

2025 ANNUAL REPORT



CHICKASAW ELECTRIC
Co.  oP.

Board members



Chip Reeves
District 1



June Walker
District 2
Re-elected



Mary Lou Thomas
District 3



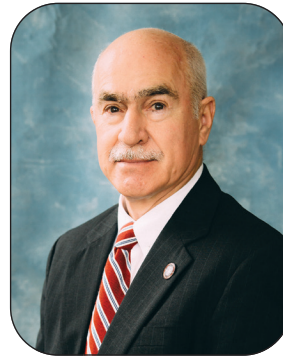
Gordon Tomlin
District 4



Phil Burrows
District 5
Re-elected



John Hurdle
District 6
Re-elected



Vip Lewis
District 7



Royce Reeves
District 8



Matthew Armour
District 9

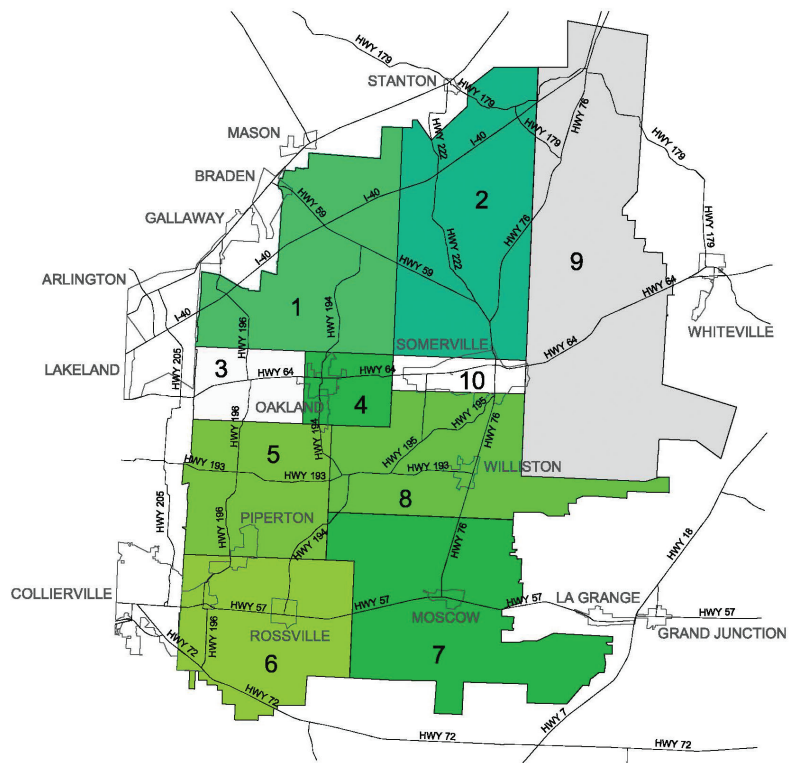


Bill Rhea
District 10
Re-elected



Tom Minor
Attorney

Board districts



Dear members and friends of Chickasaw Electric Cooperative

It is with great pride and sincere appreciation that we present to you this year's annual report for Chickasaw Electric. As members of this electric cooperative, you are not just customers — you are owners, partners and the foundation of everything we do.

The past year has presented new opportunities and challenges, and throughout it all, our commitment to providing reliable, affordable and safe electric service has remained steadfast. Thanks to your continued trust and support, we've made meaningful strides in system upgrades, operational efficiency and service responsiveness, and we've pushed further into broadband — all while maintaining a strong financial position.

As a member-owned cooperative, transparency and accountability guide every decision we make. This report provides a comprehensive look at our performance over the past year along with updates on key initiatives, community involvement and our strategic direction moving forward.

We are focused on what matters most to our community — reliable power, affordable rates, friendly service and expanded access to fiber. Our employees, board and leadership team are your neighbors, and we are proud to serve you as we work together to build a stronger, more connected future.

Thank you for being an essential part of the Chickasaw Electric family. Your participation and engagement help shape the success of this cooperative, and we look forward to serving you in the years ahead.

