missions.

Three high school juniors were selected as Cooperative Youth Leaders and represented Singing River Electric at the Youth Leadership in Jackson, Miss. and a week-long tour of Washington, D.C.



*George Co. Boat Launch*



*Bennett Bayou Preserve*



*Leakesville Tennis Courts*



*Bennett Bayou Preserve*



*Leakesville Green Park*



*Pascagoula River Audubon Center*



*Raising funds for breast cancer research*



*Youth Leadership '22*



# FINANCIALS

## BALANCE SHEET

Consolidated Balance Sheets at December 31, 2022 and 2021

ASSETS		
	2022	2021
<b>UTILITY PLANT:</b>		
Electric plant in service	\$400,415,920	\$377,063,371
Internet plant	1,619,611	320,224
Construction work in progress	29,974,377	12,474,427
Less: accumulated provision for depreciation	(112,735,395)	(110,537,740)
<b>Net utility plant</b>	<b>319,274,513</b>	<b>279,320,282</b>
<b>OTHER ASSETS AND INVESTMENTS:</b>		
G&T and other capital credits	76,605,433	76,059,887
Economic development loan receivables	60,340	162,050
Other investments	157,112	147,650
<b>Total other assets and investments</b>	<b>76,822,885</b>	<b>76,369,587</b>
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	14,454,319	8,942,218
Restricted cash - Cooperative Energy	-	10,410,000
Temporary cash investments	-	580,000
Accounts receivable		
Customers, less provision for doubtful accounts	8,614,567	8,248,653
Federal Emergency Management Agency	8,940,609	8,761,404
Other	1,736,355	2,022,878
Unbilled revenue	9,643,173	7,597,952
Materials and supplies	14,050,011	9,775,865
Other current assets	84,527	568,500
<b>Total current assets</b>	<b>57,523,561</b>	<b>56,907,470</b>
<b>DEFERRED CHARGES:</b>		
Prepaid pension	226,472	905,888
Deferred tax asset	1,056,834	142,690
<b>Total deferred charges</b>	<b>1,283,306</b>	<b>1,048,578</b>
<b>Total assets</b>	<b>\$454,904,265</b>	<b>\$413,645,917</b>

LIABILITIES AND EQUITIES		
	2022	2021
<b>EQUITIES:</b>		
Memberships	\$312,665	\$309,245
Patronage capital	198,298,812	196,443,960
Accumulated other comprehensive income (loss) - unrecognized components of net periodic benefit costs	4,461,276	935,635
Other equities	22,601,979	21,142,119
Retained deficit	(2,465,793)	(406,119)
<b>Total equities</b>	<b>223,208,939</b>	<b>218,424,840</b>
<b>NONCURRENT LIABILITIES:</b>		
Notes payable	182,710,012	154,170,332
Line of Credit	5,000,000	-
Capital lease obligations	236,643	498,094
Accumulated postemployment benefit obligation	14,710,770	18,687,586
Less: current maturities	(10,475,576)	(10,781,723)
<b>Total long-term debt</b>	<b>192,181,849</b>	<b>162,574,289</b>
<b>CURRENT LIABILITIES:</b>		
Current maturities on notes payable	9,277,159	9,460,319
Current maturities on capital lease obligations	171,385	261,451
Postemployment benefit obligation, current portion	1,027,032	1,059,953
Accounts payable		
Purchased power	12,939,408	8,254,249
Trade	5,989,292	3,322,573
Member deposits	6,047,793	6,070,051
Accrued liabilities		
Payroll and compensated absences	1,855,340	1,849,196
Interest	1,023,988	965,465
Other	561,799	510,814
<b>Total current liabilities</b>	<b>38,893,196</b>	<b>31,754,071</b>
<b>DEFERRED CREDITS:</b>		
Consumer energy prepayments	620,281	892,717
<b>Total deferred credits</b>	<b>620,281</b>	<b>892,717</b>
<b>Total liabilities and equities</b>	<b>\$454,904,265</b>	<b>\$413,645,917</b>





