

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

2004

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2004 calendar year, or tax year beginning, and ending

- B Check if applicable:
Address change
Name change
Initial return
Final return
Amended return
Application pending

Please use IRS label or print or type. See Specific Instructions.

#41121 *****AUTO**3-DIGIT 290
EDISTO ELECTRIC COOPERATIVE INC
PO BOX 547
BAMBERG SC 29003-0547

D Employer identification number

57-0158355

E Telephone number

F Accounting method: Cash [X] Accrual

Other (specify)

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.

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

H(b) If "Yes," enter number of affiliates

H(c) Are all affiliates included? Yes [] No []

(If "No," attach a list. See instructions.)

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes [] No [X]

I Group Exemption Number

M Check [X] if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

G Website:

J Organization type (check only one) [X] 501(c) (12) (insert no.) [] 4947(a)(1) or [] 527

K Check here [] if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 28,015,745

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 18 of the instructions.)

Table with 21 rows and 3 columns: Description, Revenue, Expenses, Net Assets. Includes sub-rows for contributions, program service revenue, membership dues, interest, dividends, rents, sales of assets, special events, and inventory.

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Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See page 22 of the instructions.)

Table with 5 columns: Description, (A) Total, (B) Program services, (C) Management and general, (D) Fundraising. Rows include items like Grants and allocations, Specific assistance, Benefits paid, Compensation of officers, etc., and a Total functional expenses row at the bottom.

Joint Costs. Check [] if you are following SOP 98-2. Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? [] Yes [] No

Part III Statement of Program Service Accomplishments (See page 25 of the instructions.)

Table for Program Service Accomplishments. Includes a description of the primary exempt purpose (PROVIDING ELECTRIC SERVICE TO MEMBERS) and a list of accomplishments with associated Program Service Expenses.

Part IV Balance Sheets (See page 25 of the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.		(A) Beginning of year		(B) End of year	
Assets	45 Cash—non-interest-bearing	1,233,322	45	3,172,531	
	46 Savings and temporary cash investments	149,718	46	4,151,348	
	47 a Accounts receivable	1,966,373			
	b Less: allowance for doubtful accounts	0			
			2,001,771	47c	1,966,373
	48 a Pledges receivable	0			
	b Less: allowance for doubtful accounts	0			
			0	48c	0
	49 Grants receivable			49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		0	50	0
	51 a Other notes and loans receivable (attach schedule)	0			
	b Less: allowance for doubtful accounts	0			
			0	51c	0
	52 Inventories for sale or use		1,109,996	52	976,071
	53 Prepaid expenses and deferred charges		912,297	53	179,208
54 Investments—securities (attach schedule) <input checked="" type="checkbox"/> Cost <input type="checkbox"/> FMV		2,194,270	54	2,240,800	
55 a Investments—land, buildings, and equipment: basis	0				
b Less: accumulated depreciation (attach schedule)	0				
		0	55c	0	
56 Investments—other (attach schedule)		127,593	56	142,886	
57 a Land, buildings, and equipment: basis	65,299,302				
b Less: accumulated depreciation (attach schedule)	19,923,974				
		44,523,275	57c	45,375,328	
58 Other assets (describe)		0	58	0	
59 Total assets (add lines 45 through 58) (must equal line 74)		52,252,242	59	58,204,545	
Liabilities	60 Accounts payable and accrued expenses	1,931,412	60	3,410,737	
	61 Grants payable		61		
	62 Deferred revenue		62		
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		0	63	0
	64 a Tax-exempt bond liabilities (attach schedule)		0	64a	0
	b Mortgages and other notes payable (attach schedule)		30,896,064	64b	34,769,879
	65 Other liabilities (describe See attached worksheet)		1,807,141	65	1,914,123
66 Total liabilities (add lines 60 through 65)		34,634,617	66	40,094,739	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67 Unrestricted		67		
	68 Temporarily restricted		68		
	69 Permanently restricted		69		
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 70 through 74.				
	70 Capital stock, trust principal, or current funds		70		
	71 Paid-in or capital surplus, or land, building, and equipment fund		71		
	72 Retained earnings, endowment, accumulated income, or other funds		17,617,625	72	18,109,806
73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)		17,617,625	73	18,109,806	
74 Total liabilities and net assets / fund balances (add lines 66 and 73)		52,252,242	74	58,204,545	

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See page 27 of the instructions.)