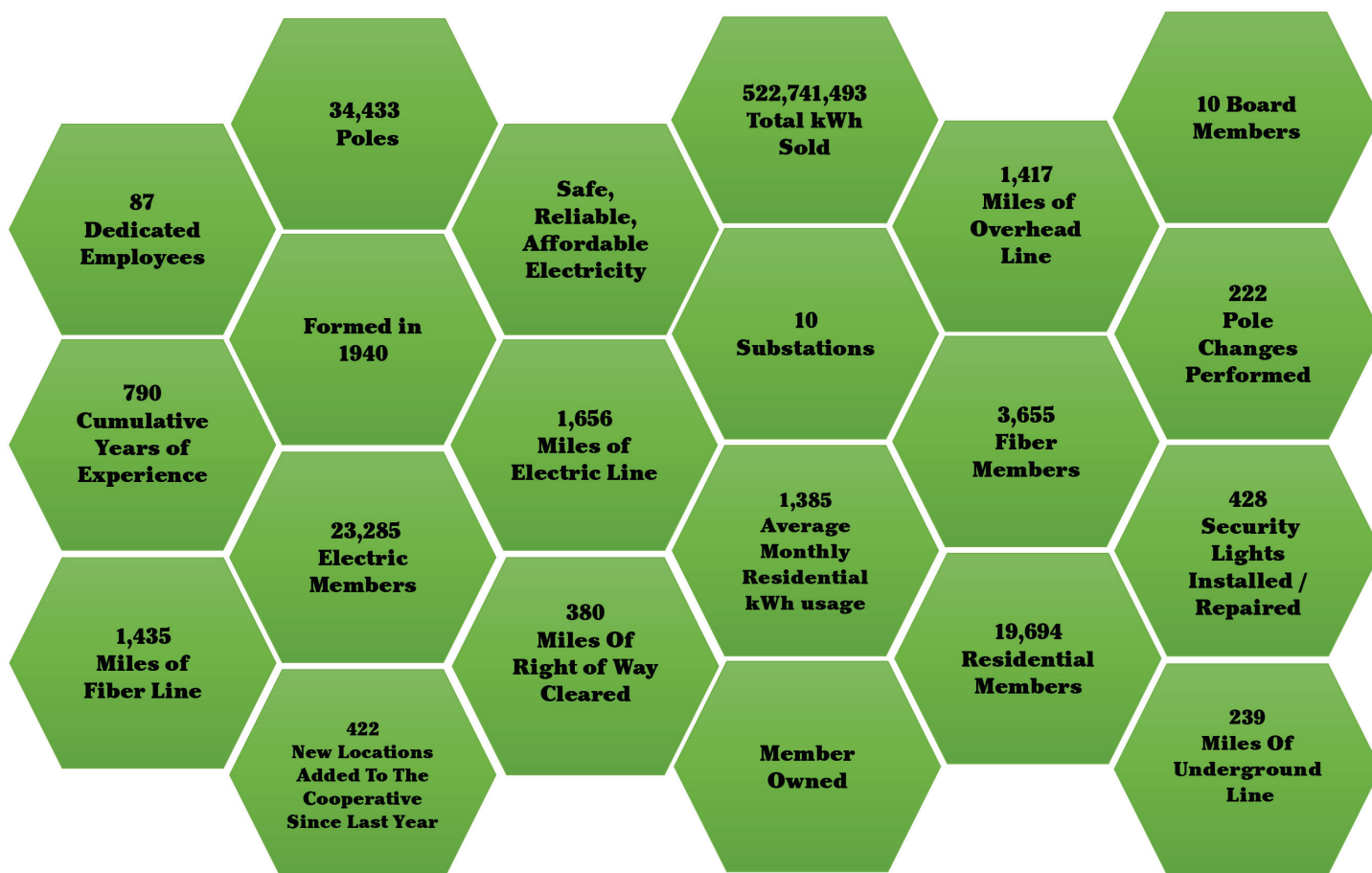
With appreciation,

Loyd Muncy



Loyd Muncy
General Manager

Year at a glance



Broadband update

Access to fast, reliable internet is no longer a luxury — it's a necessity. In partnership with Aeneas, we understand how vital broadband is to everyday life, supporting everything from education and healthcare to business and staying connected with loved ones.

Aeneas



We're proud to share the progress we've made in bringing high-speed internet to our members. Over the past year, we've made great strides in expanding broadband infrastructure throughout our service area. Our fiber network buildout is well underway, with 1,435 miles of fiber installed — completing most of our backbone. We currently have 3,655 active accounts — 3,501 residential and 154 business. On average, we are signing up 40 new customers per week, and many more will be connected in the coming year.

