C&E 355

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Form **990** Department of the Treasury Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No 1545-0047 **2017** Open to Public Inspection

A For the 2017 calendar year, or tax year beginning and ending

B Check if applicable: [ ] Address change [ ] Name change [ ] Initial return [ ] Final return/terminated [ ] Amended return [ ] Application pending

C Name of organization: NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION

Doing business as

Number and street (or P.O. box if mail is not delivered to street address): 3400 SUMNER BOULEVARD | Room/suite

City or town, state or province, country, and ZIP or foreign postal code: RALEIGH, NC 27616

D Employer identification number: 56-0995910

E Telephone number: 919-872-0800

G Gross receipts $ 1,144,736,752.

F Name and address of principal officer: JOSEPH P. BRANNAN, SAME AS C ABOVE

H(a) Is this a group return for subordinates? [ ] Yes [X] No

H(b) Are all subordinates included? [ ] Yes [ ] No — If "No," attach a list (see instructions)

I Tax-exempt status [ ] 501(c)(3) [X] 501(c) (12) ◀ (insert no.) [ ] 4947(a)(1) or [ ] 527

J Website: ▶ WWW.NCEMCS.COM

H(c) Group exemption number ▶

K Form of organization [X] Corporation [ ] Trust [ ] Association [ ] Other ▶

L Year of formation. 1949 M State of legal domicile NC

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: SALE OF ELECTRIC POWER TO NC DISTRIBUTION MEMBER COOPERATIVES.

2 Check this box ▶ [ ] if the organization discontinued its operations or disposed of more than 25% of its net assets

3	Number of voting members of the governing body (Part VI, line 1a)	3	50
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	49
5	Total number of individuals employed in calendar year 2017 (Part V, line 2a)	5	173
6	Total number of volunteers (estimate if necessary)	6	0
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	34,479.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	-208,492.

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	0.	0.
	9	Program service revenue (Part VIII, line 2g)	1,022,651,094.	1,017,986,113.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	9,933,161.	19,440,388.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	32,500.	34,479.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,032,616,755.	1,037,460,980.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	565,335.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	38,452,059.	39,434,743.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	971,164,696.	974,460,902.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	1,009,616,755.	1,014,460,980.
	19	Revenue less expenses. Subtract line 18 from line 12	23,000,000.	23,000,000.
			Beginning of Current Year	**End of Year**
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	2,001,614,331.	2,066,657,554.
	21	Total liabilities (Part X, line 26)	1,798,971,165.	1,820,019,377.
	22	Net assets or fund balances. Subtract line 21 from line 20	202,643,166.	246,638,177.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here ▶ Signature of officer — Date 14 MAY 18

▶ RICHARD M. FEATHERS, SENIOR VP, GENERAL COUNSEL — Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check [ ] if self-employed	PTIN
Brian Gareau		5/10/18		P00847877

Firm's name ▶ DELOITTE TAX LLP — Firm's EIN ▶ 86-1065772

Firm's address ▶ 191 PEACHTREE STREET NE SUITE 2000, ATLANTA, GA 30303-1943 — Phone no. 404-220-2000

May the IRS discuss this return with the preparer shown above? (see instructions) [X] Yes [ ] No

SCANNED JUL 25 2018

POSTMARK DATE RECEIVED DATE 05 21 2018 05 24 2018 AUSTIN, TEXAS 1481

7 937

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III ☐

1 Briefly describe the organization s mission
SALE OF ELECTRIC POWER TO NC DISTRIBUTION MEMBER COOPERATIVES

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990 EZ? ☐ Yes ☒ No
If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No
If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services as measured by expenses Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code _____) (Expenses $ _____ including grants of $ _____) (Revenue $ _____)
NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION PROVIDES WHOLESALE ELECTRIC GENERATION AND TRANSMISSION SERVICES TO 25 MEMBER ELECTRIC DISTRIBUTION COOPERATIVES THAT PROVIDE ELECTRIC SERVICE TO OVER 950,000 HOMES, FARMS, AND BUSINESSES IN NORTH CAROLINA

4b (Code _____) (Expenses $ _____ including grants of $ _____) (Revenue $ _____)

4c (Code _____) (Expenses $ _____ including grants of $ _____) (Revenue $ _____)

4d Other program services (Describe in Schedule O)
(Expenses $ including grants of $) (Revenue $)

4e Total program service expenses ▶

DIJLOR

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1		X
2	Is the organization required to complete *Schedule B, Schedule of Contributors*?	2		X
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		X
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		X
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		X
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*	11a	X	
b	Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		X
c	Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d	X	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f		X
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a	X	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts II and IV*	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts III and IV*	16		X
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		X
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		X
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		X

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a		X
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		
21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21	X	
22	Did the organization report more than $5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	X	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K If "No", go to line 25a*	24a		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If "Yes," complete Schedule L, Part II*	26		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		X
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b	X	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I*	33		X
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34	X	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X	
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b		X
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	1a	52		
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	173			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			2b	X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			3a	X	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," to line 3b, provide an explanation in Schedule O*			3b	X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a		X
b	If "Yes," enter the name of the foreign country ▶ _____					
	See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			5a		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?			5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?			6a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			7a		
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f		
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			7h		
8	**Sponsoring organizations maintaining donor advised funds.** Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?			8		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the sponsoring organization make any taxable distributions under section 4966?			9a		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?			9b		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	11a	904,712,781.			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b	106,038,154.			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state?			13a		
	Note. See the instructions for additional information the organization must report on Schedule O					
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b				
c	Enter the amount of reserves on hand	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			14a		X
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*			14b		

