



Central Electric
Cooperative

2025 Annual Report



CEC is Focused on Better Serving You

Executive Report

Central Electric Cooperative (CEC) successfully navigated the challenges of 2025. The leadership and guidance of your member-elected Board of Directors, combined with the continuous dedication of CEC's employees, resulted in significant improvements and positive outcomes throughout the organization, benefiting our members. This introduction offers an overview of these efforts and serves as an executive summary of the following report, which provides a detailed review of CEC's accomplishments in 2025.

2025 was a year of sustained progress and disciplined execution for Central Electric Cooperative. Despite labor market challenges, increasing infrastructure demands, heightened regulatory and cybersecurity pressures, CEC remained financially strong, operationally resilient, and deeply engaged with the communities we serve. Strategic investments in system reliability, workforce development, technology, and member programs continue to position CEC for long-term success.

This executive report is intended to highlight only a few of the important accomplishments made throughout the year. The highlights illustrate the strong position of our cooperative, preparing us to address future challenges. It is only through the hard work of your member-elected Board of Directors and the employees that these results are possible.

The areas of emphasis in CEC's strategic plan are still safety, rates, reliability, and community.

Highlights for 2025 include:

- Recognized a margin of \$2,980,837.
- Returned \$1.9 million in patronage capital to members in the form of capital credits.
- Helped 346 families in need pay electric bills through Family Fund and Hardship Grant programs.

Grant programs are funded entirely by member contributions, the Round-Up program, and unclaimed capital credits.



Jody P. Weaver
President, Board
of Directors

Matthew P. Boshaw
CEO &
General Manager



System Improvement Progress

CEC concentrated its efforts toward continuous improvement of the electric distribution system in 2025. A total of 6.1 miles of major line rebuilds were completed during the year. Additionally, significant progress was made on major maintenance projects throughout the service territory, with a total of 1,270 work orders and 2,078 service orders completed. Our inspection and replacement programs maintained system reclosers, voltage regulators, inspected 6,251 poles, and replaced 293 poles.

In 2025, the total outage time was 297,700 consumer-hours. This was less than 2024 (309,530 hours) and 2023 (737,397 hours). The average outage time per consumer was 11.3 hours. Without major storm events and Power Supplier outages, the average was 6.8 hours. Power Suppliers caused 20.8% of the total outage time in 2025. Approximately 53% of the outages were caused by trees and there were three major events. As a result, we continued our efforts in right-of-way clearance, utilizing three tree trimming contractors to trim 418 miles of right-of-way. Through our demand-side management program, we were able to realize savings of over \$644,040 in power costs.

Safety

The Safety and Loss Control area spent much of 2025 reorganizing to ensure that resources were adequately distributed to mission critical functions. Specific activities were distributed throughout the organization allowing for redundancy thus eliminating

any single point of failure regarding compliance or safety related initiatives. This has allowed all involved to have a better understanding of the requirements of safety initiatives while providing input to and ownership of the process. The Rural Electric Safety Achievement Program (RESAP) assessment was completed in 2025, and the next assessment will occur unannounced in 2028. There were four recordable incidents in 2025 that resulted in zero days away from work and zero days of restricted duty. The injuries included a non-poisonous snake bite, a bee sting, an allergic reaction to an environmental concern, and dust blown into an employee's eyes. No incidents were the result of electrical contact. The culture of safety at CEC follows the mentality that safety is the responsibility of each employee.

Quality Service

In 2025, we continued to assess and update our processes to better align with the evolving needs of our membership. We offered more of our value-added services, including our Safety City program, and expanded the safety message to new audiences. We worked with our Member Aware Advisory Committee (MAAC) for the 2024 to 2025 term. CEC held its second Member Appreciation Event at our headquarters in Parker, PA on June 13, 2025. The event was an open-house style format that included entertainment, educational information, children's activities, giveaways and raffles, and refreshments. We continued our appliance rebate program and provided scholarships to ten students through our Good Neighbor Scholarship program. Through CEC's Youth Tour program, three students received a free trip to Washington D.C. that took place from June 16 to 21. These programs were at no cost to members.