This broadband initiative is a direct reflection of our cooperative mission: to enhance quality of life and meet the evolving needs of those we serve. By building on our existing electric infrastructure and strong community relationships, we're creating a broadband system that's reliable, resilient and first in class.

Thank you for your continued support as we bring the power of connection to every corner of our cooperative.



Electric system update

Chickasaw Electric continues to experience steady and significant growth. Over the past year, the cooperative added 422 new member service locations, bringing the total customer membership to 23,285. This continued expansion necessitates investments in infrastructure to ensure reliability and quality of service.

To meet growing demand, Chickasaw Electric installed approximately 550 new electric poles this year. Our system now includes 1,656 total miles of electric line — 1,417 miles of overhead line and 239 miles of underground cable. We also installed or repaired 428 security lights across our service area, helping improve safety and reliability for our members. Looking ahead, Chickasaw Electric has initiated plans to build two new electric distribution substations to support increased load requirements and future growth.

Recently, Chickasaw Electric secured a significant load request from Amazon, which is establishing a major facility at 350 Norfolk Southern Way in Byhalia, Mississippi. To support this development, the cooperative will upgrade the existing electric infrastructure that supplies power from the Piperton substation. This includes enhancing the existing circuit along Del Stover Drive through a process known as reconductoring, which improves the line's capacity and reliability. Once completed, the upgraded line will deliver approximately 10 megawatts of power to the new Amazon site. Design and engineering work for this project is currently in progress.

A key highlight of the year was that construction began on Chickasaw Electric's new substation, which will be known as Red Banks substation, to support a new electric vehicle battery manufacturing plant in Marshall County, Mississippi. This facility, owned by Amplified Cell Technologies — a startup partnered with PACCAR,



Cummins and Daimler Trucking — will produce EV batteries for the commercial transportation sector. Chickasaw Electric will deliver approximately 84 megawatts of power to this facility through the new substation, located east of Highway 72 and Curl Road, further enhancing grid capacity in the region.

Additionally, the service area north of Interstate 40 and Highway 196 is slated for a new substation to accommodate expected commercial growth, including a new Buc-ee's convenience store. Land procurement has been obtained, with construction plans in development.

Chickasaw Electric remains committed to meeting the needs of its growing membership by investing in infrastructure, improving system reliability and supporting regional economic development. These ongoing efforts ensure that the cooperative is well-positioned to deliver safe, dependable power to current and future members across its service territory.



Amazon



Red Banks Substation

‘Concern for the Community’

Youth leadership in a cooperative means young people stepping up to shape the cooperative’s future while staying true to its core values. They learn about how cooperatives work and improve their skills, following the cooperative principle of “Education, Training and Information.” These young leaders also contribute to their communities, taking action to address local needs and issues, which aligns with the cooperative principle of “Concern for the Community.” By doing this, they bring fresh ideas and energy, ensuring the cooperative grows in a way that benefits everyone.



The Youth Leadership Summit is a partnership between Chickasaw Electric and the Tennessee Electric Cooperative Association to promote leadership within our state. Delegates to the annual event receive a hands-on look at state government, learn networking and leadership skills, and develop a better understanding of electric cooperatives.

Two delegates from a high school in our service territory are chosen by their guidance counselors and principal to participate. This year’s delegates were Cami Crawford and Connor Bailley from Fayette Academy.

Top: YLS students from across the state pose in the Senate Chambers of the Tennessee Capitol Building in Nashville. Left: Connor Bailley, Chickasaw Electric Communication Specialist Andrea Kee and Cami Crawford.



Safety demonstrations

Our high-voltage safety demonstrations give an up-close and personal look at the power distribution system and the dangers surrounding live power lines.

Our employees teach how to be safe around power lines, showing why you must not climb trees near power lines and telling members what to do if they’re in a car accident that brings down power lines (stay in the car until our employees arrive to de-energize the lines). Chickasaw Electric also visits local schools to teach students the importance of electrical safety.



