

ANNUAL REPORT

PROUD TO BE CHELCO
POWERED BY YOU

PROVIDING QUALITY SERVICES AND PRODUCTS AT A COMPETITIVE VALUE WHILE ADHERING TO THE COOPERATIVE PRINCIPLES.



L-R: SAM DUNN, JONATHAN REED AND KALE GOMILLION MAKING INSTALLATIONS IN THE NEW OWLS HEAD SUBSTATION

THANK YOU FOR YOUR MEMBERSHIP

Thank you to our members for your unwavering support and membership in our cooperative. Your commitment to CHELCO not only strengthens our community, but it reinforces the Seven Cooperative Principles that are at the core of our organization and co-ops everywhere.

Your continued trust and participation empower us to fulfill our mission of providing safe, reliable and affordable

have a true impact on our communities.

Your engagement drives us to continually improve and adapt to meet our growing communities' needs. As we embark on the challenges and opportunities before us, we are confident that we can achieve sustained success, safely delivering reliable and affordable service for many years to come.

just members and a utility; we are partners in building a brighter future for our families and generations to come.



2023 WASHINGTON, D.C. YOUTH TOUR



"PINK OUT" BREAST CANCER AWARENESS DAY

ABOUT CHELCO

Since 1940, Choctawhatchee Electric Cooperative, Inc. (CHELCO), has served our communities by providing safe, reliable and affordable electricity. While it has been a long journey to where we are now, we still hold true to the same values we did more than 80 years ago. We're committed to improving the quality of life for our members and making an impact on our communities.

CHELCO is a not-for-profit electric cooperative serving more than 66,000 accounts in Okaloosa, Walton, Holmes and Santa Rosa counties in the Florida Panhandle, and we are proud to serve you!

POWERED BY YOU

Together, we are more than just members and a utility; we are partners in building a brighter future for our families and generations to come.

electricity to those we serve. Your membership allows us to invest in innovative technologies, infrastructure improvements and local outreach programs that

Thank you for being an essential part of the CHELCO family and for your ongoing support of the cooperative.

Together, we are more than

2023



THANK YOU FOR JOINING US FOR THE 2024 CHELCO ANNUAL MEETING OF MEMBERS

2024 ANNUAL MEETING

Thank you for joining us for our 2024 Annual Meeting of Members, held at Freeport High School on April 6, 2024. Many of you probably remember meetings being held at Camp Timpoochee in Niceville or at our Operations Center on Highway 331 North in DeFuniak Springs. Whether this is your first annual meeting or your 51st, we are thankful for your attendance and your membership with our cooperative!

OUR MISSION

Safely provide quality services and products at a competitive value while adhering to the cooperative principles.



OUR VISION

Continuously promote the quality of life for our members, employees and communities within the scope of our core business.



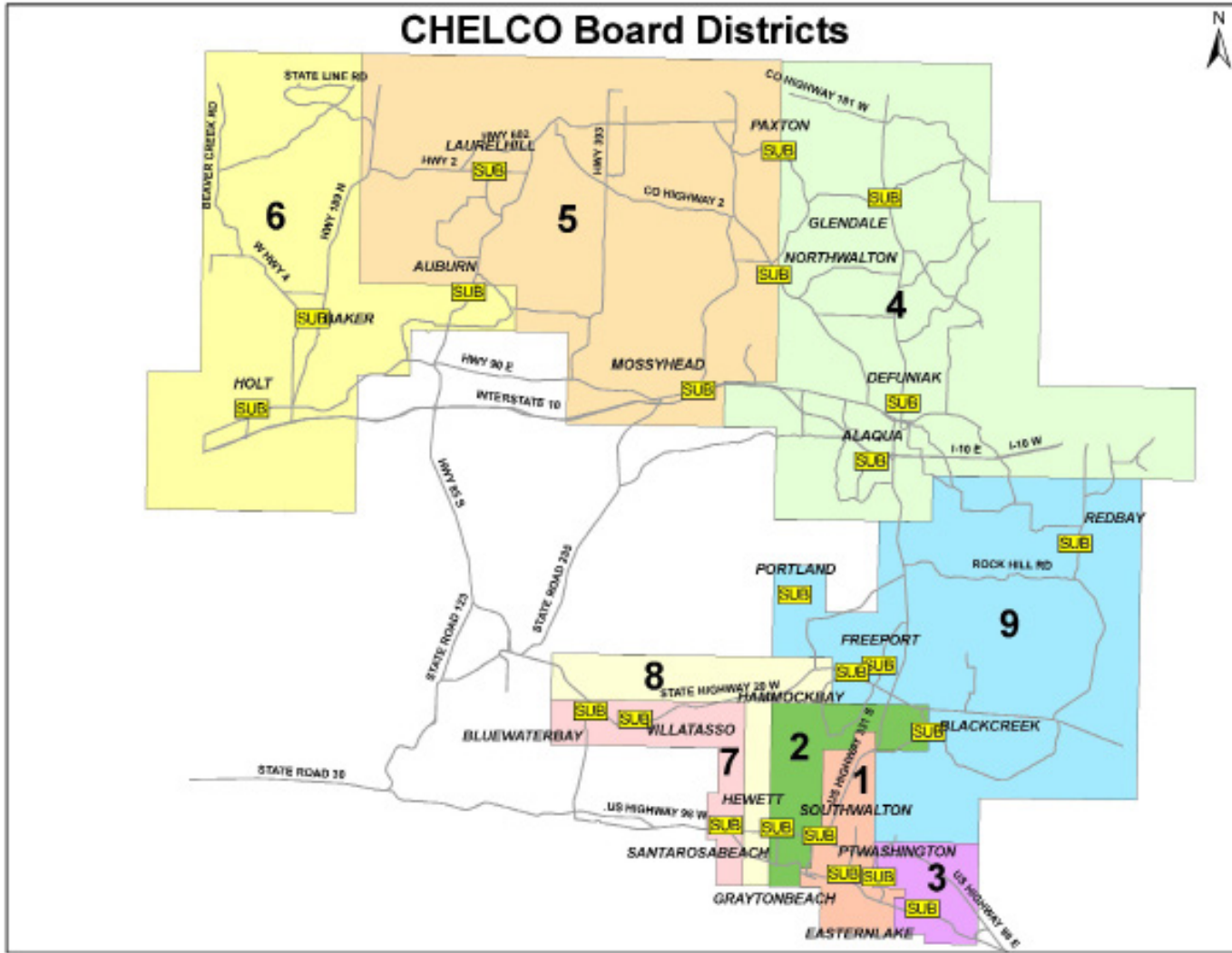
OUR VALUES

Safety First
Commitment to Community
Honesty and Integrity
Excellence in Service
Leadership with Accountability
Continuous Improvement
Outstanding Teamwork



