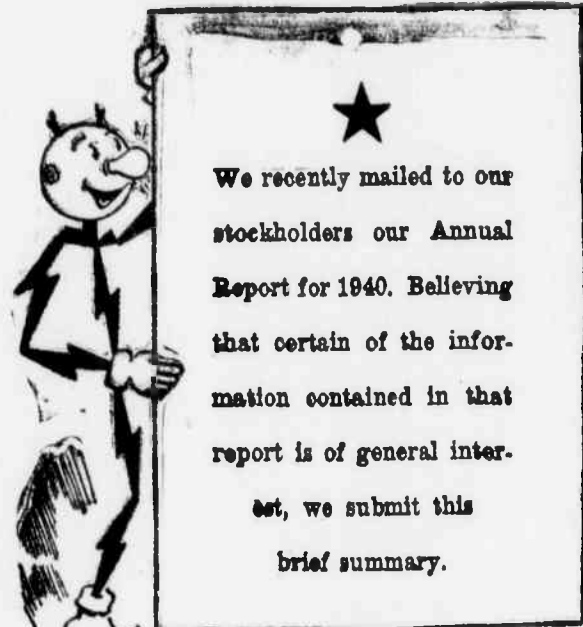


# Your Electric Service Organization, the Carolina Power & Light Company REPORTS TO YOU



When the original Carolina Power & Light Company was organized in 1908 it supplied electric service to 1,100 customers in four small towns and operated a street railway system in one of those towns. In April, 1926, the old Carolina Company was consolidated with four affiliated companies to form the present Carolina Power & Light Company. By the end of that year the new company was serving 58,541 customers. During the next fourteen years, or at the end of 1940, the number of customers receiving electric service from the company had grown to more than 119,000.

From a total generating capacity of about 4,750 horsepower of the old company in 1908, the present company's ability to serve, through its own generating facilities and power purchase contracts, had increased by the end of 1940 to 425,000 horsepower.

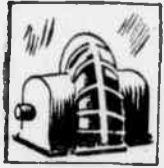
The transmission system of the company is interconnected at fourteen points with systems of adjacent power companies, including the Tennessee Valley Authority. All these interconnections are available for emergency service.

The company's policies are based on the belief that continued success depends upon the recognition of its responsibilities to customers, employees, and security holders. Consequently, it has endeavored to provide first-class service at low cost, to become a good citizen in each community it serves, to promote the welfare of its employees, and to pay a fair return to those who have invested in the company's properties.



## OVER 119,000 CUSTOMERS IN URBAN AND RURAL AREAS

At the end of 1940 the Carolina Power & Light Company was serving 119,000 electric customers, or more than twice the number served after the organization of the new company in 1926. These customers are located in 288 different communities and in adjacent rural areas. They represent all classes of users: Domestic, Commercial, Industrial, Farm, Government, and Municipal. In addition to the expansion mentioned above, to serve this increase in customers necessitated an increase in miles of line from 2,869 in 1926, to 9,536 miles in 1940.



## \$8,500,000 CONSTRUCTION PROGRAM GETS UNDER WAY

In anticipation of future increased demands occasioned by the natural growth of the territory and the National Defense Program, a building program was launched in 1940 which included two generating units of 40,000 horsepower each to be added to the Cape Fear steam electric generating station, four new 110,000-volt transmission lines in North Carolina and two such lines in South Carolina. The generating units are scheduled to be ready for service in 1942—one in April and the other in August. Some of the transmission lines have been completed already—others are under construction.



## PRICE OF ELECTRICITY AGAIN REDUCED IN DECEMBER, 1940

Toward the end of 1940 a rate reduction became effective which was estimated to save our customers \$284,000 a year based on the use during the twelve months previous. The company has made since April, 1926, rate reductions which are giving electric customers savings at the rate of more than \$4,000,000 annually.



