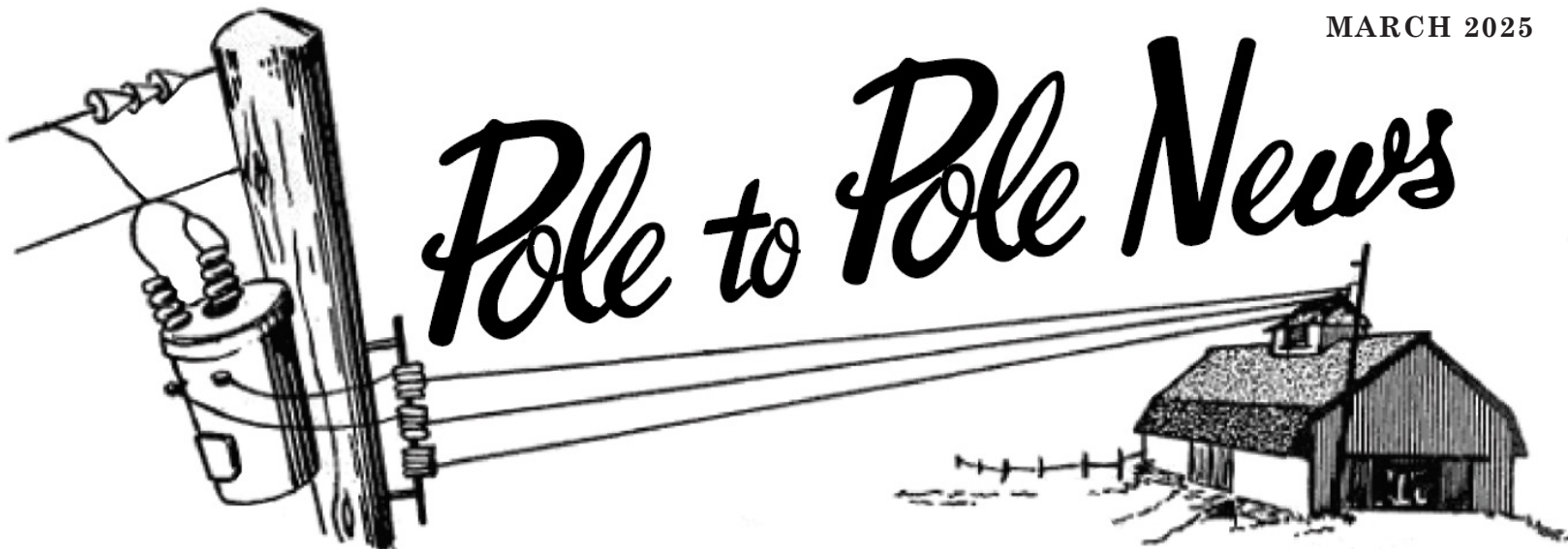


# Pole to Pole News



**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.*

## Join us at the Annual Meeting on April 12 at Freeport High School!



*LED Lucy and Lighting Coordinator Betty Sims at 2024 event.*

Join us for our Annual Meeting and 85th Anniversary celebration at Freeport High School on Saturday, April 12!

The doors will open at 9:00 AM, and the day will be full of fun activities for the whole family! In addition to the usual bucket truck rides for children, live entertainment, informational booths and free food, we are excited to welcome the Touchstone Energy hot air balloon, which will be onsite to provide rides to our members in attendance.

The business meeting will begin at 11:00 AM, and all members who attend will receive a bill credit, a door prize and an entry into a drawing for thousands of dollars worth of prizes.

CHELCO's commitment to our younger members will also be on display, as we will be awarding 10 scholarship at the event. All applicants must be in attendance at the Annual Meeting in order to

qualify for the scholarship, which will be awarded via a drawing of all eligible students immediately following the business meeting. More information on the CHELCO Scholarship can be found below.

In accordance with our Bylaws, our Board of Trustees elections are held in conjunction with our Annual Meeting each year. Trustees will be elected by mail-in balloting, and all members will receive a ballot packet with instructions and a return envelope with prepaid postage. This year, Districts 2, 4 and 6 are up for election, but all members should vote for all districts, regardless of your home district. A Bylaws update is also on this year's ballot.

Round up the whole family and join us for a day of fun at our Annual Meeting on Saturday, April 12, at Freeport High School!

### **\$10,000 in scholarships available to members**

The CHELCO Scholarship is now available to all members and member dependents who will attend college or trade school as an undergraduate student in 2025-26. Ten recipients will receive \$1,000 to use toward their education. The winners will be drawn at the Annual Meeting on April 12. Applicants must be in attendance to enter their name into the drawing.

Visit [CHELCO.com/scholarships](https://www.chelco.com/scholarships) to apply today. The deadline is March 28.



A Touchstone Energy  
Cooperative 



## CEO Insights: CHELCO completes cost-of-service study

At CHELCO, we are always looking for ways to ensure your electric service remains safe, reliable, and affordable. Recently, we completed a comprehensive cost-of-service study (COSS), which plays a key role in determining our members' rates. Let's dive into what this study means for you and why it matters.

### What is a Cost-of-Service Study?

A cost-of-service study (COSS) is an analysis performed by co-op finance staff and external consultants to determine the true cost of serving members. It allows us to assess our rate structure by identifying what each rate class (residential, commercial, large power) contributes to the system's overall costs. Essentially, it answers the question: "What does it cost to serve each type of member?"

Our goal in completing a COSS is simple: to ensure rates fairly reflect the costs of service so that subsidies between classes are minimized or eliminated.

