

# *Energizing* Our Students for a Brighter Future





**Jeremiah E. Vaigneur**

Chairman of the Board

**A. Berl Davis Jr.**

President and  
Chief Executive Officer

community. Operation Round Up® passed the \$10 million mark in lifetime funds raised to support educational scholarships and basic community needs such as food, shelter, clothing and healthcare necessities. The thanks belong to you; our members have generously rounded up their utility bills each month to the next highest dollar to enable this community support.

We also were able to return more than \$3 million in Capital Credits to our members last year as well as support economic development by giving utility tax credit grants of \$429,222 to Hampton County and \$200,000 to the Town of Bluffton. These grants will help county leaders attract new and innovative industries interested in expanding or moving their operations into our area. Giving utility tax credit grants is one example of how we proactively work to bring good jobs and capital investments to our service area.

We continued our partnership with Palmetto Electric Rural Telephone Cooperative to further expand fiber installation to bring high-speed internet access to even more members in rural Jasper and Hampton counties via PalmettoLink. PalmettoLink also greatly benefits local students by bringing high-speed internet access directly into their homes, eliminating the struggles of downloading homework assignments, completing web research and participating in Zoom calls.

All of this good news was topped off with a vote of confidence from our members. Palmetto Electric scored a 90 on the American Customer Satisfaction Index Survey, placing our cooperative in the 95th percentile of member satisfaction of the cooperative's products and services. What a wonderful way to summarize our achievements together in 2023!

One of the best ways we can support our children is by supporting the activities and teachers that bring energy to their educational experience. Whether that be through funding student scholarships, teacher grants or student trips, there are a myriad of ways Palmetto Electric Cooperative is committed to providing funding of educational initiatives. After all, our young people will shape the future of our area and our cooperative, so now is the time to pour resources into them, helping them achieve new heights in educational and community service pursuits.

We were able to continue our support of students at all levels in the K-12 education system through programs that we have faithfully sponsored for many years, including the enLIGHTenSC Book Challenge for elementary students, the Cooperative Youth Summit, the Washington Youth Tour and the opportunity for its high-school participants to win an R.D. Bennett Community Service scholarship, Bright Ideas grants for teachers, and WIRE scholarships. We continued to support extracurricular activities such as the Touchstone Energy® Bowl for high school football players and Virtual Safety Days electrical education programming for elementary students.

There were some happy surprises last year. For the second year in a row, some of our students took home an award for their writing and illustration of a winning book in the EnLIGHTenSC Children's Book Challenge on the theme of the impact of electricity in their lives. We are thrilled that for the first time, not only did two of our fifth graders take home first place in the local competition but also secured the number one spot in the statewide competition. We were also extremely pleased that one of our students won a podcast competition that was part of the Cooperative Youth Summit and another one of our students earned the R.D. Bennett Scholarship affiliated with the Washington Youth Tour.

Last year marked some milestones in our membership area and local

A handwritten signature in blue ink that reads "Jeremiah E. Vaigneur".

Jeremiah E. Vaigneur

A handwritten signature in blue ink that reads "A. Berl Davis Jr.".

A. Berl Davis Jr.



# Energizing Our Students for a Brighter Future



A solid education is one of the main components of a thriving society. Education leads to higher-paying jobs and financial security, enables better life management skills, creates stability and self-reliance, and provides equality between socio-economic classes. As Benjamin Franklin once said, “An investment in knowledge pays the best interest.” Those are some of the reasons we highly value education for the students in our membership area encompassing southern Beaufort, Hampton and Jasper counties. An educated and informed citizenry is locally beneficial but also is critical within our nation and the world at large. At Palmetto Electric Cooperative, we do everything within our power to invest in our students to create a progressively brighter future for them and for society in general.

“I received a Bright Ideas grant by my fresh fruit and vegetable program to introduce students to produce from around the world. We also compared American farming to other countries. The grant was amazing and taught my students how to choose fresh over processed food.” — **David DeLoach**,  
*Ridgeland Elementary School physical education teacher*

## Energizing Students through Scholarships and Grants

2023 was a banner year for Palmetto Electric and our members in so many ways. In 1989, we came up with the idea of asking members to voluntarily round up their monthly electric bill to the nearest dollar so we could help fund local charitable needs. This program, named Operation Round Up®, was soon adopted by electric cooperatives across the nation. Through Palmetto Electric members' generous contributions over the years, we were able to achieve a milestone contribution of \$10 million raised to give to individuals and organizations in our service area to address needs such as food, shelter, clothing, healthcare and education. The funds are administered through Palmetto Electric Trust (PET).

