

Navigating Challenges - Powering the Future:

As a member-owned cooperative, Calhoun County Electric Cooperative Association operates not for profit, but for people. This model allows us to spread risk over time, invest strategically, and make decisions that benefit our members—not shareholders. That's a key reason why our system has delivered reliable power for more than 75 years—and why it's uniquely positioned to meet future challenges.

Stability Through Planning

For decades, Calhoun County Electric Cooperative has proudly delivered safe, reliable, and sustainable power at competitive rates. Our commitment to service has remained strong—even as the energy landscape undergoes profound change.

Today, we face a convergence of pressures: tightening regulations, supply chain disruptions, rising infrastructure costs, and continued economic and regulatory uncertainty. In response, Calhoun County Electric Cooperative is proactively planning for the future—guided by our mission to provide stability and value to the members we serve.

The CCECA Board of Directors and staff have worked collaboratively to manage costs and minimize rate impacts through:

- Revenue deferral policies
- Operational efficiencies
- Conservative budgeting

Thanks to these measures and the strength of the cooperative model, we've maintained mostly stable rates over the last decade—demonstrating our commitment to affordability while delivering exceptional service and value.

Pressures on the Horizon

Nearly 58% of our budget goes to purchased power. Rising generation costs—driven by increased demand, infrastructure upgrades, environmental regulations, and potential tariffs—could influence rates as early as 2026.

At the same time, costs for essential infrastructure like poles, wires, transformers, and cybersecurity continue to climb. Investments in new transmission lines will be critical to meet growing demand from data centers, industrial expansion, and new energy loads across northern Iowa.

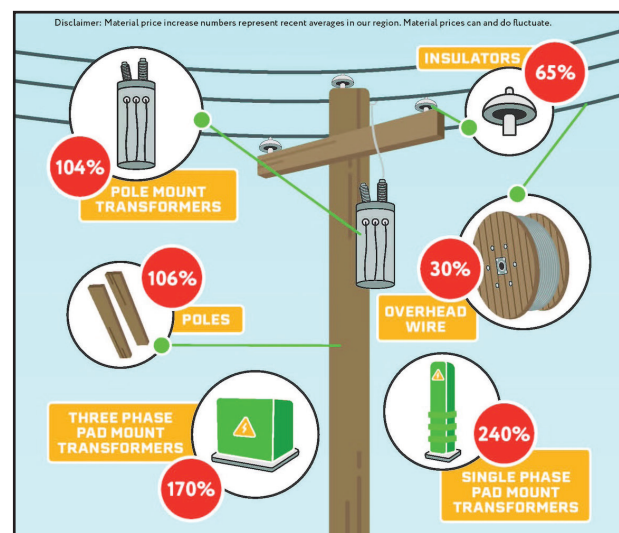
A Proven Value

Even with necessary rate adjustments, electricity remains one of the most stable and affordable essentials in the economy today. While prices for fuel, housing, and food fluctuate dramatically, cooperative electricity continues to deliver dependable service at predictable costs—helping families and businesses plan with confidence.

Looking Ahead

Any rate adjustments made by Calhoun County Electric Cooperative are carefully considered by our Board of Directors—leaders elected by our members. These decisions are made with full transparency and with one goal in mind: sustaining the reliable, secure, and cost-effective power that our communities rely on. We remain committed to open communication, operational excellence, and long-term planning. Because in central Iowa, electricity isn't just about keeping the lights on—it's about powering growth, opportunity, and quality of life for generations to come.

THE RISING COST OF ELECTRIC UTILITY MATERIALS



Wholesale Power Costs Are Rising - What It Means for Our Cooperative

Calhoun County Electric Cooperative Association is facing one of the largest wholesale power cost increases in recent memory. While these increases are never welcome, they are part of a broader, nationwide shift in how electricity is produced, regulated, and consumed. Many of these forces are beyond the control of local utilities, but all of them influence what we pay for power — and, in turn, what appears on your bill.

The Impact of Federal Policies

Federal production tax credits have provided significant financial incentives for renewable energy development, particularly wind and solar. While these policies have accelerated the transition toward cleaner energy, they have also had unintended consequences. By lowering the market price of renewable generation, it's made it more difficult for traditional, dispatchable baseload plants — coal, natural gas, and nuclear — to remain financially viable. As a result, many of these plants have been retired years ahead of schedule, removing dependable 24/7 generation from the grid.

