

2025 ANNUAL REPORT



Citizens
Electric Corporation
A Touchstone Energy® Cooperative 

PUTTING OUR ENERGY TO WORK FOR YOU

With the acquisition of transmission ownership, the Salem Bulk to Valley View transmission project established local oversight by Citizens Electric Corporation in 2025.

As we close out 2025. . .

We reflect on the values that define us and the trust our membership places in us. Preserving that trust remains the foundation of every decision we make, including our efforts to strengthen the Corporation's long-term stability in an evolving electric utility landscape.

▶ LOOKING FORWARD:

Strategic Focus Areas for 2026 and Beyond.

As we prepare for the challenges and opportunities ahead, our focus will include:

- **Transmission Development:** Continue expanding and modernizing transmission infrastructure to improve reliability and support growing demands.
- **Market Presence:** Strengthen our position in regional Midcontinent Independent System Operator power markets to optimize resource management and cost control for members.
- **System Resilience:** Ensure our electrical system remains robust and adaptable to meet increasing demand and evolving technologies.
- **Financial Strategy:** Evaluate and refine financial approaches to deliver the best possible value to our membership while maintaining long-term stability.
- **Innovation & Technology:** Explore emerging technologies, distributed energy resources, and storage solutions to enhance flexibility and sustainability.
- **Regulatory & Market Trends:** Stay ahead of policy changes and market dynamics to safeguard reliability and affordability.



2025 ACHIEVEMENTS

- ✓ Restored power to more than 12,000 members impacted by Winter Storms Blair & Cora.
- ✓ Entered into a new agreement with our wholesale power provider, enabling greater local control and economic opportunity in future years.
- ✓ Approved as a MISO Transmission Owner, allowing participation in regional transmission planning to enhance reliability for our membership.
- ✓ Established new relationships with The Energy Authority to navigate complex financial landscapes and optimize power market strategies.
- ✓ Achieved Certified MISO Market Participant status, enabling direct engagement in regional energy markets for improved flexibility and cost management.
- ✓ Maintained stable rates with no adjustments or increases.

“ On behalf of our entire organization, thank you for your trust and partnership. Serving your best interests remains our privilege and commitment as we move into 2026 and beyond.

2025 BOARD OF DIRECTORS



Derek Miesner
President
Central District



Mark Wengert
Vice President
Central District



Don Fulford
Treasurer
Central District



Rodney Scherer
WVPA Director
North District



Glen Weible
Secretary
North District



Richard DeWilde
Central District



Thomas Keim
North District



William Odneal
North District



Dakota Oehl
South District



Rex Meyr Sr.
South District

Our mission

Citizens Electric Corporation will provide our members with safe and reliable electricity at a cost that is stable and competitive with our neighbors.



IN MEMORIAM

DOYLE M. OEHL

Board of Directors | 24 Years of Distinguished Service

Doyle served as a member of the Board of Directors of Citizens Electric Corporation for 24 years, dedicating himself with unwavering commitment until the time of his passing. Over nearly a quarter-century, he brought wisdom, integrity, and a steadfast dedication to the mission of providing reliable, affordable electric service to the communities we serve. He will be remembered not only for his service and leadership but also for the character and grace with which he carried out his responsibilities.

EXECUTIVE LEADERSHIP TEAM



Jason Cates
Chief Executive
Officer

Daniel Coomes
Vice President of
Engineering

Curt Iffert
Vice President
of Operations

Ramon Estrada
Manager of
Power Supply

J. W. Hackworth
Manager of
Member Services

Angi Herman
Manager of
Human Resources

Rachel Tiehes
Manager of Finance

Zach Deneke
Supervisor of
Information
Technology

BALANCE SHEET

ASSETS

UTILITY PLANT

ELECTRIC PLANT	\$360,275,518	\$215,609,884
LESS ACCUMULATED DEPRECIATION	<u>\$80,114,205</u>	<u>\$74,703,449</u>
	\$280,161,313	\$140,906,435

INVESTMENTS

INVESTMENTS IN RELATED COOPERATIVES	\$17,342,040	\$16,645,295
RURAL ECONOMIC DEVELOPMENT LOAN (REDL) RECEIVABLE	<u>\$1,497,130</u>	<u>\$1,867,875</u>
	\$18,839,170	\$18,513,170

DEFERRED DEBITS

REGULATORY ASSET - WVPA CAPITAL CREDITS	\$19,224,041	\$18,484,257
REGULATORY ASSET - WVPA MAINTENANCE FEE	\$25,938,889	\$0
REGULATORY ASSET - LEGAL AND CONSULTING FEES	\$974,954	\$1,663,156
TRANSMISSION SERVICE REVENUE TRUE-UP	\$2,070,739	\$0
POST RETIREMENT BENEFIT OBLIGATION	\$110,050	\$220,118
OTHER	<u>\$0</u>	<u>\$48,904</u>
	\$48,318,673	\$20,416,435

