

CHELCO NEWS

POWERED *by* YOU

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Earn bill credits with Switch to Save program

We'll pay
you to use
less power.

\$50
UP FRONT

\$3
PER MONTH*



CHELCO members have an opportunity to lower their electric bills while helping reduce demand on the electric system through the cooperative's **Switch to Save** program.

Members who participate receive a **\$50 bill credit*** upon enrollment and installation of the switch, plus an ongoing **\$3 monthly bill credit** for as long as they remain in the program with the switch active.

***Act Now!** The \$50 bill credit is only available to the first 500 members who enroll in the program.

Switch to Save is a voluntary load management program that allows CHELCO to temporarily control electric water heaters during periods of peak energy demand. For those who participate, a small switch is installed on their tanked electric water heater at no cost. During times when electricity use is especially high—such as winter mornings or summer afternoons—a signal is sent to the switch, temporarily interrupting power to the water heater for up to a few hours.

By lowering peak demand, CHELCO can better manage wholesale power costs and improve system efficiency, benefiting the cooperative and its membership as a whole. In combination with our other load control efforts during peak events, including voltage regulation, coordinating with our large accounts to run their generators, and asking our members to avoid high energy usage activities for a short period, **CHELCO avoided more than \$2.8 million in wholesale power costs in 2025** alone.

A common question is whether participants will still have hot water when the switch is activated. In most cases, the answer is yes. Because most water heaters are well insulated, the water inside typically remains hot and available for normal use while the unit is temporarily powered off. During the control period, the water heater simply will not heat additional water. Once the event ends, the water heater resumes normal operation automatically.

Enrollment is quick and easy. Visit **CHELCO.com/switch-to-save** or call **850-307-1122** to sign up today!

CHELCO

A Touchstone Energy®
Cooperative



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NOTICE

Some older versions of the **MyCHELCO mobile app** will soon lose access to key features, including bill payments. Update your app today to ensure uninterrupted access to your account.

Search for **MyCHELCO** in your device's app store to install the latest version today.

For more information, please visit **CHELCO.com** and click the mobile app banner at the top of the home page.





CEO Insights: A new school year reminds us of the value of education

We have entered a bittersweet time for many folks—especially the younger ones—in our communities. I'm sure that by the time you are reading this, many students have returned to the classroom eager to learn while thinking of the fond new memories made during their summer break.

I'm thankful for the educators and support staff whose dedication to their students will make a lasting impact on their lives. My mother was a teacher for 35 years, and I had a front-row seat to her dedication, which extended far beyond the seven or eight hours per day in the classroom. Her example taught me that education is one of the most powerful investments we can make.

That belief is shared here at CHELCO. We recognize that strong local schools, extracurricular activities, and supporting organizations contribute to stronger communities.

Supporting Local Education

Each year, CHELCO provides financial support to local education foundations serving Okaloosa and Walton counties. This support helps teachers obtain classroom supplies and resources that directly benefit students, helping our educators provide an environment where students can succeed. Additionally, our member-funded Operation Round



2026 CHELCO Scholarship winners at the Annual Meeting

Up program regularly supports education organizations dedicated to making a positive impact on local students' lives.

For students preparing to take the next step, we are proud to offer scholarships that help offset the cost of higher education and technical training. This program is open to all members and member dependents pursuing an undergraduate degree or a trade. Earlier this year, we awarded 10 students with a \$1,000 scholarship to help with their educational costs. Additionally, CHELCO has funded an endowment through the Northwest Florida State College Foundation that provides scholarships to members or their dependents.

Continuing Education at CHELCO

The electric utility industry is always evolving, and it's crucial to prepare our employees through ongoing education and training. Employees take part in many hours of training throughout the year to equip them to perform their jobs at a high level. For those seeking further growth, our tuition

reimbursement program helps employees pursue certifications and degrees while working at CHELCO.

Safety and Energy Education

In the community, our team leads a variety of educational presentations, including the Live Line Safety Demonstration. This demo illustrates the dangers of contact with high-voltage power lines, and importantly, it teaches what to do if your vehicle comes into contact with downed power lines. From first responders to elementary school students, this presentation has taught thousands of individuals the importance of safety around power lines.

Additionally, our team is available to visit schools and civic groups to highlight energy efficiency, electric vehicles, and more. Visit [CHELCO.com/education-programs](https://www.chelco.com/education-programs) to see all the opportunities available to our community.

Never Stop Learning

We've all heard the phrase, "You can't teach old dogs new tricks." I think we all know that this is not necessarily true. I prefer Henry Ford's quote on learning: "Anyone who stops learning is old, whether at 20 or 80. Anyone who keeps learning stays young."

As our students, teachers, and support staff all report back to school, I wish you all a wonderful school year. And to those who are on the other side of your educational journey, may you never stop learning!

Steve Rhodes

Chief Executive Officer



Employees with recent certifications and college degrees recognized at All-Employee Meeting

Operation Round Up supports 4-H Summer Camp



CHELCO's Live Line crew showcased the dangers of contact with electricity.



