sc co-op news BLUE RIDGE



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MISSION STATEMENT

Blue Ridge Electric Cooperative will operate as a competitive provider of energy services and a partner with local communities, with a focus on safety, service and integrity.

BOARD OF DIRECTORS

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This organization is an equal-opportunity provider.





The increasing sum of our parts

IF YOU TRIED to build a home a few years back, you know rising material prices can take a painful chunk out of m line

your bottom line.

The COVID-19 pandemic drove demand for new homes skyward. Shortages of critical home-building supplies such as lumber and PVC pipe led to backlogs and price spikes, pushing construction costs through the roof.

We're now seeing similar trends play out in the energy industry.

Over the last few years, we've seen a drastic increase in the price, demand and wait time for the materials needed to bring electricity to your homes. The cost of power line material has risen nearly 70% since 2019, according to CEEUS, our materials supplier. Just looking at a few important parts of our power delivery system—distribution cable, crossarms and transformers—will give you an idea of the challenges we're facing.

A spool of the cable that runs from our substation to your neighborhood currently costs \$4,244, an increase of 70% since 2019. Transformers, which step down the voltage of electricity so that it can safely power your appliances, have seen an even greater jump. Underground transformers have nearly doubled in price over the past five years, to \$2,407 from \$1,283. Overhead transformers aren't much better, rising to \$1,360 from \$874. A single crossarm—the horizontal beam at the top of a power pole that holds the cable and other equipment high in the air—has risen in price to \$93 from \$42.

These are critical pieces of equipment along the 7,380 miles of line Blue Ridge maintains to provide you safe and reliable electricity. We can't wait for Amazon Prime Day to purchase them at a discount, nor can we expect next-day delivery. In fact, supply chain challenges have extended the wait times for some of these materials to more than two years.



Summer peak reminder

AVOID ENERGY USE during these hours to maximize savings.

Other inflation factors such as commodity prices (aluminum, copper and rubber), transportation and interest rates have a big impact as well. It all means high demand, short supply and rising costs for materials we can't do without.

Fortunately, we have an important partner to help us during this inflation crisis. Decades ago, South Carolina's electric cooperatives pooled their resources to form CEEUS, a memberowned materials and supply cooperative that allows us to purchase materials at a much lower price than if we had to do it alone.

Perhaps the next time you look at a power line, you'll see it a little differently—as the sum of parts that are increasingly expensive. If not, that's OK. Just know that Blue Ridge is doing everything it can to soften the impact of these rising costs.

JIM LOVINGGOOD President and CEO

SURGE ARRESTORS cost increase +88.85% wait time 12-20 weeks

Electric cooperatives face rising material costs

OVER THE PAST few years, South Carolina's electric cooperatives, including Blue Ridge Electric Cooperative, have seen a drastic increase in the price, demand and wait-time for the materials needed to bring electricity to members' homes.

This graphic illustrates the increase in costs and wait times for five critical pieces of equipment that are needed along the 7,380 miles of line Blue Ridge maintains to provide you safe and reliable electricity.

Looking at a few important parts of the power delivery system will give you an idea of the challenges electric cooperatives are facing.

Information provided by CEEUS, the materials supplier for South Carolina's electric cooperatives. These percentages are a general representation modeled after a typically designed South Carolina electric cooperative distribution system. Wait times are an average for the product listed.

> PAD MOUNT TRANSFORMER COST INCREASE

+87% WAIT TIME 52+ weeks CROSSARMS cost increase + 103.37%

WAIT TIME 4–6 weeks

6: 6:

F

TRANSFORMERS cost increase +98.5% wait time 30-36 weeks

PRIMARY WIRE

COST INCREASE

+61.78%

WAIT TIME 16–20 weeks

COSTS January 2020 to May 2024

RISING

MATERIAL

GUY WIRE cost increase +89.07%

WAIT TIME 3-4 weeks

Everything you need to power our world