

CHELCO NEWS

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A Touchstone Energy[®]
Cooperative 



CHELCO responds to Hurricane Sally

Hurricane Sally made landfall as a Category 2 in Gulf Shores, Alabama, at 5 a.m. Sept. 16. The devastation left in its path will take our neighbors to the west months to clean up and rebuild.

At the height of the storm, CHELCO had over 8,100 members out of power, around 15 percent of our system. Fortunately, because of a coordinated, around-the-clock team effort, CHELCO's system was fully restored by 9 p.m. Sept. 17.

Because of Hurricane Sally's slow movement, the storm began impacting CHELCO's service territory Sept. 15. Crews and supporting staff worked through the night on Sept. 15 and 16 to restore power to our members.

Damage was mainly caused by downed trees and heavy flooding throughout our service territory, which made rural and heavily wooded areas difficult to access.

Power lines were wrapped around large trees, which took time to cut away before repairing the lines. Several bridges and roadways were flooded or damaged, forcing us to find alternate routes to access certain areas.

"I'm proud of our team. Our response to Sally was efficient and well-coordinated," said CEO Steve Rhodes. "Additionally, we are thankful no one was injured during our restoration activities. This was our most important achievement, and we did it while quickly and effectively restoring power to the thousands of members that were affected by the hurricane."

After restoration was complete, CHELCO and our subsidiary Southland Utility Services sent crews and equipment to Baldwin EMC in Alabama, whose service area was devastated by the hurricane.

Inside

Page 2

CEO Insights: CHELCO's energy for the future

Page 3

LC's Pizza fills record order for CHELCO

Page 4

Heating just around the corner

Announcement

Masks requested in CHELCO offices

We strongly request that members and other visitors wear masks while in our offices to help prevent the spread of COVID-19.



CEO Insights: CHELCO's energy for the future

Our number one priority at CHELCO is safely delivering reliable electricity to the people who count on us to power their homes and businesses around the clock. Electricity is an essential part of daily life, so it's important that electric rates are affordable.

Nearly 65 percent of your electric bill covers the cost of generating power. To help keep the cost of energy affordable, we partner with other electric cooperatives and municipal electric systems through our wholesale power provider, PowerSouth. This allows us to pool resources to maintain an economical and reliable mix of energy throughout the year.

Today's energy mix

CHELCO's responsibility to our members and community is to safely provide electricity at a price our members can afford and with minimal effect to our environment. In keeping with these commitments, we use a diverse mix of generating resources (fossil fuels, renewables, and, soon, nuclear). Having multiple generating resources protects our members from unpredictable changes in the cost of fuels used to operate power plants.

Today, our energy mix consists of natural gas (77.2%), coal (18.9%), hydroelectricity (3.6%) and other renewables (0.3%).

The majority of our electricity is generated by fossil fuels like natural gas and coal because they allow us to provide large amounts of energy at an economical cost around the clock. Coal-fired generation has long been a cornerstone of the energy mix, and will continue to serve a portion of our members' energy needs in the future. Like natural gas, it offers a steady supply of energy at a low cost.

When it comes to renewable energy sources, hydroelectric generation and landfill gas-to-energy make up a small percentage of today's energy mix. Hydroelectricity was PowerSouth's first generation resource and for 70 years has proven to be a reliable portion of the generating fleet.

Planning for the future

As we look toward the next generation of energy resources, we are taking steps today to ensure a safe, reliable and affordable energy supply for the future. The long-term power supply plan includes

implementing cutting-edge technology, construction of a new natural gas generating plant and utility-scale solar project, and the addition of nuclear energy.

By 2026, PowerSouth projects its energy mix will consist of natural gas (77.0%), nuclear (10.7%), coal (6.4%), and renewables such as hydro, landfill gas and solar (5.9%). We will continue to rely on traditional generating sources to ensure a reliable energy supply 24/7/365, while also implementing environmentally-friendly sources like hydro and solar energy.

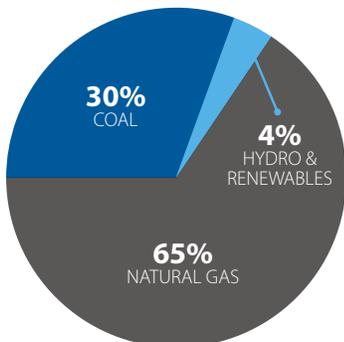
Our commitment to you

While the energy landscape is shifting, CHELCO's commitment to safely delivering reliable and affordable power remains unchanged. The decisions we make now will impact future generations, so we strive to make choices that will ensure we can provide reliable, affordable electricity for years to come.

