

SINGING RIVER ELECTRIC

2023 ANNUAL REPORT

SINGING RIVER CONNECT

KEEPING YOU **CONNECTED**

ELECTRICITY | FIBER INTERNET



CEO MESSAGE

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



**BRIAN
HUGHEY**
General Manager
and CEO

Over the past year, Singing River Electric's dedicated team of board members and employees remained focused on **keeping you connected** by safely delivering the most efficient electric service at the lowest possible cost. Whether we extended a line for a new home, upgraded a line to assure reliable service, or assisted a member with ways to save on their power bill, our team of employees was there for you.

In 2023, your electric cooperative's distribution system continued to grow as our membership count continued in an upward trend. **Even with the ongoing challenge of supply chain issues and inflated material costs, Singing River**

Electric ensured the needs of our membership were met in full.

Last year also brought the continued growth of our fiber-optic network – owned and operated by your electric cooperative. Our subsidiary company, Singing River Connect, is leasing this network to provide high-speed fiber internet service for subscribers throughout our service area. The same fiber-optic network is being used to transport meaningful information from our 45 electric substations to our three offices, providing an even more efficient response for our members' electrical service needs. Engineers and dispatch operators are analyzing real-time data resulting in faster outage response time and even outage prevention.

Singing River Electric continued to put a strong emphasis on community support through programs that provide education, assistance, and value to members. Some examples include the Neighbors Helping Neighbors Community Grant Program, community cleanup events, and a variety of youth education programs.

As a member-owned electric cooperative, Singing River Electric wants to see the communities we serve grow and prosper. With that, our first responsibility is providing you with quality electric service – this is and will continue to be your cooperative's primary goal.

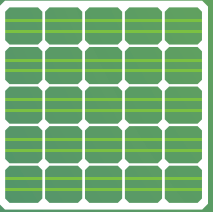


11 CAREER
FAIRS
ATTENDED



207
HEAT PUMP
REBATES



37 
SOLAR PANEL
COMMISSIONINGS

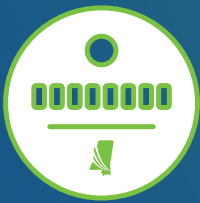
23 

COMFORT ADVANTAGE
ENERGY-EFFICIENT
HOMES CERTIFIED



\$16,730.21

AWARDED IN
NHN COMMUNITY GRANTS




79,927
METERS SERVED

7,780  MILES
OF POWER LINES

2,927 MILES
OF FIBER INTERNET
LINES TO DATE



45 
ELECTRIC
SUBSTATIONS
BUILT AND
MAINTAINED


208
FULL-TIME
EMPLOYEES

147,859 
CALLS ANSWERED

1,678  MEMBER
TEXTS
RECEIVED

6,302 SINGING RIVER
CONNECT
SUBSCRIBERS



CONNECTED TO RELIABLE ELECTRICITY

Singing River Electric's (SRE) linemen and engineering staff care for the electric system year-round and address potential issues before they become problems. Projects in the construction work plan prepare for load growth and improve the electric system. Linemen and dispatchers work together responding to power outages in a safe, efficient manner no matter if weather, vehicle accidents, or other circumstances cause the outage.

SCADA

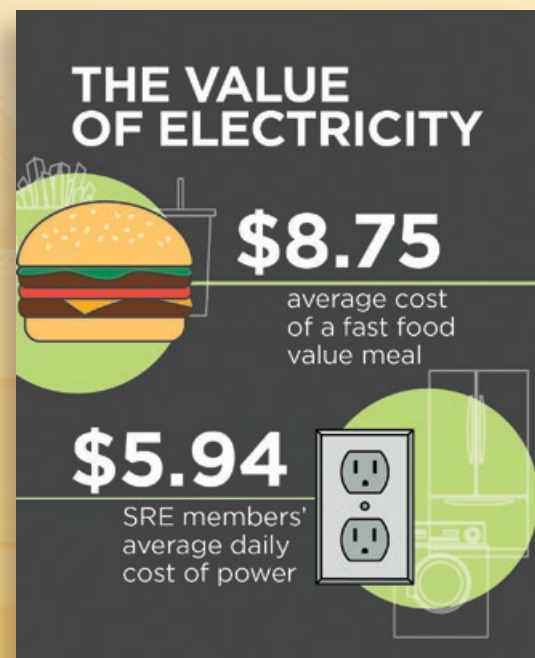
A SCADA system (supervisory control and data acquisition) uses software and fiber lines to collect and analyze real-time data. For SRE, this data will come from the 45 substations that distribute electricity to members.