Part VI Governance, Management, and Disclosure *For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O See instructions*

Check if Schedule O contains a response or note to any line in this Part VI [X]

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	50		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.				
b	Enter the number of voting members included in line 1a, above, who are independent	1b	49		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2			X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3			X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5			X
6	Did the organization have members or stockholders?	6		X	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a		X	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a	The governing body?	8a		X	
b	Each committee with authority to act on behalf of the governing body?	8b		X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	9			X

Section B. Policies *(This Section B requests information about policies not required by the Internal Revenue Code.)*

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a		X
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	12c	X	
13	Did the organization have a written whistleblower policy?	13	X	
14	Did the organization have a written document retention and destruction policy?	14	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	X	
b	Other officers or key employees of the organization	15b	X	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		X
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶AR,AZ,GA,CA,IN,NC,MD,MN,MS

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply.

[ ] Own website [ ] Another's website [X] Upon request [ ] Other *(explain in Schedule O)*

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records ▶

LARK S. JAMES - 919-872-0800

3400 SUMNER BOULEVARD, RALEIGH, NC 27616

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
(1) DALE F. LAMBERT	4.00									
PRESIDENT	2.00	X		X				0.	0.	0.
(2) PAUL SPRUILL	4.00									
VICE PRESIDENT	2.00	X		X				0.	0.	0.
(3) GREG PUCKETT	4.00									
SECRETARY/TREASURER	2.00	X		X				0.	0.	0.
(4) JERRY BOWMAN	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(5) CARL W. KORNEGAY, JR.	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(6) CARMEN DIETRICH	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(7) CHARLES H. GUERRY	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(8) CHRISTOPHER SPEARS	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(9) CURTIS WYNN	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(10) LEE ROY KIRK, JR.	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(11) DELORIA IRBY	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(12) DON HUGHES	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(13) DONALD H. SPIVEY	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(14) DOUGLAS W. JOHNSON	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(15) ELBERT RAY PITT, JR.	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(16) GARY W. RAY	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(17) GREG ANDRESS	2.00									
DIRECTOR	2.00	X						0.	0.	0.

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
(18) H. WAYNE WILKINS	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(19) J. DEAN CARPENTER	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(20) J. DOUGLAS BRINSON	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(21) J. MICHAEL DAVIS	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(22) JACOB JOPLIN	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(23) JAMES E. MANGUM, JR.	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(24) JEFF CLARK	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(25) JEFFREY N. LETCHWORTH	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(26) JOHN D. WARD	2.00									
DIRECTOR	2.00	X						0.	0.	0.
1b Sub-total ▶								0.	0.	0.
c Total from continuation sheets to Part VII, Section A ▶								5,070,056.	0.	1,066,511.
d Total (add lines 1b and 1c) ▶								5,070,056.	0.	1,066,511.

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 81

		Yes	No
3 Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
ACES POWER MARKETING, 4140 WEST 99TH STREET, CARMEL, IN 46032-7731	POWER MANAGEMENT SERVICES	3,120,545.
MCCARTER & ENGLISH LLP 100 MULBERRY STREET, NEWARK, NJ 07102-0652	LEGAL SERVICES	786,585.
PRO ENERGY SERVICES, LLC. P.O. BOX 975602, DALLAS, TX 75397-5602	ENERGY OPERATIONS & MAINTENANCE SERVICES	636,806.
EVERSHEDS SUTHERLAND LLP 999 PEACHSTREE STREET NE, ATLANTA, GA 30309	LEGAL SERVICES	160,209.
REED SMITH LLP 2672 PAYSPHERE CIRCLE, CHICAGO, IL 60674	LEGAL SERVICES	158,995.

