

ELECTRICITIES of NORTH CAROLINA CHIEF FINANCIAL OFFICER



ElectriCities of North Carolina, Inc., is a membership organization that provides power supply and related critical services to over 90 community-owned electric systems in North Carolina, South Carolina, and Virginia. ElectriCities manages a trade association (non-agency) along with two power agencies: North Carolina Municipal Power Agency Number 1 (Agency 1) and North Carolina Eastern Municipal Power Agency (Eastern Agency). Eastern Agency members receive power supply from a full-requirements contract with Duke Energy Progress. Agency 1 members are primarily served by nuclear energy that comes from the Catawba Nuclear Station. ElectriCities also assists members in operating their electric distribution systems and delivers other innovative services including legislative, technical, communications, and economic development expertise. ElectriCities is governed by a 16-member Board of Directors. Board members are elected by the Boards of Commissioners of the two Power Agencies and the non-Agency Board. ElectriCities employs approximately 175 people which includes electric distribution Lineworkers in four Member communities in Huntersville, Cornelius, Pineville and Lexington.

In advance of a pending retirement, ElectriCities seeks a Chief Financial Officer (CFO) to serve as the primary financial executive and advisor to the Leadership Team, Board of Directors, and the Boards of Commissioners for the two North Carolina municipal power agencies. The CFO serves as part of the executive leadership team, comprised of a Chief Executive Officer, Chief Operating Officer, Chief Strategy Officer, and Chief Legal & External Affairs Officer, who collaboratively establish ElectriCities' strategic direction to achieve organizational objectives by balancing the needs of key stakeholders (members, employees, governing boards, bondholders) and exercising sound judgement and appropriate risk management to effectively operate the business.

The CFO directs debt portfolio management activities and represents ElectriCities' financial condition before rating agencies and lenders. In addition, the CFO manages significant cash and investment assets and defines financial implications of pursuing alternative power supply strategies and capital investments.

The CFO manages a 45-person team with broad accountability for finance and infrastructure areas including: accounting, treasury, financial forecasting and budgeting, human resources, information technology, information governance, and facilities. He or she will travel regularly throughout ElectriCities' membership footprint.

CORE DUTIES and RESPONSIBILITIES

- Represent the organization at the Board level, with state leadership, and with financial market participants on all financial matters and provides financial focus on strategic and operational issues of the organizations.
- Advise and counsel the CEO in setting corporate strategic direction for the organization and Power Agencies which involves identifying emerging trends, opportunities, issues, and solutions; collaborate with the broader Senior Leadership Team comprised of the Chief Officers and Vice Presidents; and advise and partner with the Board of Directors and Power Agency Boards of Commissioners on matters of strategy and policy.
- Establish and maintain expert knowledge of all Agency portfolios, power supply contracts, key governance documents, and bond resolutions to actively advise and engage in power supply decisions.
- Direct the implementation of accounting and record-keeping systems and procedures required to meet the monthly and annual reporting and budgeting requirements of the various contracts, agreements, and state statutes governing the activities and programs of ElectriCities and the Agencies.
- Oversee financial forecasting and analyses for ElectriCities and the Power Agencies and monitor needs for changes in financial forecasts of the agencies to ensure adequate revenues to meet expenses and appropriate working capital levels.
- Ensure effective management of all monies, securities, and indebtedness of ElectriCities and the Power Agencies and direct the development and implementation of strategies for the acquisition of capital for the Agencies.
- Ensure the financial management of ElectriCities and the Power Agencies is in compliance with all applicable bond and/or contract covenants, articles, and state statutes.
- Serve as Assistant Secretary of ElectriCities and Assistant Secretary-Treasurer of each Agency as well as Finance Officer and Budget Officer for each entity in accordance with North Carolina General Statutes.
- Ensure internal controls are in place to safeguard the Agencies' assets and to ensure the integrity of all financial activities and disclosures of the organizations.
- Align human resources strategies with business objectives and drive organizational success through effective people management practices.
- Ensure information governance procedures and systems are in place such that all corporate documents (both electronic and paper) are properly maintained to provide evidentiary value to them and to ensure compliance with appropriate state and federal regulations.
- Align IT strategies with business objectives to support business operations while maintaining a secure and reliable IT network.
- Provide assistance to the CEO and the respective Agencies and serve on special committees as needed.
- Establish and embody an environment of integrity, fiscally sound decision-making, corporate compliance, and accuracy and timeliness in the disclosure of the financial activities of the entities.
- Build trust and foster effective and collaborative relationships with the ElectriCities team, membership, state leaders, rating agencies, regulatory bodies, investors, investment banks, consultants, and advisors.
- Effectively collaborate with ElectriCities' leadership to foster an environment that aligns with ElectriCities' core values and supports ElectriCities purpose in serving members.

THE SUCCESSFUL CANDIDATE

Ideal candidates will possess at least 10 to 15 years of experience in financial management within a public power organization, electric cooperative, or investor-owned electric utility, including five-plus years leading groups and/or senior leaders to achieve business objectives.