BOARD OF TRUSTEES

CHELCO BOARD OF TRUSTEES REPRESENTS YOU



BOARD OFFICERS

PRESIDENT:
Gerald Edmondson,
District 6

VICE PRESIDENT:
Brady Bearden,
District 4

**SECRETARY/
TREASURER:**
Gayle Hughes,
District 8

**ASSISTANT
SECRETARY/
TREASURER:**
Bert Prutzman,
District 7

BOARD MEMBERS

Lee Perry
District 1

Terry Pilcher
District 2

Reese Harrison
District 3

Ronnie Jones
District 5

Dwayne Davis
District 9

Each trustee represents a geographic area of CHELCO's service territory, and candidates must live in their district.

CHELCO is a not-for-profit electric cooperative, which means many things. In regards to our organization's leadership structure, we are governed by a nine-member Board of Trustees, each one representing a geographic region in CHELCO's service area.

In accordance with our bylaws, our Board of Trustees is made up entirely of CHELCO members who live in the district they represent. Board districts are subject to be rezoned to maintain an equitable number of members in each district. If you are

unsure which district you live in, you can find your district number on your monthly bill.

Our Board of Trustees is made up entirely of CHELCO members who live in the district they represent.

Trustees are elected to three-year terms, and each year, three districts are up for election. In 2024, Districts 1, 7 and 9 were up for election.

This year, each of the incumbent trustees - Lee Perry, Bert Prutzman and Dwayne Davis - ran unopposed. However, according to Article III, Section

4 of the CHELCO Bylaws, we are required to distribute ballots even in the event of an uncontested election in order to meet our required quorum of at least 2 percent.

According to Article IV, Section 1 of the co-op's bylaws, the cooperative's activities and affairs shall be managed under the Board's direction and subject to the Board's oversight.

We thank our Board of Trustees for their leadership and dedication in representing our members fairly and equitably across our service area.

MESSAGE FROM THE PRESIDENT

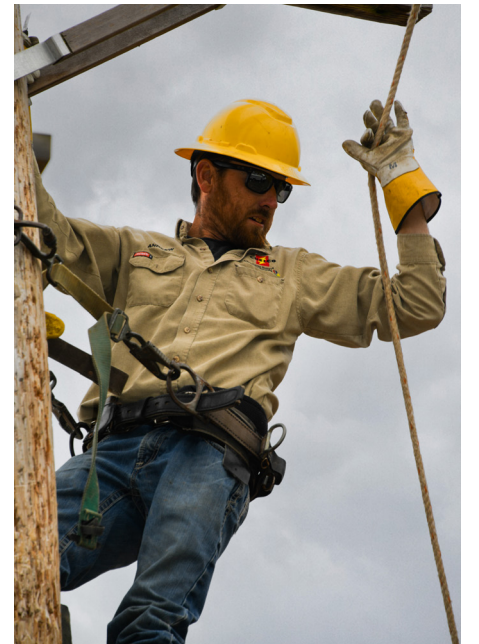
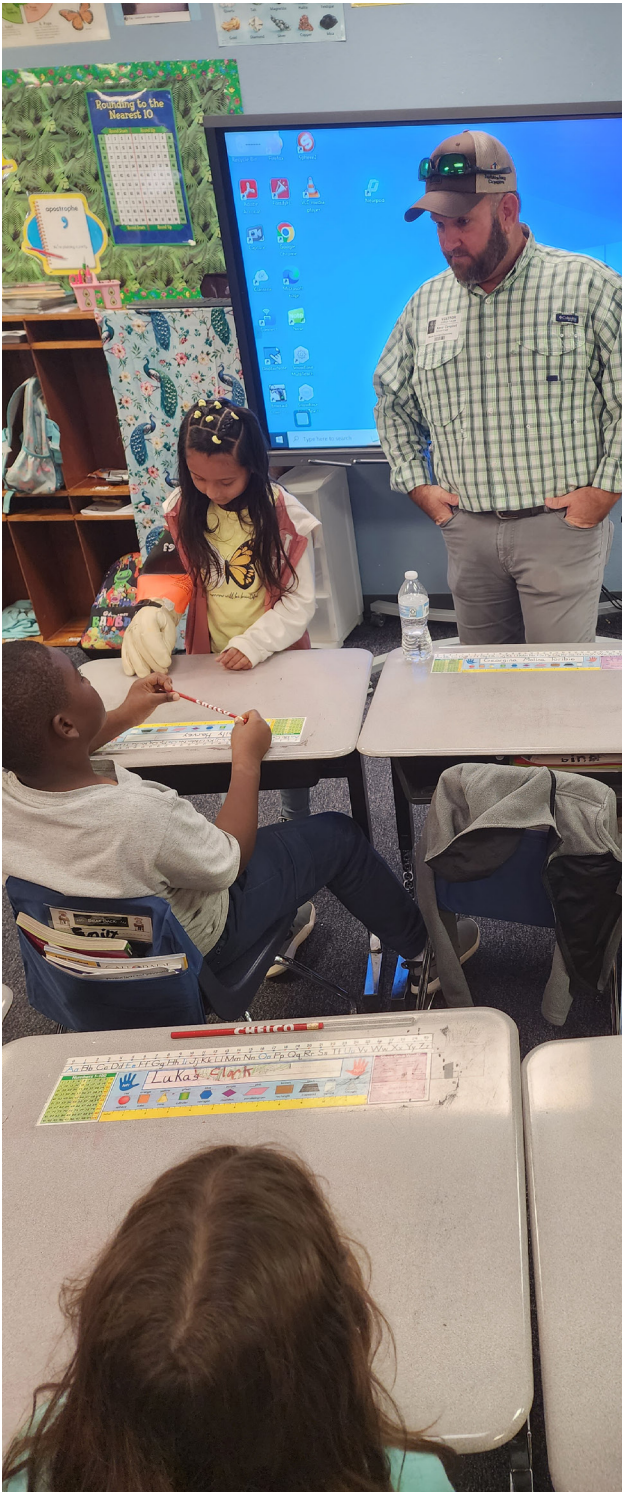
Gerald Edmondson
District 6 Trustee

I value the cooperative model, because it means working together toward a common goal. One of the cooperative principals we operate by is "Democratic Member Control," which means that you, our members, have a

say in how the cooperative is managed. Our Board of Trustees is made up of members just like you and are elected by our members. We understand that our decisions can affect the rates you pay and the quality of service you receive, which is why we weigh our decisions heavily. I am honored to serve as the District 6 Trustee and as your Board President.