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 7

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f				
	g Noncash contributions included in lines 1a-1f $					
	h Total. Add lines 1a-1f ▶					
		Business Code				
Program Service Revenue	2 a PROVIDE ELECTRIC POWER		1,017,986,113.	1,017,986,113.		
	b					
	c					
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f ▶		1,017,986,113.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶		11,296,021.			11,296,021.
	4 Income from investment of tax-exempt bond proceeds ▶					
	5 Royalties ▶					
		(i) Real / (ii) Personal				
	6 a Gross rents	34,479.				
	b Less rental expenses	0.				
	c Rental income or (loss)	34,479.				
	d Net rental income or (loss) ▶		34,479.		34,479.	
		(i) Securities / (ii) Other				
	7 a Gross amount from sales of assets other than inventory	115,389,514. / 30,625.				
	b Less cost or other basis and sales expenses	107,275,154. / 618.				
	c Gain or (loss)	8,114,360. / 30,007.				
	d Net gain or (loss) ▶		8,144,367.			8,144,367.
	8 a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c). See Part IV, line 18 a					
	b Less direct expenses b					
	c Net income or (loss) from fundraising events ▶					
	9 a Gross income from gaming activities. See Part IV, line 19 a					
	b Less direct expenses b					
	c Net income or (loss) from gaming activities ▶					
	10 a Gross sales of inventory, less returns and allowances a					
	b Less cost of goods sold b					
	c Net income or (loss) from sales of inventory ▶					
	Miscellaneous Revenue	Business Code				
	11 a					
	b					
	c					
	d All other revenue					
	e Total. Add lines 11a-11d ▶					
	12 Total revenue. See instructions. ▶		1,037,460,980.	1,017,986,113.	34,479.	19,440,388.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	565,335.			
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	6,136,567.			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	32,348,974.			
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	808,456.			
9 Other employee benefits	108,494.			
10 Payroll taxes	32,252.			
11 Fees for services (non-employees)				
a Management				
b Legal	1,124,403.			
c Accounting	315,965.			
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)				
12 Advertising and promotion	142,011.			
13 Office expenses	586,832.			
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel	386,903.			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	60,204,913.			
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	57,826,902.			
23 Insurance	103,025.			
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a PURCHASED POWER	613,718,685.			
b POWER GENERATION EXPENS	80,613,449.			
c TRANSMISSION & ANCILLAR	59,382,247.			
d FUEL USED IN GENERATION	46,956,649.			
e All other expenses STATEMENT 1	53,098,918.			
25 **Total functional expenses.** Add lines 1 through 24e	1,014,460,980.			
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

			(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing		1	0.
	2	Savings and temporary cash investments	301,588,538.	2	377,897,938.
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	115,490,420.	4	102,136,005.
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr) Complete Part II of Sch L		6	
	7	Notes and loans receivable, net	1,402,545.	7	1,465,705.
	8	Inventories for sale or use	4,739,333.	8	4,668,114.
	9	Prepaid expenses and deferred charges	2,729,893.	9	3,187,618.
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D — 10a 2,473,017,519.			
	b	Less accumulated depreciation — 10b 1,391,643,674.	1,107,188,359.	10c	1,081,373,845.
	11	Investments - publicly traded securities STATEMENT 2	270,641,352.	11	299,893,434.
	12	Investments - other securities. See Part IV, line 11 STATEMENT 3	8,670,918.	12	8,806,764.
	13	Investments - program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11	189,162,973.	15	187,228,131.
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	2,001,614,331.	16	2,066,657,554.
Liabilities	17	Accounts payable and accrued expenses	180,065,758.	17	155,630,678.
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties	1,350,568,255.	23	1,363,899,689.
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	268,337,152.	25	300,489,010.
	26	**Total liabilities.** Add lines 17 through 25	1,798,971,165.	26	1,820,019,377.
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets		27	
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ [X] and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds	625.	30	625.
	31	Paid-in or capital surplus, or land, building, or equipment fund	0.	31	0.
	32	Retained earnings, endowment, accumulated income, or other funds	202,642,541.	32	246,637,552.
	33	Total net assets or fund balances	202,643,166.	33	246,638,177.
	34	Total liabilities and net assets/fund balances	2,001,614,331.	34	2,066,657,554.

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI [X]

1	Total revenue (must equal Part VIII, column (A), line 12)	1	1,037,460,980.
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,014,460,980.
3	Revenue less expenses Subtract line 2 from line 1	3	23,000,000.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	202,643,166.
5	Net unrealized gains (losses) on investments	5	19,302,611.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	1,692,400.
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	246,638,177.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII [ ]

			Yes	No
1	Accounting method used to prepare the Form 990 [ ] Cash [X] Accrual [ ] Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		X
	If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both [ ] Separate basis [ ] Consolidated basis [ ] Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	2b	X	
	If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both [ ] Separate basis [X] Consolidated basis [ ] Both consolidated and separate basis			
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	2c	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees *(continued)*

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (check all that apply): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
(27) JOHN L. PIERCE	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(28) JOHN W. SPENCE	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(29) JOSEPH H. JOPLIN	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(30) KELLY HARRINGTON	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(31) KENNETH R. GREENE	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(32) L.V. (TOBY) SPEAKS	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(33) MADIE R. LOCKLEAR	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(34) ALLEN W. SPELLER	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(35) MITCHELL L. KEEL	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(36) MORRELL JONES, JR.	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(37) MORRIS MCCLELION	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(38) BILL R. BARBER	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(39) REBECCA P. COGAN	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(40) RICHARD A. MIDGETT	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(41) RICHARD H. JOHNSON	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(42) ROY STAMEY	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(43) S. FRANKLIN WILLIAMS	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(44) STEVE HAMLIN	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(45) SUSAN E. FLYTHE	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(46) SUZY MORGAN	2.00									
DIRECTOR	2.00	X						0.	0.	0.
Total to Part VII, Section A, line 1c										

