ANZA ELECTRIC COOPERATIVE, Inc.
A Touchstone Energy® Cooperative
Phone: (951) 763-4333
P O Box 391909 (58470 Highway 371) Anza, CA 92539
Fax: (951) 763-5297

CONFIDENTIAL

REGULAR BOARD MEETING

January 22, 2026

8:00 a.m.

Board of Directors:

Board President:	Greg Pennyroyal
Board Vice President:	Ryall Stewart
Board Secretary:	Hope Adams
Board Treasurer:	D.F. (Pebbles) Lewis
Board Director:	Doug Hay
Board Director:	Stephan Lauzier
Board Director:	Diane Sieker

Anza Electric Cooperative, Inc. Staff:

General Manager:	Kevin Short
Accounting Manager:	Linda Cooper
Operations Manager:	Jose Razo
Member Services Manager:	Sherri Stafford
Telecommunications Manager:	Shawn Trento
Engineering Manager:	Sandy King
Executive Assistant:	Yuri Gudiño

Do Not Distribute, for AEC Board of Directors and staff only. May contain Confidential and unaudited material*

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January 15, 2026

MEMORANDUM

TO: Board of Directors

FROM: Kevin Short

SUBJECT: January Regular Board Meeting

The January Regular Board Meeting will be held in person on Thursday, January 22, 2026, at 8:00 a.m.

***** The Finance and Audit Committee will meet directly following the Regular Board Meeting.***

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Anza Electric Cooperative, Inc.
Regular Board Meeting Agenda

January 22, 2026
8:00 a.m.

1. CALL TO ORDER *(President Pennyroyal)*
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL *(President Pennyroyal)*
4. WAIVER OF NOTICE *(President Pennyroyal)*
5. WELCOMING OF GUESTS *(President Pennyroyal)*
   - Tabitha Dawes, Member
6. APPROVAL OF AGENDA *(President Pennyroyal)*
   * Regular Meeting of January 22, 2026
7. APPROVAL OF MINUTES *(President Pennyroyal)*
   * Regular Meeting of December 18, 2025
   * Executive Session of December 18, 2025
8. MEMBER'S COMMENTS
9. PRESIDENT'S REPORT *(President Pennyroyal)*
10. GENERAL MANAGER'S REPORT *(Kevin Short)*
    - AEC Solar Production Report
    - Hoover Dam Output / Lake Mead Water Levels Report
    - EV Charger Report
    - Line Loss %
    - AEC Own Use / AEC Office Energy Use
    - U.S Drought Monitor
    - Work Plan & Other Business
    - Renewable Energy Credit Market Analysis
    - Impact Analysis of Aluminum Tariffs in the North American Market
11. MEMBER SERVICES MANAGER'S REPORT *(Sherri Stafford)*
    - Energy Efficiency Programs
    - Financial Assistance Programs
    - Outreach Programs
    - Other Business
    - Member Statistics

12. TELECOMMUNICATIONS MANAGER'S REPORT *(Shawn Trento)*
    - ConnectAnza Subscriber Connections Update
    - ConnectAnza Service Calls
    - December 2025 Service Call Breakdown
    - Reliability
    - Bandwidth Usage Past 30 Days
    - Top 10 Domains for the Month
    - Additional Items
13. OPERATIONS MANAGER'S REPORT *(Jose Razo)*
    * Safety Meetings for Month of December
    - Lost Time Due to Accidents
    - Outages Hours Per Consumer
    - Outages
    - Other Business
14. ENGINEERING MANAGER'S REPORT *(Sandy King)*
    - New Services Completed this month
    - Line Length added to AEC Distribution
    - Short-Term Job Forecast
    - Long-Term New Job Forecast
    - Mountain Center Peak (19MW Max)
    - Energy Delivered at Mountain Center November 2024/2025
    - System-Wide Energy Total
    - Other Business
    - 2025 Year-End Stats
    - Deep Canyon
15. ACCOUNTING MANAGER'S REPORT *(Linda Cooper)*
    * Combined Form 7 Financial Statement for AEC & ConnectAnza for December
    - Combined Variance Report for Anza Electric and ConnectAnza
    - Investment Report
    - Construction Work Plan Costs
    - Cash Flow Report
16. FINANCE AND AUDIT COMMITTEE REPORT *(Director Lewis)*
    - General Manager's Expenses for December 2025
    * Approval of Directors' Expenses for December 2025

