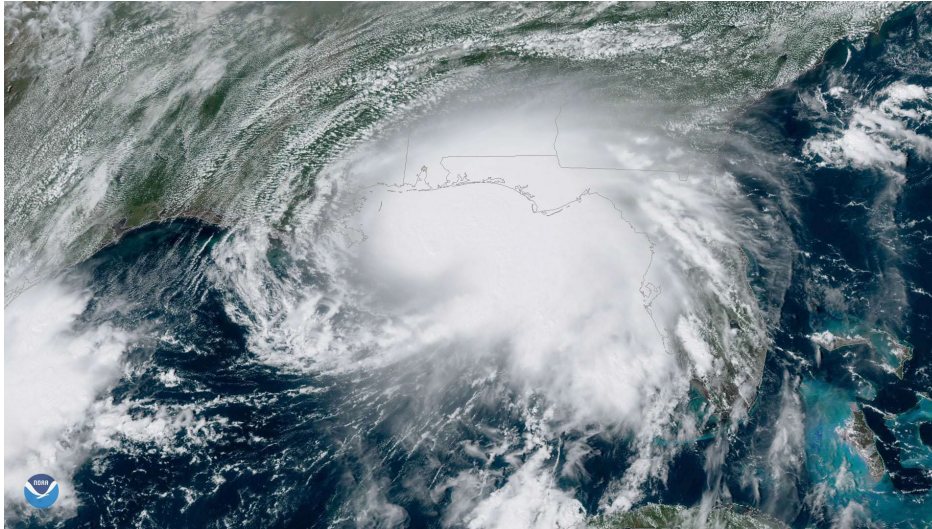


CHELCO NEWS

POWERED *by* YOU

JUNE 2022 | VOL. 27 NO. 6

Hurricane Season is here, CHELCO is prepared



Pictured above: Hurricane Sally swept across the Florida Panhandle in 2020, bringing immense flooding to areas between Pensacola and Tallahassee.

Summer has arrived, and as it does each year, it has brought hurricane season with it. However, you can have peace of mind, because the entire CHELCO team is up to the task if a hurricane happens to come our way this year.

In the electric co-op world, we live by the mantra, "Hope for the best and prepare for the worst." We frequently review our hurricane response plans thoroughly, going over even the smallest of details to ensure that we have all of our bases covered and every employee understands their role.

At CHELCO, we not only want our employees to be prepared; we also want our members to have all the

tools they need to protect their homes in the event of a disaster.

Featuring resources from NOAA, local emergency management organizations and Ready.gov, our storm center page on CHELCO.com is a great place to start when laying out your family's hurricane preparedness plan. These pages also feature generator safety tips, information on how power is restored and steps you can take before a storm to protect your home and family. Additionally, there are several year-round resources that may be helpful during hurricane season, including our live outage tracker, outage reporting and more. Visit CHELCO.com/storm-center to learn more.



A Touchstone Energy[®]
Cooperative 

Inside

Page 2

CEO Insights: Let's talk rates - Distribution and Wholesale

Page 3

Hurricane Supply Checklist

Page 4

Save money and stay cool this summer

Did you know...

CHELCO members have a high opinion of their co-op! In 2021, CHELCO's score on the American Customer Satisfaction Index (ACSI) was 89, beating national brands such as Apple (76), Nike (81) and even Chick-Fil-A (83). We're proud to serve you!



CEO Insights: Let's talk rates - Distribution and Wholesale

At our recent annual meeting, I reported to the crowd of over 400 that we did not anticipate having to raise distribution rates in 2022. That forecast still holds true, by the way, even in the face of inflation pressures not seen in 40 years. To provide a little history on our success at controlling and even reducing our local distribution-related costs I reminded attendees that the last time we raised distribution rates was in 2013. Since that time we lowered those rates twice. I'm proud of our dedicated team of employees as well as the board of trustees for making this happen.

At CHELCO, four separate categories contribute to your total monthly bill: the basic service charge (flat monthly fee), energy charge (kWh), distribution cost adjustment (DCA) and wholesale power cost adjustment (WPCA). For this column, I'd like to focus on the distribution and wholesale power rates.

What are distribution rates?

Distribution rates, simply put, are the costs to operate, maintain, and improve the local electric system, including investments to shore up the system for continued and improved reliability.

By being a forward-thinking cooperative, we have implemented many new upgrades on our system,

including a significant investment in new, effective technology allowing us to optimize data collection, outage restoration and improve overall company-wide efficiency. Thanks to those efforts, in May of 2021, we were able to reduce the distribution cost adjustment rate and save members over \$1 million per year.

What are wholesale power rates?