SRE commissioned its first substation for SCADA in January 2023, which included verifying communication from the Lucedale office to the substation and vice versa and checking safety features and controls on all substation devices.



Member benefits from SCADA include speeding outage restoration times, improving reliability, and receiving more information to perform proactive system maintenance.



COST-OF-SERVICE STUDY

SRE conducted a cost-of-service study to ensure obligations to members and lenders could be met. Increased costs for materials, fuel, and other electric system expenses led to adjusting the monthly customer charge and energy charge and introducing a demand charge. SRE continues to have some of the lowest rates for residential billing compared to neighboring utilities.



BUSINESS MEMBER GROWTH

Engineering staff worked with developers to provide power for a wood treatment plant and large shopping center in Pascagoula, the Sound Amphitheater in Gautier, Love's Travel Stop in George County, and Tractor Supply and several small businesses near Lucedale's Ventura Drive. Greene County saw chicken house expansions and new construction at South Mississippi Correctional Institution.



LIGHTING PROJECTS

Engineering staff worked with Jackson County and the cities of Pascagoula, Ocean Springs, and Gautier on street light projects to add lights and improve visibility.



CONNECTING OTHERS

Our linemen helped Suwannee Valley Electric in Florida restore power after Hurricane Idalia and helped Mississippi's East Mississippi Electric and Southern Pine Electric with outages caused by severe weather.



POLE AND LINE INSPECTIONS

SRE's poles and lines are routinely checked by servicemen for safety reasons and replaced as needed. This work improves the electric system and helps bring safe, reliable power to members. SRE employees inspected 20,145 poles in 2023.



OUTAGE TEXTING

SRE introduced a fast, new way to report a power outage – text OUT to 601-947-1744.



UPGRADING LINES AND EQUIPMENT

SRE linemen replaced more than 21 miles of aging copper wire with aluminum wire throughout the service area and replaced 8.7 miles of aging underground lines in Gautier and St. Martin subdivisions. Substation equipment was also upgraded.

CONNECTED TO MEMBER INFORMATION

Singing River Electric is your source for power and information. Our goal is to keep members informed of the happenings at their electric cooperative and the benefits of membership.

Life is too short to wait on hold.
Text an MSR at (228) 591-9166 or use your SmartHub app to report an issue or inquire about your bill.




Singing River Electric

"Texting an MSR is honestly the quickest way for us to assist you with your account. We receive the information we need without the need for lengthy holds."

MEMBER SERVICE TEXTING

Texting a member service representative for information was introduced in 2023. By texting a question to 228-591-9166, members can communicate with SRE as they do their family and friends.

SCAM ALERT!

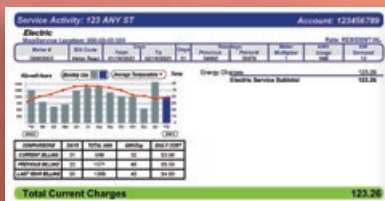
"Caller demanded her budget billing be paid to avoid disconnection."

MSR Karen reminds you NOT to share banking or credit card info with anyone who calls and demands a payment over the phone.

Singing River Electric Cooperative

SCAM ALERTS

SRE warned members regularly on social media to be skeptical about scams attempting to take their money and bank/credit card information.



Before



After

ITEMIZED BILLING

To be more transparent, SRE bills began showing itemized charges in April 2023. These specific charges have been on the online rate calculator and are now reflected on monthly bills as our members requested.

Upcoming right-of-way projects

Singing River Electric clears trees, limbs and underbrush from the area around and below the power lines called the right of way. Right-of-way clearing helps decrease the number of outages and reduces the risk of someone coming in contact with power lines.

Here are the substations and surrounding areas that are either currently being cleared or where clearing will begin soon:

- **Fort Bayou Substation** – Fort Bayou Road, Yellow Jacket Road, Windsor Park subdivision, and surrounding areas.
- **Benndale Substation** – Highway 57 south to Broom School Road, Highway 26, and surrounding areas.

16 OCTOBER | 2023



RIGHT-OF-WAY SCHEDULE

The tree trimming schedule was announced quarterly in the *Today in Mississippi* magazine so members can be aware when crews are in their area trimming trees and brush away from power lines for greater reliability.