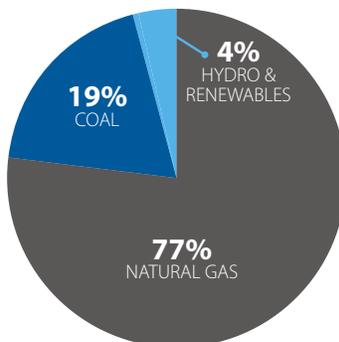
Steve Rhodes

CEO

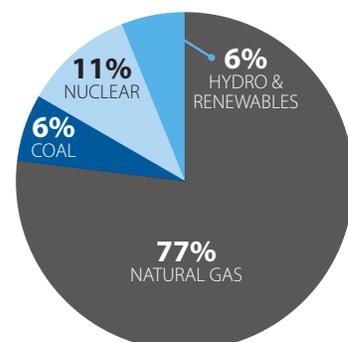
2014 Energy Sources (Actual)



2020 Energy Sources (Projected)



2026 Energy Sources (Projected)



LC's fills record order for CHELCO



CHELCO Administrative Support Specialist Kisha Brinson (left) coordinated CHELCO's order at LC's Pizza in Freeport.

On Aug. 28, CHELCO provided lunch for its essential employees who have worked hard through the pandemic to continue to provide members with excellent service. CHELCO's employees each got their choice of a personal pan pizza or fresh salad as part of a morale-boosting meal from LC's Pizza in Freeport.

LC's Pizza said CHELCO's order was their largest ever, and they were glad to accommodate over 100 meals that day, even requesting a fresh truckload of ingredients to prepare

the pizzas and salads for CHELCO's employees to enjoy.

"Because our employees are essential, we wanted to make a small gesture to show them we appreciate their hard work over the last several months," said Emily Cowan, Vice President of Member Services and External Affairs. "At the same time, restaurants still haven't fully recovered from the reduction in business brought on by the pandemic, so it was great to help support a locally-owned restaurant."

ACRE gives voice to millions of co-op members

When you think of the hundreds of electric co-ops around the country and the millions of Americans they serve, you probably don't think of their political influence. However, co-ops from coast to coast have the support of the Action Committee for Rural Electrification (ACRE) to help implement policies that are beneficial to cooperatives and their members.

Founded in 1966 by the approximately 1,000 consumer-owned, not-for-profit electric cooperatives of the NRECA, ACRE supports candidates for the U.S. House and Senate - those in office now and those running for office - who will speak for and protect the interests of electric co-ops and their member-owners.

ACRE contributions from candidates are backed by over 36,000 eligible members across 47 states with an average contribution of \$65, making it truly a grassroots political action committee (PAC).

For more information, and to learn how you can get involved to make sure your co-op is represented fairly in office, visit electric.coop/acre.

Download the CHELCO Connect app

Don't forget to download the CHELCO Connect app. Through the app, you can make a payment, report an outage, monitor usage and more. To use the app features, you must have an online account at CHELCO.com. Your username and password are the same as your online account.

CHELCO is governed by a nine-member board of trustees: Lee Perry, District 1; Terry Pilcher, District 2; Jim Bishop, 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; Burt Cosson, District 9.

Heating just around the corner



For climates with moderate heating and cooling needs like our area, heat pumps offer an energy-efficient alternative to furnaces and air conditioners. During the heating season, heat pumps move heat from the cool outdoors into your warm house and during the cooling season, heat pumps move heat from your cool house into the warm outdoors. Because they move heat rather than generate heat, heat pumps can provide equivalent space conditioning at as little as one-quarter of the cost of operating conventional heating or cooling appliances.

The most common type of heat pump is the air-source heat pump, which transfers heat between your house and the outside air. Modern heat pumps can reduce your electricity use for heating by approximately 50% compared to

electric resistance heating, such as furnace heaters. High-efficiency heat pumps also dehumidify better than standard central air conditioners, resulting in less energy usage and more cooling comfort in summer months.

For homes without ducts, air-source heat pumps are also available in a ductless version called a mini-split heat pump. If your home has a gas system, dual fuel heat pumps are available with supplemental heat operating on gas while the rest of the system is electric.

Visit CHELCO's website for available rebates when replacing your straight electric furnace to a heat pump in a manufactured home, or standard residential homes installing or replacing dual fuel or mini-split heat pump systems.

Connections Corner

The Co-op Connections discount program is another benefit of being a CHELCO member. Local businesses, participating pharmacies and thousands nationally offer discounts to co-op members. Don't forget to download the Co-op Connections app!

This month, we highlight and thank the following businesses:

A Healing Massage

66 Dalton Drive
Santa Rosa Beach
1-hour massage \$49
(regularly \$79)

Bob Taylor's Carpet One

(850) 682-1090
641 N. Ferdon Blvd, Crestview
Enjoy 20% off any purchase
(sales items excluded) - \$25
maximum discount.

C&C Construction of NWFL

(850) 547-1001
690 US 90 E., Bonifay
\$50 off any roof purchase

For more information, visit
CHELCO.com, email
energyservices@chelco.com or
call CHELCO's Energy Services
department at (850) 307-1122.

IS \$25 YOURS?

If the account number below matches yours, sign this page and mail it with your bill to CHELCO or drop it off at any office. You'll win a \$25 credit on your next bill.

Carlton - 56060361