



# CHANGING Landscapes

# 22

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2022 BALDWIN EMC  
ANNUAL REPORT





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BY THE NUMBERS

2022

**180,629**

hours worked safely

**8,857**

hours of training  
for employees

**183,733**

calls answered in  
Call Center

**10,356**

field equipment  
inspections

**2,762**

new services

**706**

poles changed out

**13**

new employees

**656**

hours of community service  
from employees

**611**

miles of vegetation cleared

**1,550,019,482**

megawatt hour sales

**\$6 million**

in capital credit refunds

A photograph of two construction workers in high-visibility yellow vests and white hard hats working on a large piece of machinery. One worker is in the foreground, leaning over a wooden beam, while the other is slightly behind him, also working on the machinery. The machinery has a 'DANGER' warning label and the text '1000358C08 15A' and 'H1B' visible. The image is partially obscured by a dark, diagonal overlay on the right side.

**2022**

# HIGHLIGHTS AND MILESTONES

Baldwin EMC hosted two blood drives in 2022, with a total of 189 pints collected for LifeSouth Community Blood Centers and our local hospitals.

Chief Executive Officer Karen Moore received the Cooperative Communicators Association's CEO Outstanding Communicator Award.

The Baldwin Electric Membership Charitable Foundation awarded 20 college scholarships to local students for the 2022-2023 school year.

Baldwin EMC employees Lee Drake, Brad Wilson and Bernardo Espinoza were presented with the co-op's Power and Hope awards, in recognition of their heroic actions, which saved three lives.

Carolyn Doughty of Gulf Shores was appointed to represent District 7 on Baldwin EMC's Board of Trustees, after the passing of Jimmy LaFoy.

Baldwin EMC crews provided mutual aid assistance to cooperatives in Georgia following Winter Storm Izzy, and in Florida following Hurricane Ian.

Thirty-six local teachers and school faculty members received Star Light Award grants from Baldwin EMC's Operation Round Up program, to fund creative and innovative projects in their classrooms.

Baldwin EMC's advanced metering infrastructure surpassed \$10.7 million in operational savings for the co-op.

The co-op began developing a 49-acre site in Summerdale to serve as a base camp for contractors and co-op crews after a major hurricane.

Baldwin EMC scored a 93 on the American Customer Satisfaction Index, marking more than a decade of scores at 90 or above.

Twelve Baldwin EMC employees participated in the inaugural Co-op versus Co-op Softball Tournament, created by Southern Pine Electric to support the Fallen Linemen Foundation.





KAREN MOORE  
*Chief Executive Officer*



MARK INGRAM  
*Vice President  
Corporate Services  
& Public Relations*



ALAN SCHOTT  
*Vice President  
Finance & Accounting*



JODY TAYLOR  
*Vice President  
Operations*



STEVE IRVIN  
*Vice President  
Engineering*

BALDWIN EMC HAS DEEP  
ROOTS IN THIS COMMUNITY,  
AND IT'S FROM THOSE  
ROOTS THAT WE CONTINUE  
TO MOVE UPWARD AND  
FORWARD.

**executive staff**

leadership





**DISTRICT 1**  
CHAD GRACE



**DISTRICT 2**  
JOSEPH COLEMAN  
*Secretary/Treasurer*



**DISTRICT 3**  
AUBURY FULLER



**DISTRICT 4**  
TOMMIE WERNETH  
*Vice President*



**DISTRICT 5**  
ROBERT KAISER



**DISTRICT 6**  
PEGGY VANOVER BARNES  
*President*



**DISTRICT 7**  
CAROLYN DOUGHTY

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**board of directors**

A Message From Your  
Board President

# GROWING ON FERTILE SOIL



**Peggy Vanover Barnes**  
*Baldwin EMC  
Board President*

Baldwin County was founded on good soil. The farmers who settled in this area hundreds of years ago knew it. Today, the business owners, real estate developers and community leaders who are building homes and businesses here have realized the same thing. This area is good for growth.

Eight decades ago, Baldwin EMC's founders had a vision that many others overlooked. They saw the promise this area held and knew electricity was the key to unlocking it. And so, they put their time, their hard-earned money, and their love for growing things to use in making that vision for an empowered community a reality.

Generation by generation, they've handed down the desire to have this co-op play a role not just in providing power, but also helping communities to grow and thrive. And now the seed they planted so many years ago lives with us.

As Baldwin EMC's Board of Trustees, it's our job to cultivate this cooperative's growth with an eye on the ever-changing landscape before us.

