

CHELCO NEWS

POWERED by YOU

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CHELCO



A Touchstone Energy®
Cooperative



CHELCO presents a \$5,000 Operation Round Up grant to Fisher House of the Emerald Coast to provide lodging for veterans and military families traveling to the area for medical treatment.

As a cooperative, giving back isn't something we do on the side. It's woven into who we are. And thanks to the generosity of our members and the dedication of our employees, CHELCO continues to have a real and lasting impact across our service territory.

One of the strongest examples of that is **Operation Round Up**. This member-funded program has now facilitated **nearly 200 grants**, totaling more than **\$575,000** to local charitable and nonprofit organizations. These funds have helped food pantries, youth programs, shelters, and countless community initiatives that rely on support from organizations like CHELCO to keep their doors open.

Another major cornerstone of our charitable work is **The Drebing Fund**, established through the generous bequest of CHELCO member Muriel Drebing. Since 2024, the Drebing Fund has supported **20 unique charities**, totaling **\$189,000**. The Fund is distributed through United Way Emerald Coast's Partner Agencies'

vetting and application process, ensuring funds reach organizations doing critical work in our region.

But the generosity doesn't stop with our members. **CHELCO employees** themselves play an active role in giving back to the communities they serve. Through **internal fundraisers** and voluntary **payroll deductions**, CHELCO employees have donated more than **\$20,000** to charitable causes. These employee-driven efforts reflect a shared belief that service to our communities goes beyond providing reliable electricity—it's about showing up, lending a hand, and supporting neighbors in meaningful ways.

Together, these efforts made 2025 a record-breaking year for charitable giving at CHELCO. They also serve as a powerful reminder of what the cooperative model is all about: people helping people, strengthening communities, and making a difference—today and for years to come.

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Save the Date: April 18

Mark your calendars and plan to attend the CHELCO Annual Meeting on Saturday, April 18, at Freeport High School. Doors open at 8:00 AM, and the business meeting will begin at 10:00 AM.

Join us for breakfast, family activities, entertainment, and updates on the co-op as we celebrate another successful year at CHELCO.

All members in attendance will receive a \$10 bill credit and a door prize, as well as entry into a prize drawing.

To learn more, please visit CHELCO.com/Annual-Meeting.



CEO Insights: Your Cooperative's Strategic Roadmap to Reliability, Safety, and Service

Before the new year, CHELCO hosted a cooperative-wide, multi-day strategic planning session led by an industry facilitator. This process included sessions with employees and the Board to ensure a well-rounded perspective on where we are—and where we're going.

Together, we reaffirmed CHELCO's guiding purpose.

Mission: Enhance the quality of life for our members through the safe delivery of reliable and affordable energy with an unwavering commitment to our employees and local communities.

Based on feedback and analysis, we've set clear priorities over the next three years. These strategic goals will focus on industry transformation, system reliability, safety, workforce development, and technology innovation—ensuring your Cooperative continues to meet the evolving needs of the communities we power.

Here's a look at our 2026-2028 Strategic Initiatives:

Reliability

We're targeting aging substations and critical upgrades needed to respond to our fast-growing system, guided by multi-year construction plans and accurate forecasting. Our goal: maintain the high reliability you expect, without compromising fiscal responsibility.

Safety

Safety is at the heart of every operation. We're fostering a transparent, judgment-free culture, sharing regular progress updates, and reinforcing safety through leadership, training, and daily practice.

Technology

From upgrading systems to introducing mobile workforce tools, we're streamlining operations for efficiency and consistency.

Workforce

We're investing in employee training, succession planning, and modern

benefits to support a thriving workforce. Special emphasis is being placed on attracting new talent and encouraging growth from within.

Industry

As technology advances, demand for electricity accelerates, regulations evolve, and member expectations shift, we will closely monitor emerging trends and innovations that could impact how we deliver safe, reliable, and affordable power.

You can expect to hear more in the months ahead as we begin to put these plans into action. With your continued support, we remain focused on building a stronger future—together.

Steve Rhodes,
Chief Executive Officer

RELIABILITY

Enhance reliability through modernization and proactive engagement

SAFETY

Advance safety culture through engagement and innovation

TECHNOLOGY

Drive organizational resilience and innovation by fully leveraging technology resources

WORKFORCE

Continue developing a highly respected workforce that engages and motivates employees and also attracts top talent

INDUSTRY

Be vigilant and prepared to adapt to potential transformational changes in the electric utility industry



As part of CHELCO's ongoing efforts to upgrade and maintain our infrastructure for optimal reliability, we will continue a comprehensive study of our entire system. In 2025, we completed the study and work on our Mossy Head substation. In 2026, our Freeport, Hammock Bay, Holt, and Auburn substations will be reviewed.

Democratic Member Control in Action: CHELCO Board of Trustees Election

Democratic Member Control is one of the Seven Cooperative Principles that sets cooperatives like CHELCO apart from investor-owned utilities. As a member-owned cooperative, CHELCO is governed by representatives—known as Trustees—who are elected by and accountable to the membership.

CHELCO's Board of Trustees consists of nine members, with three positions up for election each year. To ensure fair and balanced representation, CHELCO's service territory is divided into nine geographic districts, with one Trustee representing each district. Trustee candidates must live within the district they seek to represent.