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (check all that apply): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
(47) TOM BATCHELOR	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(48) MARK A. SUGGS	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(49) W. MAX WALSER	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(50) WINSTON HOWELL	2.00									
DIRECTOR	2.00	X						0.	0.	0.
(51) JOSEPH P. BRANNAN	34.00									
EXECUTIVE VP & CEO	6.00			X				1,712,806.	0.	251,660.
(52) LARK S. JAMES	34.00									
SENIOR VP, FINANCE & CFO	6.00			X				528,749.	0.	116,508.
(53) RICHARD M. FEATHERS	34.00									
SENIOR VP, GENERAL COUNSEL	6.00			X				297,127.	0.	102,843.
(54) ROBERT B. SCHWENTKER	34.00									
SENIOR VP & COO, GREENCO	6.00			X				437,747.	0.	35,634.
(55) MICHAEL W. BURNETTE	40.00									
SENIOR VP & COO					X			616,312.	0.	103,870.
(56) LEE S. RAGSDALE	40.00									
SENIOR VP, GRID INFRASTRUCTURE & CO						X		227,606.	0.	86,338.
(57) LONNIE MOORE	2.00									
SENIOR VP & COO, TEMA	38.00					X		284,384.	0.	67,469.
(58) NELLE P. HOTCHKISS	10.00									
SENIOR VP, ASSOCIATION SERVICES	30.00					X		285,903.	0.	101,567.
(59) ROBERT H. GOODSON	36.00									
SENIOR VP & COO, NCAEC	4.00					X		423,755.	0.	117,091.
(60) STEPHEN B. BURROUGHS	34.00									
VP OF FINANCE	6.00					X		255,667.	0.	83,531.
Total to Part VII, Section A, line 1c								5,070,056.		1,066,511.

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No 1545-0047
2017
Open to Public Inspection

Name of the organization NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION

Employer identification number 56-0995910

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate value of contributions to (during year)		
3	Aggregate value of grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (e g., recreation or education)
☐ Preservation of a historically important land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

			Held at the End of the Tax Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ $ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenue included on Form 990, Part VIII, line 1 ▶ $ _____

(ii) Assets included in Form 990, Part X ▶ $ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenue included on Form 990, Part VIII, line 1 ▶ $ _____

b Assets included in Form 990, Part X ▶ $ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table.

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII ☐

Part V Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ▶ _____%

b Permanent endowment ▶ _____%

c Temporarily restricted endowment ▶ _____%

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		204,173.		204,173.
b Buildings		20,304,583.	7,940,940.	12,363,643.
c Leasehold improvements		1,401,833.	417,705.	984,128.
d Equipment		36,858,504.	18,121,767.	18,736,737.
e Other		2,414,248,426.	1,365,163,262.	1,049,085,164.
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10c.)* ▶				1,081,373,845.

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

	(a) Description	(b) Book value
(1)	CONSTRUCTION WORK IN PROCESS	116,603,982.
(2)	DEFERRED DECOMMISSIONING COSTS	7,292,717.
(3)	OTHER DEFERRED COSTS	57,361,831.
(4)	LOSS ON REFINANCING	5,969,601.
(5)		
(6)		
(7)		
(8)		
(9)		
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 15.)* ▶		187,228,131.

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f See Form 990, Part X, line 25

1.	(a) Description of liability	(b) Book value
(1)	Federal income taxes	
(2)	DECOMMISSIONING ASSET RETIREMENT OBLIGATION	256,389,222.
(3)	POSTRETIREMENT/POST EMPLOYMENT BENEFITS OBLIGATION	37,466,865.
(4)	REGULATORY LIABILITIES	1,758,190.
(5)	CAPITAL LEASE OBLIGATIONS	4,874,733.
(6)		
(7)		
(8)		
(9)		
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 25.)* ▶		300,489,010.

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☐

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements			1	1,036,618,000.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains (losses) on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII.)	2d			
e	Add lines **2a** through **2d**			2e	0.
3	Subtract line **2e** from line **1**			3	1,036,618,000.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1.				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII.)	4b	842,980.		
c	Add lines **4a** and **4b**			4c	842,980.
5	Total revenue. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12.)*			5	1,037,460,980.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements			1	1,013,618,000.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIII.)	2d			
e	Add lines **2a** through **2d**			2e	0.
3	Subtract line **2e** from line **1**			3	1,013,618,000.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII.)	4b	842,980.		
c	Add lines **4a** and **4b**			4c	842,980.
5	Total expenses. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 18.)*			5	1,014,460,980.

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART XI, LINE 4B - OTHER ADJUSTMENTS:

REVENUE RECLASS

PART XII, LINE 4B - OTHER ADJUSTMENTS:

EXPENSE RECLASS

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.

▶ Attach to Form 990.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No 1545-0047

2017

Open to Public Inspection

Name of the organization: NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION

Employer identification number 56-0995910

Part I **General Information on Grants and Assistance**

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? [X] Yes [ ] No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II **Grants and Other Assistance to Domestic Organizations and Domestic Governments.** Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than $5,000. Part II can be duplicated if additional space is needed