So, what does that landscape look like? It looks like growth, and lots of it. By July of this year, Baldwin EMC was already on track to surpass our growth for 2022. Over the next five years that rapid pace is likely to continue. Baldwin EMC's distribution system may soon exceed 100,000 meters. That's nothing short of impressive for a co-op that began with just over 200 meters.

Growth like that can't be taken lightly, and planning for it is an essential part of our strategic objectives. The challenges and opportunities that may come because of our area's rapid development are shaping our conversations about system upgrades, staffing needs, and changing member expectations.

Fortunately, adapting to growth is nothing new for Baldwin EMC. That's how we've managed to keep our doors open for the past 86 years. Decades of sound business practices - decisions that start in the Baldwin EMC board room and are carried out by the co-op's employees - have protected us and will continue to as we move forward.

Growth can be intimidating, but it's nothing to be afraid of if you plan for it. Just like our grandparents and great-grandparents relied on the knowledge handed down to them to grow their livelihoods from the ground up, we're relying on eight decades of experience, training, and preparation to grow this co-op in the same way.

Together, we will cultivate a fruitful future.

GENERATION BY  
GENERATION, THEY'VE  
HANDED DOWN THE DESIRE  
TO HAVE THIS CO-OP  
PLAY A ROLE NOT JUST  
IN PROVIDING POWER,  
BUT ALSO HELPING  
COMMUNITIES TO  
GROW AND THRIVE.



# GROWING FROM OUR ROOTS



**Karen Moore**  
*Baldwin EMC*  
*Chief Executive Officer*

One of the things that makes Baldwin EMC's service territory so beautifully unique is its diversity. Not many co-op's can say they serve 32 miles of white sand beaches AND thousands of acres of lush timberland. It's been very refreshing to watch as both our woodlands and beaches rebound after taking such a hit from Hurricane Sally three years ago.

Of course, some of that regrowth is only just beginning. The hurricane took down trees that had been around for decades, and it will be decades before new ones reach the same level of growth. But there is work going on that we can't see, as roots take hold and begin to work their way above ground.

Much like those trees, Baldwin EMC has deep roots in this community, and it's from those roots that we continue to move upward and forward. They are firmly planted in our commitment to viewing every decision, every challenge, and every opportunity through the lens of our members' needs.

In 2022, Baldwin EMC continually kept an eye on how those needs and expectations are changing. For example, last year, interest in renewable energy and options for electric vehicle charging was higher than what we've seen in the past. This means more than ever Baldwin EMC must be a trustworthy resource that can help our members make well-informed decisions about their energy use.

And as many new subdivisions, grocery stores, manufacturing plants, and yes, electric vehicles came into our area last year, the demand for energy rapidly increased.

Fortunately, we've never taken a wait and see approach to providing power. Decades of diligent planning has put us in a good position from both a supply and infrastructure standpoint to handle the needs of a booming population.

That's the strategy we live by at Baldwin EMC: always moving forward while staying true to our roots. Maintaining this balance has sustained us through several years of unprecedented changes and will continue to help us stand the test of time.

Thank you for standing with us. And thank you for being a member.



THAT'S THE STRATEGY  
WE LIVE BY AT  
BALDWIN EMC: ALWAYS  
MOVING FORWARD  
WHILE STAYING TRUE  
TO OUR ROOTS.





## GROWTH AND PROJECTIONS

# 2022

# POPULATION GROWTH 2010-2022

## BALDWIN COUNTY'S POPULATION:

- 30.4% growth from 2010 - 2022
- Over 63% growth since 2000
- Expected to surpass 250,000 people by 2025

All of the top four fastest growing cities in Baldwin County (Loxley, Summerdale, Orange Beach and Spanish Fort) are completely or partially served by Baldwin EMC.

Baldwin County leads the State of Alabama for incoming migration, with more than 8,000 in 2021 alone.

Baldwin County is the fastest-growing and now fourth-largest county in Alabama.

*BALDWIN  
COUNTY  
30.4 %*

*ALABAMA  
3.7 %*

*UNITED  
STATES  
8.4 %*

*(source: Baldwin County Economic Development Alliance)*



# **BALDWIN EMC BREAKS GROUND**

**with Economy-Changing  
Businesses**



The good soil you'll find in Baldwin County has allowed for growth and expansion throughout the area. Existing businesses can flourish, and new businesses are able to plant their roots and begin a new chapter. When these companies grow or move into Baldwin County it benefits our community. It helps boost the economy, creates more jobs and it gives people more opportunities. But without one key nutrient, none of these businesses would even exist, much less flourish. That key nutrient, electricity.