Trimming trees: A key to lower electric rates, community safety and reliability

Did you know that trimming trees around power lines can lower your electric rates? Overgrown trees lead to power outages and costly repairs, so our team at Chickasaw Electric works hard to maintain vegetation growth near our infrastructure. Here are a few ways these investments save you money in the long run:

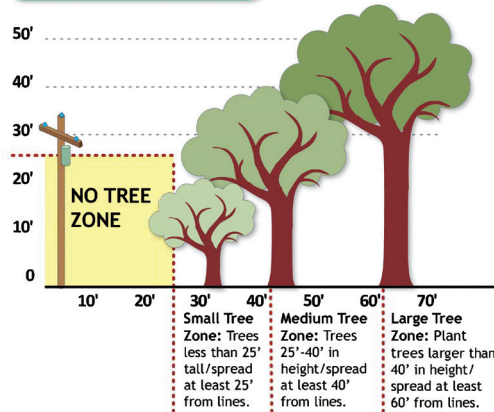
Prevention of power outages. One of the primary reasons why tree trimming is essential is its ability to prevent power outages and trees from contacting power lines during storms or high winds.

Regularly trimming trees can minimize the risk of branches falling onto the lines and causing power outages. This proactive approach to tree maintenance helps ensure a more reliable electric grid, reducing the need for emergency repairs and ultimately lowering maintenance costs.

Improved reliability. Trimming trees around power lines prevents outages and improves service reliability. Overgrown trees and branches can create intermittent faults, resulting in brief power interruptions. By keeping trees trimmed and maintaining a clear distance between branches and power lines, utilities can provide a more stable and reliable power supply, improving customer satisfaction and reducing the need for costly equipment repairs or replacements.

Decreased maintenance costs. Regular tree trimming near power lines decreases your cooperative's maintenance costs.

Tree Planting Guide



When trees grow too close to power lines, they could require more frequent inspections and trimming, which can be time-consuming and expensive. By maintaining a safe distance between trees and power lines through proactive trimming practices, we reduce the frequency of maintenance visits, lowering labor and equipment costs. These savings can then be passed on to our members, contributing to lower electric rates.

Mitigation of safety hazards.

Trimming trees near power lines also helps mitigate hazards. Overgrown trees can pose a significant risk to public safety if they come into contact with power lines, potentially leading to electrocution or fires. By proactively managing vegetation around power lines, utilities can minimize these risks, ensuring safety for both the community and our crews. This reduces the likelihood of accidents, the associated costs of emergency response and potential liability claims.

Regular tree trimming near power lines is crucial in maintaining a reliable grid, preventing outages, improving service reliability and reducing maintenance costs. By performing proper vegetation management on the power system, Chickasaw Electric can contribute to lower electric rates while ensuring a safer and more efficient energy infrastructure for all.