CURRENT ASSETS

CASH AND CASH EQUIVALENTS	\$6,872,100	\$127,037,585
RECEIVABLES, LESS ALLOWANCE FOR CREDIT LOSSES		
OF \$24,083 IN 2025 AND \$20,160 IN 2024	\$17,251,167	\$15,107,839
MATERIALS	\$6,020,194	\$5,949,190
PREPAYMENTS	\$364,758	\$82,724
CURRENT PORTION OF REDL RECEIVABLE	\$370,745	\$370,745
CURRENT PORTION OF POST RETIREMENT BENEFIT	\$110,086	\$110,086
CURRENT PORTION OF WVPA CAPITAL CREDITS	\$257,872	\$313,292
CURRENT PORTION OF WVPA MAINTENANCE FEE	\$1,933,333	\$0
CURRENT PORTION OF LEGAL AND CONSULTING	<u>\$688,203</u>	<u>\$688,203</u>
TOTAL CURRENT ASSETS	\$33,868,458	\$149,659,664

TOTAL ASSETS

\$381,187,614 \$329,495,704

LIABILITIES AND CAPITAL

CAPITAL EQUITIES

MEMBERSHIPS	\$89,375	\$86,185
PATRONAGE CAPITAL	\$148,036,555	\$136,616,292
OTHER EQUITIES	<u>\$699,612</u>	<u>\$699,612</u>
	\$148,825,542	\$137,402,089

LONG-TERM LIABILITIES

\$173,089,878 \$168,887,357

OTHER LONG-TERM OBLIGATIONS

WVPA MAINTENANCE FEE CONTRACT	\$19,333,333	\$0
POST-RETIREMENT BENEFIT OBLIGATIONS	<u>\$2,687,314</u>	<u>\$2,576,254</u>
TOTAL CURRENT ASSETS	\$22,020,647	\$2,576,254

DEFERRED CREDITS

\$1,000 \$1,000

CURRENT LIABILITIES

CURRENT MATURITIES OF WVPA MAINTENANCE FEE CONTRACT	\$9,666,667	\$0
CURRENT MATURITIES OF LONG-TERM DEBT	\$5,201,295	\$4,157,221
ACCOUNTS PAYABLE	\$15,989,559	\$10,017,273
ACCRUED EXPENSES	\$1,360,065	\$1,245,536
CONTRACT LIABILITIES	<u>\$5,032,961</u>	<u>\$5,208,974</u>
TOTAL CURRENT LIABILITIES	\$37,250,547	\$20,629,004

TOTAL LIABILITIES AND CAPITAL

\$381,187,614 \$329,495,704

The financial reports listed herein are based on the year-end audits by Kerber, Eck and Braeckel, LLP of Marion, IL, for 2025 and 2024. These audits determined the financial books of Citizens Electric Corporation were maintained in accordance with generally accepted accounting principles. The auditors have determined these reports represent fairly the financial position of the Corporation as of December 31, 2025 and 2024. Any CEC member interested in reviewing an audit report is welcome to visit the office, and we will be happy to make the report available to you.

* Transmission acquisition year



Total Revenue

(in thousands)

2021 - \$124,635
2022 - \$153,098
2023 - \$137,063
2024 - \$137,941
*2025 - \$172,395



Total Assets

(in thousands)

2021 - \$191,473
2022 - \$191,377
2023 - \$193,032
2024 - \$329,496
*2025 - \$381,188



Energy Sales - KWH

(in thousands)

2021 - 1,666,994
2022 - 1,687,134
2023 - 1,648,956
2024 - 1,669,745
2025 - 1,641,029

STATEMENT OF EARNINGS & PATRONAGE CAPITAL



Total Plant Assets

2021 - \$191,887,247
 2022 - \$197,366,032
 2023 - \$206,463,780
 2024 - \$215,609,884
 *2025 - \$360,275,518



Miles of Line

2021 - 2,975
 2022 - 2,983
 2023 - 2,991
 2024 - 2,996
 *2025 - 3,261



Number of Members Served

2021 - 27,873
 2022 - 27,406
 2023 - 27,656
 2024 - 27,861
 2025 - 28,070

2025

2024

RESTATED

OPERATING REVENUE

ELECTRIC ENERGY REVENUE	\$155,615,897	\$137,755,944
TRANSMISSION SERVICES REVENUE	\$16,630,142	\$0
MISCELLANEOUS ELECTRIC REVENUE	\$149,149	\$185,058
TOTAL OPERATING REVENUE	\$172,395,188	\$137,941,002