CEC has approximately 16,118 registered SmartHub users, which is a significant increase from the 14,122 users in 2024. Member Services processed over 2,600 inquiries through SmartHub eliminating the need for members to call into the office to conduct business. Electronic bill payment via SmartHub sits at 74% of payments processed electronically, decreasing print costs.

CEC's Family Fund program assisted 285 families in need by applying a total of \$127,478 directly to member accounts. Our Hardship Grant helped 61 households in need by applying a total of \$21,571 to member accounts. In addition to CEC programs, 399 members received a

total of \$211,871 in energy assistance from the LIHEAP program and other local agencies to manage electric bills in 2025.

Annual Meeting of the Members

On August 6, 2025, Central Electric Cooperative held the 88th Annual Meeting of the Members at AC Valley Elementary School at 6:00 p.m. The 118 members and their guests in attendance listened to remarks from CEC's CEO and General Manager and took the opportunity to speak with CEC's Board of Directors, management team, and staff. During the meeting, it was confirmed that incumbent director Jody Weaver, Clarion County Representative, was re-elected and Dana Kellogg, Venango County Representative, was newly elected to CEC's Board of Directors.

Information Technology

In 2025, CEC continued to strengthen its information technology infrastructure and cybersecurity. The IT department upgraded and maintained critical servers, network equipment, workstations, and mobile devices while providing daily support to employees. Key initiatives included expanding the corporate wireless network, improving backup and disaster recovery processes, upgrading core systems, and enhancing email security.

Cybersecurity remained a top priority, with regular security updates, assessments, expanded multifactor authentication, and ongoing employee cybersecurity training. Together, these efforts improved the reliability, efficiency, and security of CEC's technology environment.

