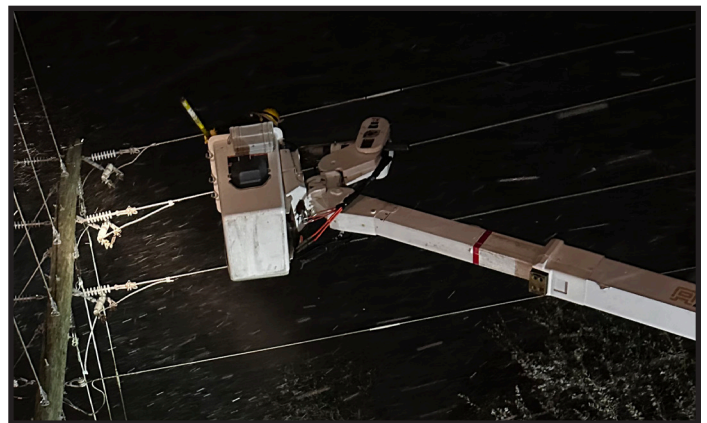
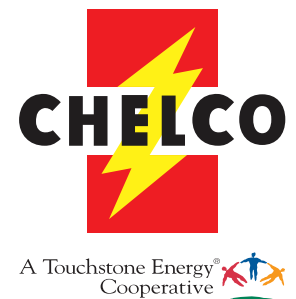


We continue with another throwback edition of CHELCO News in celebration of our 85th anniversary!
CHELCO News archives are available at CHELCO.com/CHELCO-News and date back to 2014.

Winter storm brings snow to Florida; Crews work hard during outages



Well, it's not every day that you see pictures like these in CHELCO News! On Jan. 21, Florida received record-breaking levels of snow, some areas reporting 8-9 inches. Along with the snowfall, we experienced extremely cold temperatures, causing the system-wide energy load to become extremely high, resulting in intermittent power delivery issues in some areas, primarily near Auburn and Mossy Head. Our crews worked hard through some of the coldest weather they have ever seen in our area to restore power and solve the frequent blinking issues many members were experiencing. Thank you to all of our members for your patience and support as we were working hard on your behalf!





CEO Insights: Beat the Peak - Saving Millions Together

As the CEO of your cooperative, I am thrilled any time I can announce that our joint efforts have saved you money.

I am happy to share that our recent Beat the Peak efforts saved a total of **\$1.53 million** in 2024, which is equivalent to around \$23 per member. Dating back to 2014, the amount saved by peak shaving efforts totals nearly **\$12 million!**

You may recall receiving notifications from CHELCO recently asking you, on the coldest mornings, to reduce your use of high-energy appliances, such as your water heater, washer and dryer. While this may not always be feasible, we certainly appreciate any efforts you have made in keeping our “peak” as low as possible.

What is “Peak” and why does it need to be low?

“Peak load” refers to the time when electricity use is at its highest, which usually occurs on cold winter mornings when our members are getting up for work, bumping up their thermostat and using hot water. Occasionally, our system has peaked on scorching summer afternoons when air conditioners are running full blast, but most of the time, even here in Florida, we are a “winter-peaking” system.

When demand for electricity spikes, or peaks, its costs more for our generation and transmission (G&T) co-op, PowerSouth, to generate power because of the extra resources it takes to keep up. By keeping peak load as low as possible, CHELCO and our members can avoid these higher costs, ultimately saving millions of dollars collectively. Through our Beat the Peak efforts over the years, we’ve worked together to reduce this demand during the busiest times, keeping our peak low and leading to significant savings for everyone.

What all does CHELCO do to Beat the Peak?

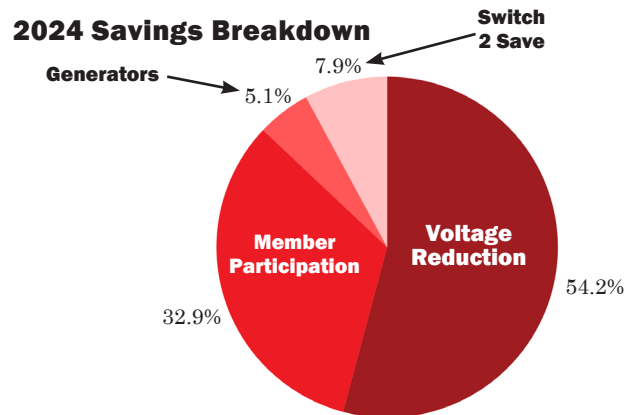
While it is a significant help for our members to reduce their usage voluntarily, CHELCO also has several other ways to reduce our own peak.

Through advanced technology on our system, we are able to implement voltage reduction to reduce overall power demand during peak times. By slightly lowering the voltage that is delivered to homes and businesses, CHELCO

can reduce the amount of electricity being consumed without significantly affecting service. While voltage reduction is only a temporary measure during high-demand periods, it plays a crucial role in preventing the need for additional costly and impactful power generation, ultimately keeping costs affordable for our members.

In addition to voltage reduction, our team also reaches out to our biggest energy consumers, such as the Walton Correctional Institution and Winn-Dixie of Bluewater Bay, to request they run their generators during hours of high energy demand. These members, called “Key Accounts,” help us tremendously with their efforts, and we pitch in, too, by running our own generators at CHELCO.

Finally, our efforts are punctuated by those who are voluntarily enrolled in our “Switch 2 Save” water heater program. This program allows members to have a power switch installed on their water heater which disconnects power to the unit during peak demand. Participating members receive a one-time \$25 bill credit and a \$3 credit per month as long as the unit is active. While the switch prevents the unit from powering on during this time, the tank keeps the water hot for hours, and you should still have plenty to get you through your morning routine.



