



Andy Chaff
GENERAL MANAGER & CEO

While a lot can change over time, one thing that never will is Clay Electric Cooperative's commitment to you — providing safe, reliable and affordable electricity.

Looking back on the past year, I'm proud of the progress we made together — and just as importantly, how we managed it responsibly.

First, we stayed focused on reliability. Our crews and employees put in countless hours strengthening a system that now spans more than 14,000 miles across 15 counties. That's a big responsibility, and while much of the work happens behind the scenes, it's what helps keep the lights

on during storms and supports the steady growth we're seeing across our area. These investments aren't just about today — they help us avoid bigger costs and disruptions down the road.

Second, we're working smarter. We've been testing new tools and approaches, like ductile iron poles with longer lifespans and drones that help us inspect lines and respond faster after storms. We also upgraded our Advanced Metering Infrastructure (AMI), giving us real-time data that helps us pinpoint outages, manage voltage and plan more efficiently. Simply put, better information helps us make better decisions, which saves time and money.

Third, we've remained disciplined when it comes to your co-op's finances. Costs across the electrical industry continue to rise, and while some of that is outside our control, we're always looking for ways to

operate efficiently and keep rates as low as possible. We've also maintained strong financial reserves and a solid balance sheet, ensuring we're well-positioned to invest in the system while keeping your cooperative on firm financial footing.

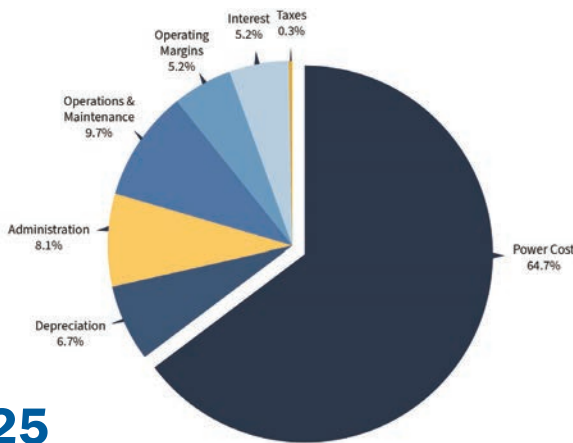
That approach is reflected in the Board's decision to approve a \$12 million Capital Credits refund in 2026. Returning those margins back to you is one of the things that makes the cooperative model different and something we're proud to do.

But what really sets this co-op apart is its people. From community involvement to programs like Operation Round Up, our employees as well as you, our members, continue to show what it means to be neighbors helping neighbors.

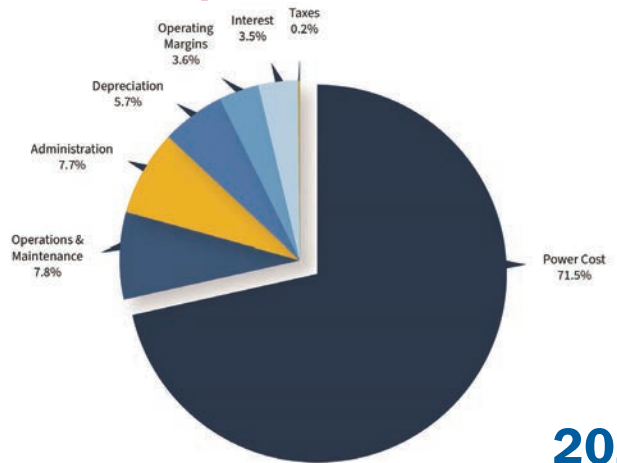
This co-op belongs to you, and we're going to keep doing everything we can to serve you well.

Here's how each dollar was spent

2025



2015



Thanks for joining us at Annual Meeting

Thank you to the hundreds of members who joined us in Keystone Heights for the 88th Annual Meeting, where Andy Chaff gave his first public address as Clay Electric's sixth GM/CEO.

The Annual Meeting is a chance for members to stay informed, take part in the business of the co-op and spend time with neighbors and employees who keep the lights on every day.

Members heard updates on the co-op, had a bite to eat and each had a chance to take home one of dozens of door prizes, including a 55-inch TV.

Congratulations to Cassie Nettles on her election to the Board of Trustees, and to Carl Malphurs and Jimmy Wilson on their re-election. The results of the election were shared during the gathering.