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total revenue, gains, and other support per audited financial statements	a	NA
b	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments \$		
(2)	Donated services and use of facilities \$		
(3)	Recoveries of prior year grants \$		
(4)	Other (specify): \$ \$		
	Add amounts on lines (1) through (4)	b	0
c	Line a minus line b	c	0
d	Amounts included on line 12, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify): \$ \$		
	Add amounts on lines (1) and (2)	d	0
e	Total revenue per line 12, Form 990 (line c plus line d)	e	0

a	Total expenses and losses per audited financial statements	a	NA
b	Amounts included on line a but not on line 17, Form 990:		
(1)	Donated services and use of facilities \$		
(2)	Prior year adjustments reported on line 20, Form 990 \$		
(3)	Losses reported on line 20, Form 990 \$		
(4)	Other (specify): \$ \$		
	Add amounts on lines (1) through (4)	b	0
c	Line a minus line b	c	0
d	Amounts included on line 17, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify): \$ \$		
	Add amounts on lines (1) and (2)	d	0
e	Total expenses per line 17, Form 990 (line c plus line d)	e	0

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see page 27 of the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
Name SEE ATTACHED Str City ST ZIP	Title Hr/WK	0	0	0
Name Str City ST ZIP	Title Hr/WK			
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Name Str City ST ZIP	Title Hr/WK			

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? Yes No
If "Yes," attach schedule—see page 28 of the instructions.

Part VI Other Information (See page 28 of the instructions.)

Table with columns for question number, question text, Yes, and No. Rows include questions 76 through 92 regarding organizational activities, financials, and tax status.

Part VII Analysis of Income-Producing Activities (See page 33 of the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a ELECTRIC SALES					27,767,025
b POLE RENTAL			11	40,304	
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	100,420	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a CAPITAL CREDITS ASSC					107,996
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0		140,724	27,875,021
105 Total (add line 104, columns (B), (D), and (E))					28,015,745

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 34 of the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93A	REVENUE FROM PROVIDING ELECTRIC SERVICE MEMBERS
103A	PORTION OF MARGINS FROM MEMBERSHIP IN OTHER COOPERATIVES

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%		0	0
	%		0	0
	%		0	0
	%		0	0

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Please Sign Here

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.

Signature of officer: David E. Felkel Date: 5-9-05

Type or print name and title: DAVID E FELKEL, PRESIDENT AND CEO

Paid Preparer's Use Only

Preparer's signature: B. David Collins Date: 4/29/2005 Check if self-employed: Preparer's SSN or PTIN (See Gen. Inst. W): 252-84-2642

Firm's name (or yours if self-employed), address, and ZIP + 4: David Collins, CPA EIN: 57-0880365

PO Box 27, Walterboro, SC 29488-0001 Phone no: (843) 538-6000

Line 56 (990) - Other Investments

Check one box to indicate how investments are listed:

Cost

End of year market value (FMV)

		Book value	Beginning	End
		Cost	Cost	Cost
1 NON UTILITY PROPERTY	1		60,212	60,212
2 BUSINESS DEVELOPMENT CORP STOCK	2		3,000	3,000
3 PRINCIPAL AND MET	3		64,381	79,674
4	4		0	0
5	5		0	0
6	6		0	0
7	7		0	0
8	8		0	0
9	9		0	0
10	10		0	0
11 Total other investments	11	0	127,593	142,886

Line 65 (990) - Other liabilities

		Beginning	End
1 ACCUM PRO FOR POSTRETIREMENT	1	1,201,187	1,279,344
2 CONSUMER DEPOSITS	2	605,954	634,779
3	3		
4	4		
5	5		
6	6		
7	7		
8	8		
9	9		
10	10		
11 Total other liabilities	11	1,807,141	1,914,123