Thank you again to everyone who has helped us keep our rates affordable by participating in our Beat the Peak efforts. **Proud to be CHELCO!**

Steve Rhodes
Chief Executive Officer



Pole inspections keep service safe and reliable



Have you ever looked closely at a utility pole and seen the tags like you see in the picture above? These tags represent a pole that has passed inspection by our contracted pole evaluation vendor, Osmose, and they typically feature the year the inspection was complete, from a pole's very first inspection until it is retired from service. Typically, wood poles have a useful service life of around 30 years without inspection or treatment. However, well maintained and regularly inspected poles can last up to 50 years.

Osmose evaluates CHELCO's poles on an eight-year rotation, and inspectors complete a thorough evaluation process that begins with a visual inspection and ends with cleanup and a pass or fail grade. These pole inspections are an important aspect of maintaining safe and reliable power delivery to our members.

2024 Pole Inspection Recap

In 2024, Osmose completed inspections on 8,123 of CHELCO's approximately 66,000 poles. Of those, 623 were retired and replaced by our Operations crews. Primarily, work was completed in Holt and Baker in 2024.

What's on deck for 2025?

This year, expect to see Osmose working around Laurel Hill and Paxton, where they plan to inspect approximately 8,000 more poles in 2025.

\$10,000 in scholarships available to members

The CHELCO Scholarship is now available to all members and member dependents who will attend college or trade school as an undergraduate student in 2025-26. Ten recipients will receive \$1,000 to use toward their education. The winners will be drawn at the Annual Meeting on April 12. Applicants must be in attendance to enter their name into the scholarship drawing.

Visit CHELCO.com/scholarships to apply today. The deadline to apply is March 28.

Operation Round Up 2024 Impact Report



In 2024, CHELCO's Operation Round Up program had its biggest year ever thanks to our members who round their bill to the next dollar amount for local nonprofits. Here is our 2024 recap:

<p>Members Enrolled <i>As of 12/31/2024</i></p> <p>26,335</p>	<p>Member Contributions <i>1/1/24 - 12/31/24</i></p> <p>\$134,541</p>
<p>Grants Awarded <i>1/1/24 - 12/31/24</i></p> <p>46</p>	<p>Grant Award Total <i>1/1/24 - 12/31/24</i></p> <p>\$121,779</p>

If you are not enrolled and would like to be, visit CHELCO.com/Operation-Round-Up.

Unclaimed Capital Credits

Visit CHELCO.com/capital-credits and click the "Unclaimed Capital Credits" tab.

Need to Update Your Contact Info? Scan the QR code.



CHELCO is governed by a nine-member board of trustees: Lee Perry, District 1; Terry Pilcher, District 2; Reese Harrison, District 3; Brady Bearden, Vice President, District 4; Ronald Jones, District 5; Gerald Edmondson, President, District 6; Bert Prutzman, Assistant Secretary/Treasurer, District 7; Gayle Hughes, Secretary/Treasurer, District 8; Dwayne Davis, District 9.

Mark Your Calendars for Annual Meeting on April 12

Save the date, April 12, for the CHELCO Annual Meeting at Freeport High School. Doors will open at 9 AM, at which time you can enjoy family activities, breakfast and the Touchstone Energy hot air balloon. The business portion of the meeting will begin at 11 AM. All members in attendance will receive a door prize, a bill credit and an entry in our prize drawing.

Be on the lookout for a CHELCO Board of Trustees election packet in the mail, which will include your official ballot and a postage-paid return envelope. The results of the 2025 Board of Trustees election will be announced at our Annual Meeting.



Cooperative
FAMILY FUND

The Cooperative Family Fund is a non-profit organization that is dedicated to providing support for children of electric cooperative employees when they experience the loss of a parent while actively employed at a cooperative. This support actively demonstrates the value our cooperative network places on co-op families at the time of their greatest need.

In addition to a one-time monetary contribution when a child turns 18, the family will receive a memory book with photos and stories from their deceased parent's coworkers at their cooperative.

CHELCO VP of Member Services and External Affairs Emily Cowan sits on the Board of Directors and appreciates the organization's efforts.

"The Cooperative Family Fund is very dear to us at CHELCO, especially because we lost our colleague Lyvonnica Green in 2022," Cowan said. "I'm honored to serve on their Board and thankful for their mission."

If you would like to contribute, please visit CooperativeFamilyFund.com/campaign or scan the QR code.



Crew repairs broken pole on Hwy. 331 S.



In mid-December, motorists on Hwy. 331 S. in Freeport were stopped after a semi-truck caught a fiber optic cable, resulting in a broken pole and wires. What could have been a dangerous situation was quickly brought under control by the quick response from the Walton County Sheriff's Office and CHELCO's Energy Control Center. The accident left more than 1,800 members without power, but power was restored within 30 minutes. "The coordinated efforts of the deputies, control center operators and field crews turned what could have been a disaster into a demonstration of quick thinking and teamwork," said Matthew Avery, CHELCO SVP of Engineering and Operations.

Offices Closed for Holiday

CHELCO offices will be closed Monday, Feb. 17, in observance of Presidents Day.



\$25 Bill Credit Winner



If the account number below matches yours, call (850) 892-2111 to redeem a \$25 bill credit on your next power bill!

Barrow - 9000124049

Stay Informed

Find @myCHELCO on Facebook, Instagram, YouTube & X (formerly Twitter)
Visit www.CHELCO.com for more information.