

# POWERing On

When I came to Walton EMC as a system engineer in 1989, we served 60,000 customers and maintained 3,400 miles of power lines. The number of members and the amount of wire on Walton EMC's system has since more than doubled.

In that same time period, Walton EMC has also become one of the country's most innovative and respected electric cooperatives. Experiencing massive growth, developing a resourceful renewable strategy and negotiating power contracts has given me perspective and insight to sustain our position as an industry leader.

Before I update you on the state of our cooperative, I want to thank my wife Melanie for supporting my role at Walton EMC. I also thank my daughters and grandchildren, who inspire me to give my best every day. I appreciate the board's confidence in me and will make sure our services remain safe, affordable, reliable and customer-focused.



**RON MARSHALL**  
President/CEO

# POWERing Through

*Walton EMC faced many challenges in 2022, but we're powering through to ensure your electricity's continued reliability and affordability.*

## DEEP FREEZE

On December 24, 2022, at 10:15 a.m., we notified all customer-owners that the electrical system in Georgia was experiencing distress due to sustained freezing temperatures. We warned that small groups of consumers might experience short-term power interruptions.

Walton EMC joined electric co-ops across the state in implementing measures to ensure the integrity of the electric grid during this unprecedented weather event.

You played a vital role in helping us reduce electrical demand. Your cooperation helped us avoid widespread service interruptions. The co-op experienced only sporadic interruptions across the system, including one event affecting a limited number of customer-owners in Oconee County. To those affected, I understand this was inconvenient and appreciate your patience and understanding as we worked to deliver your electric service. The distribution system as a whole, however, performed very well under these extreme conditions.

## SUPPLY CHAIN SHORTAGES

Like the rest of the world, Walton EMC's operations continue to be impacted by ongoing pandemic-related interruptions in the supply chain. We continue to face difficulties obtaining the products we need to carry out our daily operations.

One of the biggest concerns is the extended lead times for essential items such as transformers and vehicles. It has become increasingly common for sellers to offer delivery timelines that extend beyond months and stretch into years. We are constantly checking our inventory, maintaining our current assets, and finding innovative ways to use our existing equipment.

## WORKFORCE CHALLENGES

Hiring, training and maintaining educated and experienced employees is the foundation of every successful company — and Walton EMC is no different. Over 10% of Walton EMC's workforce has retired in the past two years. A rate that will likely continue for the next several years. We have developed a sound succession plan to address the increase in retirements. Amid some of the challenges we've discussed, our cooperative stands committed to employing and promoting talented and customer-focused individuals to help us accomplish our mission to provide reliable and affordable electric service.



You played a vital role in helping us **reduce electrical demand.**



**Over 10%** of Walton EMC's workforce has retired in the past two years.

# POWERing Up

*As Georgia continues to recover from the pandemic, your cooperative is expertly handling the demands of explosive growth.*

## POPULATION BOOM

The secret is out that Georgia is a great place to live! Census Bureau statistics updated in March showed that Georgia's population has grown by nearly 200,000 people just since 2020.

Walton EMC's service area is a favorite among the newcomers. Newly constructed homes and businesses are a common sight throughout Gwinnett, Walton and Oconee counties. In our once primarily rural service territory, cattle pastures and barns have been traded for neighborhoods and commercial areas.

In direct correlation with the building boom, the number of new member-owners joining our cooperative has risen. Walton EMC has added 6,000 new residential members since 2018.

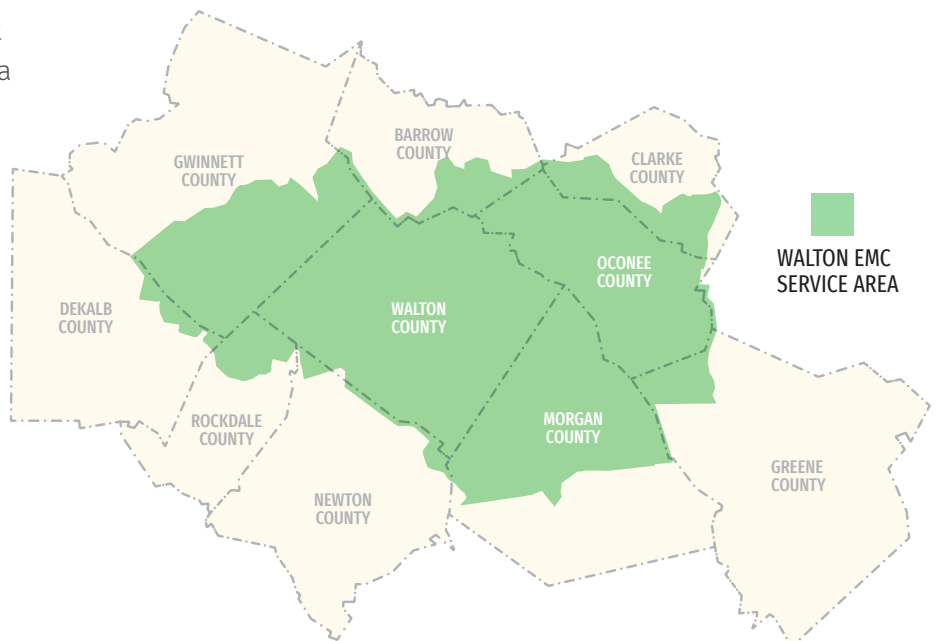
## MEETING DEMAND

As the population grows, so does the demand for electricity. The U.S. Energy Information Administration reports that total U.S. electricity consumption in 2022 was the highest amount recorded and 14 times greater than electricity use in 1950. Walton EMC's statistics track closely with the national trend.

But there's more to the demand story at Walton EMC. Although the typical Georgia household now uses less energy for air conditioning, appliances and consumer electronics due to improvements in efficiency, the state's existing electricity generation facilities are being pushed to their limit due to overall growth. Many of these generation plants became operational in an era when there were fewer people and less demand in our state.



Walton EMC has  
**added 6,000 new  
residential customers**  
since 2018.



# POWERing Forward

*Your cooperative continues to move forward to meet our mission of delivering reliable, affordable electricity for members' homes and businesses.*

## NEW GENERATION

The increasing demands on our power generation and distribution system come as no surprise to your cooperative leadership and management. We have been making plans and taking action for many years to ensure the ongoing reliability and affordability of your electricity.

The most significant among these plans is our investment in new nuclear power units at Plant Vogtle. As I write this report, Vogtle 3 is scheduled to go into service any day. Vogtle 4 has an early 2024 connection date targeted. Once operating, these additions will power more than 500,000 homes and businesses with carbon-free energy for the next 60 to 80 years. In addition, we have contracted for capacity from several additional natural gas fired generating units. These units are needed for both the increased capacity as well as balancing the intermittent operation of renewable resources.

But this additional energy capacity comes at a cost. It is a significant challenge to navigate the constant change in the current energy environment. Rest assured, however, that our Board of Directors and Staff are always balancing the need for additional resources with having affordable rates.

## FOR TODAY, FOR TOMORROW

All Walton EMC customer-owners have the realistic expectation that the lights will come on when they flip a switch. They also want to pay a fair price for that power.

Even though Walton EMC faced a challenging year in 2022, it was still a year of progress on many fronts. We navigated myriad complexities and challenges to successfully fulfill our promise to deliver reliable, affordable electricity to members' homes and businesses.

I speak for every Walton EMC employee in saying we are dedicated to doing the necessary, hard work to ensure your cooperative continues to be a valued utility. We want to be here for you today — and for the many tomorrows to come.



Plant Vogtle additions will **power more than 500,000 homes and businesses** with carbon-free energy for the next 60 to 80 years.