



# Pole to Pole News

**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](https://www.chelco.com/CHELCO-News) and date back to 2014.*

## Special CEO Column: CHELCO must adjust rates to keep pace with rising costs



We recently held our Annual Meeting on April 12 at Freeport High School. It was a beautiful day, and we appreciate the large crowd of members who joined us that morning.

At the meeting, I shared several updates on the co-op, including the news of a necessary rate increase. You may have seen this announcement in the local news, so I'd like to use this month's newsletter to fill you in on all the details.

In my March column, I outlined our year-long cost-of-service study with an independent rate consultant. Since then, our consultant has submitted a final recommendation: a moderate rate adjustment to help manage the rising costs of providing reliable electric service.

### What to Expect

For residential members, the Basic Service Charge will increase by \$6—from \$29 to \$35 per month. Additionally, the Distribution Delivery Charge will increase slightly, and the Distribution Cost Adjustment (DCA) will be eliminated.

For the average residential member—using approximately 1,100 kilowatt-hours per month—

the total increase will be about \$8.08 per month, or roughly 5.1%. Actual impact will vary based on your individual energy use. You'll see this change reflected in your May 2025 bill.

### What These Charges Mean

The **Basic Service charge** covers the fixed costs of delivering electric service, regardless of how much power you use. Some co-ops refer to it as an “availability charge.” It pays for infrastructure like poles, lines, transformers, and meters—critical components that keep your power flowing and available 24/7/365.

The **Distribution Delivery charge** is a usage-based, per-kilowatt-hour charge, grouped with the Energy Charge and Purchased Power on your bill. Like the Basic Service Charge, it helps cover CHELCO's costs to deliver electricity, but it varies with your monthly usage. The new rate is \$0.02210 per kilowatt-hour, and the previous Distribution Cost Adjustment of \$0.003272 has been eliminated.

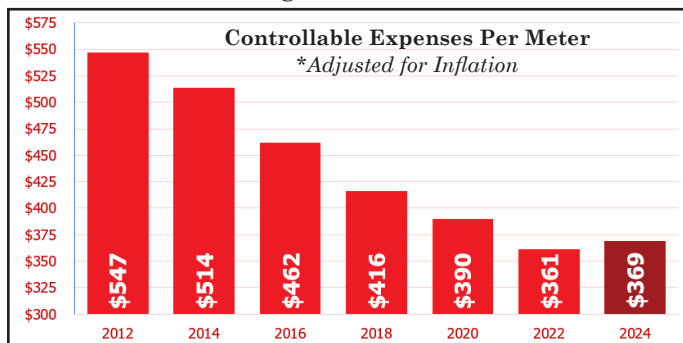
### Why is an Increase Necessary?

Since 2013, inflation has risen nearly 40%. Meanwhile, rapid growth in our service area has placed greater demands on our system, and cost increases for essential materials and equipment have far outpaced general inflation. This distribution rate adjustment ensures that current co-op members are paying their fair share of costs being incurred to operate the system now and into the future.

# CEO Insights: Rate increase necessary (cont. from p. 1)

## CHELCO's Financial Position

You may recall that last year's moderate distribution rate increase of around 3.5% for the average residential member was the first at CHELCO since 2013. In fact, we implemented two distribution rate decreases in that span—one in 2015 and another in 2021. Even with this rate increase, CHELCO's rates will still rank among the most affordable of co-ops in Florida and Alabama. Recent data also shows that CHELCO ranks in the top 3% of U.S. electric cooperatives at controlling costs. CHELCO remains in an excellent financial position, and I'd like to commend all of our employees for their efforts at controlling costs across the board.



CHELCO has had a steady emphasis on reducing controllable expenses.

## Reliability Remains a Top Priority

We have a commitment to our members to provide reliable service. Despite the steep increases in equipment and material costs that I mentioned earlier, we continue to make investments in reliability upgrades to ensure we are fulfilling our mission.

Over the past 20 years, our reliability has steadily improved, and we're determined to keep that trend going and strive for even greater reliability.



A CHELCO line crew works on underground equipment.

## CHELCO Offers Tools to Help Manage Usage

At CHELCO, we strive to not only be your electric service provider but also your first stop when it comes to advice, tools and resources to manage

your energy usage. Our Energy Services team is comprised of experts to help you make informed decisions on your home and its energy efficiency. Whether you'd like to schedule an energy audit at your home or business or simply talk about ways you can reduce your energy consumption, please contact (850) 307-1122 or send an email to [energyservices@chelco.com](mailto:energyservices@chelco.com).

If you prefer a more independent route, our Residential Energy Calculator is available at [CHELCO.com](http://CHELCO.com) for residential members. By inputting information about your home, the calculator will provide in-depth feedback on how much you could save by making certain energy efficiency upgrades.

One way we are striving to improve our own efficiency is through our Paperless Billing campaign. With the increasing postal costs, we encourage our members to consider paperless billing as an option, and we're even offering a \$10 bill credit to sign up. Learn more on page 4.

