

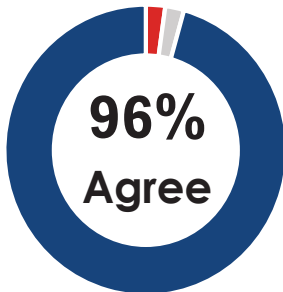
2020 Annual Member Survey Results

The Cooperative's team is appreciative to all who recently returned the annual survey mailed to all members. Over 13,000 members took time to complete the short six question survey. That's a great response rate (16%) given the size of Carroll Electric's membership (82,468 members).

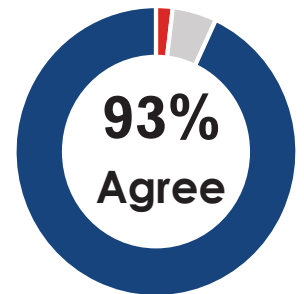
Below is a summary of the results the Co-op received. When we listen to members, we learn and discover new ways to provide better customer service. You are always invited to contact the Cooperative at any time to provide additional feedback. Please call 800-432-9720 or go to our website, carrollecc.com. Thank you once again for the positive performance ratings.

● Strongly / Somewhat Agree ● Neutral / No Opinion ● Strongly / Somewhat Disagree

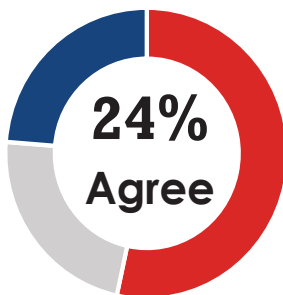
1. Reliability of service in my area meets or exceeds my expectations.



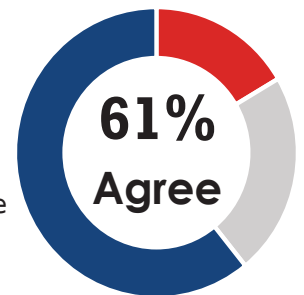
4. I remain aware of energy efficiency best practices and always try to utilize electric energy responsibly.



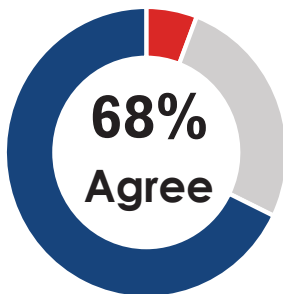
2. I would rather save a couple of dollars on my monthly bill than see the Cooperative make investments to preserve high reliability.



5. I am willing to pay a few more dollars on my electric bill in order to make additional investments into power plants that use renewable resources.



3. I have noticed the Cooperative's efforts to encourage energy efficiency.



6. Please rank your overall satisfaction with the Cooperative.



Retirement of Patronage Equity

The Carroll Electric Board of Directors has approved a patronage equity retirement of \$6.2 million. The Cooperative is pleased to fully retire patronage equity for members who received service during 1993. This patronage retirement will be issued on June 30, 2020.

Carroll Electric operates on a not-for-profit basis and is proud to provide electric rates that are 27% below the national average.



Even as a not-for-profit entity, a margin (profit) is still required to satisfy the Cooperative's lenders that the Cooperative can repay its debt obligations. These margins are allocated as patronage equity each year based on each member's proportional share of usage and revenue with Carroll Electric. This equity, combined with borrowed funds, is used to build and maintain the Cooperative's power grid, which generally has a useful life of 30-40 years.

Since its inception, Carroll Electric has retired over \$53.7 million in patronage equity to its members.

Allocation of Patronage Equity

Notice is hereby given to members of Carroll Electric Cooperative Corporation that, in accordance with the provisions of the bylaws of the Cooperative, patronage equity for the year 2019 has been assigned to the patronage equity account of each member.

In 2019, the ratio of the Cooperative's total margins to total gross revenue was .026939875. As an example, if a member was billed \$1,000.00 of electricity in 2019, the amount credited to his/her patronage equity account for the year was \$24.70. The calculation is as follows: \$1,000.00 less \$83.24 (sales tax of \$74.07 and franchise tax of \$9.17) or \$916.76 in gross revenue, multiplied by .026939875 or \$24.70. A member desiring to know the specific amount of equity credited to his or her patronage equity account can obtain this information by making a request to the Cooperative. This is a notice of 2019 patronage equity assignment only.



The offices of Carroll Electric will be closed on Friday, July 3, in observance of Independence Day.

Have a safe and happy holiday!