In 2022, two major businesses broke ground on Baldwin County's fertile soil, with Baldwin EMC there to provide the key nutrient. In October, construction began on the Novelis facility in Bay Minette. Baldwin EMC is powering the job site as work to bring the company's blueprint into reality continues.

Before Novelis broke ground, work on the ALDI Distribution Center facility started. Baldwin EMC was able to provide power during the construction portion of this project, as well, and is still their electric provider now that they are open. Combined, both businesses can provide over 1,100 jobs.

Baldwin County Public Schools began work on their new school, Baldwin Preparatory Academy, in August 2022. Baldwin EMC has been a part of its construction since the very beginning and will be there once the students arrive and even after they graduate and go on to find their own careers.

Baldwin EMC is committed to Baldwin County. It's a co-op that's committed to its community, and it's a co-op that will be there from beginning to end to ensure all needs are met. It's not about adding more meters for Baldwin EMC. It's about investing into the

place we call home, and into the people we call members. We want to see Baldwin County flourish, and we put our all into providing that key nutrient to ensure the county thrives today and for years to come.



# SYSTEM PEAKS IN 2022

FOR AN ELECTRIC UTILITY COMPANY  
LIKE BALDWIN EMC, WE MEASURE  
THE DEMAND ON OUR SYSTEM BASED  
ON OUR “PEAK,” OR THE MAXIMUM  
AMOUNT OF ELECTRICITY USED  
DURING A SPECIFIC TIMEFRAME.

These peaks determine Baldwin EMC’s future costs of power. So, when the peak goes up, so does the cost.

In 2022, Baldwin EMC’s peak broke a four-year-old record, when it reached 442 megawatts on December 24. The previous record was 420 megawatts, which occurred in 2018.

## **What’s leading to increases in our peak?**

“Several new residential and commercial developments, like subdivisions, apartment complexes, gas stations and restaurants came into our service area in 2022,” says Steve Irvin, Baldwin EMC’s vice president of engineering. “Every time we expected the development in our area to slow down, it didn’t. And as we’ve moved into 2023, that system growth has continued.”

Fortunately, Baldwin EMC’s long-term planning has made it possible for the co-op to maintain reliability, even when the demand for electricity is higher than ever, with no signs of slowing down.

2018  
**420**  
MEGAWATTS

2022  
**442**  
MEGAWATTS

**RECORD BREAKING**





## RELIABILITY IN 2022

In 2022, Baldwin EMC's reliability rating stood strong at 99.99%.

### But how do we know?

We determine the reliability of our electric service using the "System Average Interruption Duration Index," or SAIDI. This is a complex, but dependable way of measuring how well our power distribution system can be expected to perform.

Each month, Baldwin EMC calculates the total duration of all the power outages we experienced during the month, multiplied by the number of meters affected. Then we divide it by the total number of meters we served in that month, which gives us our monthly SAIDI rating.

In 2022, the average duration of power outages was approximately 68 minutes and 52.44 seconds, or 1.1479 hours per meter. Since there are 8,760 hours in a year, we can determine that on average, our members' power flowed without interruption for 8758.8521 hours, or **99.99%** of the year.