2023



They say a picture is worth a thousand words. Here are a few of our “thousand-word” moments from 2023...

CHELCO CEO STEVE RHODES RECAPS 2023

“2023 WAS ANOTHER OUTSTANDING YEAR FOR OUR CO-OP, AND I’M PROUD TO HAVE THE OPPORTUNITY TO LEAD”



Steve Rhodes
CHELCO CEO

We have a saying here at our co-op: “Proud to be CHELCO.”

I sometimes think of that saying on my morning commute into the office. I have a 40-minute drive from my home in Bluewater Bay to our headquarters building in DeFuniak Springs, which gives me plenty of time to reflect on all that we’ve accomplished and all that we have in store for the future. I can’t help but think of how proud I truly am of our co-op, our leadership and our employees.

I am honored to be entrusted with the responsibility of serving CHELCO as the Chief Executive Officer, a title which I have proudly held for 11 years now. In that time, a lot has changed in the world, but our mission of providing safe, reliable and affordable electricity has remained constant since CHELCO first began serving its members in 1940.

Finally putting the COVID-19 pandemic in the past, 2023 signaled a return to life as normal for our cooperative. All COVID-related policies and limitations were lifted prior to the start of the year, and we felt like we had truly turned the page on a chapter we had been trying to finish for several years.

Of course, while the pandemic itself may be a thing of the past, its lingering effects on the global economy are still being felt today. However, despite out-of-control inflation and the ever-rising cost of goods and services everywhere, we made it another year without increasing distribution rates for CHELCO members. This streak extends all the way back to 2013, and since then, we’ve actually decreased rates

twice: in 2015 and in 2021, both coming in the distribution cost adjustment (DCA) portion of members’ bills.

Of course, it doesn’t do you any good if your bills are affordable but service is unreliable. Thankfully, you don’t have to worry about that. CHELCO consistently ranks in the top 25 percent of co-ops in our region for system reliability, thanks in equal parts to a well-executed plan, evolving technology and a hard-working staff. The good news for you is that reliability will continue to improve as we invest in system reliability upgrades over the next few years.

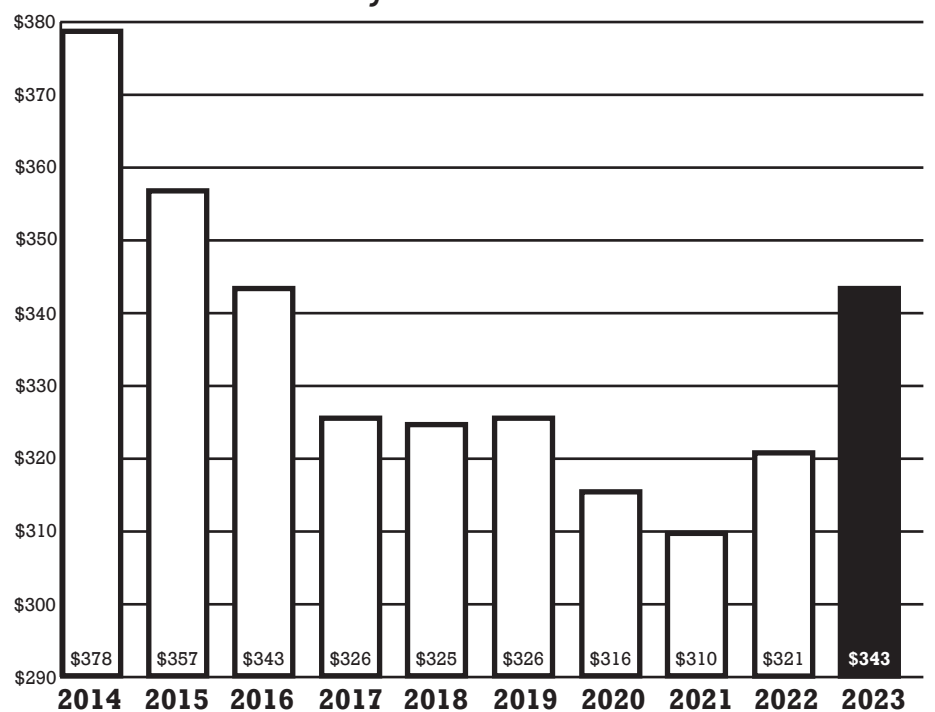
Finally, our top priority is safety. We could offer the lowest rates and most reliable service in the United States, but if our employees have an unsafe workplace in which they may not make it home to their families every night, then we have failed in our mission. I am grateful that this isn’t the case. In fact, because of our continued emphasis on putting safety above all else, we have maintained a No Lost Time Injury streak of more than 800 days. Our previous best streak on record was 886 days, which extended from August 2019 to January 2022. If things continue to go well, we will eclipse that record on June 12. Of all the things we’ve accomplished in recent years, our continued focus on safety is our greatest feat of all.

As you can see, I have a lot to be proud of. I’m thankful to the Board of Trustees for entrusting me with the responsibility of overseeing this co-op, and I’m excited to see where the future might take us.