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
CAROLINA COMMON ENTERPRISE P.O. BOX 2241 DURHAM, NC 27702	46-0568407	501(C)(3)	5,000.	0.			CONTRIBUTION
NC EDUCATIONAL SCHOLARSHIP FUND PO BOX 40598 RALEIGH, NC 27629	20-2227646	501(C)(3)	5,000.	0.			EDUCATIONAL CONTRIBUTION
NC BUSINESS LEADERS FOR EDUCATION 2826 LAZY LN WINSTON SALEM, NC 27106	46-2988453	501(C)(3)	5,000.	0.			EDUCATIONAL CONTRIBUTION
NC STATE COLLEGE OF SCIENCES CAMPUS BOX BOX 8201, 3229 BROUGHTON RALEIGH, NC 27695	58-1524289	501(C)(3)	5,000.	0.			EDUCATIONAL ASSISTANCE
CONSERVATION TRUST FOR NC 1028 WASHINGTON ST RALEIGH, NC 27605	58-1552188	501(C)(3)	5,000.	0.			ENVIRONMENTAL OUTREACH
NC WILDLIFE FEDERATION P O BOX 10626 RALEIGH, NC 27605	56-1564376	501(C)(3)	5,000.	0.			ENVIRONMENTAL OUTREACH

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ 22.

3 Enter total number of other organizations listed in the line 1 table ▶ 19.

LHA **For Paperwork Reduction Act Notice, see the Instructions for Form 990.**

Schedule I (Form 990) (2017)

732101 11-01-17

Part II **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
PEE DEE EMC 575 US HWY 52 S WADESBORO, NC 28170	56-0123345	501(C)(12)	5,266.	0.			EDUCATIONAL ASSISTANCE
TRI COUNTY EMC 4255 ALT US HWY 117 S DUDLEY, NC 28333	56-0432086	501(C)(12)	5,270.	0.			EDUCATIONAL ASSISTANCE
TIDELAND EMC 25831 HWY 264 E PANTEGO, NC 27860	56-0993598	501(C)(12)	5,316.	0.			EDUCATIONAL ASSISTANCE
SURRY YADKIN EMC PO BOX 305 DOBSON, NC 27017	56-0421795	501(C)(12)	6,250.	0.			EDUCATIONAL ASSISTANCE
RANDOLPH EMC PO BOX 40 ASHEBORO, NC 27204	56-0371555	501(C)(12)	7,316.	0.			EDUCATIONAL ASSISTANCE
FOUR COUNTY EMC PO BOX 667 BURGAW, NC 28425	56-0227152	501(C)(12)	7,360.	0.			EDUCATIONAL ASSISTANCE
RONALD MCDONALD HOUSE 549 MOYE BLVD GREENVILLE, NC 27834	36-2934689	501(C)(3)	7,733.	0.			CIVIC DONATION
TOBACCO FARM LIFE MUSEUM INC PO BOX 88 KENLY, NC 27542	58-1544798	501(C)(3)	8,000.	0.			AGRICULTURAL ASSISTANCE
RURAL ECONOMIC DEVELOPMENT CENTER 4021 CARYA DR RALEIGH, NC 27610	56-1552375	501(C)(3)	8,000.	0.			ECONOMIC DEVELOPMENT ASSISTANCE

Part II **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
HAYWOOD EMC 376 GRINDSTONE RD WAYNESVILLE, NC 28785	56-0193499	501(C)(12)	8,732.	0.			EDUCATIONAL GRANT
CARTERET CRAVEN EC PO BOX 1490 NEWPORT, NC 28570	56-0168825	501(C)(12)	9,316.	0.			EDUCATIONAL ASSISTANCE
PIEDMONT EMC PO DRAWER 1179 HILLSBOROUGH, NC 27278	56-0358446	501(C)(12)	9,328.	0.			EDUCATIONAL ASSISTANCE
OCCONEECHEE COUNCIL - BOY SCOUTS OF AMERICA - 3231 ATLANTIC AVE - RALEIGH, NC 27604	56-0529984	501(C)(3)	10,000.	0.			CIVIC DONATION
LEADERSHIP NORTH CAROLINA 2700 WYCLIFF RD STE 402 RALEIGH, NC 27607	56-1757109	501(C)(3)	10,000.	0.			CONTRIBUTION
NC LEGISLATIVE BLACK CAUCUS PO BOX 27862 RALEIGH, NC 27862	56-1589364	501(C)(3)	10,000.	0.			CONTRIBUTION
UNC - NC POLICY COLLABORATORY 400 ROBERSON STREET CARRBORO, NC 27510	56-6001393	501(C)(3)	10,000.	0.			EDUCATIONAL CONTRIBUTION
NC FOUNDATION FOR SOIL & WATER CONSERVATION - 5171 GLENWOOD AVE - RALEIGH, NC 27612	56-2158494	501(C)(3)	10,000.	0.			ENVIRONMENTAL OUTREACH
SOUTH RIVER EMC PO BOX 931 DUNN, NC 28335	56-0405464	501(C)(12)	10,200.	0.			EDUCATIONAL ASSISTANCE

