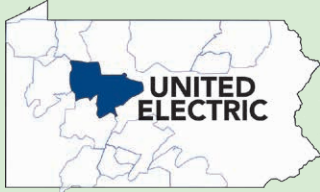




United Electric Cooperative, Inc.

A Touchstone Energy® Cooperative 



One of 14 electric cooperatives serving Pennsylvania and New Jersey

UNITED ELECTRIC COOPERATIVE, INC.

P.O. Box 688
DuBois, PA 15801-0688
Customer Service: 888-581-8969
www.unitedpa.com
Outage: 800-262-8959
Office Hours: M - F 8 a.m. - 4:30 p.m.

BOARD OF DIRECTORS

Chairman

Stephen A. Marshall, District 5
1030 Donahue Rd.
Luthersburg, PA 15848
814-583-7320

Vice Chairman

Timothy D. Burkett, District 6
5059 Hamilton Markton Rd.
Punxsutawney, PA 15767
814-592-5190

Secretary/Treasurer

Eileen Pisaneschi, District 2
1964 River Hill Rd.
Frenchville, PA 16836
814-263-4491

DIRECTORS

Shanelle Hawk, District 1
502 Pine Run Rd.
Mayport, PA 16240
814-365-5646

Arden E. Owens, District 7
505 Trout Run Rd.
Shawville, PA 16873
814-765-6458

Richard Petrosky, District 3
P.O. Box 612
DuBois, PA 15801
814-371-8672

David W. Walker, District 4
631 Olanta Rd.
Olanta, PA 16863
814-236-3321

President & CEO
Len Hawkins

Consumer Advocate
Lauren Gustafson, ext. 8501

Manager of Marketing & Member Services
Kristy Smith

2024 United Electric Cooperative Annual Report Chairman's Report

ON BEHALF OF THE BOARD of directors and management of United Electric Cooperative, I am pleased to present you with the 2024 Annual Report.

2024 was an exceptional year for United Electric Cooperative, both in terms of productivity and financial performance. We've made significant strides to strengthen the reliability of our electric system through various system-improvement projects. In fact, we've invested more than \$3 million in enhancements this year alone, all while maintaining a strong financial foundation.

One of our proudest accomplishments is that, for the 16th consecutive year, we've been able to return capital credits to our members. In 2024, we distributed \$1,055,845, bringing the total capital credits returned to more than \$16.6 million. This is a testament to the financial health of our cooperative and our commitment to benefiting you, our members.

On behalf of the entire board, I want to express our deepest gratitude to you for placing your trust in us. It's an honor to work alongside such a dedicated team of board members and management, all focused on serving you and the greater community.

Our board remains fully committed to evaluating and supporting the recommendations of our line crews and engineering staff as we continue to upgrade and rebuild our infrastructure to meet your needs. We take great care in scrutinizing our internal operations to keep costs in check, all while closely monitoring state and federal legislative changes that could impact our ability to provide affordable service. Our priority is to enhance system reliability, all while ensuring rates stay reasonable.

At the heart of United Electric is you — our members. Your continued support and engagement drive our success, and we are grateful for your recognition of the importance of system improvements. Together, we're making great progress, ensuring we can continue delivering safe, reliable electric service now and for generations to come.

I am excited to invite you to our annual meeting at **7 p.m. Wednesday, May 21**, at the Brady Township Community Center in Luthersburg. We will provide refreshments, a complimentary registration gift for each member and exciting door prizes, including the grand prize: an upright Frigidaire 16-cubic-foot freezer.

We look forward to seeing you there and continuing our shared journey of success. 🇺🇸

STEPHEN A. MARSHALL
CHAIRMAN OF THE BOARD



STEPHEN A. MARSHALL,
CHAIRMAN OF
THE BOARD



LEN HAWKINS
PRESIDENT &
CEO

Engineering and Operations Report 2024

OUR ENGINEERING AND OPERATIONS

Departments engineered and constructed 107 new services in 2024. Included in that count, we welcomed some new large power members to our lines: We connected a new pump station and sawmill, as well as multiple smaller commercial/industrial members. Other new services included new-home connects and seasonal property developments, which make up the bulk of our membership. Our engineers drew up and staked 503 work orders.