**TOTAL  
DURATION  
OF POWER  
OUTAGES**



**NUMBER  
OF METERS  
AFFECTED**



**TOTAL NUMBER  
OF METERS  
SERVED**

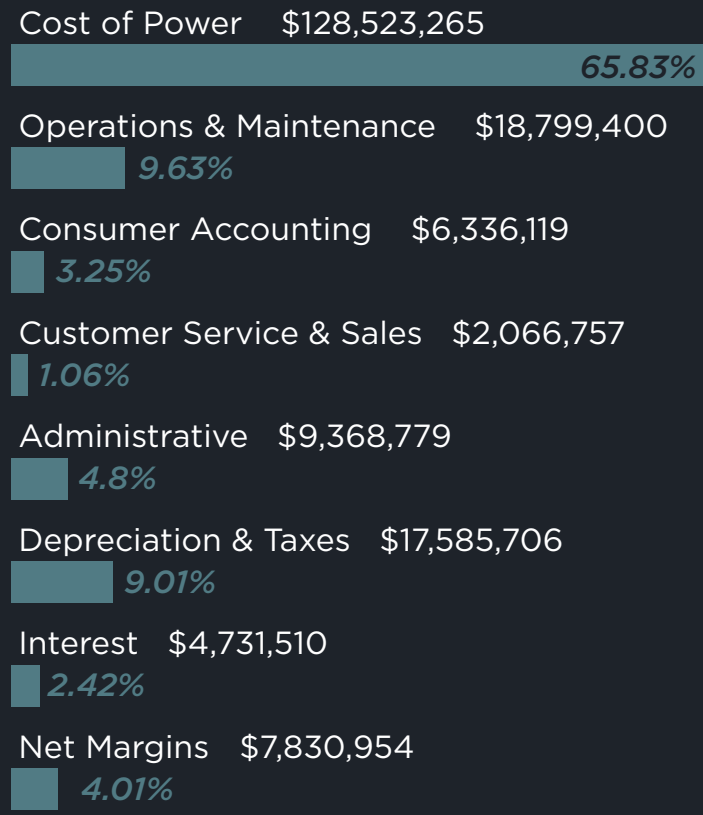


**SAIDI  
RATING**

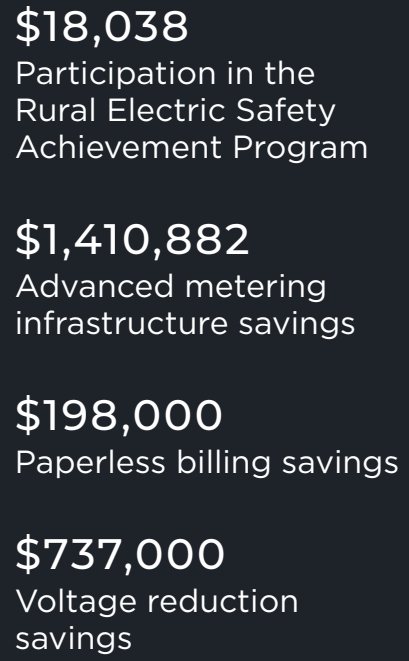


2022

## HOW WE SPENT YOUR DOLLAR



## HOW WE SAVED YOUR DOLLAR



An aerial photograph of a large industrial or commercial building with a white roof, surrounded by parking lots and greenery. The building has several large windows and a flat roof. There are several cars parked in the lots, and some trees are visible around the perimeter.

# BALDWIN COUNTY ELECTRICAL MEMBERSHIP CORPORATION

## FINANCIAL REPORT

*This is a condensed version of Baldwin EMC's complete financial report. Any member who wishes to review the full audit report may do so by contacting the chief executive officer.*

### STATEMENT OF OPERATIONS

#### OPERATING REVENUES

	CALENDAR YEAR 2022	CALENDAR YEAR 2021
Electric sales revenue	189,417,881	\$ 167,817,266
Other electric revenue	2,417,378	7,306,366
TOTAL OPERATING REVENUES	\$ 191,835,259	\$ 175,123,632

#### OPERATING EXPENSES

Cost of Power	\$ 128,523,265	\$ 111,252,236
Variable expenses	40,646,929	36,452,908
Depreciation	13,509,832	12,871,679
Interest on debt	4,731,510	5,104,049
Total Operating Expenses	\$ 187,411,536	\$ 165,680,872

#### MARGINS

Operating margin	4,423,629	\$ 4,454,200
Capital Credit & Patronage Capital Allocation	3,298,748	2,959,012
Non-operating margin	108,575	5,186,603
TOTAL MARGINS	\$ 7,830,952	\$ 12,599,815

## BALANCE SHEET

### ASSETS

	CALENDAR YEAR 2022	CALENDAR YEAR 2021
Net plant investments	\$ 236,599,675	\$ 234,879,995
Long-term investments	74,078,347	71,255,474
Cash and temporary investments	5,536,088	7,389,545
Accounts receivable	14,067,891	33,978,202
Unbilled revenue	13,039,644	9,364,160
Materials and supplies	10,819,893	8,858,094
Other assets	848,263	158,016
Deferred charges	6,104,828	1,166,200
<b>TOTAL ASSETS</b>	<b>\$ 361,094,629</b>	<b>\$ 367,049,686</b>

### LIABILITIES & EQUITIES

	CALENDAR YEAR 2022	CALENDAR YEAR 2021
Long-term debt	\$ 134,481,974	\$ 142,775,497
Consumer deposits	8,516,985	8,012,881
Accounts payable	25,283,143	20,004,970
Other liabilities	31,934,337	41,946,571
Deferred credits	837,192	689,689
Memberships	339,475	329,630
Member equity	159,701,523	153,290,448
<b>TOTAL LIABILITIES AND EQUITIES</b>	<b>\$ 361,094,629</b>	<b>\$ 367,049,686</b>



**BALDWIN**



Your Touchstone Energy®  
Cooperative 

19600 State Highway 59

P.O. Box 220

Summerdale, Alabama 36580

(251) 989-6247

This institution is an equal opportunity  
provider and employer.



BaldwinEMC.com