* Approval of Expenditures for December 2025

17. BYLAW AND POLICY COMMITTEE REPORT *(Director Stewart)*

- DIRECTORS' PURVIEW

* Policy No. 100 – "Board Policies"

* Policy No. 101 – "Board of Directors & General Manager Code of Ethics"

* Policy No. 102 – "Statement of Ideals & Objectives"

- MANAGEMENT PURVIEW

* Policy No. 206 – "Petty Cash Fund"

* Policy No. 301 – "Meter Reading and Billing and Collections "

* Policy No. 301.1 – "Fees and Deposits"

- Review Bylaw Article I

18. DIRECTOR EDUCATION COMMUNICATION *(Kevin Short & President Pennyroyal)*
19. ARIZONA ELECTRIC POWER COOPERATIVE (AEPCO) *(Director Stewart & Director Sieker)*

- Report

20. GOLDEN STATE POWER COOPERATIVE (GSPC) *(Kevin Short)*

- Report

21. NRECA

- Review of Winter School for Directors from December 12-16, 2025 *(President Pennyroyal, Director Adams & Director Hay)*

* Approval of Director Attendance for the 2026 NRECA Legislative Conference for April 26-29, 2026, Washington, DC

22. EXECUTIVE SESSION
23. OTHER BUSINESS
24. ADJOURNMENT

THE FINANCE & AUDIT COMMITTEE WILL MEET FOLLOWING THE REGULAR BOARD MEETING

REGULAR BOARD OF DIRECTORS MEETING
ANZA ELECTRIC COOPERATIVE, INC.
DECEMBER 18, 2025

DIRECTORS PRESENT
Greg Pennyroyal, President
Ryall Stewart, Vice President
Hope Adams, Secretary
D.F. (Pebbles) Lewis, Treasurer
Stephan Lauzier
Diane Sieker
Douglas E. Hay

STAFF PRESENT
Kevin Short, General Manager
Sherri Stafford, Member Services Mgr.
Sandy King, Engineering Manager
Linda Cooper, Accounting Mgr. / H.R. Mgr.
Shawn Trento, Telecommunications Mgr.
Jose Razo, Operations Manager
Yuri Gudino, Executive Assistant

OTHERS PRESENT
Tami Ferris, Director, Anza Community Hall
Dennis Whitfield, Director, Anza Community Hall
Jazmyn McCammon, ACIL

The Regular Meeting of the Board of Directors of Anza Electric Cooperative, Inc. was held in person at the cooperative on December 18, 2025.

The meeting was called to order by President Greg Pennyroyal at 8:03 a.m. Upon calling roll, Directors Greg Pennyroyal, Ryall Stewart, Hope Adams, D.F. (Pebbles) Lewis, Douglas E. Hay, Stephan Lauzier and Diane Sieker were present thereby constituting a quorum.

President Pennyroyal called for approval of agenda. After discussion, Director Stewart made a motion to approve agenda as amended. Director Sieker seconded the motion. Motion carried with unanimous vote.

1. Add approval of 2026 Budget in Executive Session
2. Add Executive Session under Bylaws

President Pennyroyal called for approval of minutes of Regular Board Meeting of November 20, 2025. After discussion, Director Stewart made a motion to approve minutes as presented. Director Sieker seconded the motion. Motion carried with unanimous vote.