EDISTO COOP 990 ATTACHMENT 2004 57-0158355

LINE 20 OTHER CHANGES IN NET ASSETS

MEMBERSHIPS		680
OTHER EQUITIES		0
PATRONAGE CAPITAL RETIRED		(242,554)
		<u>(241,874)</u>

LINE 43 OTHER EXPENSES

	A	B	C	D
	<u>TOTAL</u>	<u>PROGRAM SERVICES</u>	<u>MGT& GEN</u>	<u>FUND RAISING</u>
PURCHASED POWER	15,985,424	15,985,424	0	0
DISTRIBUTION - OPERATION	2,089,179	2,089,179	0	0
DISTRIBUTION - MAINTENANCE	2,097,343	2,097,343	0	0
CONSUMER ACCOUNTS	1,328,144	1,328,144	0	0
CUSTOMER SERVICE	151,284	151,284	0	0
SALES	57,998	57,998	0	0
ADMINISTRATIVE & GENERAL	1,825,652	0	1,825,652	0
DEPRECIATION	1,887,316	1,887,316	0	0
TAX	376,111	376,111	0	0
INTEREST EXPENSE	1,467,087	1,467,087	0	0
OTHER	16,152	16,152	0	0
TOTAL	<u>27,281,690</u>	<u>25,456,038</u>	<u>1,825,652</u>	<u>0</u>

LINE 54 INVESTMENTS

PATRONAGE CAPITAL IN ASSOCIATED ORGANIZATIONS	1,266,099
INVESTMENT IN ASSOCIATED ORGANIZATIONS	974,701
	<u>2,240,800</u>

LINE 57 LAND, BUILDINGS, & EQUIPMENT

ELECTRIC PLANT IN SERVICE	64,487,317
CONSTRUCTION WORK IN PROGRESS	811,985
TOTAL LINE 57a	<u>65,299,302</u>
TOTAL LINE 57b ACCUMULATED DEPRECIATION	<u>(19,923,974)</u>
TOTAL LINE NET PLANT	<u>45,375,328</u>

LINE 64b MORTGAGES, NOTES PAYABLE

RUS, FFB, AND CFC MORTGAGE NOTES	<u>34,769,879</u>
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2004 SUPPORTING SCHEDULES

Edisto Electric Cooperative, Inc.
P O Box 547
896 Calhoun Street
Bamberg, South Carolina 29003

EIN: 57-0158355

FORM 990 - Exempt Organization Tax Return Part V - List of Officers, Directors, Trustees and Key Employees

<u>NAME</u>	<u>ADDRESS</u>	<u>TITLE</u>	<u>HOURS</u>	<u>AMOUNT OF COMPENSATION</u>
BROWN, Ordie C.	341 Ordie Road St. George, SC 29477	Vice-Chairman	0.00	18,926.16
FUNCHESS, Stanley M.	441 Funchess Road Rowesville, SC 29133	Director	0.00	17,279.92
HOLLINGSWORTH, Michael T.	P.O. Box 157 Elko, SC 29826	Director	0.00	17,690.36
KEARSE, Francis M.	P.O. Box 25 Ehrhardt, SC 29081	Director	0.00	15,857.12
NIMMONS, Jessie L.	3113 Orange Grove Road Bamberg, SC 29003	Director	0.00	16,529.56
REEVES, Douglas A.	415 Independent School Road Reevesville, SC 29471	Chairman	0.00	16,079.56
VALLENTINE, III, Jack G.	P.O. Box 8 Cope, SC 29038	Secretary/Treasurer	0.00	17,929.56
WALL, H. W.	525 Ashe Road Allendale, SC 29810	Director	0.00	3,259.88
WELCH, R. Wayne	593 Givhans Road Ridgeville, SC 29472	Director	0.00	6,440.32
WILLIAMS, Jr., Frank Pickens	P.O. Box 334 Barnwell, SC 29812	Director	0.00	16,765.58