MANAGEMENT TEAM

Matthew P. Boshaw

CEO & General Manager

Samantha J. Prasky

Director of Finance and Accounting/CFO

Lisa A. Hoover

Director of Member Services

Christopher W. Kossman

Director of Information Technology

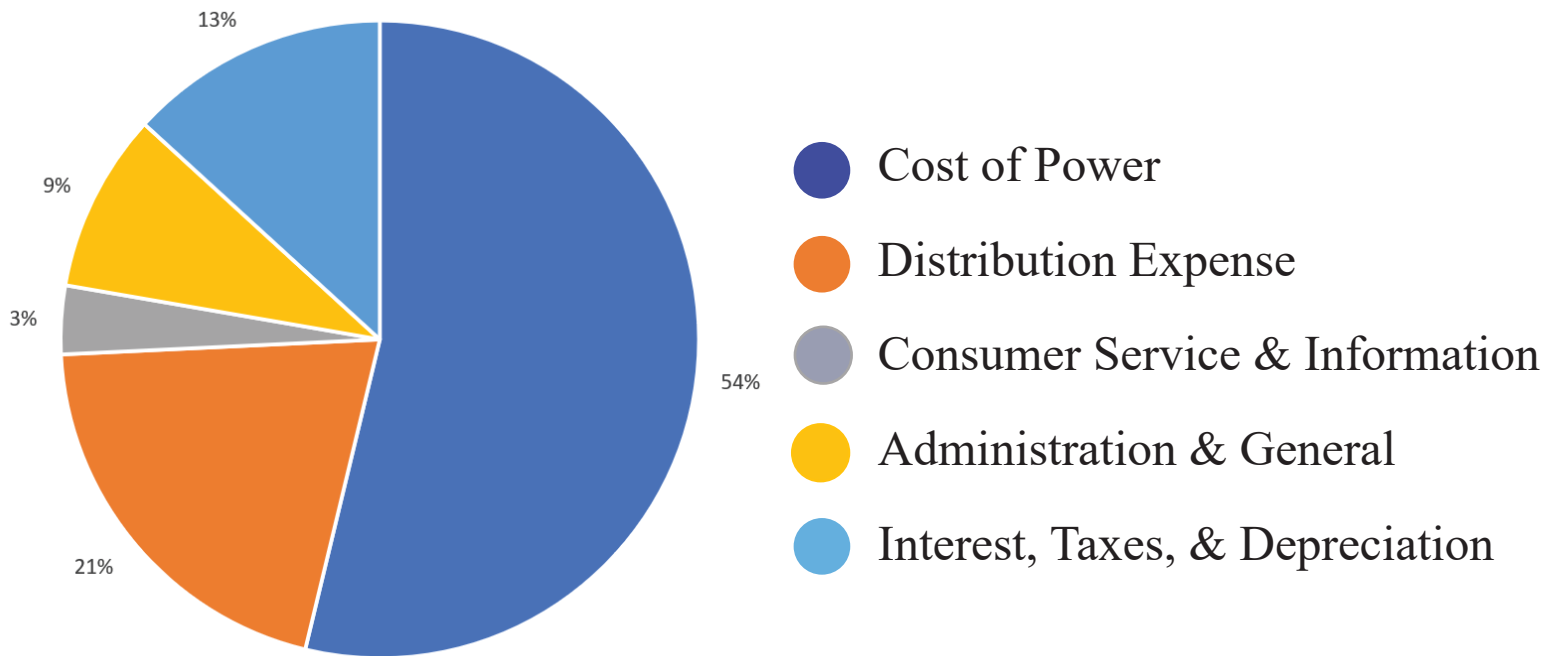
Caitlin T. Kriebel

Director of Human Resources

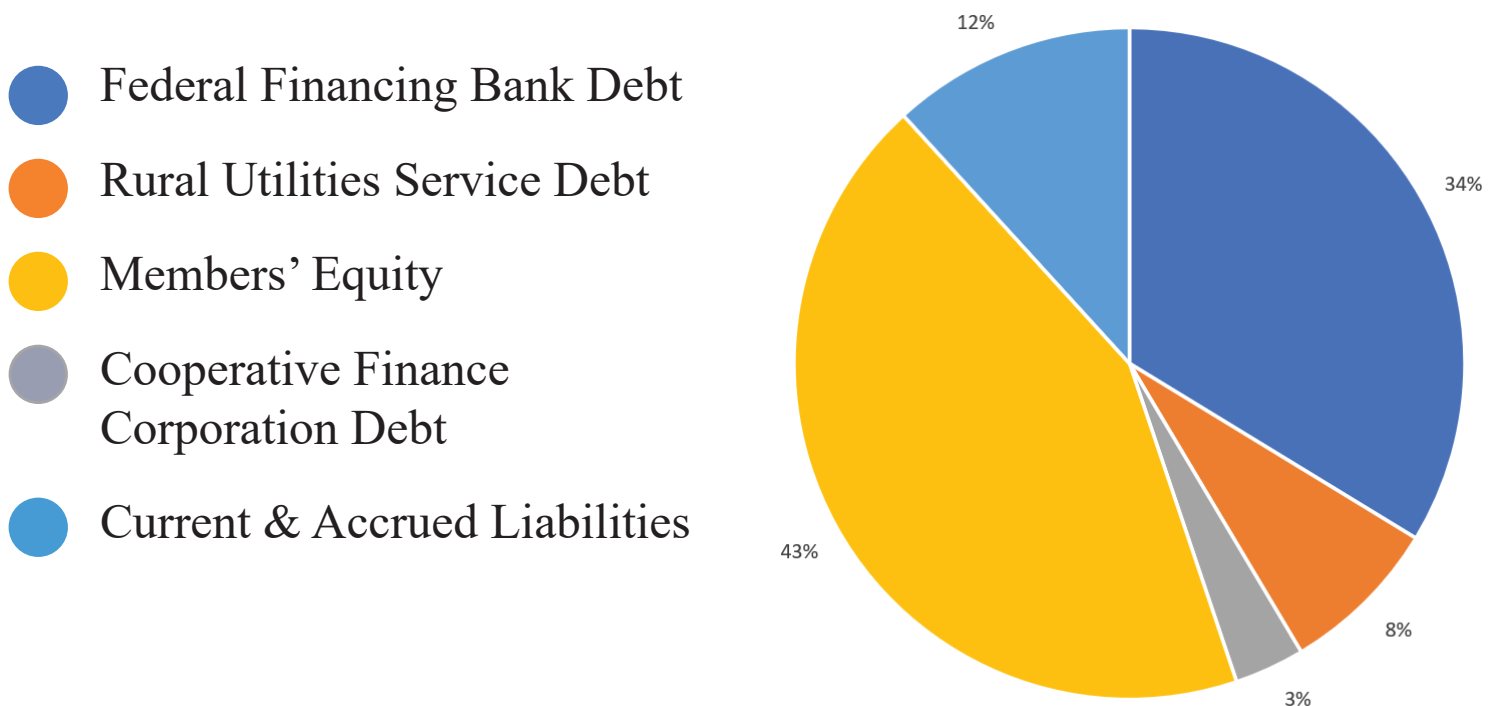
Fred E. Terwilliger

Assistant General Manager/COO

Where Your Electric Dollar Went — Total Operating Revenue: \$51,707,514



Equity to Debt — Members' Ownership vs. Borrowed Capital Total Assets: \$132,907,589



Years end December 31

	2025	2024
OPERATING REVENUE		
Electric energy revenue	\$ 50,018,678	\$ 48,369,795
Customer's forfeited discounts and penalties	114,893	113,903
Rent from electric property	1,280,787	1,217,618
Miscellaneous electric revenue	293,156	22,615
Total Operating Revenues	51,707,514	49,723,931
OPERATING EXPENSES		
Cost of power	26,980,855	22,847,588
Distribution - operations	2,217,030	1,813,106
Distribution - maintenance	8,069,104	7,791,274
Consumer accounts	1,548,237	1,372,694
Customer service and information	196,113	182,224
Administration and general	4,554,370	4,757,631
Depreciation	4,548,694	4,466,956
Taxes	58,810	55,653
Interest - other	29,390	6,158
Interest on long-term debt	1,989,264	1,903,752
Total Operating Expenses	50,191,867	45,197,036
OPERATING MARGINS BEFORE PATRON ALLOCATION	1,515,647	4,526,895
G&T AND OTHER CAPITAL CREDITS	1,135,155	1,233,674
NET OPERATING MARGINS	2,650,802	5,760,569
NON-OPERATING MARGINS		
Interest income	277,102	326,082
Other	52,933	93,257
Total Non-Operating Margins	330,035	419,339
NET MARGINS	2,980,837	6,179,908
OTHER COMPREHENSIVE INCOME		
Net gain during period	-	2,650,920
Amortization of actuarial (gain) loss, net	(607,760)	(607,760)
TOTAL COMPREHENSIVE INCOME	2,373,077	8,223,068

The financial statements are compiled from the 2025 Audit Report as presented by the firm of *Adams, Jenkins, and Cheatham*. A complete copy of the audit is available for examination at the CEC office during normal business hours.