Because CHELCO does not generate its own electricity, our wholesale power rates are a cost component we do not directly control, unlike distribution costs. Wholesale power rates are determined by the price we pay our power supplier, PowerSouth Energy Cooperative. PowerSouth has worked diligently, and commendably in my estimation, to keep that cost as stable as possible over the past several months. As you've probably seen in the news, natural gas prices are spiking due to inflation pressures, supply chain issues, the war in Ukraine and a multitude of other factors. PowerSouth has an increasingly difficult job in keeping costs as low as possible.

Many utilities across the nation and the world are raising rates dramatically to keep pace with their wholesale costs. Because of strategies developed months and even years ago, PowerSouth is in a good position to better manage the cost increases raging through the

wholesale power markets than some other electric utilities. That doesn't mean their costs haven't increased. It just means the impact has been more moderate than many other power suppliers.

Currently, CHELCO members pay 61 cents of every dollar on their electric bill for wholesale power. These are what we refer to as a 'pass through' cost. Unlike many for-profit businesses, we don't 'mark up' wholesale power costs, we simply 'pass them through' to the member. You may notice modest increases in the wholesale power cost component of your bill in coming months. We're hopeful the spike in natural gas costs will diminish soon, but there are many global factors at play that we have little to no control over.

Our Commitment to You

Just as we always have, our team continuously looks for ways to maintain and even improve affordability without compromising safety or reliability. We strive to provide a positive experience for our 60,000+ members. Providing safe and reliable electric service at the most affordable price possible remains the cornerstone of our business.

Steve Rhodes,
Chief Executive Officer

Hello Summer!

STAY PREPARED

Hurricane Supply Checklist



First-Aid Kit



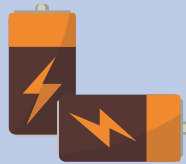
Drinking Water



Prescription Medication



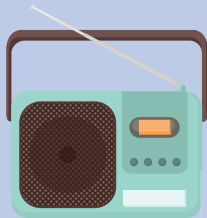
Flashlight



Batteries



Non-perishable Food



Battery Radio



Personal Hygiene Items



Extra Cash

Update your contact information

It's important to make sure CHELCO has your most recent contact information for several reasons. We may need to reach you for:

- Outage Information
- Capital Credits
- Beat the Peak alerts
- Storm restoration updates
- Work happening in your area
- Other important reminders

To update your info, visit the member portal on CHELCO.com, call us at (850) 892-2111 or email memberservices@chelco.com

Holiday Closure

All CHELCO offices will be closed Monday, July 4, for Independence Day.

Recipe of the Month



Chess Pie

A classic Southern favorite! Learn this recipe and more at [CHELCO.com/recipes](https://www.chelco.com/recipes).

Energy Efficiency Tip of the Month

Did you know that you can take lots of work off your air conditioner and still stay cool in the summer just by utilizing blinds and fans? Closing your south and west-facing blinds will prevent some heat from entering your home. Using fans will keep you feeling cool while circulating the conditioned air in your home, using significantly less energy and saving you money on your bills.



Save money and stay cool this summer



In our area, summer would be miserable without the luxury of air conditioning. However, keeping a home cool in the summer is easily the largest use of energy in your home. Nearly half (47%) of all the energy used in the average home is used to power either the air conditioning or heating system. By saving energy in your heating and cooling system, you can save a significant amount on your energy bills.

No matter how new or old your air conditioning system is, it's a good idea to call your local HVAC professionals and get a seasonal tune-up to maximize the efficiency of your current system. If you have an old air conditioning unit and have noticed significantly higher summer bills over the past few years, consider upgrading to a new system. The lower monthly bills paired with CHELCO's available rebates for certain homes and systems will make your investment well worth it. To learn more about rebate requirements, visit CHELCO.com.

Now that your system is properly cooling the air, let's make sure you're

keeping that nice, conditioned air inside your home where it belongs. Much of your cool indoor air can be lost traveling through leaky air ducts or through insufficient attic insulation. Here are a few tips to make sure your home isn't losing too much cool air:

- Caulk around window frames and add weather strips to exterior doors.
- Install foam gaskets behind exterior wall outlets.
- Caulk and seal air leaks where plumbing, ducting or electrical wiring comes through walls, floors, ceilings and cabinets.
- Seal around recessed light fixtures
- Upgrade attic insulation.

These are just a few ways to keep your home cool in the summer while improving efficiency. For more energy saving tips or questions, visit CHELCO.com, call our Energy Services Department at (850) 307-1122 or email energyservices@chelco.com.

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:

Coastal Roofing Professionals

4516 Hwy. 20 E.
Niceville
(850) 729-7767
5% off

30A Farmers Market

1003 John Sims Pkwy.
Niceville
(850) 499-4697
5% off purchase

Beach Brothers' Beach Service

102 Lauren Ln.
Santa Rosa Beach
850-892-0500
15% off total rental charge

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.

Velez - 9000154317

For unclaimed capital credits, visit CHELCO.com/capital-credits.