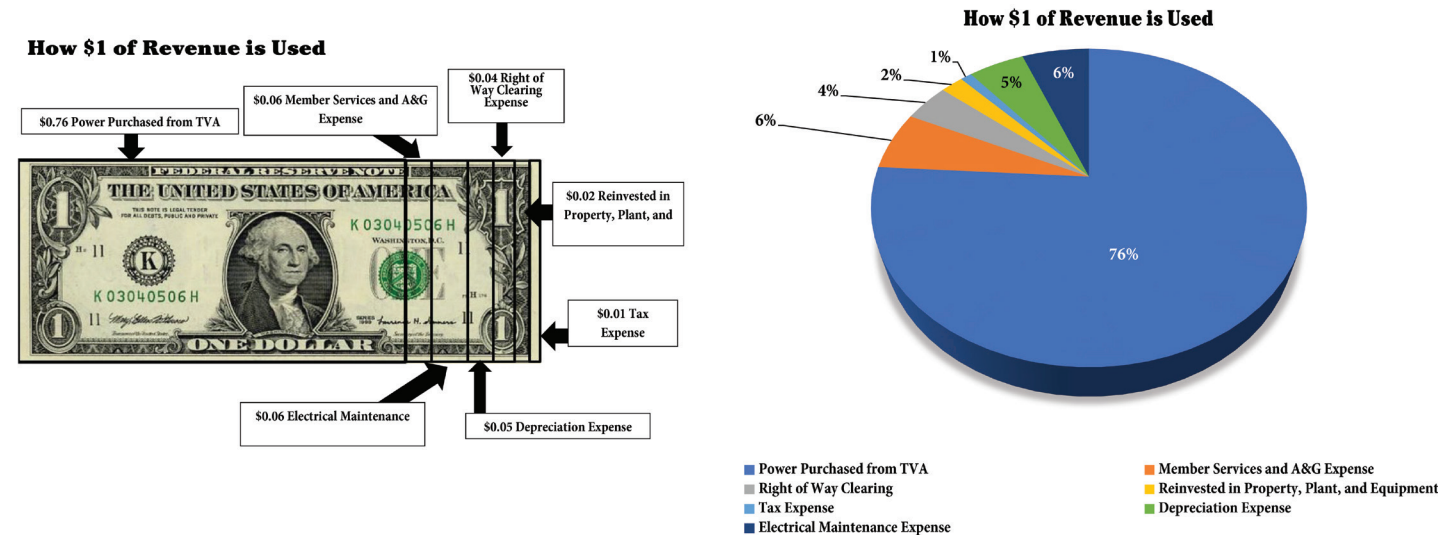


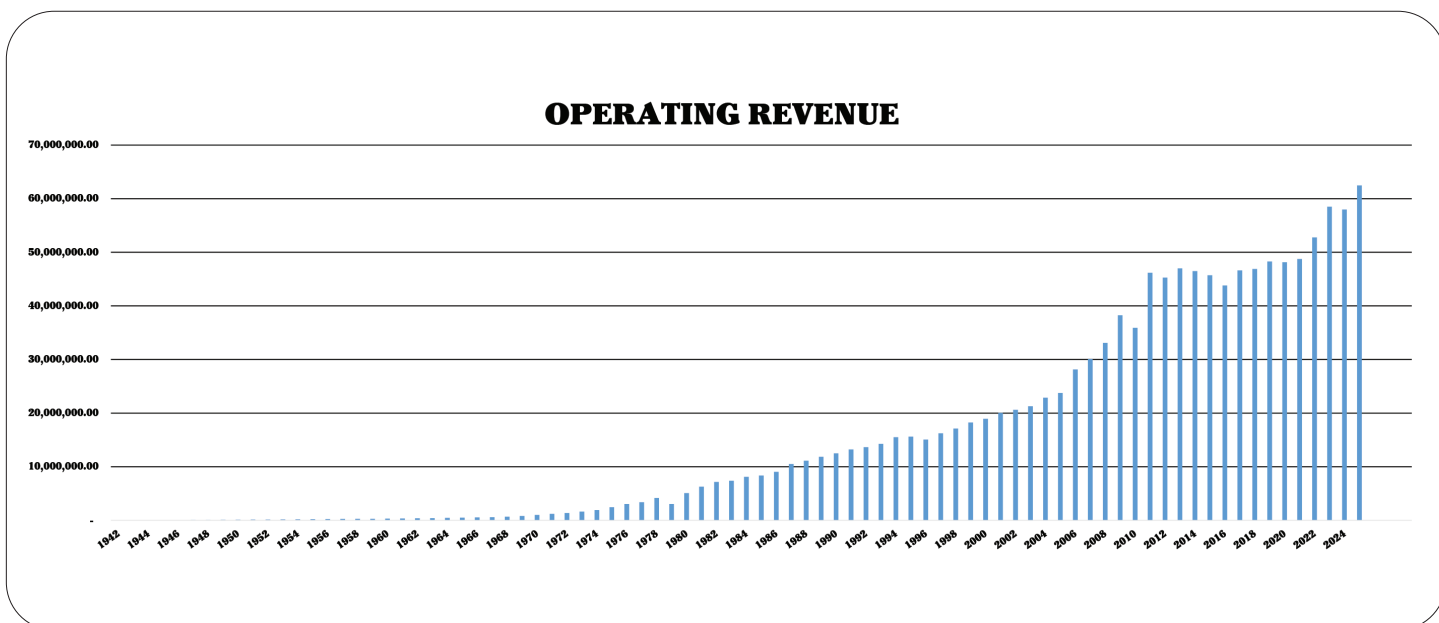