## What's Next for CHELCO?

As a not-for-profit electric cooperative, CHELCO will continue to operate with a focus on serving our members, not earning a profit for stockholders. We will also continue striving to be a well-rounded organization, balancing financial responsibility with our goal to provide affordable and reliable service to our members, all while prioritizing safety first.

Through our focus on cost control, we aim to remain among the most affordable electric cooperatives in the U.S. In the coming weeks, months and years, we will continue to do what we've always done: put the interests of our members first.

I appreciate your membership with our cooperative. As the school year begins to wind down and the weather continues to grow warmer, I hope that you and your family have a safe and memorable summer. In the meantime, if you ever need us for anything, we're always just a visit, click or call away.

As always, **Proud to be CHELCO.**

**Steve Rhodes**

Chief Executive Officer



# CHELCO Celebrates 85 Years, hosts Annual Meeting at FHS



*LED Lucy made an appearance at the Annual Meeting.*

CHELCO recently held its Annual Meeting and 85th Anniversary Celebration on April 12 at Freeport High School, welcoming hundreds of CHELCO members for a day of family activities, entertainment, updates on the co-op and more.

During the business meeting, attendees heard annual updates from Board President Gerald Edmondson, Secretary/Treasurer Gayle Hughes and CEO Steve Rhodes.

Board Attorney Jeff McInnis announced the 2025 CHELCO Board of Trustees election results, as well as the results of the Bylaws revision voting. The three incumbent trustees up for election were re-elected for three-year terms:

- Terry Pilcher, District 2**
- Brady Bearden, District 4**
- Gerald Edmondson, District 6**

Additionally, the Bylaws revision passed with 93% of the 4,544 valid responses voting “Yes” to approve.

After the conclusion of the business meeting, CHELCO awarded the \$1,000 CHELCO Scholarship to the following students who will attend college or trade school in the 2025-26 school year: McKenzie Beck, Isabella Cadenhead, Jackson Davis, Ashton Hunt, Audrey Kyser, James Land, Evangelia McCaffery, Audrey Pankop, Abigail Pillow, Emma Posey and Carson Tingle.

Immediately following the CHELCO Annual Meeting, the Board of Trustees met to elect

*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.*

officers. There were no changes, and the following trustees will continue to serve in the same roles:

**President**  
Gerald Edmondson, District 6

**Vice President**  
Brady Bearden, District 4

**Secretary/Treasurer**  
Gayle Hughes, District 8

**Assistant Secretary/Treasurer**  
Bert Prutzman, District 7

A full recording of the Annual Meeting and the 2024 Annual Report is available at [CHELCO.com/annual-meeting](https://www.chelco.com/annual-meeting).



*The Board and CEO Steve Rhodes during the National Anthem.*



*More than 500 people joined us for our Annual Meeting.*



*Local musician Jared Herzog provided the event's entertainment.*

**Get paid to  
GO PAPERLESS**




Last month, CHELCO rolled out its Paperless Billing Campaign, and **the first 1,000 members to sign up will receive a one-time \$10 bill credit.**

**Why incentivize paperless billing?**  
CHELCO's postal costs continue to increase. We are encouraging members to enroll in paperless billing to help save thousands of dollars each year, putting money back into our members' pockets.

Paperless billing is also convenient. Members can save time and clutter by viewing their monthly bill online instead of receiving a paper statement. Plus, paperless billing is fast, and members won't have to worry about mailing delays.

Enroll today through your online account. Find "Paperless Billing" under the Quick Links menu on the right-hand side. Once enrolled in paperless billing, members are notified by email each month when their bill is ready to view online.

**What if I'm already enrolled in paperless billing?**  
If you are already paperless, you will be entered into a drawing to win lots of great prizes exclusively for existing paperless billing members. Drawings will be conducted quarterly for the rest of the year, and winners will be contacted directly.

To learn more, visit <https://www.chelco.com/paperless-billing>, scan the QR code above, contact Member Services at (850) 892-2111, or speak with a representative at one of our six area offices.

**CHELCO Hosts Member Appreciation Night at CHS**



*Chelsea Blaich (left), Tarrant Bowles (back, center) and Tyler Wood (right) with the Crestview High School softball team.*

CHELCO recently held its Spring Member Appreciation Night at a Crestview High School softball game against Niceville. All members in attendance were given free admission, and one lucky member was awarded a \$100 bill credit.

A special thank you to Crestview High School softball, Coach Toolan and the rest of the staff who helped make our event a success!

Stay tuned for more information about our upcoming Fall 2025 Member Appreciation event in Walton County.

**Stay Informed**

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

**\$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!  
**Williford - 9000067176**

**STAY  
IN THE  
KNOW**



Ensure your phone number, email address and mailing address are up to date so you can enjoy the benefits of staying connected.



**Energy Efficiency  
Tip of the Month**

Before the summer heat sets in, clean or replace your A/C filter to help your system run more efficiently. A dirty filter makes your unit work harder, which uses more energy and can shorten its lifespan—plus, it helps keep the air in your home cleaner. For even better performance, consider having your system professionally serviced and your evaporator coils cleaned to ensure everything is running at peak efficiency.