One of Palmetto Electric's regular initiatives—Bright Ideas grants—provides funding to teachers through Operation Round Up so they can implement special educational projects in the classroom. This year, we awarded a total of \$39,360 in grants to local teachers to help them fund innovative projects that fall outside of the normal school budget. These grants helped 46 teachers in 2023. Over the last 20 years, we have administered \$727,799 in grants to teachers. Three teachers from Ridgeland Elementary (*above*), Kenneth Fisher, David DeLoach and Jeffrey Abanto, received grants for their classrooms.

We had an opportunity to sponsor Alex Rosier, a Hampton County High School student, as a delegate to the annual Cooperative Youth Summit. While there, she exceeded expectations by teaming up with two other students to produce an original podcast about how residents of the communities of Swansea and Summerville supported each other after the tragic deaths of local teens. A panel of experienced journalists in our state judged the podcast competition, choosing Rosier's team's podcast as the winner because of its strong writing and storytelling and naming her as one of the three \$5,000 college scholarship winners.

Hilton Head Island High School student Garrett Simons won the \$5,000 R.D. Bennett Community Service Scholarship, offered through his participation in the Washington Youth Tour, for his thoughtful project that partnered with Pockets Full of Sunshine to build and deliver birthday boxes to those facing food insecurity in the three counties Palmetto Electric serves. He delivered 233 boxes full of everything needed to celebrate a birthday to 11 local food banks, using special needs volunteers at his partner organization to create handmade birthday cards and pack boxes. We are proud of Garrett, who met challenges head on, such as finding alternative project funding when his original sources didn't work out. In the process, he doubled both the number of food pantries and the number of birthday boxes he was able to deliver over and above his original goals!



“I'm working on being a team player. I want to see why people think the way they do. If we want to make a difference in our communities, the Cooperative Youth Summit is a really good experience.” — **Alex Rosier**,  
*Cooperative Youth Summit scholarship winner, from Hampton County High School*



“It has been so fulfilling to hear the feedback from how happy the clients are when they receive the boxes and how it meets a need that was not met before.” — **Garrett Simons**,  
*R.D. Bennett Community Service Scholarship winner, from Hilton Head Island High School*



(left to right)  
 WIRE members,  
 Jordan Richardson,  
 Jessica Newton,  
 Missy Santorum,  
 Evette Phillips,  
 Kristin Keller and  
 Ashley Feaster  
 present a \$1,000  
 scholarship to  
 Aiden Wallace.

Each year, Women Involved in Rural Electrification (WIRE), gives a \$1,000 scholarship to a deserving high school senior in our service area who exhibits academic excellence and financial need and whose essay best explains how WIRE funding will help him or her in educational and career plans. We are pleased that last year's scholarship was awarded to Aiden Wallace of May River High School.

## Energizing Students through Educational Opportunities and Training



"I think the book, *The Electric Trail*, impressed the judges because it was innovative and creative with details incorporating how communities connect with power. My students learned about deliberate planning for a long-term project and understood the meaning of perseverance."

— Jennifer Friend-Kerr, Hilton Head Island School for the Creative Arts teacher

While scholarships and grants are an important way we help students and teachers achieve their educational goals, Palmetto Electric also provides opportunities for students to explore civic issues. We are excited to tell you about the achievements of some of our students last year through community-oriented competitions and events such as the enLIGHTenSC Book Challenge. Our staff had the joy of surprising fifth grade students Kaia Bishop and Sawyer Blakley Costello in their classroom at Hilton Head Island School for the Creative Arts by announcing that they were the statewide winners of the 2023 Children's Book Challenge. Their book, *The Electric Trail*, features original illustrations and a storyline about how electricity impacts the lives of two students finding their way back to their classmates after becoming lost during a school field trip. The students split the \$500 cash prize and earned \$150 each for their two teachers by winning both the local and state competitions. They also earned a trip to the South Carolina Statehouse where they got a chance to meet with Representatives Jeff Bradley and Shannon Erickson.