Part II **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (Schedule I (Form 990), Part II)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
LUMBEE RIVER EMC PO BOX 830 RED SPRINGS, NC 28377	56-0305124	501(C)(12)	11,312.	0.			EDUCATIONAL ASSISTANCE
WAKE EMC PO BOX 1060 HILLSBOROUGH, NC 27278	56-0440935	501(C)(12)	11,487.	0.			EDUCATIONAL ASSISTANCE
JONES ONSLOW EMC 259 WESTERN BLVD JACKSONVILLE, NC 28546	56-0283268	501(C)(12)	12,422.	0.			EDUCATIONAL ASSISTANCE
UNION POWER COOPERATIVE PO BOX 5014 MONROE, NC 28111	56-0435549	501(C)(12)	13,835.	0.			EDUCATIONAL ASSISTANCE
NC AGRIBUSINESS COUNCIL INC. 2500 REGENCY PKWY CARY, NC 27518	56-1029240	501(C)(3)	15,000.	0.			AGRICULTURAL ASSISTANCE
UNC - NC JAYCEE BURN CENTER 101 MANNING DR CHAPEL HILL, NC 27514	56-6001393	501(C)(3)	15,000.	0.			CONTRIBUTION
NC FREE ENTERPRISE FOUNDATION INC PO BOX 12406 RALEIGH, NC 27605	56-1782403	501(C)(3)	15,000.	0.			EDUCATIONAL & CIVIC ASSISTANCE
NC STATE UNIVERSITY FOUNDATION 1210 VARSITY DRIVE, SUITE 202 RALEIGH, NC 27606	56-6049503	501(C)(3)	15,000.	0.			EDUCATIONAL ASSISTANCE
RUTHERFORD EMC PO BOX 1569 FOREST CITY, NC 28043	56-0386171	501(C)(12)	15,101.	0.			EDUCATIONAL ASSISTANCE

Part II **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (Schedule I (Form 990), Part II)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
BLUE RIDGE EMC PO BOX 250 LENOIR, NC 28645	56-0160075	501(C)(12)	16,821.	0.			EDUCATIONAL ASSISTANCE
NRECA INTERNATIONAL FOUNDATION PO BOX 75472 BALTIMORE, MD 75472	52-1387851	501(C)(3)	25,000.	0.			CONTRIBUTION
ECONOMIC DEVELOPMENT PARTNERSHIP OF NC - 15000 WESTON PARKWAY - CARY, NC 27513	46-4840814	501(C)(3)	25,000.	0.			ECONOMIC DEVELOPMENT ASSISTANCE
UNC CHARLOTTE - EPIC 8700 PHILLIPS ROAD CHARLOTTE, NC 28223	56-0791228	501(C)(3)	25,000.	0.			EDUCATIONAL ASSISTANCE
BRUNSWICK EMC PO BOX 826 SHALLOTTE, NC 28459	56-0154512	501(C)(12)	30,796.	0.			EDUCATIONAL ASSISTANCE, MEDICAL DONATION
NORTH CAROLINA CHAMBER 701 CORPORATE CENTER DR STE 400 RALEIGH, NC 27607	56-0340499	501(C)(6)	35,000.	0.			ECONOMIC DEVELOPMENT ASSISTANCE
ENERGYUNITED PO BOX 1831 STATESVILLE, NC 28687	56-2097218	501(C)(12)	35,334.	0.			EDUCATIONAL ASSISTANCE
NC AGRICULTURAL FOUNDATION CAMPUS BOX 7645, NC STATE UNIVERSARY CAMPUS - RALEIGH, NC 27695	56-6049304	501(C)(3)	70,140.	0.			AGRICULTURAL ASSISTANCE

Part III **Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance

Part IV **Supplemental Information.** Provide the information required in Part I, line 2, Part III, column (b), and any other additional information

SCHEDULE J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
▶ Attach to Form 990.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No 1545-0047

2017

Open to Public Inspection

Name of the organization: NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION

Employer identification number: 56-0995910

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items.			
	☐ First-class or charter travel ☐ Housing allowance or residence for personal use			
	☐ Travel for companions ☐ Payments for business use of personal residence			
	☐ Tax indemnification and gross-up payments ☐ Health or social club dues or initiation fees			
	☐ Discretionary spending account ☐ Personal services (such as, maid, chauffeur, chef)			
b	If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?	2		
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III			
	☐ Compensation committee ☐ Written employment contract			
	☐ Independent compensation consultant ☒ Compensation survey or study			
	☐ Form 990 of other organizations ☒ Approval by the board or compensation committee			
4	During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	4a		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		X
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
	Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.			
5	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	5a		
b	Any related organization?	5b		
	If "Yes" on line 5a or 5b, describe in Part III.			
6	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	6a		
b	Any related organization?	6b		
	If "Yes" on line 6a or 6b, describe in Part III.			
7	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III	7		
8	Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8		
9	If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii) Do not list any individuals that aren't listed on Form 990, Part VII