President Pennyroyal called for approval of minutes of Executive Session of Regular Board Meeting of November 20, 2025. After discussion, Director Stewart made a motion to approve minutes as presented. Director Lewis seconded the motion. Motion carried with unanimous vote.

President Pennyroyal called for member comments.

Tami Ferris, Director, Anza Community Hall, Dennis Whitfield, Director, Anza Community Hall, Jazmyn McCammon, ACIL presented and discussed donation request for the Anza Minor Park.

At 8:20 a.m. Tami Ferris, Director, Anza Community Hall, Dennis Whitfield, Director, Anza Community Hall, Jazmyn McCammon, ACIL left the board meeting.

President Pennyroyal gave presidents report and discussed director education for 2026.

General Manager presented and discussed AEC Solar Production Report for November 2025, Hoover Dam Output Update and Lake Mead Water Levels Report, EV Charger Report, Line Loss 2020-2025, AEC own use, U.S. Drought Monitor, Work Plan update and other Business.

General Manager presented and discussed Conversion of Public Buildings Rate to donation. After discussion, Director Stewart made a motion to adopt the following resolution,

"*WHEREAS, Anza Electric Cooperative, Inc. (AEC) exists to provide reliable utility services for its members at the lowest possible cost and,*

WHEREAS, AEC's mission is to operate consistently with the Cooperative Principles, specifically 'Concern for Community,' and,

WHEREAS, Community Owned Buildings in AEC territory benefit the entire membership through their programs and services, and,

WHEREAS, Donating the cost of electric service to these Community Owned Buildings serves the best interest of the membership of AEC by reducing operating costs for these facilities.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors hereby approves the Executive/Staff Summary regarding changing Rate 10 Class 7 to a donated status and attached herein and duly authorizes the General Manager to execute all documents associated with this transaction.

Director Sieker seconded the motion. Motion carried with unanimous vote.

At 9:00 a.m. Betsy Hansen, Certified Key Accounts Executive, entered the board meeting.

Member Services Manager presented and discussed Energy Efficiency Programs, Financial Assistance Programs, Outreach Programs and Member Statistics.

Betsy Hansen, Certified Key Accounts Executive, discussed update to AEC's donation programs.

At 9:15 a.m. Betsy Hansen, Certified Key Accounts Executive, left the board meeting.

Telecommunications Manager presented and discussed ConnectAnza Subscriber Connections update for month of November, ConnectAnza Service Calls, Reliability, Bandwidth Usage Past 30 Days, Network use by Country and additional items.

Telecommunications Manager presented and discussed Cyber Champions Program Overview.

Operations Manager presented and discussed the safety meetings for the month of November, loss time due to accidents, outages hours per consumer, outages, and other business. After discussion, Director Sieker made a motion to acknowledge the safety meetings for the month of November. Director Stewart seconded the motion. Motion carried with unanimous vote.

Engineering Manager presented and discussed new services completed this month, line length added to AEC distribution, Short-Term Job Forecast, Long-Term New Job Forecast, Mountain Center peak, Energy delivered at Mountain Center November 2024/2025, system-wide energy total, other business, and Deep Canyon update.

Accounting Manager presented and discussed RUS combined Form 7 Financial Statement for AEC & ConnectAnza for month of November, combined variance report for AEC and ConnectAnza, Investment Report, Construction Work Plan costs and Cash Flow report. After discussion, Director Stewart made a motion to receive and file the RUS Form 7-Revenue Comparisons for the month of November as presented. Director Lewis seconded the motion. Motion carried with unanimous vote.

Director Lewis discussed the General Manager's expenses for the month of November 2025 in the amount of $0.

Director Lewis presented and discussed the following Directors' expenses for the month of November 2025:

Director Adams	$ 945.82
Director Hay	$ 955.76
Director Lauzier	$ 951.28
Director Lewis	$ 950.02
Director Pennyroyal	$ 1,002.40
Director Sieker	$ 956.88
Director Stewart	$ 950.16

After discussion, Director Stewart made a motion to receive and file Directors' expenses for the month of November 2025 in the amount of $6,712.32 combined total. Director Sieker seconded the motion. Motion carried with unanimous vote.