Kaia Bishop and Sawyer Blakley Costello were recognized at the Statehouse in Columbia, S.C. by Representative Jeff Bradley.



The Cover highlights a few of the students in our area that have achieved statewide recognition in 2023 for their accomplishments through the support of Palmetto Electric: (l-r) Jeremiah Curry, Kaia Bishop, Garrett Simons, Sawyer Blakley Costello and Alex Rosier.





Some of our high school students participated in two summer events — the Cooperative Youth Summit and the Washington Youth Tour. Palmetto Electric sponsored three students at each event, providing them with opportunities to meet with legislators and learn about community and government issues. For PEC sponsored students (left to right) Alex Rosier of Hampton County High School, Bella Johnson of Hilton Head Prep and Colin Owen of Heritage Academy as well as ECSC sponsored student Jack Keller of Hilton Head Island High School, the trip to Columbia to participate in the Cooperative Youth Summit was a chance to meet with Gov. Henry McMaster and Representatives Micah Caskey and Russell Ott.

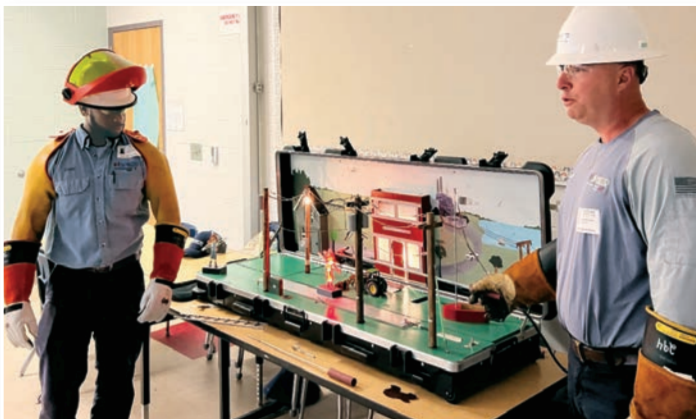
*“I am so grateful to Palmetto Electric for allowing me to be a part of the Washington Youth Tour. My experience was one of the best weeks of my life. I enjoyed visiting the museums the most; I learned so much.” — Olivia Besecker, student of May River High School*

Students (left to right) Garrett Simons and Bryan Ruiz of Hilton Head Island High School and Olivia Besecker of May River High School represented Palmetto Electric at the annual Washington Youth Tour. We sponsored these three students to travel to the nation’s capital to see historical venues and artifacts such as the Declaration of Independence, Arlington National Cemetery, and the National Holocaust Memorial Museum. They also visited with legislators at the U.S. Capitol and participated in an entrepreneurial, student-run store that was set up as a teaching tool to show students how cooperatives operate.



*“The Touchstone Energy® Bowl was an experience of a lifetime, playing the game I love with good competition who loves the game as much as me.” — Zion Dobson, senior football player from Hampton County High School*

*“The Bowl is a great representation for seniors of what being a collegiate student athlete is about, while being a fun experience.” — Jeremiah Curry, senior football player from Bluffton High School*

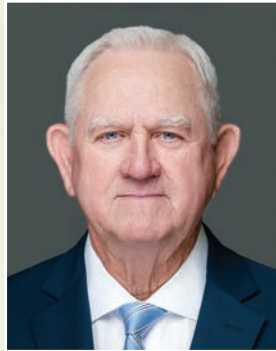


We sent participants to the Touchstone Energy® Cooperatives Bowl for the 10th consecutive year. Three students — Zion Dobson and Ka’von Chisolm of Hampton County High School and Jeremiah Curry of Bluffton High School got a chance to play football for a final time as seniors. It was especially rewarding that running back Zion (number 80) was one of five finalists for the title of 2023 South Carolina Mr. Football competition that was part of the Cooperatives Bowl, with 41 touchdowns in his varsity career.

Since safety awareness remains a top priority, we continued our popular Virtual Safety Days for the fourth year, reaching 47,000 children with electrical safety skills and emergency preparedness information. Students viewed our safety videos almost 15,000 times over the course of three days last July. In addition to online classes and activities, Palmetto Electric hosted in-person electrical safety summer camps for Hampton County Recreation Center, Hilton Head Island Recreation Center, and Thomas Heyward Academy.