TODAY IN MISSISSIPPI

This monthly member magazine was mailed to all SRE members, providing news and updates about your cooperative along with a look into what our state has to offer.

\$ CAPITAL CREDITS

IT PAYS TO BE A Member

Singing River
Electric Cooperative
A Truist Energy Company

CAPITAL CREDITS

In 2023, SRE retired more than \$3.4 million in capital credits for the year 1997. Cooperative Energy, our wholesale power provider, retired \$1.56 million for the year 1993 and a partial return for the year 2009. This is one of the greatest member benefits, following the 3rd Cooperative Principle: Members' Economic Participation.

Problem: The outside temp is 105°

If your thermostat is set at 70° your AC will work more to lower the temp by 35°.



Solution: Set your thermostat to a higher temperature (78°) and use less energy.

ENERGY-SAVING TIPS

SRE shared money-saving tips in the *Today in Mississippi* magazine, on its social media pages, and at singingriver.com. From online energy audits to calculating how much energy appliances use, information on reducing both energy use and demand was readily available.

CONNECTED TO THE WORLD BY **SR** *Singing River Connect*

Phase 2 of Singing River Connect's fiber build out was safely completed in 2023 and stayed on budget. While maintaining an overall 45% take-rate for eligible subscribers, SR Connect met the challenges of building and operating a fiber system and managed subscriber expectations as areas moved from construction to being open for service.



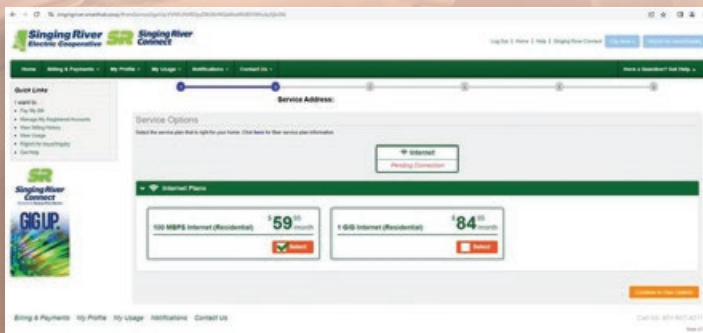
LEARNING LABS

SR Connect hosted four events to explain TV streaming, cybersecurity, and smart home devices – all things subscribers can now do thanks to fiber internet.



MILESTONE REACHED

Our 5,000th subscriber was recognized in September 2023. SR Connect had 6,302 subscribers at year-end.



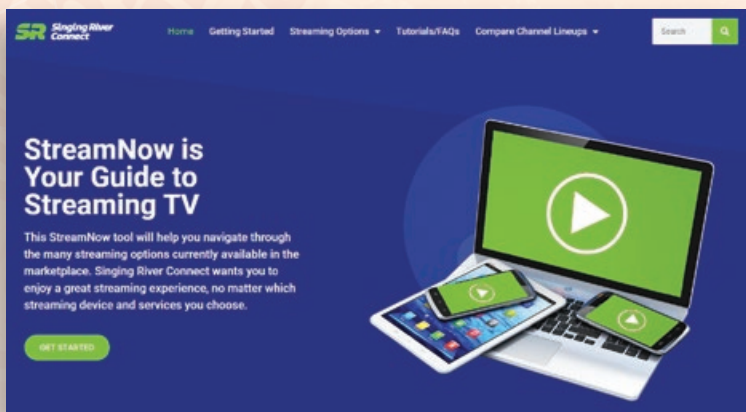
ONLINE SIGN-UPS

SRE's information technology department opened the online sign-up option at singingriverconnect.com/sign-up.



FRIDAY NIGHT LIGHTS

Thanks to SR Connect's fiber internet, George County High School football's press box and scoreboard were fully operational for the first time.



STREAMNOW

This new tool on SR Connect's website explains how to stream TV and movies and helps subscribers cut the cable cord while still watching their favorite shows and local news.



JOB OPPORTUNITIES

New positions were created to meet fiber internet needs along with training the existing workforce on fiber-related duties.