# FINANCIALS

## STATEMENT OF REVENUE AND PATRONAGE CAPITAL

### Consolidated Statement at December 31, 2022 and 2021

	2022	2021
<b>OPERATING REVENUE:</b>		
Residential	\$122,269,161	\$114,082,627
Commercial and industrial (1,000 kva or less)	36,231,862	33,937,350
Commercial and industrial (over 1,000 kva)	6,812,840	6,210,026
Public highway and street lighting	414,933	393,409
Other electric revenue	5,562,179	5,265,238
Internet revenue	799,305	1,421
<b>Total operating revenue</b>	<b>172,090,280</b>	<b>159,890,071</b>
<b>OPERATING EXPENSES:</b>		
Cost of power	124,165,484	108,470,686
Cost of internet	197,715	26,413
Distribution expenses - operations	5,999,688	3,944,466
Distribution expenses - maintenance	11,970,891	10,058,436
Consumer accounts expenses	6,092,190	6,006,195
Administrative and general expenses	8,894,225	7,718,041
Depreciation expense	11,224,730	10,614,428
Taxes	20,389	14,030
<b>Total operating expenses</b>	<b>168,565,312</b>	<b>146,852,695</b>
<b>OPERATING MARGINS BEFORE FIXED CHARGES</b>	<b>3,524,968</b>	<b>13,037,376</b>
<b>FIXED CHARGES:</b>		
Interest on long-term debt	5,086,459	5,118,554
Other interest	106,446	108,291
<b>Total fixed charges</b>	<b>5,192,905</b>	<b>5,226,845</b>
<b>OPERATING MARGINS AFTER FIXED CHARGES</b>	<b>(1,667,937)</b>	<b>7,810,531</b>
<b>G&amp;T AND OTHER CAPITAL CREDITS</b>	<b>4,172,367</b>	<b>3,993,188</b>
<b>NET OPERATING MARGINS</b>	<b>2,504,430</b>	<b>11,803,719</b>
<b>NON-OPERATING MARGINS (LOSS)</b>	<b>10,872</b>	<b>(214,394)</b>
<b>INCOME TAX BENEFIT</b>	<b>914,144</b>	<b>142,690</b>
<b>NET MARGINS FOR THE YEAR</b>	<b>\$3,429,446</b>	<b>\$11,732,015</b>





A technician wearing a yellow long-sleeved shirt with 'Singing River Electric' and an American flag patch, and a grey and white baseball cap with 'Singing River Electric' on it, is working on fiber optic cables. He is wearing safety glasses and is focused on his work. The background is a blurred indoor setting.

# Building fiber lines.

After bringing fiber to its first subscriber in December 2021, SR Connect is building momentum and striving to bring our communities fiber internet service that is reliable and affordable with excellent customer service.

In early 2022, SR Connect completed its Phase 1 build out with the three initial pilot areas. In April 2022, Singing River Electric announced that its board of directors approved moving into Phase 2 based on the success of the pilot projects.

In 2023 to date, SR Connect is progressing well through Phase 2 and is already working in Phase 3 areas, with Singing River Electric's board of directors monitoring the success and viability of this venture.

All fiber areas follow the Six Steps of Fiber Construction. From make-ready engineering to home installation, bringing fiber internet to subscribers is an involved and detailed process.

Contractors have constructed 1,766 total miles of fiber, with 30 miles of fiber being strung each week. Home installers are connecting 80 subscribers per week to this lightning-fast service.

SR Connect continues to work with consultants to determine areas in upcoming phases and with the Broadband Expansion and Accessibility of Mississippi's office on potential funding sources.



# Keeping you informed.

SR Connect has 4,000 active fiber subscribers, and this number is growing as new areas open for sign-ups.

Fiber internet service is currently available in nine electric substation areas with more opening this year.

**Here are ways to stay up-to-date on SR Connect's fiber construction progress:**

- Text a member service representative at 228-591-9166 to ask which electric substation and feeder serve your home or business so you can look for updates specific to your area.
- Read the monthly Today in Mississippi member magazine to see which areas are progressing through the Six Steps of Fiber Construction.
- Look for social media posts announcing when new SR Connect areas open for sign-ups. When your area is ready, you will receive a postcard and email.
- Visit [singingriverconnect.com/](http://singingriverconnect.com/) sign-up to view maps of all open areas where SR Connect fiber internet is available.