PROUD TO BE CHELCO

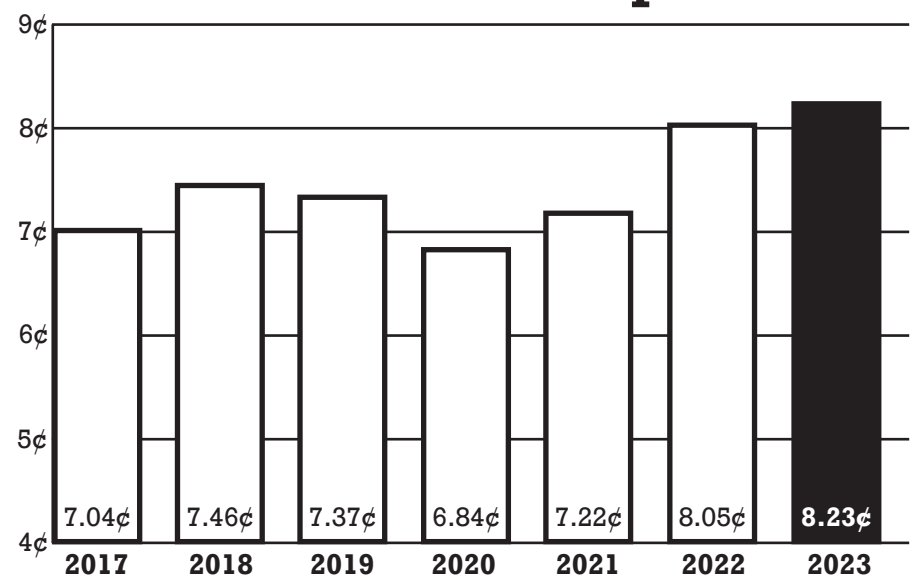
Controllable Expenses Per Meter

**Not adjusted for inflation*



**Exclude wholesale power cost, depreciation, interest, taxes and costs related to operations and maintenance of Eglin AFB infrastructure.*

Wholesale Power Cost per kWh





***PROUD
TO BE
CHELCO***

www.CHELCO.com

A LOOK AT SOME OF OUR GREATEST ACCOMPLISHMENTS FROM THE PAST YEAR

2023 HIGHLIGHTS

POWERED BY YOU

What is a Member?

If you were asked if you were a customer of CHELCO, would you say yes, or would you know that you are a member?

A member of a cooperative holds a unique position compared to a traditional customer. Unlike a customer who simply purchases goods and services, a member shares ownership in the cooperative.

Members have a voice in shaping the direction of the cooperative, democratically influencing its policies and practices. Additionally, as beneficiaries of the co-op's success, members often enjoy financial dividends in the form of Capital Credits, which is excess revenue returned to members on a 20-year cycle when approved by the Board of Trustees. In a traditional business, this excess revenue would simply be profit for the company's shareholders.

The bond between our cooperative and our members goes beyond just paying your bill every month. We hope that you see yourself as more than just a customer and truly utilize the benefits of your cooperative membership!



Executive Team: CEO Steve Rhodes (center) & VP Emily Cowan, SVP Matthew Avery, VP Robin Shaw and VP Scott Seay.

Maintaining Affordable Rates

In 2023, another year came and went without the need to increase local rates, a streak that has continued since 2013. While the wholesale power cost adjustment (WPCA) portion of your energy bill may fluctuate from month-to-month, these are pass-through costs in direct correlation with the costs for our wholesale power provider, PowerSouth Energy Cooperative, to generate power.

Once again in 2023, PowerSouth did an excellent

job in keeping these rates as low as possible, despite imposing EPA regulations, high inflation and volatile prices for natural gas, the primary generation source in PowerSouth's energy mix. Their efforts, in combination with our own efforts to keep local costs down, have led to rates among the lowest in the state for electric co-ops and the lowest among all PowerSouth co-ops.

This is not to say we are unfamiliar with the challenges of the supply chain and inflation

in recent years. Since 2020, equipment delivery delays have become all too common. For instance, a standard transformer that you might see attached to a pole has nearly doubled in cost, with estimated lead times going from 3-4 months just four years ago to 18 months or longer today. This is just one of the many essential pieces of equipment that have skyrocketed in price and lead time, but CHELCO has mitigated these issues with careful planning and hard work from a fully dedicated team.

FACILITIES UPDATE

The biggest item on our 2023 facilities agenda was the development of preliminary plans for a new Freeport location.

Plans have been developed for the 25,000-square foot facility, which will be located on West Bay Loop Road and will serve as our new Freeport Member Service Center.

In addition to housing member-facing offices for bill payments and other inquiries, this new location will feature a full

Operations Center, where multiple crews will report daily and during outages, improving restoration times in the southern portion of CHELCO's service area. This new space will also provide a staging area for mutual aid crews in the event of widespread outages caused by a major storm or other disaster.

Because of the scale of growth we've experienced in the past few years, we've welcomed major upgrades and additions to our facilities in the past several years.

After relocating to our new headquarters building and consolidating to one primary campus in 2022, work continued at our Highway 331 North

location in DeFuniak Springs to complete the new vehicle and maintenance shop. This new building provides much-needed

additional space and an overall higher-end workspace for our Fleet and Facilities Maintenance departments.



The Facilities Maintenance and Vehicle Shop, which opened in 2023, provided much-needed space and facility upgrades.

2023

2023 HIGHLIGHTS, CONTINUED



Record Growth Continues

Each year, we measure our growth rates in net services and meter points, adding the new members who join our system and subtracting those who disconnect service permanently.

For each of the past 20 years, our net growth numbers have been positive. In fact, we've set yearly growth records in three of the past four years, including last year when we grew by just over 2,600 meters. The growth in membership also means a growth in facilities, infrastructure and employees.

With the steady construction of new homes and influx of permanent new residents to our service area, CHELCO's growth is likely to continue near or beyond this pace over the next decade.

For some perspective on this growth, we've grown by 9,700 meters in the past four years, equivalent to the growth of the previous 10 years combined. From 2020-2023, CHELCO constructed 303 additional miles of line and onboarded 62 new employees. Because of this growth, particularly in

Freeport, our new Owls Head substation opened in 2023 and will serve a portion of Freeport and the new developments along Highway 331 in Freeport.

With the steady construction of new homes throughout our service area and influx of permanent new residents to our area, CHELCO's growth is likely to continue near or beyond this pace over the next decade. Our team will continue to monitor growth numbers to ensure our plan for the near and intermediate future is capable of supporting this record growth.

Operation Round Up

In the co-op world, there are many things that make us all unique from one another. In fact, one of our favorite monikers from the industry is, "If you've seen one co-op, you've seen one co-op." However, despite the many things that make us different, we do share many common values and beliefs, most prominently the Seven Cooperative Principles, which can be found on the back page of this report.

While each of these principles are core to who we are and how we serve, the Seventh, Concern for Community, is especially important to all of

us, as individuals and as co-ops everywhere.

Our biggest form of community support each year is our Operation Round Up program. If you are unfamiliar with the program, it's a simple concept with a major impact. Members may opt in to round their monthly bill to the next whole dollar amount, and the spare change is collected and distributed to local non-profit organizations in CHELCO's service territory that are focused on human service, education, recreation, health and safety, civic engagement, the environment and arts and culture.