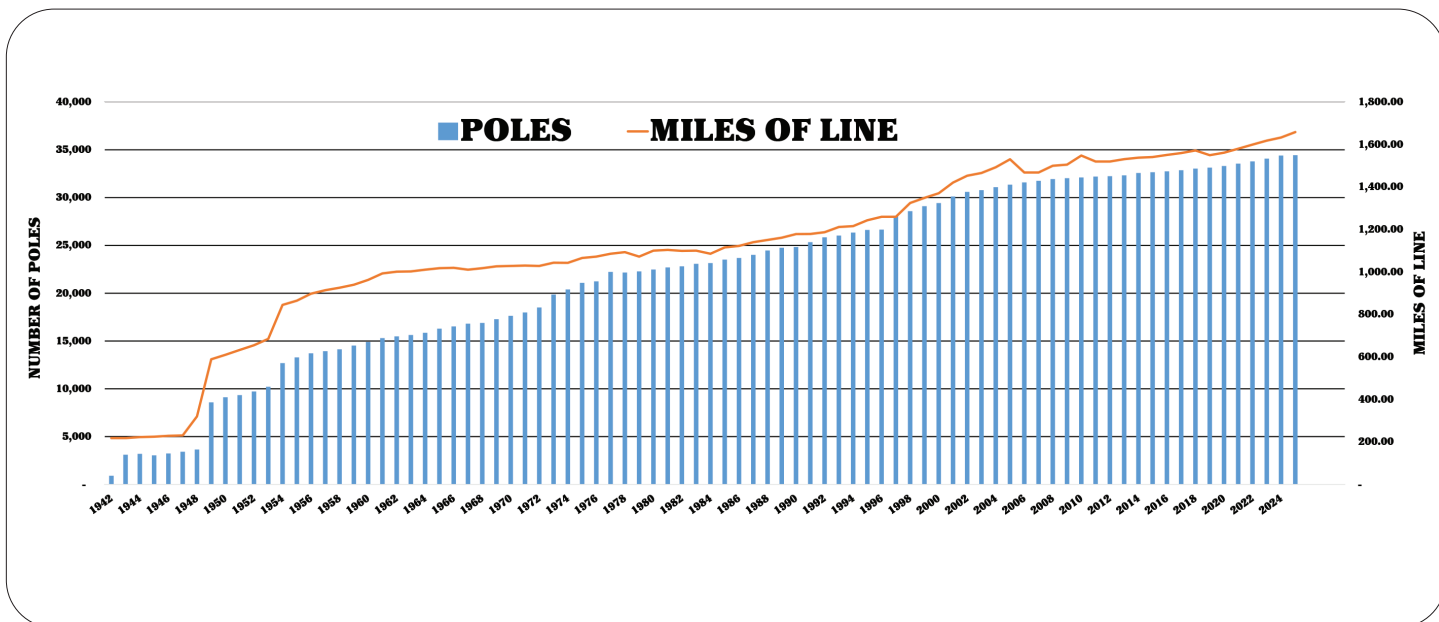
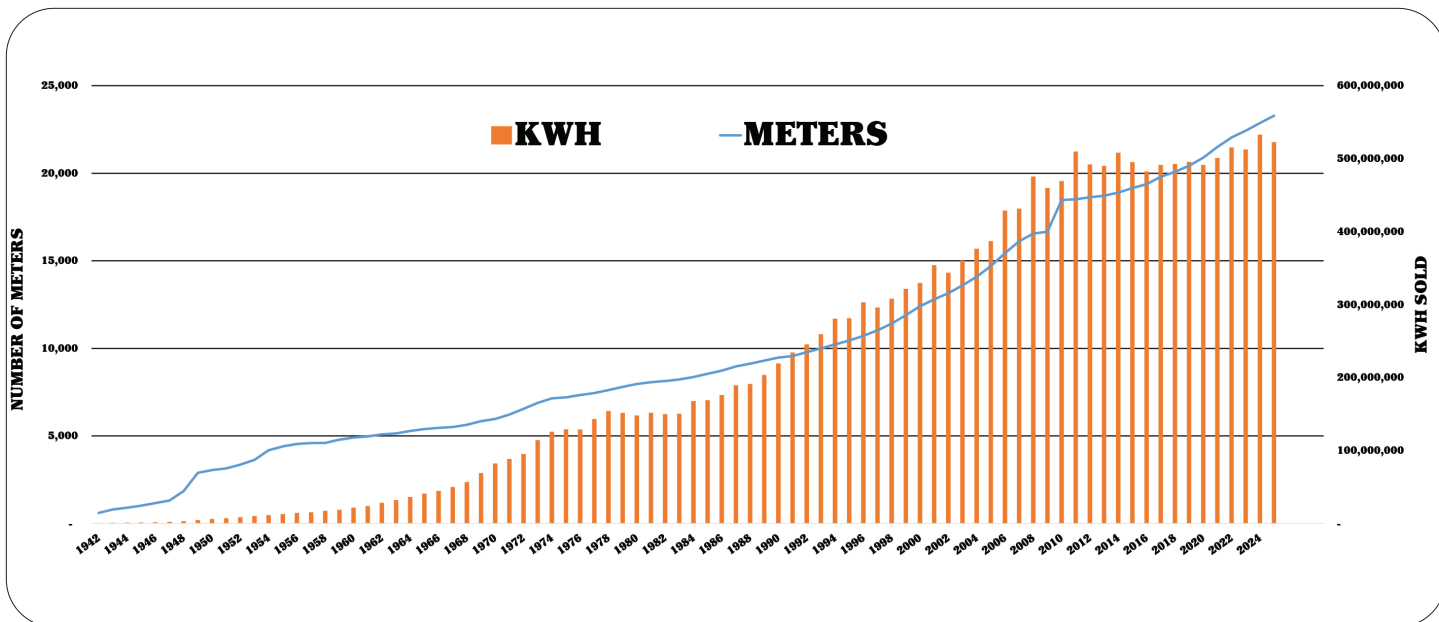
Treasurer's Report