Fiber Construction Timeline

STEP 1: Make-ready engineering
Examine. Design.
Rocky Creek substation area

STEP 2: Make-ready construction
Planning the most efficient approach to fiber deployment.
Vanceleave, Lucedale North, and Leakesville substation areas

STEP 3: Construction
Building a network from the ground up.
McLain, Joe Batt, Big Point, Frank Snell, and Sand Hill substation areas

STEP 4: Splicing
Connecting the dots.
State Line, and Kittrell (Highway 42 West and Knobtown feeders) substation areas

STEP 5: Service drop & drop splicing
The last outdoor step. Almost there...
Sawmill and Kittrell (Henderson James feeder) substation areas and any previously opened fiber areas

STEP 6: Installation
The speed of light, right to your home.
Sawmill substation area and any previously opened fiber areas

SR Connect is delivering lightning-fast, fiber internet.
New fiber areas are announced by electric substation and feeder. You can search open fiber areas and your address for service at singingriverconnect.com/signup.
To find out which SRE substation and feeder serves your home, text SRE MSR during business hours at 228-591-9166.

Scan here!

FIBER CONSTRUCTION PROGRESS

SRE listed where substation areas were in the six steps of fiber construction in both the *Today in Mississippi* magazine and monthly SR Connect e-newsletters.



COMMUNITY EVENTS

SR Connect sponsored the George County Sheriff Department's Golf Tournament, 5K runs, and talked to active and potential subscribers at local high school football games.

CONNECTED TO OUR COMMUNITIES

Built by the communities we serve, Singing River Electric provided many opportunities for employees to give back to their local area and live out the 7th Cooperative Principle: Concern for Community.



RENEW OUR RIVERS

Employees helped collect nearly five tons of trash from the Pascagoula River with other community volunteers - including 10 refrigerators!



PATHWAYS2POSSIBILITIES

Employees assisted local 8th graders with hands-on job tasks in the electric and fiber internet industries.



NEIGHBORS HELPING NEIGHBORS COMMUNITY GRANTS

SRE provided eight grants in 2023 totaling \$16,730.21 to fund tangible items for local non-profits such as playground equipment, a fire rescue chainsaw, and STEM kits.



ARBOR DAY

SRE planted trees at St. Martin Middle, Agricola Elementary, and Sand Hill Attendance Center.



CAREER FAIRS

Human resources employees shared job opportunities at SRE and SR Connect.



COOPERATIVE YOUTH LEADERS

SRE sponsored three high school juniors from East Central High, Resurrection High, and Wayne County High for trips to Jackson, Miss., and Washington, D.C.



COOPERATIVE DAYS OF SERVICE

Employees performed service projects in honor of Dr. Martin Luther King Jr.'s birthday at Leakesville's Green Park and Bear Creek Baseball Complex, Pascagoula River Audubon Center, and George County's SREA Head Start.

CONNECTED TO SOUND FINANCIAL PRACTICES

CONSOLIDATED BALANCE SHEETS at December 31, 2023 and 2022

ASSETS

	2023	2022
UTILITY PLANT		
Electric plant in service	\$424,717,103	\$400,415,920
Internet plant	4,616,878	1,619,611
Construction work in progress	70,191,004	29,974,377
Less: accumulated provision for depreciation	(114,711,629)	(112,735,395)
Net utility plant	384,813,356	319,274,513
OTHER ASSETS AND INVESTMENTS		
G&T and other capital credits	79,671,621	76,605,433
Economic development loan receivables	2,344,904	60,340
Other investments	171,110	157,112
Total other assets and investments	82,187,635	76,822,885
CURRENT ASSETS		
Cash and cash equivalents	14,846,311	14,454,319
Temporary cash investments	1,556,000	-
Accounts receivable		
Customers, less provision for doubtful accounts	9,790,551	8,614,567
Federal Emergency Management Agency	4,567,494	8,940,609
Other	457,777	1,736,355
Unbilled revenue	9,148,882	9,643,173
Prepaid power	12,000,000	-
Materials and supplies	15,944,775	14,050,011
Other current assets	49,871	84,527
Total current assets	68,361,661	57,523,561
DEFERRED CHARGES		
Prepaid pension	-	226,472
Deferred tax asset	2,363,976	1,056,834
Total deferred charges	2,363,976	1,283,306
Total assets	\$537,726,628	\$454,904,265