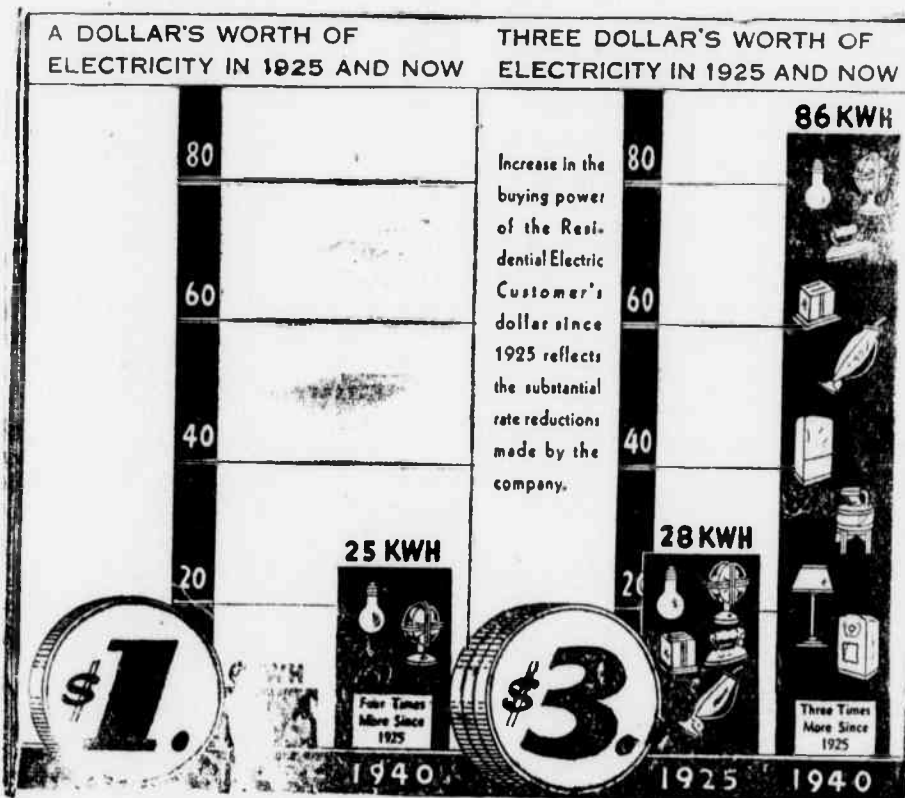
## \$2,300,491 PAID TO EMPLOYEES DURING 1940

At the close of 1940 the company had a total of 1,423 regular employees who shared with the management a keen sense of responsibility to our customers. During the year our total pay roll amounted to \$2,300,491. Since the creation of the new company in 1926, the Carolina Power & Light Company's pay roll has amounted to a total of more than \$28,000,000. Inasmuch as our employees are local citizens, practically all of this impressive amount was spent in the territory served.



## PREFERRED STOCK DIVIDENDS BENEFIT TERRITORY SERVED

In 1940 the company paid regular quarterly dividends to its 8,600 holders of preferred stock. Since about 6,600, or more than three-fourths of the total number of the company's preferred stockholders reside in North Carolina and South Carolina, such dividend payments represented a decided stimulus to business generally in the territory served.



## 95% OF APPLIANCE SALES MADE BY ELECTRICAL DEALERS

The company's established program of active co-operation with appliance dealers in the matter of electrical equipment sales was continued in 1940. Sales of electric appliances by the company and dealers during the year amounted to approximately \$7,377,000. Ninety-five per cent of such sales were made by dealers.



## CO-OPERATIVE MEASURES FOR NATIONAL DEFENSE

The present national emergency has brought about many new demands for the company's electric service, some of which will continue during this period only. However, due to the company's policy of anticipating demands in advance, it has been able to supply these increased needs. Numerous industries located throughout the territory served are engaged in the production of defense materials and are operating on a 24 hour per day basis. The principal National Defense project served is Fort Bragg. Also, the company is furnishing a neighboring utility with a large amount of power to serve shipyards, army and marine bases. In addition, a vital defense industry, not located within the company's territory, is receiving full co-operation in its power requirements.

The Company is always ready with its facilities and its manpower to co-operate with its customers and governmental authorities in meeting regular demands for electric service and solving new power problems as they arise.

### Directors

- C. J. CURRY  
Secretary and Treasurer  
Raleigh, North Carolina
- R. LEE ELLIS  
President, Asheville Coca-Cola Company  
Asheville, North Carolina
- JAMES L. McNAIR  
Industrialist  
Laurinburg, North Carolina
- L. V. SUTTON  
President and General Manager  
Raleigh, North Carolina
- C. S. WALTERS  
Vice-President  
Manager, Western Division  
Asheville, North Carolina
- W. H. WEATHERSPOON  
Vice-President and General Counsel  
Raleigh, North Carolina
- ALEXANDER WEBB  
President, The N. C. Home Insurance Company  
Raleigh, North Carolina

### Officers

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President and General Manager
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Vice-President and General Counsel
- C. S. WALTERS  
Vice-President
- S. P. VECKER  
Vice-President
- C. J. CURRY  
Secretary and Treasurer
- R. B. CARPENTER  
Assistant Secretary and Assistant Treasurer

# CAROLINA POWER & LIGHT COMPANY