### What Factors are Considered in a COSS?

A COSS examines several factors that shape the overall rate structure for a cooperative. The study uses information about the costs required to deliver electric service to our members, including what it costs to build the infrastructure that delivers electricity to your home or place of business.

Then, we must examine what it takes to maintain that system, including having the resources available to restore power when the lights go out. We also analyze when members use kilowatt-hours or place demand on the system to understand the drivers of our wholesale power costs.

All of this plays a part in determining how we allocate costs across the membership.

### Why does the COSS Matter?

Rates are designed not only to cover expenses but also to fund capital expenditures and the payment of capital credits. As a cooperative,

CHELCO allocates margins to its members but retains those funds to help offset borrowing.

This helps keep rates lower by reducing interest expenses, but in time, margins are returned to members. This process is known as a capital credit retirement. Current rates must be designed to fund the retirement of those credits—that's what makes us a cooperative!

### Benefits of Cost-Based Rates

Implementing cost-based rates, determined through the COSS, ensures fairness in the way we charge for electricity. If rates don't reflect actual costs, future members bear the burden through added debt and interest expenses. Recovering costs in the year they occur is fair to all members.

### The Bottom Line

Ultimately, the cost-of-service study is an essential tool for designing fair and equitable rates while promoting long-term reliability and affordability.

At CHELCO, we take great pride in the trust and responsibility that you, our members, have given us. That's why we strive to make sure our rates are affordable, fair, and transparent. The COSS is one of the many ways we work toward that goal.

With our study complete, we're reviewing expert recommendations to ensure rates remain fair to all members. If any changes arise, you'll hear from us first.

Thank you for your membership and for your continued trust in our cooperative.

### Proud to be CHELCO!

Steve Rhodes

Chief Executive Officer





## Local students take part in annual Youth Tour tradition



Twelve local high school juniors recently participated in CHELCO's Youth Tour program, a longstanding tradition that has brought hundreds of local students over the years to Tallahassee to learn about electric co-ops and the state government. This year, students from Baker, Freeport, Laurel Hill, Niceville, Paxton and Rocky Bayou attended the trip on Feb. 12 and 13, along with more than 100 students from other co-ops around the state. In addition to visiting Tallahassee, each participant competes for a weeklong trip to Washington, D.C., in June. Four winners from CHELCO are selected each year and will be announced in a future edition of the newsletter. For more information on the program, and to learn how future high school juniors can participate completely free of charge, please visit [CHELCO.com/Youth-Tour](https://CHELCO.com/Youth-Tour).

**CHELCO MEMBER APPRECIATION NIGHT**

**CRESTVIEW  
SOFTBALL**

**APRIL 14, 2025**  
JV AT 4:30 PM  
VARSITY AT 6:30 PM

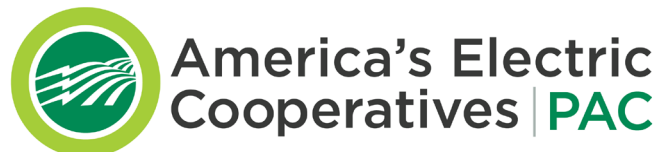
**LADY DAWGS  
VS  
NICEVILLE**

**CHELCO MEMBERS  
GET IN FREE**

Save the date! CHELCO will host its first Member Appreciation event of the year on Monday, April 14, at Crestview High School as the Lady Dawgs take on Niceville's Lady Eagles in JV & Varsity Softball. More details available at [CHELCO.com/member-appreciation-events](https://CHELCO.com/member-appreciation-events).

## DID YOU KNOW: Capital Credits

Did you know... former CHELCO members may be eligible to receive capital credit retirements for years after moving out of CHELCO's service territory depending on the number of years spent as a member and the percentage of electricity used for those years. To avoid missing out on this member benefit, it is critical to keep us aware of any change of address and contact info. See how to update your mailing address at the bottom of page 4.



For nearly 60 years, the NRECA's political action committee (PAC) has been supporting political candidates who recognize the vital role of electric cooperatives in their local communities. Today, nearly 35,000 donors contribute to America's Electric Cooperatives PAC, supporting candidates who support issues important to electric co-ops. For more information on how to join, visit [Electric.coop/PAC](https://Electric.coop/PAC).

*AEC is non-partisan and is supported by donations from co-op leaders and consumer-members.*

*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.*

## CHELCO celebrates National Engineers Week

CHELCO was proud to celebrate National Engineers Week (Feb. 16-22) by recognizing the hard work and dedication of our six engineers.

“As an electric cooperative, our mission is to provide safe, reliable power at an affordable rate, and having qualified engineers on staff is critical to achieving that,” said CHELCO CEO Steve Rhodes. “Their expertise ensures our systems are designed, maintained, and upgraded with precision, helping us meet the evolving energy needs of our members while keeping safety and reliability at the forefront. Without their technical skills and commitment, we wouldn’t be able to deliver the high level of service our community expects and deserves.”



*Pictured from Left to Right: Matthew Avery, P.E., SVP of Engineering & Operations; Justin Henley, P.E., T&D Technical Services Supervisor; Garrett Bodie, F.E., Distribution Engineer; Kevin Jones, P.E., Director of Engineering; Craig Gerke, P.E., System Protection Supervisor; Rocky Hudson, P.E., Director of Engineering & Operations - Eglin AFB*

## Celebrate the Power Behind Your Power on April 14



On April 14, CHELCO and electric utilities around the country will join together in celebrating Lineworker Appreciation Day. Please join us in thanking a lineworker for their commitment to their duties, and a prayer for their continued safety as they go above and beyond to keep our lives powered.

## 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.



## \$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!

**Bayard - 9000189276**

## Stay Informed

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