The last 12 months proved to be productive in relation to our System Improvement Construction Work Plan. Four system-improvement projects upgraded more than 15 miles of line. Crews rebuilt and upgraded the poles and conductor on a 5-mile stretch of line from our Grange substation near the village of Porter. This project was necessary due to the poor condition of the equipment. We completed approximately 5 miles of single-phase line construction from Sugar Camp Road to North Point Drive, and United crews also finished 5 miles of line on Johns Hill Road. In the last system-improvement project, crews replaced a half mile of overhead line with new primary underground cable near Cemetery Road in Cook Forest State Park.

All of these projects aim to improve reliability for our members. The Engineering and Operations Departments have several projects scheduled for completion in 2025. Contractor crews are currently working on a 12-mile construction project from Henderson South to McGees Mills North that will create a three-phase tie line between the two substations. This will improve reliability to the McGees Mills substation service area. We expect this project to be completed by the time this report is published. We also have construction projects planned for later this year for a total of 16 miles of line near Bainey Settlement and Valier.

Vegetation management

With stricter regulatory oversight and constant demand for reliable electric

service, cooperatives across the country must employ professional tree contractors to achieve a successful and modern vegetation management program.

United Electric Cooperative uses integrated vegetation management (IVM), which blends directional clearance pruning, hazard tree removal, mowing and selective herbicide application into a systematic, cyclical approach to right-of-way (ROW) management. Maximizing tree-to-line clearances, as well as mitigating hazard trees, IVM reduces tree-related outages over the maintenance cycle. A solid IVM program delivers financial, environmental, ecological, and operational results that are cost-effective to the cooperative and its members. Ignoring vegetation management concerns is not an option for United Electric.

The success of any program is directly related to the cooperation between our members and United Electric. With your support, we will continue to enhance the safety of our ROWs and improve reliability throughout our system. In terms of system reliability, maintaining the ROW is key to keeping it clear for repairs. This also increases safety for our members, their families and cooperative personnel by preventing trees from coming into contact with energized lines.

In 2024, United Electric's Forestry Department maintained approximately 600 miles of line. The main focus of 2024's vegetation management program was proactive full- and mid-cycle maintenance. A large number of trees under the lines as well those overhanging the lines were removed. Greater vegetation-to-line clearances were achieved overall, making the system safe and reliable. Using qualified contractors, United Electric will continue to correct inadequate vegetation clearances and accessibility issues and provide danger-tree mitigation to avoid outages.

Aerial patrol

In 2024, United continued to use aerial patrolling to locate and proactively

Continued on page 18D

Treasurer's Report



EILEEN PISANESCHI
SECRETARY/
TREASURER

AS TREASURER OF UNITED ELECTRIC COOPERATIVE, it is my privilege to present the 2024 audited financial statements for the cooperative. The year saw continued stability in the financial condition of the cooperative. The 2024 margins ended the year at \$2,899,431 as compared with \$3,747,186 for 2023. This represented 8.6% of the year's revenue and will be allocated to each member's capital credits account.

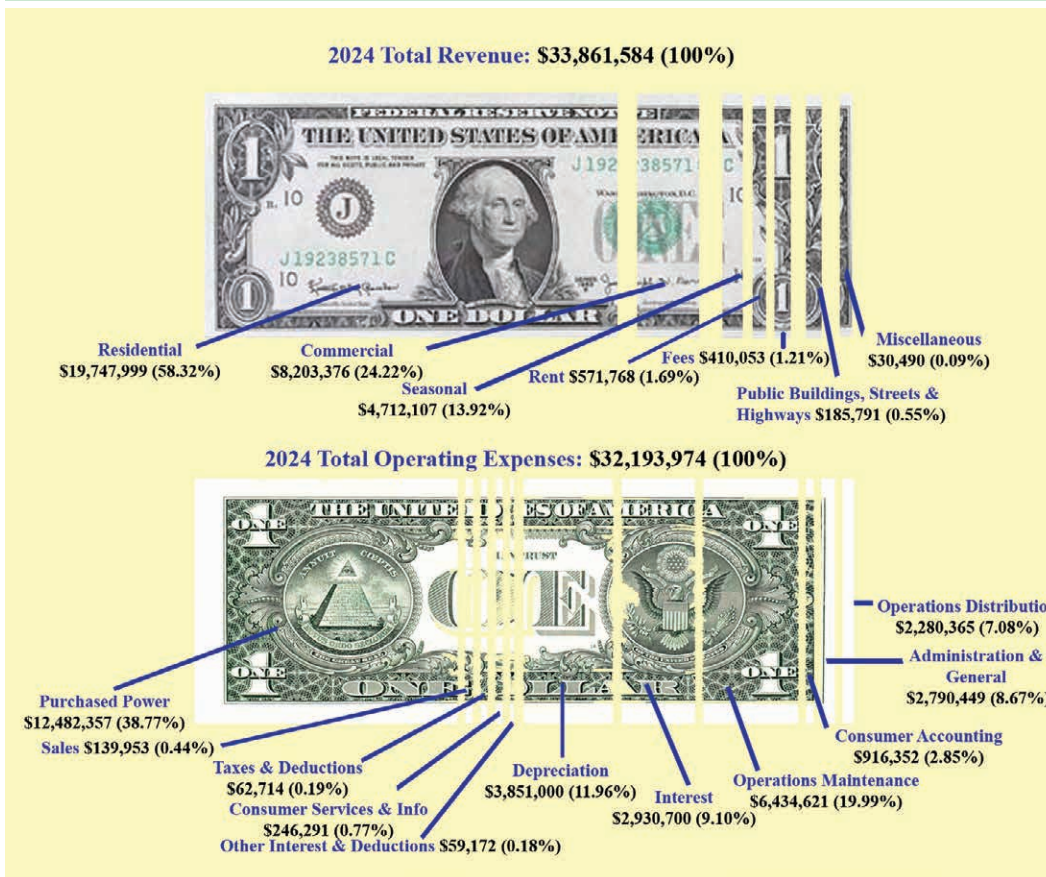
Operating revenues increased to \$33,861,584, compared to \$33,048,024 in 2023. Maintenance expenses increased from \$5,784,038 in 2023 to \$6,434,621. Interest expense for the year was 9.1% of our operating expenses; during 2023, this also amounted to 9.1%. Interest expense on long-term debt in 2024 was \$135,985 more than it was in 2023.

