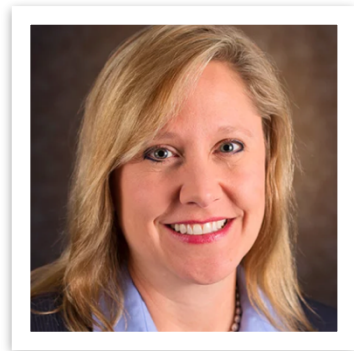


Board Chair's Report

Walton EMC Annual Meeting

June 18, 2022

I'm Dawn Taylor, your Walton EMC director who represents the Five Forks/North Snellville district. I'm also honored to serve as chair of the cooperative's [board of directors](#). As board chair, it's my responsibility to update you on the health and status of your cooperative over the past year.



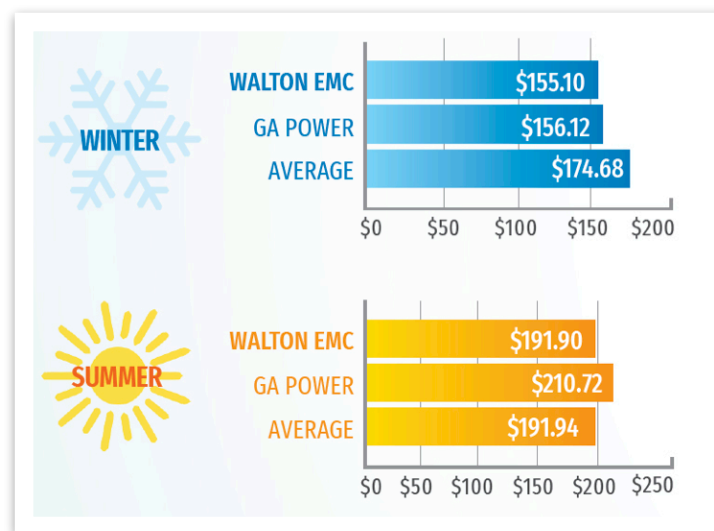
Dawn Taylor, Board Chair

I'm happy to say that Walton EMC is in good standing both financially and operationally.

Of course, besides being a board member, I'm also a customer-owner like you. As customer-owners, we want what we pay for power to be reasonable. We also want our electricity to be available anytime we need it. Both were achieved during the past year.

What You Pay for Power

Walton EMC's rates continue to be below average for both Georgia and the United States. In the latest [summer](#) and [winter](#) Georgia Public Service Commission Electric Rate Surveys, our rates are just below the state average in the summer and well below the state average in the winter. We're also below Georgia Power's rates in both winter and summer.



Nationally, Georgia continues to have rates that are also well below average. Fortunately, we don't experience sticker shock like consumers in New York, who pay almost 22 cents, or consumers in California, who pay almost 26 cents per kilowatt-hour. Georgia's consumers generally pay less than half of those rates.

According to the U.S. Energy Information Administration, the [average price of residential electricity in February 2022](#) nationally was 13.83 cents per kilowatt-hour, with our state coming in below that at 11.9 cents per kilowatt-hour.

Your board and employees work very hard to keep rates down. That's why we try to be as efficient and competent as possible as we go about our jobs. We steward every dollar as if it was our own. We realize that every dollar of your family's budget is important.

What about Walton EMC's electric rates looking forward? Our CEO has an outlook in his [report](#).

Again in 2021, we issued a capital credit refund, this one totaling \$9 million. Because Walton EMC is a cooperative, and the customers own the company, it makes no sense to show a profit. After all the bills are paid, we return the leftover to you. The 2021 refund brings the all-time refund total to \$126 million.

Please [see our annual report](#) for more financial information.

Service and Reliability

Our reliability continues to be greater than 99.99 percent. In practical terms, that means very few of us experienced a lengthy power outage during the last year. When you flip the switch, the lights come on.

One reason is our extensive power line right-of-way maintenance program. Tree crews continuously trim across our service area keeping lines clear and helping prevent or reduce the number one cause of outages – trees and tree limbs. If crews ask to trim trees on your property, please cooperate with them.

When the power did go out, it was restored quickly.

That's because our offices and employees are located close by. Our locations at Snellville, Monroe and Watkinsville allow crews to respond quickly to all parts of our territory. Other power companies routinely dispatch crews from other cities dozens of miles away to react to outages.

Our dedicated employees are always on call, 24 hours a day, 365 days a year. They are there when you need them.

The Cooperative Spirit

I've already mentioned that Walton EMC is a cooperative business. A couple of unique characteristics of co-ops are that they are owned, as well as run, by their customers.

We operate by a set of [seven principles](#). One of those principles is “Concern for community.” After meeting your electric power needs at a reasonable price, serving our community is high on our list of priorities.

Your cooperative continues to make a dramatic impact in the communities it serves.

In 2021, [we donated more than \\$2.7 million](#) to worthy causes. These donations include scholarships, education grants, charitable giving, and emergency assistance.

Through our [School EmPOWERment Grant](#) program, we gave \$294,565 to public and private schools throughout our 10-county service area. This money allows schools to buy equipment and fund programs that are not covered by their regular operating budgets. This money comes from unclaimed refunds.

Another \$569,112 went to worthy organizations and individuals through [Operation Round Up®](#). Included are groups that carry out vital social services and individuals in dire circumstances. These funds come from customer-owners rounding up their bills to the next dollar.

I hope you are as proud as I am of the great work your cooperative does in the community. You play a vital part in making this essential assistance possible.

It's the People

Your cooperative isn't buildings and equipment. It's not power lines or substations. Those items are generic.

Your cooperative is the people. Talented people. Caring people. Without them, there would not be a Walton EMC.

Our people work smart *and* hard. What motivates them to be exceptional is their mission. It's different than most companies. It's not selling something or making a profit. It's serving you to meet your needs.

Let me take this opportunity to thank each one of them for their dedication to getting the job done and to serving every customer-owner in the best way they know how.

In Conclusion

Your board of directors values the trust you place in us to guide and direct your electric cooperative.

We are always open to comments and suggestions on how the board, as well as our entire organization, can improve the service you receive. Please don't hesitate to contact us.

I appreciate your time, attention and interest in reading this update.