Rising Demand and Reliability Strains

The closure of these plants comes at a time when electricity demand is surging. Economic growth, population increases, and the electrification of transportation, heating, and manufacturing are all placing new demands on the grid. Data centers, electric vehicles, and advanced manufacturing facilities require huge amounts of power. Renewable resources play a vital role, but they depend on weather conditions. Without enough baseload generation to cover periods of low wind or sunlight, the system becomes more vulnerable to shortages during extreme weather or high-demand periods.

Regulation and Compliance Costs

On top of these supply and demand pressures, government regulations and environmental controls continue to add significant costs. Meeting stricter emissions standards, upgrading equipment to meet environmental guidelines, and complying with new safety requirements can each require investments in the hundreds of millions of dollars. These expenses are built into the cost of producing power and are ultimately reflected in wholesale rates.

Transmission and Infrastructure Challenges

The existing transmission network was never designed to move large volumes of renewable power from rural generation sites to urban demand centers. Congested transmission lines can force grid operators to rely on more expensive local power. Building new lines to relieve congestion or connect new generation is essential, but it requires significant capital investment — often hundreds

of millions of dollars — which becomes part of the cost of service.

Aging Assets and Maintenance Needs

Many power plants, substations, and transmission structures are decades old. As equipment ages, maintenance costs rise, and replacement or modernization becomes unavoidable. Across the industry, utilities are now facing these replacement cycles all at once, driving costs higher.

Labor and Supply Chain Costs

The power industry faces a shortage of skilled labor, driving up wages for line workers, plant operators, and engineers. At the same time, global supply chain disruptions have made critical components — such as transformers and circuit breakers — more expensive and harder to obtain.

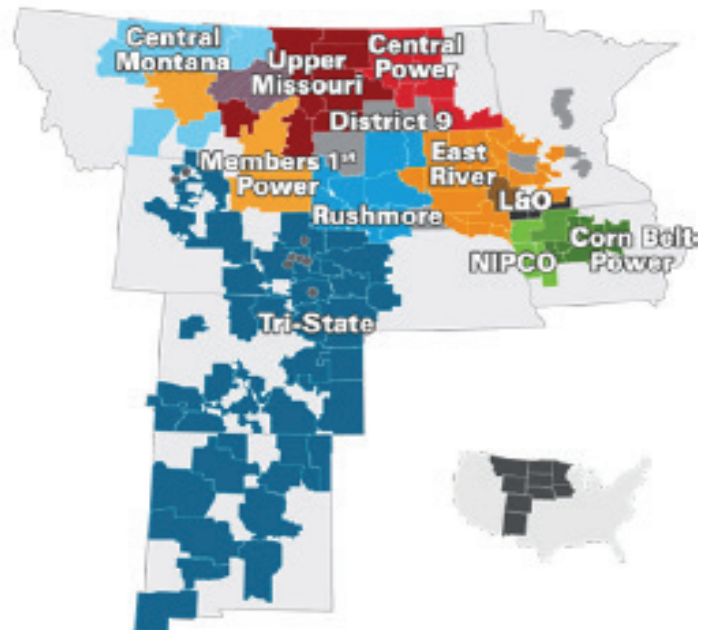
The Road Ahead

The reality is that there is no single cause behind this increase — it's the result of a combination of market forces, policy decisions, infrastructure needs, and changing patterns of electricity use. While we can't control these external pressures, our cooperative will continue working to manage costs, advocate for a balanced energy mix, and make strategic investments that protect both reliability and affordability for our members.

As wholesale power rate increase projections become clearer in the coming months, we'll keep you informed with updates in this newsletter.

Calhoun County Electric Cooperative's mission remains the same as it has always been: to provide safe, reliable, and affordable electricity. While the challenges may be different and greater today than in the past, but our commitment to serving you is stronger than ever.

BASIN ELECTRIC POWER
COOPERATIVE SERVICE TERRITORY



Success for CCECA's Member Appreciation & Annual Meeting

We had an incredible turnout at our Member Appreciation Event on September 10, 2025! Thank you to all of our member-owners who joined us to celebrate the cooperative difference. Events like this are a reminder that CCECA is more than just poles and wires — we are a community built on support, connection, and shared purpose.

We're grateful for the chance to serve you each and every day, and we're proud of the strong tradition of member-ownership that truly sets our cooperative apart. Your continued support and involvement are what make it possible for us to keep delivering safe, reliable power while also giving back to the communities we call home.

From everyone at Calhoun County Electric Cooperative Association, thank you for making this event so special. Together, we are stronger — and together, we're powering a brighter future!

Every member who attended had the opportunity to enter into a drawing for the chance to win one of five door prize buckets that each included a \$100 bill credit. This year's lucky winners were Scott Hunziker, Ken Lange, Dennis Degner, Nick Burley, and Eddy Courter!