OPERATING EXPENSES

COST OF POWER PURCHASED	\$121,688,031	\$103,483,807
OPERATING EXPENSES-DISTRIBUTION	\$8,007,734	\$7,819,148
OPERATING EXPENSES-TRANSMISSION	\$4,027,006	\$0
MAINTENANCE OF DISTRIBUTION PLANT	\$4,114,284	\$4,231,170
ACCOUNTING AND COLLECTION EXPENSES	\$1,523,691	\$1,264,080
OTHER CUSTOMER EXPENSES	\$689,299	\$595,039
ADMINISTRATIVE AND GENERAL	\$5,554,125	\$3,864,634
DEPRECIATION	\$9,066,611	\$7,105,605
TAXES	\$1,669,017	\$1,585,866
TOTAL OPERATING EXPENSES	\$156,339,798	\$129,949,349

OPERATING MARGIN BEFORE INTEREST CHARGES	\$16,055,390	\$7,991,653
INTEREST ON DEBT	\$7,418,879	\$1,698,579

OPERATING MARGIN BEFORE CAPITAL CREDITS	\$8,636,511	\$6,293,074
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PATRONAGE DIVIDENDS	\$1,732,398	\$3,774,359
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OPERATING MARGIN	\$10,368,909	\$10,067,433
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INTEREST INCOME	\$1,305,438	\$765,009
OTHER INCOME / (LOSS)	\$15,573	\$(3,798)

NET MARGIN	\$11,689,920	\$10,828,644
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OTHER COMPREHENSIVE INCOME

AMORTIZATION OF GAIN (LOSS) ON POST-RETIREMENT BENEFIT OBLIGATION	\$(110,068)	\$(110,068)
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TOTAL NET MARGINS	\$11,579,852	\$10,718,576
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PATRONAGE CAPITAL - BEGINNING OF YEAR	\$136,616,292	\$121,300,573
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PRIOR PERIOD ADJUSTMENT	\$0	\$7,394,636
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RETIREMENT OF CAPITAL CREDITS	\$(273,378)	\$(2,845,502)
UNCLAIMED CAPITAL CREDITS	\$113,789	\$48,009

PATRONAGE CAPITAL - END OF YEAR	\$148,036,555	\$136,616,292
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STATEMENT OF CASH FLOWS

CASH FLOWS FROM OPERATING ACTIVITIES

NET MARGIN	\$11,689,920	\$10,828,644
NET ADJUSTMENTS TO INCOME	\$(8,806,616)	\$9,631,856
CASH FLOWS FROM INVESTING ACTIVITIES	\$(116,449,065)	\$(10,226,148)
CASH FLOWS FROM FINANCING ACTIVITIES	\$5,090,196	\$117,056,951

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$(120,165,485)	\$116,462,659
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CASH AND CASH EQUIVALENTS

BEGINNING OF YEAR	\$127,037,585	\$10,574,926
END OF YEAR	\$6,872,100	\$127,037,585



YOUR ENERGY
DOLLAR

74.3%	POWER SUPPLY EXPENSE
7.4%	OPERATING & MAINTENANCE
4.3%	CUSTOMER ACCOUNTING & ADMINISTRATION
5.5%	DEPRECIATION
1.0%	GROSS RECEIPTS
4.5%	INTEREST ON LONG TERM DEBT
0.4%	OTHER



BUSINESS OF THE YEAR



Citizens Electric Corporation was named **Business of the Year** by the Republic Monitor Newspaper.

In a year defined by both challenge and change, Citizens Electric Corporation has emerged not only as a resilient organization but also as a pillar of the local community, earning its well-deserved recognition and serving as the Grand Marshall in the Mayfest Parade.

YOUR POWER. OUR RESPONSIBILITY. WINTER STORM BLAIR & CORA



In January 2025, Citizens Electric employees faced one of the most devastating ice storms in CEC history, as thousands of members experienced extended outages lasting more than two weeks. The devastation was overwhelming—

but so was the response. Thanks to our cooperative network, crews from across Missouri and beyond came to our aid. Their support helped us rebuild faster and stronger than we could have alone. That's the power of the Cooperative Principle, Cooperation Among Cooperatives. The severe winter storms swept through the region on January 5 and again on January 10, bringing significant challenges, including heavy snow, ice accumulation, and winds that led to downed power lines and damaged equipment. At the peak of the storm, 12,154 members were without power.



Citizens Electric deployed 140 field crews and partnered with mutual aid teams from Crawford Electric Cooperative and Cuivre River Electric Cooperative to expedite restoration efforts.

In total, 152 utility poles, and various other pieces of equipment were repaired or replaced, over seven days, and approximately twenty thousand man-hours were worked.



Citizens also leveraged real-time updates through correspondence with numerous news media outlets, social media, emails, phone correspondence, text, and our website to keep members informed throughout the restoration process. These updates provided our members timely information on restoration progress and safety tips.

