

POWERLINES

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ANNUAL REPORT - SEPTEMBER 2025



From Your CEO and Board Chairman Meeting Growth with Reliability, Responsibility, and Results



J. Neal Shepard, Jr.
Chairman,
Board of Directors



Chris Stephens
CEO

This summer brought record-breaking heat and with it, record-breaking energy demand. On July 29, we reached a new system peak for energy usage of 480.6 megawatts (MW), surpassing the prior day's high of 475.3 MW. These two new peaks represent the highest demand our system has ever seen.

What's remarkable is not just the numbers, but how we handled them. That outcome reflects our commitment to reliability. Every investment and upgrade is designed with one goal in mind – ensuring your power is there when you need it most.

Thanks to the incredible work of our Engineering and Operations teams, we met this challenge head-on. Our system performed flawlessly with no outages or reliability issues. That success is no accident. It's the result of strategic planning, infrastructure investments, and a balanced energy mix that includes both traditional and renewable resources.

In fact, we're often asked what role we're playing in the transition to a cleaner energy future. It's a fair and important question. Our approach balances innovation with responsibility. While some would prefer we move away from traditional generation immediately, the reality is more complex. Renewable technologies are indeed promising, and we're actively incorporating them into our long-term strategy. However, we must also ensure they are ready to perform consistently, at scale, and across all hours of the day and seasons throughout the year.

Just this summer, a real-world example reminded us why this balance is so critical. In mid-June, both Spain and Portugal experienced widespread blackouts during a period of unusually low wind and solar output. Despite having invested heavily in renewables—which now make up a large portion of their energy mix, the grid couldn't keep up when the sun wasn't shining, and the wind wasn't blowing. But the issue wasn't just supply; it was stability. Electricity flows across the grid at a consistent frequency (typically 50 or 60 Hz, depending on the country), and traditional "spinning" generation sources—such as natural gas and coal—help regulate and maintain that frequency in real time. Without enough of those stabilizing sources online, the system became unstable, triggering protective shutdowns and outages across both countries.

This isn't an argument against renewables—it's a reminder that a resilient energy system needs diversity, reliability, and the ability to react instantly when conditions change. That's exactly why we continue to invest in a balanced portfolio of generation types and advocate for energy policies that keep the lights on while we move thoughtfully toward the future.

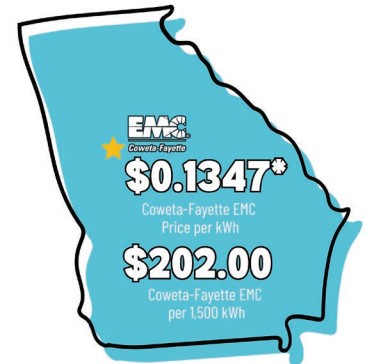
A perfect example of this balanced approach is our investment in nuclear energy through Plant Vogtle Units 3 and 4. These state-of-the-art facilities are now fully operational and will provide a steady supply of carbon-free electricity for decades to come. Nuclear power offers the reliability needed to keep our system stable, while helping us meet environmental goals without compromising on the dependable service you expect.

The truth is, reliability and affordability must remain cornerstones of our service to you. As the U.S. navigates new environmental policies and energy transitions, we continue to advocate for solutions that do not force premature retirements of vital generation resources before proven alternatives are fully ready. We believe in "addition before subtraction" or building new capacity before eliminating what's still needed. Why? Because maintaining reliability means never leaving members exposed to shortages or instability.

Of course, none of this would be possible without the dedicated employees who keep our cooperative running. Our linemen have worked tirelessly through a demanding year—from snowstorms in January to a series of straight-line wind events and severe summer thunderstorms. No matter the weather, their focus has been on restoring service quickly and safely; not just for our members, but also when neighboring co-ops call for mutual aid. Whether here at home or answering the call elsewhere, their commitment to service shines through.

Behind the scenes, every department plays a role in keeping your power reliable and your co-op responsive. Our communications team keeps you informed before, during, and after storms. Our member service representatives are ready to answer your calls with empathy and professionalism. The teams working in engineering, mapping, and billing ensure our equipment is precisely located, our systems are up to date, and your bills are accurate.

And we're not stopping there. We're continuing to invest in smarter system technology, upgrading equipment to provide better data, allow more seamless communication between devices, and shorten response times during outages. These improvements will enhance the reliability, resilience, and efficiency of our grid helping us respond faster, operate...



*The PSC published kWh rate above does not include the -0.0035 PCA which began Aug. 1, 2025.

Continued...

LOCAL COMPETITOR'S PRICES

Georgia Power
\$0.1999/kWh
\$299.91/1,500 kWh

Newnan Utilities
\$0.1383/kWh
\$207.47/1,500 kWh

Palmetto
\$0.1383/kWh
\$207.40/1,500 kWh

Grantville
\$0.1674/kWh
\$251.13/1,500 kWh

Column *continued from front.*

...smarter, and plan more precisely for the future.

We're also proud to share that we've been able to pass savings directly back to you, our members, when you need it most. Beginning August 1, we lowered the Power Cost Adjustment (PCA), reducing your bill by \$3.50 per 1,000 kilowatt-hours used. This is a result of lower purchased power and operational efficiencies achieved this year, and we're optimistic we can maintain that lower rate through the end of 2025.

In addition, this year also brings another positive milestone: \$4 million in capital credits will be returned to members who received service in 2006 and 2024. That's a direct reflection of the cooperative difference. When our margins exceed what's needed to run your co-op, those funds come back to you.