Prior to the annual meeting, each member was mailed an Annual Report, which can also be viewed online at www.calhounrec.coop.

One of the primary pieces of the Annual Meeting is the Board Elections. This year, members in District 4 and District 6 could vote by mail-in-ballot or in-person. Darcy Maulsby (District 4) and Joe Parker (District 6) were elected to serve a three-year term on the Board of Directors.

Thank you to all members who participated in the democratic process of our annual meeting!



We have extra gifts! If you were not able to come to the event stop into our office anytime to get one.



Thank you to member-owners Caleb & Evie Hedeon for bringing us a bouquet of their beautiful homegrown flowers at our Member Appreciation Event!

ENERGY EFFICIENCY TIP OF THE MONTH

As winter approaches, now is the time to inspect your home for air leaks around windows. Leaks reduce indoor comfort and lead to higher heating costs.

If you can see daylight around the edges of a window frame or if a window rattles slightly when touched, air is likely leaking.

Caulking and weatherstripping are simple, effective methods for sealing windows. These materials are available in a variety of compounds and forms, each designed for different types of surfaces. Choose the right product and apply it properly to reduce heat loss, improve comfort and lower energy bills.



Sign up for automatic bill pay today!

Make paying your electric bill one less thing to worry about! Enroll in automatic bill pay and enjoy the convenience of having your payment made securely and on time each month. No checks, no late fees, no hassle – just simple, reliable service that gives you peace of mind and one less item on your to-do list.

SCAN ME



CCECA Service Territory LIHEAP Resource Centers

Calhoun County
New Opportunities
334 Richmond Street
Rockwell City, IA 50579
712-297-7721

Greene County
New Opportunities
1401 N. Elm Street
Jefferson, IA 50129
515-386-2719

Sac County
New Opportunities
1710 West Main
Sac City, IA 50583
712-662-3236

Pocahontas County
Pocahontas Outreach
406 NW 7th Street
Pocahontas, IA 50574
712-335-3335

Webster County
1325 1st Avenue South
Fort Dodge, IA 50501
515-576-7774

Reach Us

REGULAR OFFICE HOURS:

8:00 a.m. to 4:00 p.m.
(Monday-Friday)

SUMMER OFFICE HOURS:

7:30 a.m. to 4:30 p.m. M-Th
7:30 a.m. to 11:00 a.m. F
(Memorial Day-Labor Day)

CONTACT US 24/7:

General Phone:
(712) 297-7112

Toll Free:

(800) 821-4879

Visit us online:

www.calhounrec.coop

Email:

info@calhounrec.coop

DIRECTORS:

Jim Miller, President – Fonda
Steve Boedecker,
Vice President – Rockwell City
Jason McKenney,
Secretary – Somers
Duane Beschoner,
Treasurer – Lohrville
Darcy Maulsby – Lake City
Joe Parker – Lohrville
Steve Pelz – Manson
Keaton Hildreth, CEO



Know what's below.
Call before you dig.

CALL 811
IOWAONECALL.COM

EASY WAYS TO PAY BILL:

Online: Access through
www.calhounrec.coop and pay
online 24/7.

Mobile App: Download our app

Auto Bill Pay (ACH): Deduct
from your bank account. Find
the form on our website or stop
by the office.

Phone: Call the office and
make a payment over the
phone with a card or checking
account.

**Outside Drop Box/
Front Counter:**
Rockwell City, IA

U.S. Postal Mail

This institution is an equal
opportunity provider and employer.

October Member Challenge

Find the answers within the stories, features, and content of this newsletter and you could win a prize. **Send your answer to memberchallenge@calhounrec.coop, clip and mail to: Calhoun County Electric Cooperative, PO Box 312, Rockwell City, IA 50579 or submit on our website: www.calhounrec.coop/member-challenge-submission.** You may mail your entry along with your electric bill payment, but remember there is a deadline!

Entries for this issue **must be received by October 1st**. Three names will be drawn from all correct entries. Members will receive a **\$10 credit** on their account. Members who answer the questions correctly and participate at least 4 times throughout the year, will be eligible for a \$100 Calhoun County Electric Cooperative Pre-Paid Debit card, through a random drawing, at the end of the year.

Congratulations August winners:

Eddy Courter, Stephen Kral,
and Steven & Nicole Oswald

- Costs for essential infrastructure like poles, _____, transformers, and cybersecurity continue to climb.
- Calhoun County Electric Cooperative's mission remains the same as it has always been: to provide _____, reliable, and affordable electricity.
- How many LIHEAP resource centers are in the CCECA service territory? _____

Name _____