In 2023 alone, we were fortunate to have our biggest year ever for the Operation Round Up program, awarding grants to 46 charitable organizations totaling \$114,040. Since the program's inception in 2019, we have awarded 130 grants totaling \$301,175 as of the end of 2023.

This feat would be impossible without the support of our 21,000+ members who are enrolled in Operation Round Up. Thank you all for helping support local causes that truly make an impact in our communities.

Eglin Utility Privatization Contract

As part of CHELCO's 50-year utility privatization (UP) contract with Eglin Air Force Base, we continued to own and maintain all substations and electric transmission and distribution infrastructure on base. The UP contract, which recently completed its seventh year, helps keep rates affordable for all members by allowing us to defray certain expenses that don't have to be paid by the membership and providing more efficient use of employees, equipment and facilities. CHELCO is a proud mission partner of Eglin AFB.



CHELCO participated in the 2023 Habitat for Humanity Women's Build in Walton County. Pictured above, Lead Member Service Representative Beverly Robinson and Member Services Supervisor Melissa Rose cut a piece of vinyl.

2023

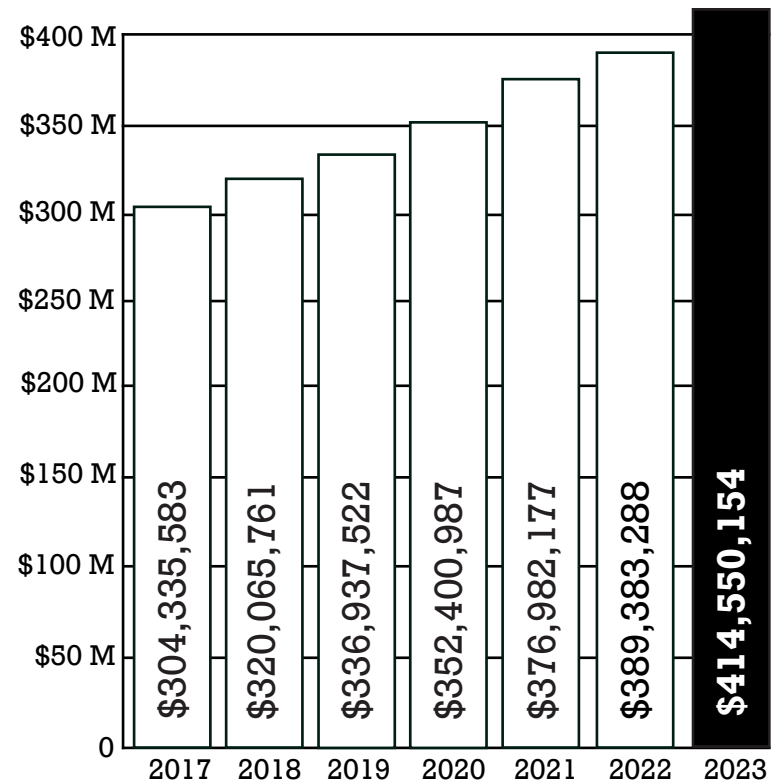
A LOOK AT CHELCO'S FINANCIAL STATEMENTS FOR 2023

OPERATING STATEMENT & BALANCE SHEET

DEC. 31, 2023 AND 2022

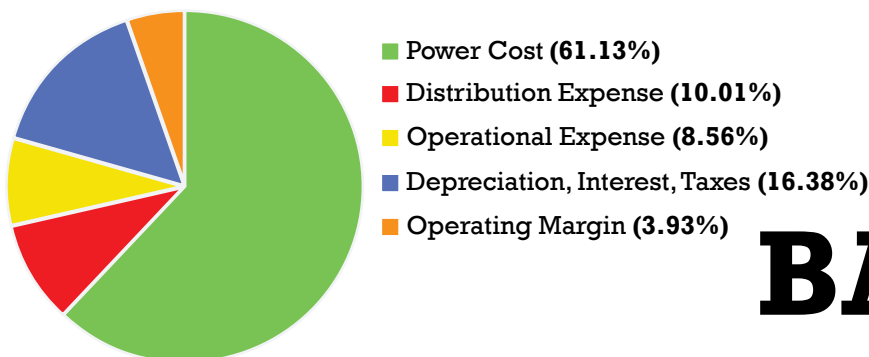
	2023	2022
Statement of Operations		
Operating Revenues	145,262,314	136,783,909
Operating Expenses		
Purchase Power	88,796,338	84,976,851
Operations & Maintenance	14,534,855	12,767,399
Collections, Admin. & General Expense	12,430,463	11,117,150
Depreciation	14,089,646	13,009,622
Taxes	1,636,831	1,382,833
Interest	8,064,801	6,593,374
Total Operating Expenses	139,552,934	129,847,229
Operating Margin	5,709,380	6,936,680
Other Income or Deductions		
Interest Income	810,652	278,766
Misc. Income (Expense)	430,654	908,710
G&T and Other Capital Credits	2,743,963	2,179,995
Total Non-Operating Margins	3,985,269	3,367,471
Net Margins	9,694,649	10,304,151

TOTAL UTILITY PLANT



Amounts disclosed included on both the Balance Sheet and Statement of Operations activity for the assets owned and maintained on Eglin Air Force Base.

WHERE DOES YOUR DOLLAR GO?



BALANCE SHEET

DEC. 31, 2023 AND 2022

	2023	2022		2023	2022
Utility Plant			Equities		
Distribution Plant in Service	407,207,656	369,279,426	Memberships	265,260	256,225
Construction Work in Progress	7,342,498	20,103,862	Patronage Capital	128,768,045	121,118,932
	414,550,154	389,383,288	Total Equities	129,033,305	121,375,157
Accumulated Provision for Depreciation	(118,941,377)	(116,801,165)	Long-Term Debt		
Net Distribution Plant	295,608,777	272,582,123		196,514,216	181,407,807
Long-Term Assets			Current Liabilities		
Patronage Capital of Associated Cooperatives	50,849,027	48,549,633	Current Portion of Long-Term Debt	8,272,787	8,169,875
Other Long-Term Assets	485,647	401,534	Line of Credit	12,993,368	11,413,005
Total Long-Term Assets	51,334,647	48,951,167	Accounts Payable	7,870,617	9,588,632
Current Assets			Consumer Deposits	4,237,360	3,998,826
Net Accounts Receivable	13,494,476	13,362,415	Other Current Liabilities	1,966,833	2,177,471
Cash & Cash Equivalents	13,018,349	19,123,027	Total Current Liabilities	35,340,965	35,347,809
Materials & Supplies	23,299,014	16,568,843	Deferred Credits		
Other Current Assets	112,615	128,522		40,039,244	37,152,054
Total Current Assets	49,924,454	49,182,807	TOTAL EQUITIES & LIABILITIES		
Deferred Debits				400,927,730	375,282,827
	4,059,825	4,566,730			
TOTAL ASSETS	400,927,730	375,282,827			