## **STEP 1:**

Make-ready engineering  
*Examine. Design.*



## **STEP 2:**

Make-ready construction  
*Planning the most efficient approach to fiber deployment.*



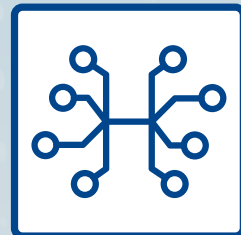
## **STEP 3:**

Construction  
*Building a network from the ground up.*



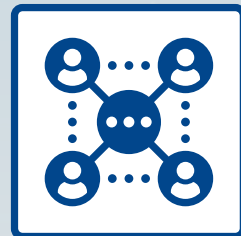
## **STEP 4:**

Splicing  
*Connecting the dots.*



## **STEP 5:**

Service drop & drop splicing  
*The last outdoor step. Almost there...*



## **STEP 6:**

Installation  
*The speed of light, right to your home.*

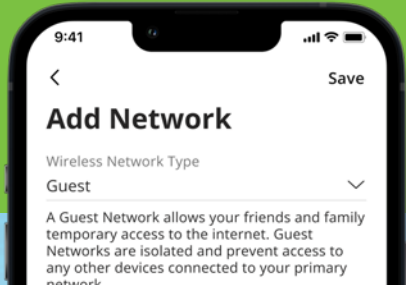


Scan the QR code to visit the Sign-Up page. Scroll down on that page to see maps of the active fiber areas.



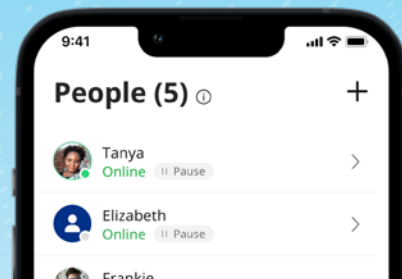


**With the My SR Connect app, you can easily manage your connected home with a few simple steps.**



**Change or reset your Wi-Fi network name and password. Create a temporary and shareable guest network for visitors, house sitters, etc.**

**Pause the internet for any device at any time. View and manage connected devices on your network.**



**Download the My SR Connect App in the Apple App Store or get it on Google Play. Visit [singingriverconnect.com](https://singingriverconnect.com) for more information.**

**Get real-time control in the palm of your hand.**





# ExperienceIQ

With the **Ultimate Wi-Fi Experience Bundle** for \$5/month and ExperienceIQ, you can put your family first and keep your kids and grandkids safe while they are online.

- Block harmful and inappropriate content, apps, and sites.
- Set time limits on screen time or specific apps.
- View internet use on all devices to better understand how the internet is used in your home.
- And more!



**Bundle  
Only  
\$5/month!**

# ProtectIQ

Receive network-level security to protect all devices connected to your W-Fi with ProtectIQ and the **Ultimate W-Fi Experience bundle** for only \$5/month.

- Automatically block attempted visits to known harmful websites.
- Monitor incoming traffic and keep hackers out.
- Get notifications of blocked security threats.
- And more!