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) JOSEPH P. BRANNAN	(i)	1,712,806.	0.	0.	224,678.	26,982.	1,964,466.	0.
EXECUTIVE VP & CEO	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) LARK S. JAMES	(i)	528,749.	0.	0.	89,788.	26,720.	645,257.	0.
SENIOR VP, FINANCE & CFO	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) RICHARD M. FEATHERS	(i)	297,127.	0.	0.	76,839.	26,004.	399,970.	0.
SENIOR VP, GENERAL COUNSEL	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) ROBERT B. SCHWENTKER	(i)	437,747.	0.	0.	30,601.	5,033.	473,381.	0.
SENIOR VP & COO, GREENCO	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) MICHAEL W. BURNETTE	(i)	616,312.	0.	0.	87,717.	16,153.	720,182.	0.
SENIOR VP & COO	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) LEE S. RAGSDALE	(i)	227,606.	0.	0.	62,033.	24,305.	313,944.	0.
SENIOR VP, GRID INFRASTRUCTURE & CC	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) LONNIE MOORE	(i)	284,384.	0.	0.	52,625.	14,844.	351,853.	0.
SENIOR VP & COO, TEMA	(ii)	0.	0.	0.	0.	0.	0.	0.
(8) NELLE P. HOTCHKISS	(i)	285,903.	0.	0.	75,205.	26,362.	387,470.	0.
SENIOR VP, ASSOCIATION SERVICES	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) ROBERT H. GOODSON	(i)	423,755.	0.	0.	88,395.	28,696.	540,846.	0.
SENIOR VP & COO, NCAEC	(ii)	0.	0.	0.	0.	0.	0.	0.
(10) STEPHEN B. BURROUGHS	(i)	255,667.	0.	0.	67,878.	15,653.	339,198.	0.
VP OF FINANCE	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information

EXPLANATION FOR LINE 4B:

IN 2017 AS PER THE TERMS OF THE COMPANY'S EXECUTIVE BENEFIT RESTORATION PLAN, AFTER ATTAINING REQUIRED VESTING TERM JOSEPH P. BRANNAN, ROBERT B. SCHWENTKER, ROBERT H. GOODSON, MICHAEL W. BURNETTE AND LARK S. JAMES RECEIVED PAYMENTS OF $766,816, $66,973, $64,638, $244,876 AND $137,011, RESPECTIVELY.

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No 1545-0047
2017
Open To Public Inspection

Name of the organization: NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION

Employer identification number: 56-0995910

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1 (a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected? Yes	(d) Corrected? No

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ $

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization? To	(d) From	(e) Original principal amount	(f) Balance due	(g) In default? Yes	(g) No	(h) Approved by board or committee? Yes	(h) No	(i) Written agreement? Yes	(i) No
Total					▶ $							

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

732131 10-18-17

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues? Yes	No
PAUL FLYTHE	EMPLOYEE	187,314.	SEE SCH O		X

Part V Supplemental Information

Provide additional information for responses to questions on Schedule L (see instructions)

SCHEDULE L, PART V:

THE INDIVIDUALS WHO SERVE AS THE BOARD OF DIRECTORS OF THE ENTITY ARE ALSO DIRECTORS, OFFICERS OR KEY EMPLOYEES OF NCEMC'S MEMBER COOPERATIVES AND MAY BE DIRECTORS OF RELATED ENTITIES. NCEMC DOES NOT PROVIDE ANY COMPENSATION TO ITS DIRECTORS. IN ADDITION NCEMC DOES NOT DIRECTLY COMPENSATE NOR HAS IT UNDERTAKEN ANY SINGLE TRANSACTION IN EXCESS OF $10,000 OR A SERIES OF TRANSACTIONS IN EXCESS OF $100,000 TO ANY INTERESTED PERSON, INCLUDING CURRENT AND FORMER OFFICERS, DIRECTORS AND FAMILY MEMBERS OF CURRENT AND FORMER OFFICERS, DIRECTORS OR KEY EMPLOYEES.

SCHEDULE O
(Form 990 or 990-EZ)
Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No 1545-0047
2017
Open to Public Inspection

Name of the organization	Employer identification number
NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION	56-0995910

FORM 990, PART VI, SECTION A, LINE 6:

THE COMPANY IS A MEMBER-OWNED GENERATION AND TRANSMISSION ELECTRIC COOPERATIVE OWNED BY 25 NORTH CAROLINA ELECTRIC COOPERATIVES.

FORM 990, PART VI, SECTION A, LINE 7A:

THE COMPANY'S BOARD OF DIRECTORS IS COMPRISED OF 50 DIRECTORS REPRESENTING THE GENERAL MANAGER OR CHIEF EXECUTIVE OFFICER FROM EACH OF THE 25 MEMBERS AND 25 DIRECTORS SELECTED FROM THE BOARD OF DIRECTORS FROM EACH OF THE 25 MEMBERS. THE BOARD OF DIRECTORS ELECTS THE OFFICERS OF THE BOARD OF DIRECTORS.

FORM 990, PART VI, SECTION A, LINE 7B:

DECISIONS BY THE BOARD OF DIRECTORS ARE SUBJECT TO THE APPROVAL OF A MAJORITY OF THE BOARD MEMBERS.

FORM 990, PART VI, SECTION B, LINE 11B:

THE 2017 FORM 990 WAS DISCUSSED AT THE COMPANY'S BOARD OF DIRECTORS' MEETING IN APRIL, 2018 AND THE FORM IS AVAILABLE UPON REQUEST.

FORM 990, PART VI, SECTION B, LINE 12C:

THE COMPANY HAS A CONFLICT OF INTEREST POLICY IN PLACE FOR ALL STAFF AND MEMBERS OF THE BOARD OF DIRECTORS IN 2017. DIRECTORS, OFFICERS AND SENIOR MANAGEMENT ARE REQUIRED TO ANNUALLY DISCLOSE, VIA A WRITTEN QUESTIONNAIRE, ANY CONFLICTS OF INTEREST.