*PEC employees Cody Forbes and Donald Cook demonstrate electrical safety to students at River Ridge Academy.*





**Jeremiah E. Vaigneur**  
*Chairman of the Board*  
JASPER COUNTY



**D. Terrell Smith**  
*Vice Chairman*  
HAMPTON COUNTY



**Carolyn Grant**  
*Secretary/Treasurer*  
BEAUFORT COUNTY



**Dr. Earl Bostick Sr.**  
JASPER COUNTY



**Gregory S. Cook**  
HAMPTON COUNTY



**Nicholas T. Gohagan**  
HAMPTON COUNTY



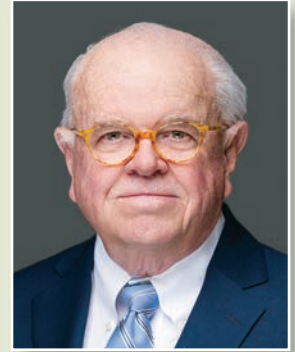
**Alicia Holland**  
BEAUFORT COUNTY



**David C. Howard**  
BEAUFORT COUNTY



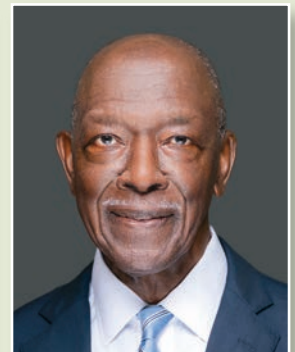
**William J. Nimmer**  
BEAUFORT COUNTY



**James L. Rowe**  
BEAUFORT COUNTY



**Thomas G. Stanley Jr.**  
JASPER COUNTY



**David L. White**  
BEAUFORT COUNTY

Palmetto Electric Cooperative is governed by a policymaking board of 12 directors—six who reside in Beaufort County, three who reside in Hampton County and three who reside in Jasper County. The directors serve terms of three years each, with terms of two directors from Beaufort County and one director each from Jasper and Hampton counties expiring each year. These directors are elected at the Annual Meeting of the members and exercise all of the powers of the Cooperative, except those reserved for the members, according to the bylaws of Palmetto Electric.

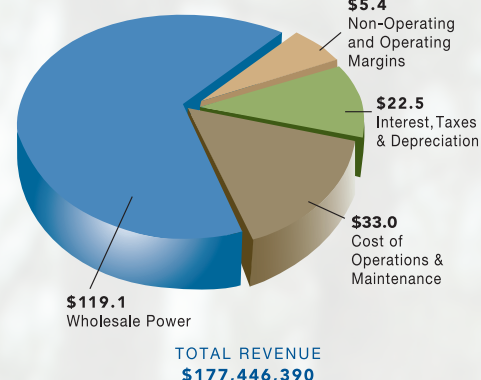
**BALANCE SHEET**

	AS OF DECEMBER 31,	
	2023	2022
<b>ASSETS:</b>		
Total Utility Plant .....	\$ 350,978,955	\$ 319,953,931
Less: Provision for Depreciation .....	119,752,122	112,370,949
<b>Net Utility Plant</b> .....	<b>\$ 231,226,833</b>	<b>\$ 207,582,982</b>
<b>Other Property &amp; Investments</b> .....	<b>23,009,451</b>	<b>20,366,568</b>
Cash—General Fund.....	4,419,931	5,776,192
Temporary Cash Investments.....	-	-
Accounts Receivable.....	9,373,458	8,261,340
Materials & Supplies .....	15,385,050	17,821,300
Accrued Unbilled Revenue.....	10,248,703	10,947,083
Prepayments .....	261,904	255,494
Total Current and Accrued Assets .....	39,689,046	43,061,409
Deferred Charges .....	3,874,695	5,576,048
<b>Total Assets and Other Debits</b> .....	<b>297,800,025</b>	<b>276,587,007</b>
<b>LIABILITIES:</b>		
Memberships.....	\$ 323,385	\$ 318,195
Patronage Capital.....	91,953,566	89,836,777
Other Equities.....	9,006,647	8,867,622
<b>Total Equity</b> .....	<b>\$ 101,283,598</b>	<b>\$ 99,022,594</b>
<b>Total Long-Term Debt</b> .....	<b>124,470,780</b>	<b>102,566,459</b>
Accounts Payable .....	\$ 12,397,165	\$ 17,590,401
Consumer Deposits.....	5,699,844	5,559,840
Other Current and Accrued Liabilities .....	53,948,638	51,847,713
<b>Total Current and Accrued Liabilities</b> .....	<b>72,045,647</b>	<b>74,997,954</b>
<b>Total Liabilities and Other Credits</b> .....	<b>\$ 297,800,025</b>	<b>\$ 276,587,007</b>