We look forward to seeing you at next year's Annual Meeting!



REVENUE AND EXPENSE STATEMENTS

| Years Ending December 31 | 2025 | 2024 |
|--|----------------|----------------|
| REVENUES | | |
| Energy Sales | \$ 476,142,517 | \$ 433,710,508 |
| Other Electric Revenues | 11,691,072 | 11,258,478 |
| Total Operating Revenues..... | \$ 487,833,589 | \$ 444,968,986 |
| EXPENSES | | |
| Purchased Power | \$ 313,962,954 | \$ 275,927,477 |
| Transmission and Generation | 1,818,306 | 1,734,055 |
| Operations | 21,120,491 | 19,527,757 |
| Maintenance | 26,321,567 | 30,476,047 |
| Customer Accounting..... | 10,657,961 | 10,486,344 |
| Customer Service & Information..... | 3,342,467 | 3,131,163 |
| Administrative & General..... | 25,054,905 | 22,354,436 |
| Depreciation | 32,793,486 | 30,147,428 |
| Taxes | 1,403,207 | 1,297,260 |
| Interest..... | 25,540,685 | 23,148,977 |
| Other Deductions | 345,218 | 382,619 |
| Total Expenses | \$ 462,361,247 | \$ 418,613,563 |
| MARGINS | | |
| Operating Margins..... | \$ 25,440,564 | \$ 26,355,423 |
| Non-Operating Margins..... | 279,000 | 319,468 |
| Capital Credits from Associated Organizations..... | 12,527,431 | 7,959,342 |
| Total Margins..... | \$ 38,246,995 | \$ 34,634,233 |

BALANCE SHEETS

| As of December 31 | 2025 | 2024 |
|--|------------------|------------------|
| ASSETS | | |
| Cash/Cash Equivalents | \$ 1,463,992 | \$ 7,350,179 |
| Investments..... | 145,150,131 | 136,303,669 |
| Accounts Receivable..... | 25,945,763 | 27,774,736 |
| Inventory | 38,153,543 | 41,697,822 |
| Other Current & Accrued Assets | 16,453,339 | 16,211,916 |
| Prepayments | 1,021,198 | 789,806 |
| Deferred Debits..... | 80,169,310 | 73,499,643 |
| Net Utility Plant..... | 750,203,323 | 704,617,676 |
| Total Assets..... | \$ 1,058,560,599 | \$ 1,008,245,447 |
| LIABILITIES | | |
| Notes Payable..... | \$ 519,318,903 | \$ 487,198,304 |
| Accounts Payable | 30,953,123 | 37,620,914 |
| Customer Deposits..... | 13,453,459 | 13,105,826 |
| Other Current & Accrued Liabilities | 15,793,832 | 21,546,702 |
| Deferred Credits & Miscellaneous Reserves..... | 8,210,733 | 7,724,935 |
| Total Liabilities..... | \$ 587,730,050 | \$ 567,196,681 |
| MEMBER EQUITIES | | |
| Membership Fees | \$ 832,060 | \$ 818,670 |
| Accumulated Other Comprehensive Income..... | 12,855,216 | 11,051,633 |
| Capital Credits | 457,143,273 | 429,178,463 |
| Total Equities | \$ 470,830,549 | \$ 441,048,766 |
| Total Liabilities and Equities..... | \$ 1,058,560,599 | \$ 1,008,245,447 |

YEAR-END STATISTICS

| | 2015 | 2025 | 2024 |
|---|---------------|---------------|---------------|
| Average Number of Members | | | |
| Receiving Service Per Month | 170,714 | 197,309 | 193,986 |
| Total kWh Purchased by Cooperative Members | 3,152,976,014 | 3,716,863,519 | 3,648,010,380 |
| Average Monthly Residential kWh Usage | 1,171 | 1,220 | 1,215 |
| Total kWh Purchased by Cooperative | 3,305,980,518 | 3,862,369,672 | 3,792,436,842 |
| Cost of Power Purchased by Cooperative..... | 259,236,265 | 313,962,954 | 275,927,477 |
| Average Cost per kWh Purchased by Cooperative | .0784 | 0.0813 | 0.0728 |
| Clay Peak Demand in Kilowatts (kW)..... | 838,793 | 973,456 | 854,824 |
| Month of Clay Peak Demand..... | February | Jan | June |