# MEET OUR FIBER TEAM!

**We're  
Connected  
to Fiber!**

Nick Deangelo,  
Manager of Business  
Operations



Meagan Shows,  
Fiber Coordinator



**SR**  
**Singing River  
Connect**  
Powered by Singing River Electric

Steven Smith,  
Fiber Operations  
Coordinator



Lauren Davis,  
Fiber Support  
Specialist



Brandon Welford,  
Supervisor of  
Project Engineering



Darius Calloway,  
Fiber Technician



Kayle Steede,  
Fiber Support  
Representative



Darien Parnell,  
Fiber Technician

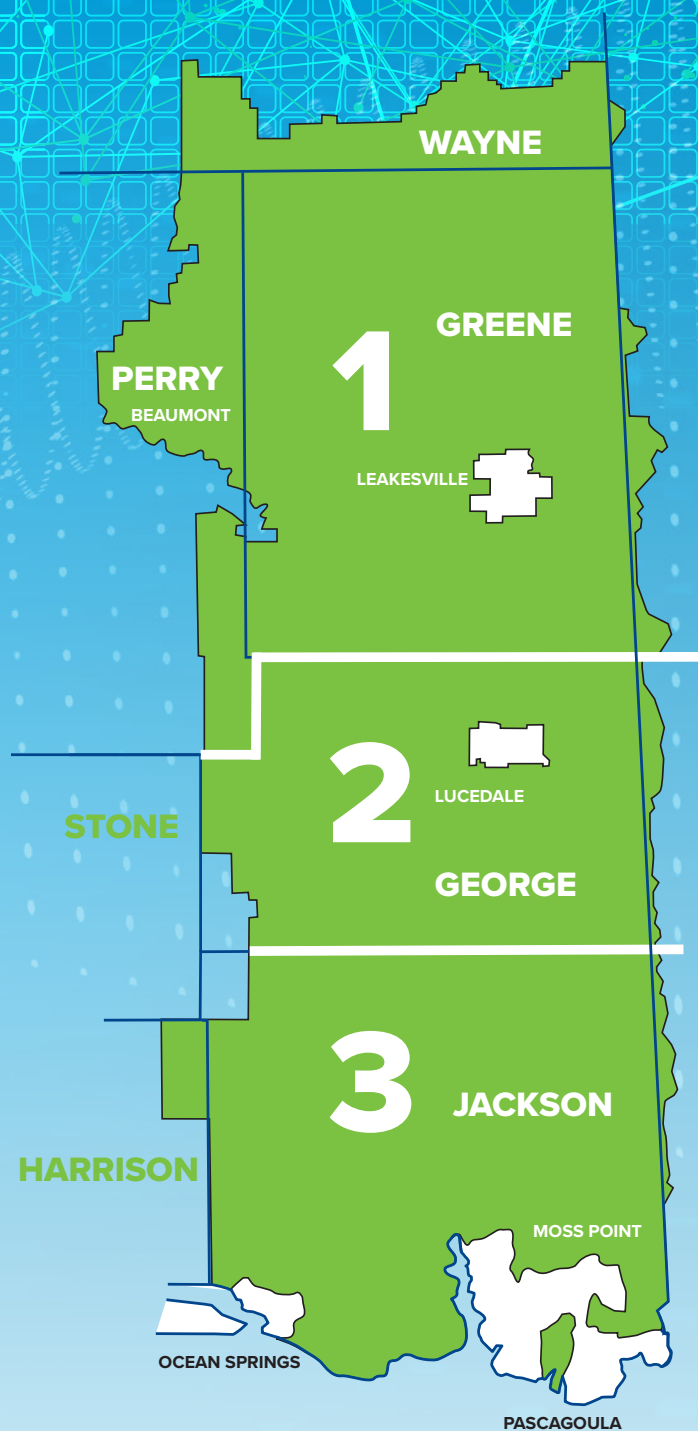


# Board of Directors

Singing River Electric is represented by a board of directors made up of members from throughout the service territory. These directors help manage the business affairs of the electric distribution cooperative. Directors are elected by the membership at the Annual Membership Meeting held in June. Each one serves a three-year term and represents one of the three geographic areas.

**Kristal Sisson**, PRESIDENT, Educator, District 3  
**Travis Baxter**, VICE PRESIDENT, Retired Shipyard Supervisor, District 2  
**Cary W. Williams**, TREASURER, CPA/Financial Planner, District 1  
**Edward H. Thornton**, SECRETARY, Business Owner, District 3  
**Roy Grafe**, COOPERATIVE ENERGY BOARD REP., Retired Mechanical Engineer, District 2  
**Stanley R. Busby**, Body Shop Manager, District 1  
**Howard Davis**, Retired Civil Engineer, District 3  
**Mark W. LaSalle**, Biologist, District 3  
**Robert Steele**, Retired Business Owner, District 1  
**Ronald. R. Wilson**, Shipyard Director and Engineer, District 2  
**Amanda Seymour**, Board Attorney

Please see SRE Bylaws at [singingriver.com](http://singingriver.com) for information on board candidacy and elections. You can also reference the January and February Today in Mississippi magazine issues that are mailed directly to you for board election information and the May and August issues for information on how to vote, the date of the Annual Membership Meeting, and results from the meeting.







[singingriver.com](http://singingriver.com)

**For Service:** 877-846-7594

**For Outages:** 888-605-1416



[singingriverconnect.com](http://singingriverconnect.com)

**For Service:** (877) 272-6611

**For Tech Support:** (877) 636-1702

11187 Old 63 South  
Lucedale, MS 39452