<u>Assets</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Utility plant (less depreciation)	\$44,243,841.53	\$61,246,166.73	\$71,220,052.54
Cash and investments	7,729,698.76	1,246,633.99	6,129,823.30
Accounts receivable	3,107,065.14	4,022,926.07	3,658,229.63
Electric material	1,069,368.16	849,481.23	765,919.52
Prepayments and other current assets	542,682.36	338,654.02	412,380.60
Deferred debits	—	—	—
Total assets	\$56,692,655.95	\$67,703,862.04	\$82,186,405.59
<u>Liabilities</u>			
Long-term debt	—	\$10,340,000.00	\$23,735,000.00
Accounts payable	\$5,162,662.45	5,738,174.22	5,875,298.91
Customer deposits	3,071,601.22	2,410,245.95	2,160,842.63
Taxes and other liabilities	1,078,851.97	988,343.68	1,220,496.12
Deferred credits	<u>576,560.22</u>	<u>866,246.30</u>	<u>754,126.89</u>
Total liabilities	\$9,889,675.86	\$20,343,010.15	\$33,745,764.55
<u>Owners' equity:</u>			
Membership fees	\$112,668.00	\$114,968.00	\$117,480.00
Retained earnings	<u>46,690,312.09</u>	<u>47,245,883.89</u>	<u>48,323,161.04</u>
Total owners' equity	\$46,802,980.09	\$47,360,851.89	\$48,440,641.04
Total liabilities and owners' equity	\$56,692,655.95	\$67,703,862.04	\$82,186,405.59

Income and Expense Statement

<u>Revenue:</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Electric sales	\$57,075,242.88	\$56,387,586.45	\$59,721,548.89
Additional revenue on accounts	451,167.96	419,325.36	446,488.46
Other operating revenue	980,512.11	1,179,314.52	2,304,590.73
Other Revenue	<u>377,013.26</u>	<u>340,790.17</u>	<u>195,903.21</u>
Gross Revenue	\$58,883,936.21	\$58,327,016.50	\$62,668,531.29
<u>Expenses:</u>			
Purchased power	\$46,706,413.94	\$45,880,052.75	\$47,847,790.11
Operating and maintenance	8,031,601.72	8,909,048.01	10,413,489.32
Depreciation and taxes	<u>2,703,982.38</u>	<u>2,982,343.94</u>	<u>3,329,974.71</u>
Total expense	\$57,441,998.04	\$57,771,444.70	\$61,591,254.14
New income used for new plant additions	\$1,441,938.17	\$555,571.80	\$1,077,277.15







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Chickasaw Electric
Cooperative



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Chickasawecoop



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Our Mission

The power of cooperation to deliver solid, low-cost electricity to power our members into tomorrow.