Director Lewis presented and discussed expenditures for the month of November 2025 in the amount of $2,449,719.79. After discussion, Director Stewart made a motion to receive and file the expenditures as presented. Director Adams seconded the motion. Motion carried with unanimous vote.

At 10:47 a.m. the board went into Executive Session with all staff present.

Accounting Manager presented and discussed 2026 Budget.

At 11:01 a.m. the board returned to regular session.

Director Stewart presented and discussed the Bylaw and Policy Committee report and the director's purview. After discussion, Director Stewart made a motion to approve the following policies as presented. Director Lewis seconded the motion. Motion carried with unanimous vote.

* Policy No. 404 – "Employee Harassment in the Workplace"
* Policy No. 406.2 – "General Manager Misconduct Allegations"
* Policy No. 406.4 – "Whistleblower Protection Policy"
* Policy No. 501 – "Board-Member Relations"
* Policy No. 502 – "Member Request to Attend Board Meetings"

Director Stewart presented and discussed the Bylaw and Policy Committee report and the management's purview. After discussion, Director Stewart made a motion to approve the following policies as presented. Director Adams seconded the motion. Motion carried with unanimous vote.

* Policy No. 500 – "Sale of Material & Supplies"
* Policy No. 503 – "Member Request for Cooperative Information"
* Policy No. 506 – "Identity Theft Red Flag Prevention"

Director Stewart reviewed Bylaw Article XII.

At 11:21 a.m. the board went into Executive Session with all staff present to discuss member request for cooperative information.

At 11:45 a.m. the board returned to regular session.

Director Stewart and Director Sieker presented and discussed the AEPCO report.

General Manager presented and discussed Golden State Power Cooperative report.

President Pennyroyal discussed America's Electric Cooperatives PAC Director Membership Renewal. After discussion, it was the consensus of the board to take no action.

President Pennyroyal called for any additional business.

There being no further business to come before this meeting, the meeting was duly adjourned at 11:55 a.m.

_____
Hope Adams, Secretary

ATTESTED:

_____

Greg Pennyroyal, President

CERTIFICATION

I, Hope Adams do hereby certify that I am the duly elected and qualified Secretary of the Board of Directors of the Anza Electric Cooperative, Inc., and that the above is a true and correct copy of the minutes of the Regular Meeting of the Board of Directors held on December 18, 2025, at which time a quorum was present and voting throughout.

IN WITNESS WHEREOF, I have hereunto subscribed my name as the Secretary and affixed the Corporate Seal of said Cooperative this 22nd day of January 2026.