AUDITOR'S FINDINGS: AT THE DIRECTION OF YOUR BOARD OF TRUSTEES, CHELCO'S FINANCIAL RECORDS ARE SUBJECTED TO AN ANNUAL AUDIT PERFORMED BY AN INDEPENDENT, CERTIFIED PUBLIC ACCOUNTING FIRM. THE BOARD IS RESPONSIBLE FOR THE SELECTION OF THIS FIRM AND MANDATES THAT IT BE CHANGED PERIODICALLY TO ENSURE INDEPENDENCE AND ACCURACY. AFTER EXAMINING THE FINANCIAL RECORDS OF 2023, CHELCO'S AUDITORS RENDERED AN OPINION WITHOUT QUALIFICATION, WHICH MEANS THE FINANCIAL REPORTS THEY EXAMINED PRESENTED FAIRLY, IN ALL MATERIAL ASPECTS, THE FINANCES OF CHELCO AND THAT ITS ACCOUNTING PRACTICES WERE IN CONFORMITY WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES. CONDENSED FINANCIAL INFORMATION CONTAINED HEREIN WAS PREPARED BY MANAGEMENT AND IS DERIVED FROM INFORMATION CONTAINED IN THE AUDITED FINANCIAL STATEMENTS. HOWEVER, THE CONDENSED FINANCIAL STATEMENTS HAVE NOT BEEN SUBJECTED TO ANY AUDIT PROCEDURES AND DO NOT INCLUDE ALL DISCLOSURES AND OTHER INFORMATION REQUIRED FOR THE STATEMENTS TO BE CONSIDERED TO BE PRESENTED IN ACCORDANCE WITH US GAAP.

A RECAP OF THE 2023 CHOCTAWHATCHEE ELECTRIC COOPERATIVE ANNUAL MEETING

2023 ANNUAL MEETING MINUTES



ANNUAL MEETING OF MEMBERS

CHOCTAWHATCHEE ELECTRIC COOPERATIVE, INC.

SATURDAY, APRIL 15, 2023

The Annual Meeting of Members of Choctawhatchee Electric Cooperative, Inc. (CHELCO) was held on Saturday, April 15, 2023, at Freeport High School in Freeport, FL.

Mr. Gerald Edmondson, President, welcomed members to the 82nd Annual Meeting and called the meeting to order. Trustee Ronnie Jones gave the invocation. The Walton High School Junior ROTC Color Guard presented the flag, and Mr. Edmondson led the Pledge of Allegiance, and the national anthem was played.

Mr. Edmondson acknowledged local dignitaries for their attendance at the meeting, and he introduced the Board of Trustees by district as their photos were displayed.

Attorney C. Jeffrey McInnis provided the notice of the meeting and proof of due publication and mailing. He reported that on March 10, 2023, 50,582 ballots were mailed to the active members of the Cooperative. All votes received by 5 p.m. on April 10, 2023, at the offices of Warren Averett, Certified Public Accountants, were considered. A total of 4,099 valid ballots were received by that date. A two percent (2%) quorum (at least 1,012) of responses was met, which is a requirement of Article III, Section 4 of CHELCO's bylaws. The voting resulted in the following winners:

DISTRICT 3
Reese Harrison

DISTRICT 5
Ronald Jones

DISTRICT 8
Gayle Hughes

Mr. Edmondson referenced the 2022 Annual Meeting minutes which were printed within the Annual Report for review by attendees. Upon a motion being made and seconded, President Edmondson asked all in favor of the minutes to say "Aye"; all opposed to say "No". The 2022 Annual Meeting minutes were approved.

Mr. Edmondson provided the

President's report. He stated the not-for-profit Cooperative's decisions are made with the member-owners' best interests in mind. He reported there are currently 16,000 members who participate in Operation Round Up by rounding up their monthly bill payments to the next whole dollar amount. Proceeds of those funds provided 28 grants in 2022, to local non-profit organizations, totaling \$79,000. Members in attendance viewed a short video of collective charitable projects the Cooperative participates in within the community.

Mr. Edmondson reported rates remained low this past year despite inflation and supply chain challenges, and the distribution rate has not increased since 2013. At the end of 2022, CHELCO's rates were the lowest of all the cooperatives in Florida, and 11 percent lower than the local investor-owned utility, Florida Power & Light. He stated the Cooperative is financially strong and resources are managed in the most efficient manner.

Ms. Gayle Hughes presented the Treasurer's report. The accounting firm of Warren Averett performed an annual audit of the 2022 financial statements through December 31, 2022. They issued an unqualified opinion, which is the highest level of assurance with no material weaknesses noticed in the Cooperative programs. CHELCO performed well in 2022 despite supply chain challenges and increased inflation. Rapid growth in our territory brought just over 2,500 new members. Over one billion kilowatt-hours of electricity were sold, serving 62,000 meter points; the distribution plant now totals \$389,000,000 worth of lines, poles, and transformers; and management continued to control costs during 2022. Ms. Hughes thanked the membership for their continued support of CHELCO.

Mr. Edmondson thanked the Board for their leadership and thanked senior staff, the leadership team, and employees for their hard work in 2022. He introduced CEO Steve Rhodes, who recently celebrated 10 years with the Cooperative. He has improved service reliability, maintained our safety culture, and reduced controllable costs. He recently received the Touchstone Energy Distinguished Service

Award, awarded to one national leader annually who has had a major impact on the Touchstone Energy brand.

Mr. Rhodes thanked the members for attending the meeting on such a beautiful day. He congratulated the three incumbents – Reese Harrison, Gayle Hughes, and Ronald Jones on being re-elected to the Board. He thanked the employees for their work throughout the year and the Board for their dedicated service. He stated it continues to be an honor to serve as the CEO.

Mr. Rhodes stated the post-COVID inflation and supply chain crises have significantly increased the cost of materials and affected most areas of the Cooperative. CHELCO is growing at four times the national average of most cooperatives. A brief video was produced and shown to the audience to capture the growth within our service territory, especially within the Freeport area.