Students learned how CHELCO uses drone technology to improve reliability.



Students explored tools used in CHELCO's energy audits, including infrared heat guns.



Energy Advisor Tyler Jackson shared info on protective gear, such as insulated gloves.

Thanks to funding from CHELCO's member-funded **Operation Round Up** program, students at the **UF/IFAS Walton County 4-H Energy Explorers Summer Camp** spent two days learning about electricity, energy efficiency, and electrical safety. CHELCO employees shared how power is generated, discussed energy efficiency, highlighted career opportunities, and drone technology, and presented the Live Line Safety Demonstration, which teaches students how to stay safe around power lines and respond if a vehicle comes into contact with a downed line. Operation Round Up is funded by members who voluntarily round up their monthly electric bills to support local nonprofit and educational programs throughout our communities.

Pay Where You Shop with PayGo



PAY YOUR CHELCO BILL WHERE YOU SHOP!

Checkout by PayGo is a fast, simple, and convenient way to pay your electric bill at the checkout counter of participating retailers — just like buying groceries!

GET STARTED TODAY!

Visit CHELCO.com/CheckOut-PayGo or scan the QR code to generate your barcode.



SCAN ME FOR MORE INFO

CEO Steve Rhodes concludes term as NCSC/Utility Capital Solutions Board President, will remain on board through 2028



CHELCO congratulates **CEO Steve Rhodes** on the completion of his term as **President of the Board for Utility Capital Solutions (formerly NCSC)**. Steve recently delivered the President's Report at the organization's **45th Annual Membership Meeting** in San Diego, where he highlighted the company's recent rebranding and its continued commitment to serving electric cooperatives, telecommunications providers, and affiliated organizations. While his term as board president has concluded, Steve will continue serving on the board through 2028. His leadership at the national level reflects CHELCO's commitment to the cooperative business model and strengthens relationships that support critical infrastructure and financing opportunities across the industry.

CHELCO is governed by a nine-member Board of Trustees: Lee Perry, District 1; Terry Pilcher, District 2; Brantlee Lawrence, District 3; Brady Bearden, Vice President, District 4; Ronnie 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. For more information, please visit CHELCO.com/board-trustees.

Understanding power blinks



If you've ever had your lights flicker or your power go off for just a few seconds before quickly coming back on, you've experienced what is commonly known as a **power blink**. While these brief interruptions can be frustrating—especially when they reset clocks, electronics, or internet equipment—they are often a sign that CHELCO's electric system is working exactly as designed.

Power blinks typically occur when a **temporary fault** affects a power line. Common causes include tree branches brushing a line, wildlife making contact with equipment, lightning-related disturbances, or other momentary events. When this happens, protective devices on the electric system automatically operate to isolate the fault and then attempt to restore power. If the fault clears itself, service is restored within seconds and members experience only a brief blink instead of a prolonged outage.

Not all blinks originate on CHELCO's distribution system. Some occur on the transmission lines owned and operated by PowerSouth Energy Cooperative, CHELCO's wholesale power provider. Because transmission lines serve entire substations, a transmission blink can affect every member served by that substation.

Just like CHELCO's protective devices, transmission system protection is

designed to quickly identify and clear temporary faults while restoring service as fast as possible. Think of these protective devices as the electric grid's version of a circuit breaker. They are designed to protect equipment, maintain reliability, and restore service quickly when conditions allow.

While no one enjoys a power blink, the alternative is often more inconvenient. Without these protective devices, many temporary faults would result in longer outages requiring crews to locate the problem and manually restore service. By automatically clearing temporary disturbances, CHELCO's system helps keep outages shorter and less frequent.

It's also important to note that CHELCO supplies power to many internet providers' communication equipment mounted on our poles. While electric service is often restored within seconds after a blink, this equipment may take several minutes to reboot and restore internet service.

CHELCO continuously monitors system performance and works to improve reliability across our service area. In many cases, a brief power blink is evidence that the system is doing exactly what it was designed to do—protect the electric grid and keep power on for as many members as possible.

Stay Away from Downed Power Lines

It's always important to understand the dangers of downed power lines, but especially so during hurricane season. If you see downed power lines, keep your distance and follow these tips to stay safe.

- Do not attempt to move a downed power line or anything in contact with it.
- To move away from a downed line, shuffle with small steps, keeping your feet together and on the ground at all times.
- If you see someone in direct or indirect contact with a downed line, do not touch the person. Call 911.
- Don't put your feet near water where a downed power line is located.
- Do not drive over downed lines.
- If you are in a vehicle that is in contact with a downed line, stay in the vehicle. Honk your horn for help and tell others to stay away from your vehicle.
- If you must leave your vehicle because it's on fire, jump out of the vehicle with both feet together and avoid making contact with the energized vehicle and the ground at the same time.



\$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!

#9000121558 - SHARON

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