_____

Hope Adams, Secretary

AEC CALENDAR 2026

January	N/A	AEPCO Board of Directors Meeting - Benson, AZ
January	11-13	NRECA CEO Close-Up – Palm Desert, CA
January	***22***	***Anza Electric Cooperative Board Meeting***
January	25-28	NRECA Director Conference – Palm Desert, CA
February	11	AEPCO Board of Directors Meeting - Benson, AZ
February	***26***	***Anza Electric Cooperative Board Meeting***
March	6-11	NRECA PowerXchange and TechAdvantage – Nashville, TN
March	12	AEPCO Board of Directors Meeting - Benson, AZ
March	17-18	GSPC Capitol Days – Sacramento, CA
March	***26***	***Anza Electric Cooperative Board Meeting***
April	8	AEPCO Board of Directors Meeting - Benson, AZ
April	***23***	***Anza Electric Cooperative Board Meeting***
April	26-29	NRECA Legislative Conference – Washington, D.C
May	12	AEPCO Board of Directors Meeting – Tucson, AZ
May	13	AZG&T Annual Meeting – Tucson, AZ
May	***28***	***Anza Electric Cooperative Board Meeting***
May	***28***	***AEC Environmental Compliance Oversight Committee Meeting – Anza, CA***
June	***25***	***Anza Electric Cooperative Board Meeting***
June	26-30	NRECA Summer School for Directors – Louisville, KY
July	8	AEPCO Board of Directors Meeting - Benson, AZ
July	***23***	***Anza Electric Cooperative Board Meeting***
July	***25***	***Anza Electric Cooperative Annual Membership Meeting***
August	12	AEPCO Board of Directors Meeting - Benson, AZ
August	***27***	***Anza Electric Cooperative Board Meeting***
September	9	AEPCO Board of Directors Meeting - Benson, AZ
September	***24***	***Anza Electric Cooperative Board Meeting***
September	TBD	GSPC Annual Meeting – San Diego, CA
October	5-7	NRECA Regions 7&9 Meeting – Salt Lake City, UT
October	14	AEPCO Board of Directors Meeting - Benson, AZ
October	***22***	***Anza Electric Cooperative Board Meeting***
October	***TBD***	***AEC Strategic Planning Meeting, Anza, CA***
November	12	AEPCO Board of Directors Meeting - Benson, AZ
November	***19***	***Anza Electric Cooperative Board Meeting***
November	***TBD***	***AEC Environmental Compliance Oversight Committee Meeting – Anza, CA***
December	10	AEPCO Board of Directors Meeting - Benson, AZ
December	11-15	NRECA Winter School for Directors – Nashville, TN
December	***24***	***Anza Electric Cooperative Board Meeting***

2026 TIMELINE

JANUARY

- 2026 NRECA CEO Close-Up
- CFC Annual Meeting Voting Delegate & Alternate
- Approval of Director Attendance for the NRECA Legislative Conference for April 26-29, 2026 in Washington, DC.
- 2026 NRECA Directors Conference

FEBRUARY

- Opening for Director Candidate Petitions

MARCH

- AEPCO Board Director Term Expiring for Director Sieker
- NRECA PowerXchange and TechAdvantage Expo
- Set Date for Annual Meeting Committee Meeting
- Approval of Director Attendance for the 2026 AzG&T Annual Meeting for May 13, 2026
    - AZG&T Annual Meeting Voting Delegates (2) & Alternates (2)

APRIL

- 2026 NRECA Legislative Conference

MAY

- AzG&T Annual Meeting
- Environmental Compliance Oversight Committee Meeting
- Environmental Compliance Oversight Committee Meeting – Set Date for November Meeting
- Approval of Director's Attendance for the 2026 NRECA Regional Meetings 7&9 for October 5-7, 2026 in Salt Lake City, UT
    - NRECA Regional Meeting 9 Voting Delegate and Alternate
- Approval of Director's Attendance for the GSPC Annual Meeting for TBD
    - GSPC Voting Delegate and Alternate
- CFC Voting Delegate and Alternate for 2026 District Meeting

JUNE

- 2026 Declaration of Officer Candidacy
- CFC Annual Membership Meeting

JULY

- Newly Elected Directors Seated (If Applicable)
- Anza Electric Cooperative's Annual Membership Meeting
- Resolutions if Officers Change for:
    - Authorized Signers on Bank of Hemet General Fund Account
    - Authorized Signers on Bank of Hemet Community Care Fund Account
    - Authorized Signers on Bank of Hemet Construction Account and Capital Credits Account
    - Authorized Signers on Bank of Hemet Safe Deposit Box

***Timeline Subject to Change as Required.* *Updated as of January 2026*

2026 TIMELINE

AUGUST

- Set Date for the Employee Relations Committee Meeting
- Set Date for the Strategic Planning Meeting
- Approval of Power Content Label and Resolution (Needs to be submitted to California Energy Commission (CEC) by September 1st)

SEPTEMBER

- NRECA Resolutions
- GSPC Annual Meeting
- CFC District Meeting
- Employee Relations Committee Meeting
- General Manager's Review
- Approval of 2026 NRECA Group Benefits Renewal
- Approval of 2026 Employee Compensation