The co-op's goal is to control costs while maintaining or improving safety, service reliability, member satisfaction, and employee engagement. In 2022, we maintained our superior performance in six of the nine individual metrics we track, and we ranked in the top 25 percent of 850 electric co-ops nationally. Our customer satisfaction scores were considerably higher than respected organizations like Google, Amazon, and Chick-fil-A. A short compilation of members' appreciative comments was shown by video.

Mr. Rhodes stated the highest priority is safety. Our current streak without a lost time injury is at 464 days. We have presented electrical safety awareness training to over 400 people this past year, and our safety focus will continue. We have worked to control costs and have reduced them by 15 percent since 2014. Our initiatives have saved members \$4,000,000 in 2022 and reduced approximately \$24,400,000 in costs since 2014. Several extra refunds of capital credits were implemented in recent years in addition to the yearly capital credit retirement each December. The Board approved two distribution rate decreases since 2015, and the last distribution rate increase was in 2013. He reported there will be no distribution rate

increase in 2023.

Mr. Rhodes provided an update on two projects. In 2021, \$1,800,000 from the estate of deceased member Murial Drebing was issued to the Cooperative to assist CHELCO members. Following the legal proceedings, these funds were placed in the CHELCO Foundation where an endowment will be created. Policies and procedures are being developed to guide the distribution of grants to be awarded according to her wishes. The second project is the ongoing facilities project to enlarge and modernize the offices. In 2019, a service center was built on Eglin Air Force Base to support our work as part of the utility privatization contract with the Department of Defense. A new Headquarters has been constructed on Highway 331 North; the aging Operations Center has been renovated; and a vehicle and facilities shop will be built adjacent to those buildings. Construction of a service center near Hammock Bay in Freeport will begin next year. The former Headquarters building was sold to the City of DeFuniak Springs. All the needed improvements have made a more streamlined and efficient operation for the Cooperative and were done without a rate increase.

Mr. Rhodes provided a summary of CHELCO's participation last December along with other Florida cooperatives, in the National Rural Utilities Cooperative Association (NRECA) international project which provided power to a rural village in Jalapa, Guatemala. A video was shown which captured the progress made by the team. CHELCO linemen Ricky Brassell, Jason Price, and Derek Tabor were recognized by the CEO and applauded by audience members for their participation in the NRECA international project. Mr. Rhodes closed by thanking the membership for their attention.

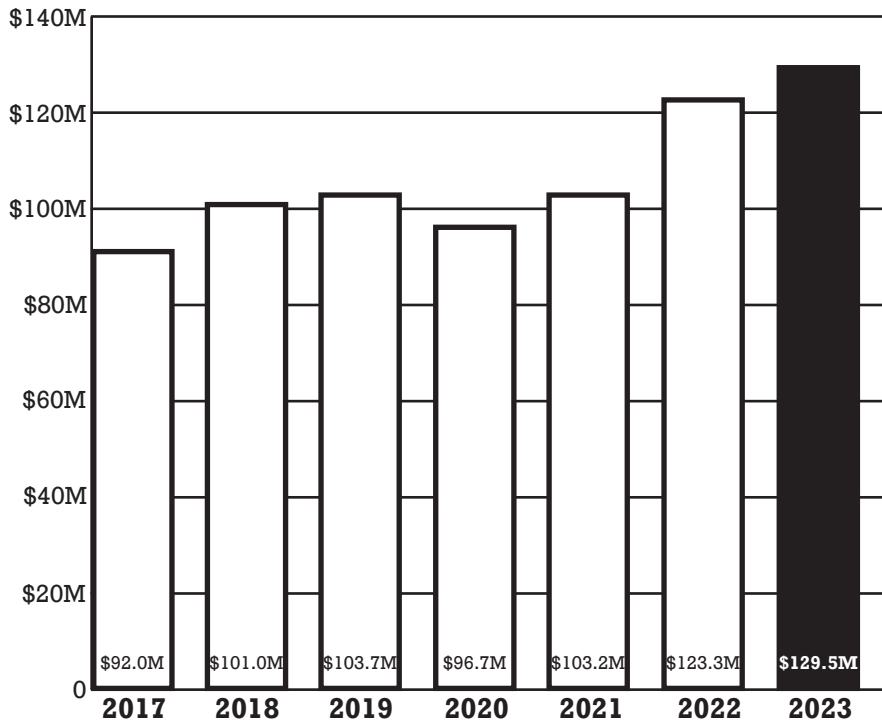
President Edmondson called for any new or old business, and there was none. He thanked the membership for attending, and adjourned the meeting.

Following the meeting, a drawing for scholarships and other prizes was held.

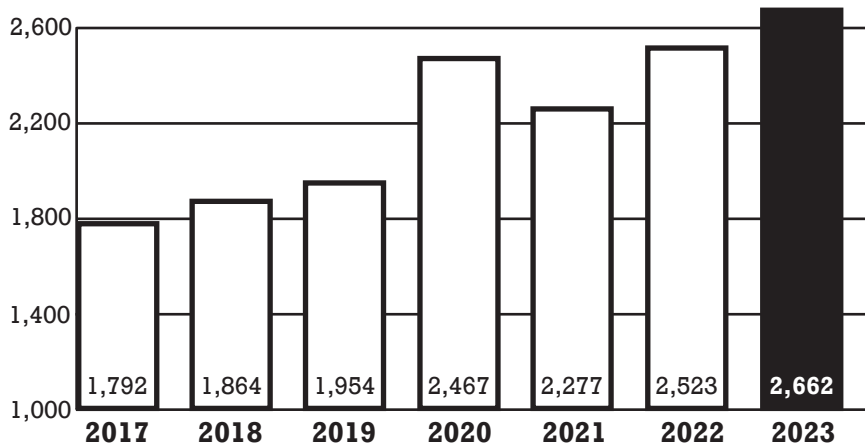
PROUD TO BE CHELCO

**GROWTH
CHARTS
2017-2023**

ELECTRIC REVENUE



**NEW MEMBER
ACCOUNTS**



**BENEFITS OF
TREE TRIMMING**

- ✓ Improves service reliability
- ✓ Speeds up restoration time
- ✓ Keeps crews & communities safe



Pictured above: Energy Advisor Tyler Jackson (right) speaks with a member in her home during a consultation.