And our commitment to community doesn't stop there. Through Operation Round Up, you've helped fund scholarships, Bright Ideas classroom grants, and vital community projects through our nonprofit partners. Whether you round up your bill each month or attend one of our local fundraisers, we see you, and we thank you. You help make this cooperative not just a utility, but a force for good in our communities.

As we reflect on this year of challenges and achievements, we remain

grateful for your continued trust. Together, over the last 80 years, we've built a strong, reliable cooperative, one that's prepared for tomorrow because of the work we're doing today. As we look ahead, one thing will never change: our promise to deliver reliable, affordable electricity you can count on, no matter what challenges come our way.

Thank you for being part of Coweta-Fayette EMC. We're proud to serve you and even more proud to serve alongside you.

And as a member, your role doesn't stop at receiving reliable power. Your voice matters, too. You should have recently received your board election packets in the mail, and we encourage you to review the information and cast your vote. It's one of the most important ways you help shape the direction of your co-op.

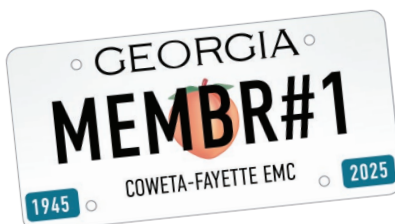
Also, be sure to mark your calendars for Tuesday, October 7, and plan to participate in our Drive-Thru Annual Meeting. It's a convenient way to stay connected, get important updates, and exercise your rights as a co-op member. Membership comes with responsibilities, and this is your opportunity to be informed, involved, and engaged in the future of Coweta-Fayette EMC.

Save the Date! CFEMC's Drive Through Annual Meeting is Coming!

Tuesday, Oct. 7, 2025
4:00 - 7:00 p.m.
807 Collinsworth Road, Palmetto

Be on the lookout for your Voter Packet, mailing the week of Sept. 8!

For the latest details, follow us on socials or visit our Annual Meeting page by scanning the QR code.



Scan for our social channels



Scan for our web page
utility.org/annual.meeting

Register for your chance to win a \$1,000 CFEMC Bill Credit!

Can't make it? Register at any of our offices Sept. 29 - Oct. 6.

Palmetto Headquarters 807 Collinsworth Rd. Fayetteville Office 103 Sumner Rd.

Newnan Office 192 Temple, Ave.

Balance Sheet

WHAT WE OWN

Lines, Office Building and Operation Equipment
Less: Reserve for Depreciation

General - Cash
Investments in Associated Organizations - Patronage Capital
Receivables
Materials and Supplies
Prepaid Expenses and Other Accrued Assets

TOTAL OF WHAT WE OWN

WHAT WE OWE

To the Government - RUS/FFB
Other Cooperative Lenders - CFC

To Consumers - Deposits
To Material Suppliers (Notes & Accounts Payable)
Other Current and Accrued Liabilities
Deferred Credits and Non Current Liabilities

OUR EQUITY IN ABOVE ASSETS

Membership Fees
Patronage Capital & Other Equities

TOTAL OF WHAT WE OWE

2024
\$494,032,163
\$161,607,430
\$332,424,733

\$6,751,865
\$141,567,576
\$14,167,001
\$7,293,777
\$11,571,180
\$513,776,132

\$202,835,102
\$5,540,820
\$208,375,922

\$4,241,655
\$52,089,086
\$8,099,930
\$5,383,641

\$1,926,460
\$233,659,438
\$513,776,132

WHAT WE TOOK IN

Operating Revenue and Patronage Capital

WHAT WE PAID OUT

Operating Revenue Deductions

Operation expense:

Cost of Power
Distribution expenses
Consumer accounts expense
Customer service & informational expense
Sales expense
Administrative & general expense
Maintenance expense:
Distribution system
General plant
Depreciation and amortization
Interest on outstanding debt
Total cost of Electric Services

WHAT WE HAD LEFT

Operating Margins and Patronage Capital
Non-Operating Margins-Other

Total Operating and Non-Operating Margins
OEMC AND OTHER Patronage capital (CFC&GRESKO)

Total Operating and Non-Operating Margins Including
OEMC and Other Patronage Capitals (CFC & GRESKO)

Statistics of Operation

2023 **2024**
\$190,598,884 \$224,429,565

\$129,966,806 \$153,238,974
\$9,759,319 \$11,773,014
\$6,127,517 \$6,373,574
\$1,506,094 \$1,535,825
\$1,283,755 \$1,313,851
\$7,241,408 \$7,194,859
\$8,719,148 \$9,740,404
\$1,379,933 \$1,488,345
\$13,487,567 \$14,367,218
\$7,169,884 \$8,301,181
\$186,641,431 \$215,327,245

\$3,957,453 \$9,102,320
\$10,924,711 \$13,570,689

\$14,882,164 \$22,673,009
\$6,716,987 \$7,166,178

\$21,599,151 \$29,839,187

BOARD OF DIRECTORS

J. Neal Shepard, Jr., Chairman • Ross Henry, Vice Chairman • Daniel C. Langford, Jr., Secretary-Treasurer
Therol R. Brown • James W. Fulton, III • Donald E. Harris • James Lee Hunter • Alice J. Mallory • Mildred A. Winkles

Coweta-Fayette EMC is an equal opportunity provider and employer /M/F/Y/D