

# TENNESSEE'S ELECTRIC CO-OPS

POWERING EVERYDAY LIFE  
FOR RURAL AND SUBURBAN  
TENNESSEE



CONSUMER  
OWNED

Electric co-ops are owned by the people they serve, not by government. Consumers elect directors to represent their interests and set policy and procedures for the co-op.



NOT FOR  
PROFIT

Co-ops serve their communities instead of shareholders. We distribute and sell energy to our consumers at cost and invest excess revenues back into the electric system.



COMMUNITY  
FOCUSED

Electric co-ops work to improve everyday life in our rural and suburban communities. We do this through reliable energy and efforts in education and community development.

## CO-OPS SERVE



**71%**  
OF THE STATE'S  
LANDMASS

**38%**  
OF THE STATE'S  
POPULATION



**2.5 MILLION**  
TENNESSEANS



**1 IN 3**  
HOMES



**84/95**  
COUNTIES

METERS AND  
ENERGY SALES  
BY CLASS

RESIDENTIAL

COMMERCIAL

INDUSTRIAL

PERCENT OF METERS  
PERCENT OF ENERGY SALES

88

57

14

7

1

35

## PROTECTING RATEPAYERS

RESIDENTIAL COST/KWH IS 17%  
BELOW THE NATIONAL AVERAGE

CO-OPS

**11.0¢**  
PER KWH



**13.3¢**  
PER KWH



**17%**  
LOWER

LONG TERM DEBT PER CONSUMER

NATIONAL CO-OP  
AVERAGE

\$2,439.14

TENNESSEE CO-OP  
AVERAGE

\$502.65

## INVESTING IN THE GRID



**\$3.3 BILLION**  
IN TOTAL UTILITY PLANT



**\$107 MILLION**  
INVESTED IN THE GRID IN 2019



**102,623 MILES**  
OF DISTRIBUTION LINES



**99.96 PERCENT**  
RELIABILITY IN 2019



**23**  
CO-OPS



**2,672**  
EMPLOYEES

**\$171 MILLION**  
IN PAYROLL & BENEFITS

## BRINGING HIGH SPEED CONNECTIVITY TO RURAL TENNESSEE

**13 CO-OPS**

WITH ACTIVE BROADBAND  
PROJECTS

**790,000**

LOCATIONS THAT WILL BE  
SERVED BY EXISTING PROJECTS

**\$187 MILLION**

ALREADY INVESTED BY  
TENNESSEE CO-OPS

FOR EVERY \$1 IN GRANT  
MONEY THEY RECEIVE,  
TENNESSEE CO-OPS INVEST  
\$15 OF THEIR OWN CAPITAL

**15X**

GRANT  
MULTIPLIER



The Tennessee Electric Cooperative Association represents Tennessee's 23 not-for-profit, consumer-owned electric cooperatives that provide energy for more than 2.5 million rural and suburban Tennesseans.

## THE COSTS OF POWER

THERE ARE THREE STANDARD PARTS OF AN ELECTRIC BILL



### CUSTOMER CHARGE

A flat fee charged to recover expenses – such as labor and maintenance of the grid – that exist regardless of the amount of energy consumed.

Fixed charge

Applied to residential, commercial and industrial accounts



### ENERGY CHARGE

A variable charge related to the consumption of energy, this recovers the cost of purchasing wholesale power from a supplier.

Variable charge

Applied to residential, commercial and industrial accounts



### DEMAND CHARGE

A ratcheting charge applied to the highest capacity needed by a load on a monthly basis. It recovers the cost of utility assets required to serve larger loads.

Variable charge

Applied to commercial and industrial accounts

## TRUST & SATISFACTION

A RECENT STUDY OF CO-OP CONSUMERS FOUND HIGH LEVELS OF APPRECIATION FOR AND TRUST IN THEIR ELECTRIC CO-OP

84%

HAVE FAITH AND TRUST IN THEIR CO-OP



Consumer-owners responded that local control by their neighbors and friends made them feel that the co-op would consistently act in their best interests.



NET PROMOTER SCORE

Co-ops' 2019 NPS of 50 was significantly higher than the utility average of 15.

83.5%

HAVE A HIGH LEVEL OF SATISFACTION



Consumer-owners are pleased with their co-op's performance and feel that their co-op does a good job of keeping the lights on and the rates affordable.

## POWER DISTRIBUTION IN TENNESSEE

### MUNICIPAL UTILITIES

Municipal utilities are owned by city or county governments.

CONSUMERS PER MILE

48 consumers per mile

REVENUE PER MILE

\$113,000 per mile of line

CONSUMERS SERVED

61 percent

AREA SERVED

28 percent

### ELECTRIC CO-OPS

Electric co-ops are owned by the people they serve.

7.4 consumers per mile

\$16,000 per mile of line

38 percent

71 percent

Consumers and revenue per mile based on national averages. Kingsport, Tenn., is served by an investor owned utility, so consumers and area served do not add to 100%. All other statistics based on TECA analysis performed in October 2019 and TECA's Current Consumer research project conducted in August and September of 2019. Icons by FreePix from flaticon.com.

the power to be

Electric co-ops give Tennesseans the power to be more.

TECA

TNELECTRIC.ORG/THEPOWERTOBE