Fully qualified candidates will possess a member-service orientation along with broad expertise in financial and accounting best practices. ElectriCities requires demonstrated skill identifying innovative financial strategies to assure as low a cost of capital as possible along with proven experience serving as principal advisor on major financial transactions. He or she must be capable to establish and implement cash management policies to ensure efficient utilization of \$1 billion in assets. In addition, candidates must possess the knowledge and ability to perform cost/benefit analysis for all major capital expenditures and serve as an integral participant in power supply contract analysis and negotiations.

The CFO must demonstrate effective verbal and written communication skills with the ability to inspire confidence and engender trust and respect. In addition, ElectriCities requires strong management and supervisory skills that include the ability to foster cooperation and encourage teamwork within and across departments.

Candidates must possess a four-year degree in accounting, finance, or business administration, or a comparable combination of education and experience in a finance or accounting related field.

EASTERN AGENCY and AGENCY 1

The Eastern Agency has 32 members serving 284,000 customers with a peak demand of 1,600 MW. The annual operating budget is \$600 million and long-term debt is \$95.8 million. Long term debt is expected to decrease to \$48.8 million by the end of 2024 and will be retired by 2025. Standard & Poor's and Fitch rate the Eastern Agency A- (stable) and A (stable) respectively. In 2015, the Eastern Agency entered into a full-requirements power supply agreement with Duke Energy Progress that expires in 2045, with termination options as early as 2035.

Agency 1 has 19 all-requirements members serving over 173,000 customers with an 1,100 MW peak load. Agency 1's main asset is 840 MW from the Catawba Nuclear Station (92% carbon-free). Catawba's current operating license expires in 2042 and a license extension through 2062 is likely. Other resources in Agency 1's portfolio include 335 MW of contractual natural gas generation, 206 MW of member-owned diesel generation, 24 MW of Agency-owned natural gas turbines, and 60 MW of SEPA hydroelectric allocations. Agency 1's annual budget is \$550 million, capital assets total approximately \$1.2 billion, and long-term debt is approximately \$588 million. Standard & Poor's and Fitch rate Agency 1 A (stable), Moody's rating is A2 (stable).

OPPORTUNITIES and CHALLENGES

ElectriCities and both Power Agencies anticipate significant power supply analysis and contract negotiations over the next three to five years. The CFO is expected to play a key role in those activities. ElectriCities and both Power Agencies are addressing the following opportunities and challenges:

- Duke Energy filed a Carbon Plan to comply with North Carolina Legislation that promises to reduce carbon emissions from generation by at least 50% by 2030; close all coal-fired power plants by 2035; and achieve net-zero carbon emissions from electricity generation by 2050. Analysis of these changes, along with evaluation of other available power supply resources, are imperative to Eastern Agency Members.
- Duke Energy is consolidating Duke Energy Carolinas and Duke Energy Progress retail rates and system operations functions which will have an impact on Eastern Agency and Agency 1.
- Agency 1's Catawba Project Agreement expires in 2032 and supplemental power supply contracts with Members expire in 2028. Agency 1 plans to negotiate extensions to these contracts out to at least 2042, if not longer.

OPPORTUNITIES and CHALLENGES (continued)

- ElectriCities will continue efforts to educate federal, state, and locally elected officials on the value of the public power business model.
- ElectriCities focuses on its own internal needs, as well as Member needs, as they relate to attracting, retaining and developing a skilled workforce; succession planning; meeting changing customer expectations; adoption and utilization of new technologies; and strategies to operate and reinvest in member distribution systems.

More information can be found at: <https://www.electricities.com/>

RALEIGH, NORTH CAROLINA

ElectriCities is headquartered in Raleigh, North Carolina, the capital of the state and the second most populous city in North Carolina after Charlotte, with an estimated population of over 482,000. Raleigh, Durham, and Chapel Hill make up the three primary cities called the "Research Triangle" with an estimated regional population over 2 million.

The City is referred to as the "City of Oaks," with abundant wooded tracts. Raleigh has more than 9,000 acres of parkland and almost 1,300 acres of water, offering recreational activities year-round.

Raleigh boasts temperate weather, a strong economy, an abundance of jobs, and small-town hospitality. The average home cost is estimated at \$427,000, and the cost-of-living is listed at 105.8% of the national average. More information can be found at: <https://www.visitraleigh.com/>

COMPENSATION, BENEFITS and RELOCATION

ElectriCities offers a competitive benefit, compensation, and relocation package, commensurate with qualifications and experience. Employees participate in the North Carolina Local Governmental Employees' Retirement System, a defined-benefit pension plan. Retirement benefits are 1.85% of a member's average four highest years of compensation, times the member's years of service. Plan members are required to contribute 6% of their salary. ElectriCities also offers 457 and 401(k) deferred compensation plans.

TO APPLY

Interested candidates should submit a resume and cover letter, no later than **August 16, 2024** to the following email. (Early responses welcome and appreciated.)

Joyce Ann Gallo
Mycoff Fry Partners
(800) 525-9082
jgallo@mfpllc.us

ElectriCities is an Equal Opportunity Employer