This year, members will elect Trustees for **Districts 3, 5, and 8**. All CHELCO members may vote in each district election, regardless of where they live. Voting will be conducted by mail ballot, and results will be announced at CHELCO's Annual Meeting on **April 18** at **Freeport High School**.

Interested in Running?

Members interested in serving as a Trustee must be in good standing and must have lived in the district they wish to represent for at least one year prior to the election. Trustee election packets and the district map are available at any CHELCO office or online at chelco.com/board-trustees.

A nominating committee reviews all applications and selects qualified candidates. Members may also become a candidate through the petition process outlined in CHELCO's Bylaws, available at chelco.com/chelco-bylaws.



Tim Marlow is CHELCO's GEM of the Year



Each year, CHELCO awards employees who exceed expectations with a special distinction: The "Going the Extra Mile" (GEM) Award. IT Systems Administrator Tim Marlow is CHELCO's 2025 GEM of the Year recipient.

"Tim has spent many late nights and early mornings solving problems and keeping our systems running smoothly, which keeps the whole co-op running," said VP of Administration Scott Seay. "We appreciate Tim for his many years and countless hours of service to CHELCO, and we are fortunate to have him on our team."

ELECTION DATE INFO

Feb. 5: Applications due to CHELCO by 4:00 PM

Feb. 17: Candidates' names posted in CHELCO offices

Feb. 27: Petition Deadline

March 9: Election Opens

April 13: Election Closes

April 18: Results announced at CHELCO Annual Meeting

Ten Scholarships Up for Grabs

CHELCO's annual college scholarship program is designed to help members or their dependents with college expenses. In 2026, ten recipients will receive a \$1,000 scholarship to help cover their educational expenses. Winners will be selected by random drawing at the Annual Meeting on April 18 at Freeport High School.

Requirements

- Must be a CHELCO member/member dependent
- Must attend college or trade school as undergraduate students in 2026-27.
- Must have a GPA of at least 2.5
- Must be in attendance at the Annual Meeting

Visit [CHELCO.com/scholarships](http://chelco.com/scholarships) to apply today. **Application deadline is April 3, 2026.**



CHELCO scholarship recipients on stage at the Annual Meeting on April 12, 2025.

Beat the Peak this Winter



Take a look around your home, and you'll likely notice more devices plugged in than ever before. From smart speakers and streaming TVs to chargers and everyday appliances, our modern routines rely heavily on electricity. As energy use continues to grow, CHELCO remains committed to delivering safe, reliable power—around the clock and in all conditions.

Just as your household's energy use rises and falls throughout the day, electricity demand across CHELCO's system fluctuates based on when members use the most power. CHELCO must always be prepared to meet these periods of highest demand, known as **"peak hours."**

For CHELCO, peak hours typically occur on cold winter mornings when members are starting their day—turning up the heat, taking hot showers, and brewing that first cup of coffee. While peak demand can also occur during hot summer afternoons when air conditioners are working hardest, CHELCO is primarily a **winter-peaking system**, even here in Florida.

When electricity demand spikes, it costs more for our generation

and transmission cooperative, **PowerSouth Energy Cooperative**, to produce and deliver the additional power needed. By keeping our system's peak demand as low as possible, CHELCO and its members can work together to avoid these higher costs—saving millions of dollars collectively over time.

If "peak demand" sounds abstract, think of it like buying tickets to a popular concert. When everyone wants tickets at the same time, prices rise. When demand is lower, costs drop. Electricity works the same way—it's all about supply and demand.

As we head into the colder months, small actions can make a big impact. Lowering your thermostat by a few degrees, running large appliances outside of peak hours, and turning off unnecessary lights all help reduce peak demand. Together, we can keep electricity reliable, affordable, and efficient for all CHELCO members.

To learn more about rebates, energy-saving programs, and ways to **Beat the Peak**, contact a CHELCO Energy Advisor at **850-307-1122** or visit chelco.com/beat-the-peak.

For unclaimed capital credits, visit [CHELCO.com/capital-credits](http://chelco.com/capital-credits).

Safety Tip: Downed Power Line

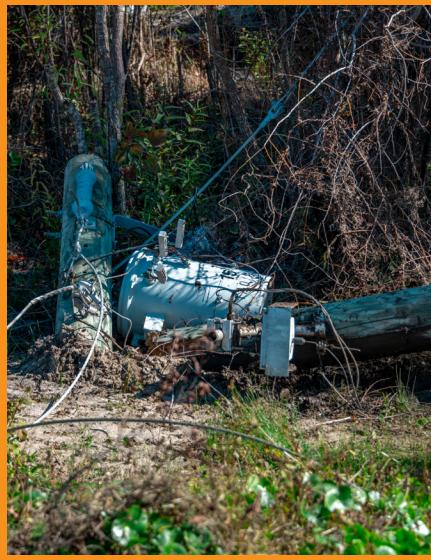
Downed power lines are extremely dangerous. If you ever see one, stay **at least 10 feet away** from the line and anything touching it.

Shuffle away in small steps, keeping your feet together and on the ground. This reduces the risk of a severe electric shock.

Electricity will always look for a path from high voltage to low voltage, and it could travel through your body if you're too close.

If you see a downed line, call CHELCO at 850-892-2111 or 800-342-0990.

If you think you or anyone else may be in danger, call 911.



\$25 BILL CREDIT

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

#54939780 - BAGGETT