FORM 990, PART VI, SECTION B, LINE 15:

Name of the organization NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION

Employer identification number 56-0995910

COMPENSATION OF THE COMPANY'S CEO IS REVIEWED ANNUALLY BY THE EXECUTIVE COMMITTEE. THE EXECUTIVE COMMITTEE RECOMMENDS A COMPENSATION AMOUNT TO THE FULL BOARD OF DIRECTORS. THE FULL BOARD OF DIRECTORS VOTES ON THE COMPENSATION.

COMPENSATION FOR OTHER OFFICERS AND KEY EMPLOYEES IS DETERMINED THROUGH ANNUAL PERFORMANCE REVIEWS AND PERIODIC INDUSTRY EVALUATIONS. COMPENSATION IS BASED ON BOTH QUALITATIVE AND QUANTITATIVE FACTORS.

FORM 990, PART VI, SECTION C, LINE 19:

NCEMC'S GOVERNING DOCUMENTS ARE AVAILABLE ON THE NORTH CAROLINA SECRETARY OF STATE'S WEBSITE. ALL OTHER INFORMATION IS AVAILABLE UPON REQUEST.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

POST RETIREMENT BENEFITS ADJUSTMENT 1,692,400.

FORM 990, SCH L, PART IV, COLUMN D

BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS:

PAUL FLYTHE, AN EMPLOYEE OF THE COMPANY, IS THE SPOUSE OF A CURRENT DIRECTOR.

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

▶ Attach to Form 990.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

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2017

Open to Public Inspection

Name of the organization: NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION

Employer identification number: 56-0995910

Part I **Identification of Disregarded Entities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II **Identification of Related Tax-Exempt Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	No
NORTH CAROLINA ASSOCIATION OF ELECTRIC COOPERATIVES, INC. - 56-1189186, 3400 SUMNER BOULEVARD, RALEIGH, NC 27616	MEMBER SERVICES	NORTH CAROLINA	501(C)(6)	N/A	NO		X
HUMAN CONNECTIONS FOUNDATION, INC. - 65-1261123, 3400 SUMNER BOULEVARD, RALEIGH, NC 27616	DISTRIBUTES RELIEF FUNDS	NORTH CAROLINA	501(C)(3)	NO	NO		X

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

732161 09-11-17 LHA

Part III **Identification of Related Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity? Yes	(i) No
THE TARHEEL ELECTRIC MEMBERSHIP ASSOCIATION - 56-0575465, 3400 SUMNER BOULEVARD, RALEIGH, NC 27616	MATERIAL AND EQUIPMENT SALES	NC	N/A	C CORP					X
GREENCO SOLUTIONS, INC. - 26-2434254 3400 SUMNER BOULEVARD RALEIGH, NC 27616	RENEWABLE ENERGY ACTIVITIES	NC	N/A	C CORP					X
NCEMC SOLAR ONE, LLC - 47-1520849 3400 SUMNER BOULEVARD RALEIGH, NC 27616	SOLAR ENERGY ACTIVITY	NC	NCEMC	C CORP	1,000.	1,000.	100%		X

Part V **Transactions With Related Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36

Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

		Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest, **(ii)** annuities, **(iii)** royalties, or **(iv)** rent from a controlled entity	1a		X
b Gift, grant, or capital contribution to related organization(s)	1b		X
c Gift, grant, or capital contribution from related organization(s)	1c		X
d Loans or loan guarantees to or for related organization(s)	1d		X
e Loans or loan guarantees by related organization(s)	1e		X
f Dividends from related organization(s)	1f		X
g Sale of assets to related organization(s)	1g		X
h Purchase of assets from related organization(s)	1h		X
i Exchange of assets with related organization(s)	1i		X
j Lease of facilities, equipment, or other assets to related organization(s)	1j		X
k Lease of facilities, equipment, or other assets from related organization(s)	1k		X
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	X	
m Performance of services or membership or fundraising solicitations by related organization(s)	1m		X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X	
o Sharing of paid employees with related organization(s)	1o	X	
p Reimbursement paid to related organization(s) for expenses	1p		X
q Reimbursement paid by related organization(s) for expenses	1q		X
r Other transfer of cash or property to related organization(s)	1r		X
s Other transfer of cash or property from related organization(s)	1s		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) NORTH CAROLINA ASSOCIATION OF ELECTRIC COOPERATIVES	L	409,763.	COST ALLOCATION
(2) NORTH CAROLINA ASSOCIATION OF ELECTRIC COOPERATIVES	N	205,564.	COST ALLOCATION
(3) NORTH CAROLINA ASSOCIATION OF ELECTRIC COOPERATIVES	O	6,657,523.	COST ALLOCATION
(4) TARHEEL ELECTRIC MEMBERSHIP ASSOCIATION	O	3,164,346.	COST ALLOCATION
(5) GREENCO SOLUTIONS, INC.	O	364,503.	COST ALLOCATION
(6)			

Part VI **Unrelated Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 37

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners sec. 501(c)(3) orgs? Yes	(e) No	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership

Part VII Supplemental Information.

Provide additional information for responses to questions on Schedule R. See instructions.