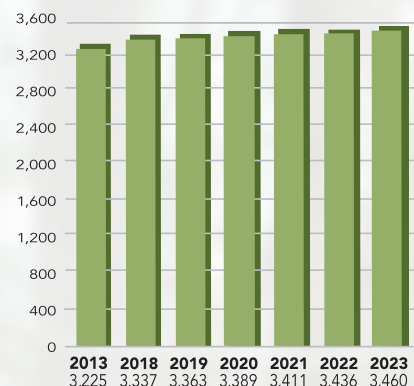
**STATEMENT OF MARGINS AND PATRONAGE CAPITAL**

	AS OF DECEMBER 31,	
	2023	2022
<b>Operating Revenue</b>	<b>\$ 177,446,390</b>	<b>\$ 177,771,237</b>
<b>Operating Expense</b>		
Cost of Power .....	\$ 119,190,017	\$ 124,342,436
Operation and Maintenance .....	13,199,115	11,643,335
Consumer Accounts .....	6,062,946	5,891,662
Administrative and General .....	13,703,853	13,147,084
Depreciation .....	10,543,162	10,155,499
Taxes .....	6,559,060	6,561,055
Interest .....	5,376,748	3,700,457
<b>Total Operating Expense</b> .....	<b>174,634,901</b>	<b>175,441,528</b>
<b>Net Operating Margins</b> .....	<b>\$ 2,811,489</b>	<b>\$ 2,329,709</b>
Non-Operating Margins .....	\$ (681,572)	\$ (892,441)
Patronage Capital from Associated Organizations .....	3,246,831	2,554,188
	2,565,259	1,661,747
<b>Net Margins</b> .....	<b>\$ 5,376,748</b>	<b>\$ 3,991,456</b>
<b>Patronage Capital—Beginning of Year</b> .....	<b>89,836,777</b>	<b>89,872,240</b>
	\$ 95,213,525	\$ 93,863,696
<b>Retirement of Capital Credits</b> .....	<b>3,259,959</b>	<b>4,026,919</b>
<b>Patronage Capital—End of Year</b> .....	<b>\$ 91,953,566</b>	<b>\$ 89,836,777</b>

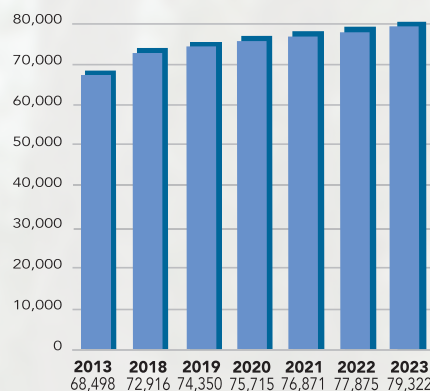
**HOW YOUR DOLLAR WAS SPENT IN 2023**  
(in millions)



**MILES OF LINE**

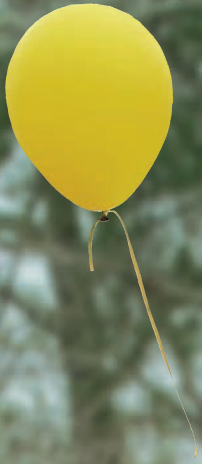


**CONSUMER MEMBER ACCOUNTS**



**KWH / SOLD (Millions)**

Year	KWH / SOLD (Millions)
2013	1,358.6
2018	1,540.3
2019	1,510.0
2020	1,478.5
2021	1,551.7
2022	1,493.0
2023	1,488.0



Your Touchstone Energy® Partner 

For power outages, call: **PowerTouch 1-866-445-5551**

*The Touchstone Energy® symbol is your assurance that we're a community-minded electric cooperative providing high standards of service for customers large and small.*