After allocation of this year's margins and estate retirements, total equity will increase from \$47,561,464 to \$49,569,535. The members' equity ratio for the end of 2024 is 39.1%.

During 2024, our construction work plan for system improvements proceeded. The cost of this construction work was \$5,357,613 in additions and \$1,133,273 in retirements.

The net increase in plants for 2024 was \$4,224,340. Improvements included sectionalizing lines to decrease outages, upgrading substations, adding and replacing reclosers, replacing old wire and poles, installing meters, and adding new services. This work plan has been put in place to improve the reliability of the electric service.

During 2024, a general capital credits retirement to the members was accomplished utilizing the FIFO (first in, first out) method. The 2024 general retirement marks the 16th year in a row United Electric has returned capital credits to the membership. The general capital credits retirement was completed in October in the amount of \$750,000. The cooperative continues to settle estate capital credits retirements, which for the year totaled \$305,845. The total amount of capital credits distributions made for 2024 amounted to \$1,055,845.



FINANCIAL HIGHLIGHTS

CONDENSED STATEMENT OF OPERATIONS For the year ending December 31, 2024

	2024	2023
OPERATING REVENUES	\$ 33,861,584	\$ 33,048,024
OPERATING EXPENSES		
Purchased Power	12,482,357	12,537,666
Other Operations	6,373,409	5,778,260
Maintenance	6,434,621	5,784,038
Depreciation	3,851,000	3,710,970
Taxes	62,714	60,646
Interest on Long-term Debt	2,930,701	2,794,716
Other Interest and Deductions	59,172	41,413
Total Operating Expense	32,193,974	30,707,709
OPERATING MARGINS	1,667,610	2,340,315
NON-OPERATING MARGINS		
Total Non-Operating Margins	1,231,821	1,406,871
NET MARGINS	\$ 2,899,431	\$ 3,747,186

CONDENSED BALANCE SHEET December 31, 2024

	2024	2023
ASSETS		
Electric Plant (at cost)	\$ 141,181,908	\$ 136,957,567
Construction work in progress	4,319,842	3,001,345
Less accumulated depreciation	(43,375,401)	(41,173,944)
Net Plant	102,126,349	98,784,968
Other Assets and Investments	11,707,974	11,253,852
Current Assets	12,877,504	12,990,802
Deferred Charges	75,575	114,033
Total Assets	126,787,402	123,143,655
EQUITIES AND LIABILITIES		
Memberships	\$ 42,555	\$ 44,490
Patronage Capital	45,696,778	43,979,427
Other Equities	3,830,202	3,537,547
Total Equities	49,569,535	47,561,464
Long-Term Debt	65,452,128	64,416,508
Current Liabilities	7,584,075	7,151,780
Deferred Credits / Regulatory Liabilities	4,181,664	4,013,903
Total Equities and Liabilities	126,787,402	123,143,655

2024 Audit of United Electric Cooperative conducted by
Fiore, Fedeli, Snyder, Carothers LLP Certified Public Accountants

PLAN TO ATTEND: ANNUAL MEETING 2025

OFFICIAL NOTICE of ANNUAL MEETING

7 p.m. Wednesday, May 21
Brady Township Community Center, Luthersburg, Pa.