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NEW TRANSMISSION TO MODERNIZE THE GRID & STRENGTHEN RELIABILITY

In 2025, Citizens Electric advanced two major transmission projects that have been years in the making, reflecting a long-standing commitment to modernizing the grid and strengthening reliability.

The **Sycamore to Wittenberg** project spans approximately 22 miles of new 138 kV transmission line, connecting Citizens Electric's proposed Sycamore substation in Perryville to the existing Wittenberg substation. To ensure members along the proposed route had a voice in the process, Citizens Electric hosted open houses, giving neighbors and stakeholders a direct opportunity to learn about the project and engage with cooperative staff.



The **Salem Bulk to Valley View** project adds another approximately 21 miles of new 69 kV transmission line, connecting the Salem Bulk substation located east of Farmington to the Valley

View substation north of Bloomsdale. This project is designed with a clear purpose: to create system redundancy so that when an outage or maintenance need occurs, power can be restored to members significantly faster than before.

Together, these two projects represent more than 40 miles of new transmission infrastructure, a meaningful investment in the resilience and reliability that Citizens Electric members depend on every day. As industrial expansion, increased demand, and widespread electrification continue to strain the national grid, Citizens Electric is meeting that challenge head-on, one mile of line at a time.





JANUARY

Transmission assets acquired and registration as a Distribution Provider, Transmission Owner, and Transmission Planner with the North American Electric Reliability Corporation (NERC) secured.



MARCH

Gained partnership with The Energy Authority for portfolio management services, equipping Citizens with the analytical and operational expertise needed to navigate wholesale energy markets



APRIL

Submitted wholesale energy market participant application.



MAY

Establishment of internal power supply function and development of foundational policies to support independent energy procurement began.



JUNE

Conclusion of membership with Wabash Valley Power Alliance, creating greater autonomy and local control.



AUGUST

Citizens Electric Corporation hired its first internal Power Supply Manager.



SEPTEMBER

Certified market participation achieved within Midwest Independent System Operator (MISO).

PUTTING OUR ENERGY TO WORK FOR YOU:

Achievements Toward Greater Economic Benefits & Local Control

In 2025, Citizens Electric Corporation embarked on one of the most consequential operational transformations in its history, methodically building the infrastructure, relationships, and regulatory standing necessary to compete as a fully independent power market participant.

The year began with a foundational move. In January, Citizens acquired transmission assets and secured registration as a Distribution Provider, Transmission Owner, and Transmission Planner with the North American Electric Reliability Corporation (NERC). Shortly after, the MISO Board approved Citizens Electric as an official Transmission Owner, a critical designation that set the stage for everything that followed.

Building on that momentum, March brought a strategic partnership with The Energy Authority for portfolio management services, equipping Citizens with the analytical and operational expertise needed to navigate wholesale energy markets. By May, Citizens began standing up its internal power supply function alongside the policy framework to support it, signaling an organization rapidly maturing into full market readiness.

June marked a defining moment of independence. Citizens Electric formally ended its membership with Wabash Valley Power Alliance, a deliberate step that reflected the Corporation's confidence in its own capabilities and its commitment to pursuing greater local control over its energy future.

Then, in September, it all came together. Citizens Electric Corporation became a market participant within the Midwest Independent System Operator (MISO), the culmination of months of precise work. This certification positions Citizens to make energy procurement decisions that more directly serve its members, with greater transparency, flexibility, and long-term economic benefit.

The milestones of 2025 are not simply checkboxes on a regulatory roadmap. They represent a strategic vision realized and a stronger foundation from which Citizens Electric will continue to grow.

SUCCESS REPORT



BY THE NUMBERS

- > Operated **3,087 miles** of overhead line
- > **1.6 million MWhs** total energy sold to members
- > **8.61 meters** per mile of line
- > **81 full-time employees**
- > **2,708 commercial & industrial members**
- > **173 miles** of underground distribution
- > **942+** miles of rights-of-way maintained

- > **12,453** avg. residential kwh usage
- > **2,080 Poles** replaced for reliability standards
- > **154,371 hours** worked without a lost time accident
- > **99% reliability rate**
- > **49 substations maintained**
- > **258 miles** of transmission lines
- > **795 new transformers** installed

- > Completed **1,573** construction service work orders
- > **26,863** member phone calls answered
- > Issued **\$450,704** to members in rebates
- > **96%** of all street & security lights converted to LED

- > Contributed **\$50,000** sponsoring local events
- > **Donated \$167,752 to Operation RoundUp**
- > **Served an average of 24,997 residential members**
- > **\$8,000** awarded to high school seniors in scholarship support
- > **6 counties served**
- > **312 new members** connected



COMMUNITY IMPACT

WE VALUE OUR MEMBERS

1500 Rand Avenue
Perryville, Missouri 63775
Contact us | 877-876-3511
Connect with us | cecmo.com



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Electric Corporation

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