LIABILITIES AND EQUITIES

	2023	2022
EQUITIES		
Memberships	\$316,935	\$312,665
Patronage capital	207,109,573	198,298,812
Accumulated other comprehensive income (loss) - unrecognized components of net periodic benefit costs	6,042,641	4,461,276
Other equities	24,857,279	22,601,979
Retained deficit	(5,943,463)	(2,465,793)
Total equities	232,382,965	223,208,939
NONCURRENT LIABILITIES		
Notes payable	262,296,420	182,710,012
Line of credit	-	5,000,000
Capital lease obligations	65,157	236,643
Accumulated postemployment benefit obligation	12,373,755	14,710,770
Less: current maturities	(10,482,294)	(10,475,576)
Total long-term debt	264,253,038	192,181,849
CURRENT LIABILITIES		
Current maturities on notes payable	9,433,098	9,277,159
Current maturities on capital lease obligations	65,157	171,385
Postemployment benefit obligation, current portion	984,039	1,027,032
Accounts payable		
Purchased power	10,095,830	12,939,408
Trade	8,912,471	5,989,292
Member deposits	5,962,189	6,047,793
Accrued liabilities		
Payroll and compensated absences	3,127,334	1,855,340
Interest	1,033,423	1,023,988
Other	589,740	561,799
Total current liabilities	40,203,281	38,893,196
DEFERRED CREDITS		
Consumer energy prepayments	887,344	620,281
Total deferred credits	887,344	620,281
Total liabilities and equities	\$537,726,628	\$454,904,265

CONSOLIDATED STATEMENTS OF REVENUE

at December 31, 2023 and 2022

	2023	2022
OPERATING REVENUE		
Residential	\$129,391,768	\$122,269,161
Commercial and industrial (1,000 kva or less)	38,008,443	36,231,862
Commercial and industrial (over 1,000 kva)	7,192,129	6,812,840
Public highway and street lighting	435,824	414,933
Other electric revenue	5,849,238	5,562,179
Internet revenue	3,452,833	799,305
Total operating revenue	184,330,235	172,090,280
OPERATING EXPENSES		
Cost of power	121,872,007	124,165,484
Cost of internet	466,076	197,715
Distribution expenses - operations	8,059,526	5,999,688
Distribution expenses - maintenance	13,144,025	11,970,891
Consumer accounts expenses	6,847,330	6,092,190
Administrative and general expenses	10,249,189	8,894,225
Depreciation expense	13,397,918	11,224,730
Taxes	17,809	20,389
Total operating expenses	174,053,880	168,565,312
OPERATING MARGINS BEFORE FIXED CHARGES	10,276,355	3,524,968
FIXED CHARGES		
Interest on long-term debt	7,019,301	5,086,459
Other interest	532,208	106,446
Total fixed charges	7,551,509	5,192,905
OPERATING MARGINS AFTER FIXED CHARGES	2,724,846	(1,667,937)
G&T AND OTHER CAPITAL CREDITS	5,353,131	4,172,367
NET OPERATING MARGINS	8,077,977	2,504,430
NON-OPERATING MARGINS (LOSS)	915,287	10,872
NET MARGINS BEFORE TAXES	8,993,264	2,515,302
INCOME TAX BENEFIT	1,307,142	914,144
NET MARGINS FOR THE YEAR	\$10,300,406	\$3,429,446



CONNECTED TO YOUR COOPERATIVE

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 and affairs of the electric distribution cooperative. Directors are elected at the Annual Membership Meeting held in June. Each director serves a term of three years and represents one of three geographical areas. Please review Singing River Electric's bylaws at singingriver.com for information on board candidacy and elections.