Notice is hereby given of the annual meeting of members of United Electric Cooperative, Inc. The meeting will be held at the Brady Township Community Center, Luthersburg, at 7 p.m. Wednesday, May 21. The following matters will be acted upon: reports of the directors and officers; declaration of the board director elections in Districts 4 & 5; any and all other business which may come

before the meeting or any adjournment or adjournments thereof.

An admission card will not be mailed to you. Admission cards will be provided and valid membership status determined at the annual meeting registration Wednesday, May 21.

United Electric Cooperative, Inc.
Eileen Pisaneschi, Secretary/Treasurer

Continued from page 18B

address potential outage-causing hazards. The Forestry and Line Departments conducted a joint helicopter patrol of approximately 500 miles of line. United Electric personnel identified and corrected potential problems at locations between scheduled maintenance operations. Patrol sites targeted trees that were dead, overhanging and uprooted, but that weren't causing immediate problems, as well as others that had fallen victim to insects or disease. This is a separate process from any aerial trimming that our contractors may be performing.

Wood pole inspection and treatment

The wood pole inspection/treatment process increases their serviceability indefinitely. This process also pin-points non-serviceable and "danger" poles.

This procedure begins with a visual inspection of the pole from the ground to the top. If warranted, a sonic test is performed to determine decay and voids. Poles with voids are bored and probed for a more accurate assessment. If the pole is still serviceable, the inspector will inject it with a treatment to stabilize the deterioration. The inspector also looks for signs of decay, green mold, bleaching, etc. If any of this is present, a full excavation to a depth of 18 inches is performed. Decay is scraped away, and a preservative and moisture barrier is then applied.

In 2024, we inspected and treated 7,828 poles at an average cost of \$25.29/pole. Of those, 160 poles (2%) were determined to be unserviceable. From inspection reports, our engineering technicians are able to plot and create the work orders for line crews to replace the defective poles. Service orders are also issued to the line department to repair damaged hardware, if applicable.

The Engineering and Operations Departments extend a sincere "thank you" to all our members who were instrumental in aiding in the successful completion of these system-improvement and ROW-trimming projects. Your cooperation is essential to making these and future projects a success. Allowing a line relocation or a pole change on your property makes it possible for United Electric Cooperative to continue to improve service to you and your neighbors. 🙏

United Electric Cooperative's office will be closed Monday, May 26, in observance of Memorial Day.

United Electric COOPERATIVE, INC.
A Touchstone Energy® Partner

ANNUAL MEETING
7 p.m. Wednesday, May 21
Brady Township Community Center, Luthersburg, Pa.

- Report of Directors
- Business Session
- CEO Report
- Results of Director Elections in Districts 4 & 5

FREE REGISTRATION GIFT!

\$20 BILL CREDIT FOR REGISTERED MEMBERS

DOOR PRIZES FOR REGISTERED MEMBERS

High-voltage demonstration preceding the meeting at 6:30 p.m.

2025 ORGANIZATION ADMISSION

This form will admit the member listed below to the United Electric Cooperative Annual Meeting at the Brady Township Community Center, Luthersburg, at 7 p.m. Wednesday, May 21. The member must designate and certify an official representative of the organization, business, church, etc., by completing the form below.

Name: _____

Address: _____

Phone: _____

Account Number: _____

District, if known: _____

RESOLVED THAT _____ who is a member or officer of the organization named at left is hereby designated the official representative to the annual meeting of the members of United Electric Cooperative, Inc., to be held in Luthersburg, on Wednesday, May 21, 2025, and any adjournment or adjournments thereof held within sixty (60) days of said date, on all matters which at said meeting of members may properly come before them; the action of said representative and all that he or she may do is ratified and confirmed as the act of our organization.

I hereby certify that the forgoing resolution is a true and correct excerpt from the minutes of the organization enacted at a meeting held on the _____ day of _____ 2025, at which time a quorum was present and acting and that the above named person is an official member of the organization.

Enter Name of Organization As Shown Above.

(Corporate Seal)

Attest: _____