CHELCO OFFERS ENERGY PROGRAMS, TIPS & MORE

At CHELCO, our Energy Advisors offer in-depth programs, advice and other tools that extend our cooperative’s reach beyond our core mission of providing safe, reliable, affordable energy.

Energy Audits

Energy audits conducted by CHELCO’s Energy Advisors delve into members’ energy consumption patterns, identifying areas for improvement and cost-saving opportunities. These personalized assessments equip members with actionable insights to optimize their energy usage and enhance overall efficiency. Audits are available upon request for \$19.

Surge Protection

Living in the lightning capital of the world, many CHELCO members participate in our surge protection program to protect the large motor-driven appliance in their home. Participating members lease the meter-based surge protector for \$6.95 per month, and many purchase additional point-of-use protectors to protect their sensitive electronics.

Electric Vehicles

As electric vehicles (EVs) have become much more popular in recent years, CHELCO has begun planning for their impact on the grid. In addition to owning two electric vehicles of our own at CHELCO, we now

offer incentives for members who own EVs, including a \$100 all-electric plug-in vehicle registration rebate. Registering your EV with us allows us to see the impact and patterns of charging time across all members who charge an EV at home, helping us better understand the overall impact that EV charging has on an individual member’s bill as well as to the grid as a whole.

Outdoor and Decorative Lighting

Whether you are a homeowner, business owner, HOA or developer, CHELCO has a lighting solution for you. All new residential lighting installations are LED lights, and each offers something different to meet your needs.

Renewables

If you are interested in renewable energy but don’t have the resources to have a solar array installed on your home, contact us to discuss your options and our Green Power Choice program. We are your trusted energy source, so please call us for an assessment before purchasing a solar array.

Contact Us

If you are interested in any of these programs, please contact our Energy Services Department at energyservices@chelco.com or (850) 307-1122. For more information, visit CHELCO.com

THE SEVEN COOPERATIVE PRINCIPLES

UNDERSTANDING THE SEVEN COOPERATIVE PRINCIPLES

Cooperatives around the world operate according to the same set of core principles and values, adopted by the International Co-operative Alliance. These principles are a key reason why America's electric cooperatives operate differently from other electric utilities, putting the needs of our members first.



1 VOLUNTARY AND OPEN MEMBERSHIP

Membership in a cooperative is open to all people who can reasonably use its services and stand willing to accept the responsibilities of membership, regardless of race, religion, gender or economic circumstances.



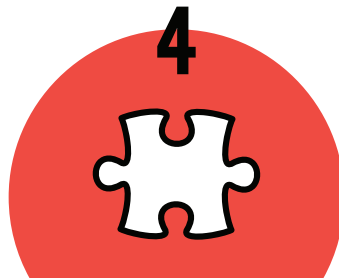
2 DEMOCRATIC MEMBER CONTROL

Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. Representatives (directors/trustees) are elected among members and are accountable to them. In primary cooperatives, members have equal voting rights (one member, one vote); cooperatives at other levels are organized in a democratic manner.



3 MEMBERS' ECONOMIC PARTICIPATION

Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital remains the common property of the cooperative. Members allocate surpluses for any or all of the following purposes: developing the cooperative; setting up reserves; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.



4 AUTONOMY AND INDEPENDENCE

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control as well as their unique identity.



5 EDUCATION, TRAINING AND INFORMATION

Education and training for members, elected representatives (directors/trustees), CEOs and employees help them effectively contribute to the development of their cooperatives. Communications about the nature and benefits of cooperatives, particularly with the general public and opinion leaders, help boost cooperative understanding.



6 COOPERATION AMONG COOPERATIVES

By working together through local, national, regional and international structures, cooperatives improve services, bolster local economies and deal more effectively with social and community needs.



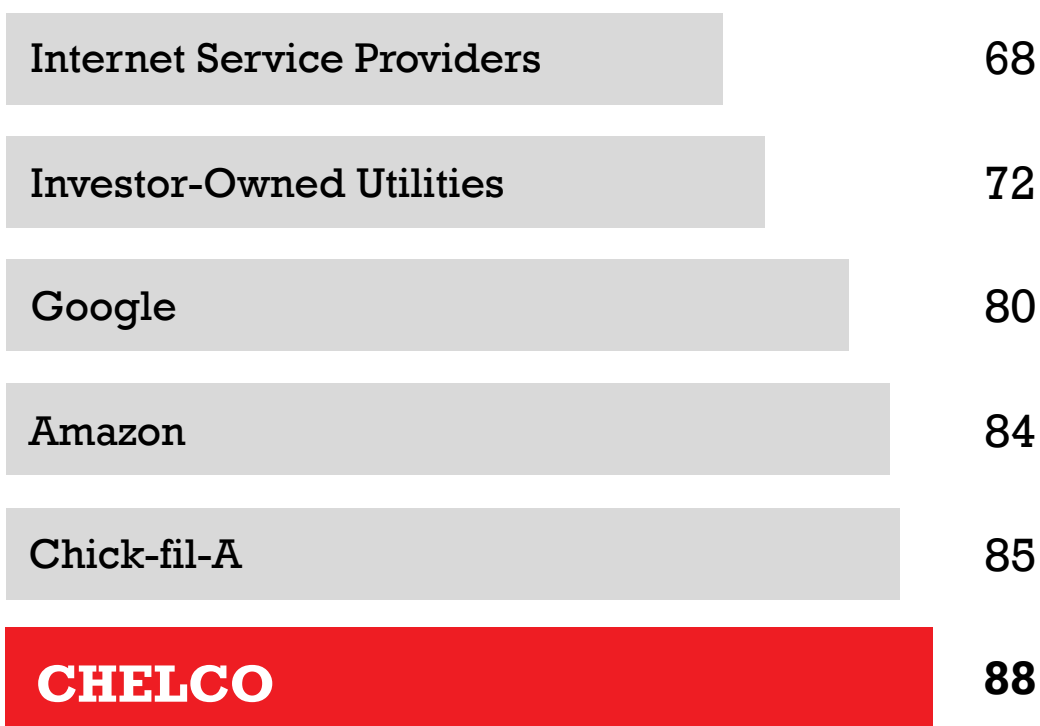
7 CONCERN FOR COMMUNITY

Cooperatives work for the sustainable development of their communities through policies supported by the membership.

THESE ARE THE WORDS WE LIVE BY.



2023 ACSI* SCORES American Consumer Satisfaction Index



FIND US ON



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Cooperative, Inc.**

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