KRISTAL SISSON

PRESIDENT, Educator, District 3

TRAVIS BAXTER

VICE PRESIDENT, Retired Shipyard Supervisor, District 2

CARY E. WILLIAMS

TREASURER, CPA/Financial Planner, District 1

EDWARD H. THORNTON

SECRETARY, Retired Business Owner, District 3

HOWARD DAVIS

COOPERATIVE ENERGY BOARD REPRESENTATIVE, Retired Civil Engineer, District 3

ROY GRAFE

Retired Mechanical Engineer, District 2

STANLEY R. BUSBY

Greene County Employee, District 1

MARK W. LASALLE

Biologist, District 3

ROBERT STEELE

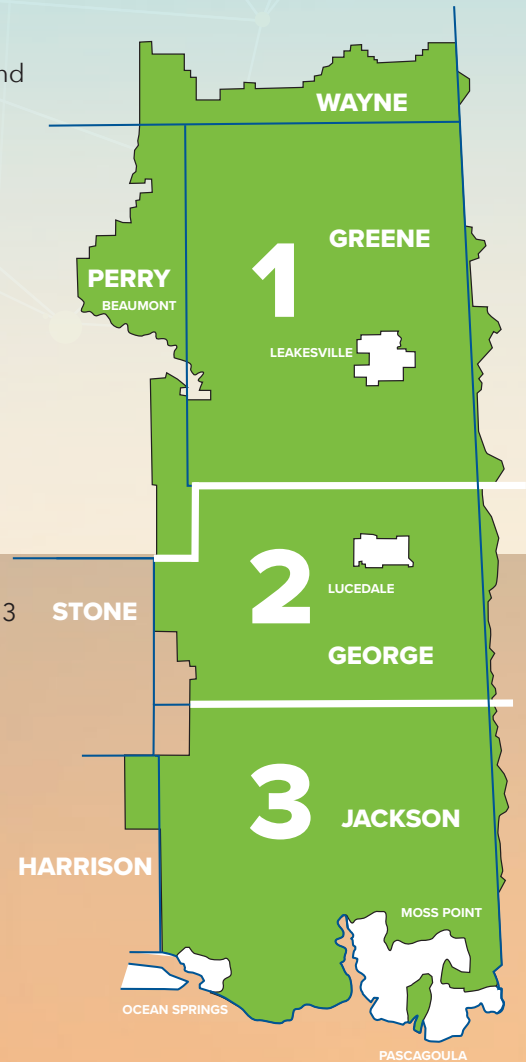
Retired Business Owner, District 1

RONALD R. WILSON

Retired Shipyard Director and Engineer, District 2

AMANDA SEYMOUR

Board Attorney



MANAGEMENT STAFF

BRIAN HUGHEY • General Manager and CEO

JEFF CATLETT • Sand Hill District Manager

STEPHANIE CHISHOLM • Executive Assistant

TOM DAVIS • Director of Engineering

NICK DEANGELO • Manager of Business Operations

JASON HAVARD • Safety Manager

TAMMY HULTZ • Chief Financial Officer

JOHN MASON • Manager of Engineering

AMANDA PARKER • Manager of Public Relations & Marketing

ROBB SMITH • Manager of Information Technology

COURTNEY WEATHERFORD • Manager of Human Resources

COOPERATIVE AFFILIATES



WHOLESALE POWER
PROVIDER



STATEWIDE TRADE
ORGANIZATION



NATIONAL SERVICE
ORGANIZATION



NATIONWIDE
ALLIANCE

SEVEN COOPERATIVE PRINCIPLES

Electric cooperatives, like Singing River Electric, exist to serve their members. Our priority is to provide affordable, reliable energy to our local communities. Because we are led by the members we serve, we can evolve to meet the community's needs, like creating a fiber internet subsidiary to provide high-speed internet in rural areas. As a cooperative, Singing River Electric operates by the seven cooperative principles.



VOLUNTARY AND OPEN MEMBERSHIP

1ST PRINCIPLE



EDUCATION, TRAINING AND INFORMATION

5TH PRINCIPLE



DEMOCRATIC MEMBER CONTROL

2ND PRINCIPLE



COOPERATION AMONG COOPERATIVES

6TH PRINCIPLE



MEMBERS' ECONOMIC PARTICIPATION

3RD PRINCIPLE



CONCERN FOR COMMUNITY

7TH PRINCIPLE



AUTONOMY AND INDEPENDENCE

4TH PRINCIPLE



CONNECTED FOR 85 YEARS

Most cooperatives are formed the same way - there is a need in the community for a service or product, and residents step up to the task. That is what happened 85 years ago.

Farms and homesteads in rural south Mississippi were struggling to work without electricity, while those in the incorporated areas had power and lights. A small group gathered at the George County Courthouse on August 31, 1938, to form an electric cooperative called Singing River Electric to power their lives and their community.

Today, not only does Singing River Electric light homes, businesses, farms, and streets, but we also create jobs and fuel economic growth for all communities and cities served. Singing River Electric employees have restored power at home, across the state, and across the southeast following storms. In recent years, employees have adapted to new technology, a pandemic, and expanded fiber internet responsibilities.

As an electric cooperative, we are grateful to those community members in 1938 and attribute Singing River Electric's success to our members and our employees, both current and retired.

1938 - 2023



SINGINGRIVER.COM



SINGINGRIVERCONNECT.COM