	2025	2024
ASSETS AND OTHER DEBITS		
Property, plant, and equipment:		
Electric plant in service - at cost	\$ 161,165,690	\$ 155,739,338
Construction work in progress	1,445,381	531,157
	162,611,071	156,270,495
Less accumulated provisions for depreciation	62,750,319	59,577,222
Total electric plant	99,860,752	96,693,273
Other assets and investments:		
Investments in associated organizations	18,468,041	18,260,398
Current assets:		
Cash - general funds	4,974,734	8,789,830
Accounts and notes receivable	6,752,245	6,230,441
Materials and supplies (at average cost)	2,437,398	1,980,815
Other current and accrued assets	402,046	495,063
	14,566,423	17,496,149
Deferred charges	12,373	13,931
Total Assets	132,907,589	132,463,751
EQUITIES AND LIABILITIES		
Equities:		
Memberships	81,115	82,975
Patronage capital	40,714,035	40,920,458
Other equities	15,264,456	13,959,967
Accumulated other comprehensive income	1,622,965	2,230,725
Total Equities	57,682,571	57,194,125
Noncurrent liabilities:		
RUS notes, less current maturities	10,276,517	11,341,044
CFC notes, less current maturities	4,496,578	5,110,393
FFB notes, less current maturities	44,801,860	44,336,179
Total long-term debt	59,574,955	60,787,616
Other	2,669,281	2,747,841
Total noncurrent liabilities	62,244,236	63,535,457
Current liabilities:		
Current maturities of long-term debt	4,401,744	3,096,139
Accounts payable	3,166,433	3,597,510
Consumer deposits and prepayments	1,488,818	1,487,043
Other current and accrued liabilities	1,244,413	1,427,355
Total current liabilities	10,301,408	9,608,047
Deferred credits	2,679,374	2,126,122
Total Liabilities	75,225,018	73,143,504
Commitments and Contingencies	132,907,589	132,463,751



Nancy Lendyak
Armstrong County



Kenneth Durrett
Butler County



Robert Smith
Butler County



Jody Weaver
Clarion County



Richard Weaver
Clarion County



Jared McFarland
Forest County



Dana Kellogg
Venango County



Althea Smith
Venango County



New Board Member Spotlight: Dana Kellogg

In 2025, Mr. Dana Kellogg was appointed as the Venango County Representative on CEC's Board of Directors.

Mr. Kellogg is currently employed by the Commonwealth of Pennsylvania as the Operations Manager in Polk, PA, where he manages the electrical safety program.

Before he stepped into his current role, Mr. Kellogg served the Commonwealth as an electrician, electrical supervisor, and safety manager. In total, he has 29 years of experience as an electrician. While serving in the Air Force, Mr. Kellogg completed numerous courses in electrical safety and attended a non-commissioned officer leadership school.

Mr. Kellogg is a member of the Veterans Administration and is a Desert Storm Veteran.

From the Kitchen of:

Tom Kruszewski



RECIPE: **TOM'S ZUCCHINI CORNBREAD**

INGREDIENTS:

4 c. raw zucchini 3 Tbs. vanilla extract (optional)
3 c. cornbread muffin mix
2 c. flour
2/3 c. vegetable oil
1 c. sugar
2 Tbs. baking powder
1/2 tsp. salt

INSTRUCTIONS:

1. Puree zucchini in a blender or food processor and measure.
2. Mix all ingredients together in a large bowl.
3. Pour into a greased 13 x 9 pan. Bake at 325° for 50 - 60 minutes. Check with pastry fork or toothpick to make sure it's done. Enjoy and store in refrigerator after it cools!

MEMBER NOTE:

"It's a good way to use up those zukes that get too big (seeds and all)."

Send your own recipe to:

Izzy Cellucci; icellucci@central.coop or mail to P.O. Box 329, Parker, PA 16049



Central Electric Cooperative

A Touchstone Energy® Cooperative



Your Board of Directors

From left (back row): Kenneth Durrett, Vice President, Butler County; Jared McFarland, Forest County; Jody Weaver, President, Clarion County; Robert Smith, Butler County; **(front)** Richard Weaver, Clarion County; Nancy Lendyak, Armstrong County; Althea Smith, Secretary/Treasurer, Venango County; Dana Kellogg, Venango County.



central.coop/meet-your-directors

MISSION: CEC safely provides reliable

and competitively priced electricity to our consumer-members and was established by and is committed to the communities we serve.

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Outages: 800-282-8610

Newsletter Editor: Izzy Cellucci

This institution is an equal opportunity provider and employer.



**ON THE GO AND
IN CONTROL.**

MANAGE

your account

REPORT

service issues

VIEW AND PAY

your bill

RECEIVE

key notices

MONITOR

usage 24/7

*...all in the palm of your
hand and online.*



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