OCTOBER

- Strategic Planning Meeting – Postponed until February
- 2026 NRECA Regional Meetings 7&9

NOVEMBER

- Environmental Compliance Oversight Committee Meeting, Anza, CA
- Set date for the 2027 May Environmental Compliance Oversight Committee Meeting
- Elect New Employees for the Environmental Compliance Oversight Committee
- Set Date for the 2027 Budget - Finance and Audit Committee Meeting
- Set Dates for the 2027 Board Meeting Dates
- Approval of the 2027 Medical Benefits
- Approval of the 2026 Employee Bonus Budget
- Approval of the General Manager's Year-End Bonus
- Approval of Director Attendance for the 2027 NRECA Director Orientation - TBD
- Approval of Director Attendance for the 2027 NRECA PowerXchange Meeting for February 12-17, 2027, San Diego, CA
    - 2027 NRECA Annual Meeting Voting Delegate and Alternate

DECEMBER

- 2027 Budget - Finance and Audit Committee Meeting
- America's Electric Cooperatives PAC Director Membership Renewal
- Approval of the 2027 Budget

***Timeline Subject to Change as Required.* *Updated as of January 2026*

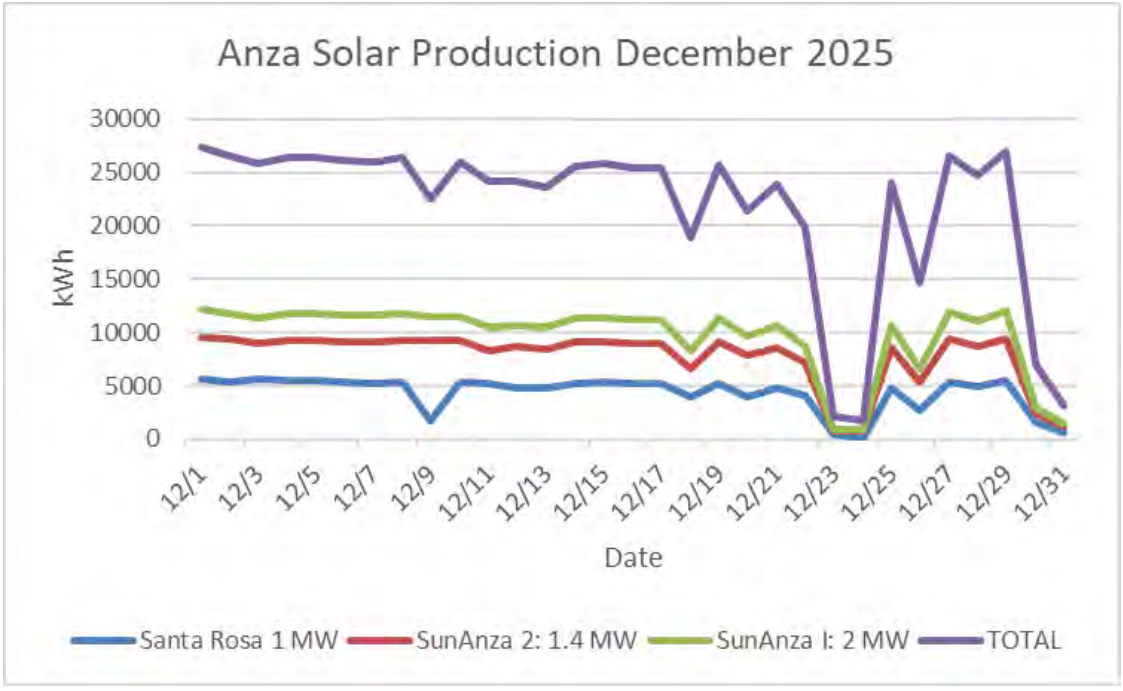
General Manager Report

Regular Board Meeting

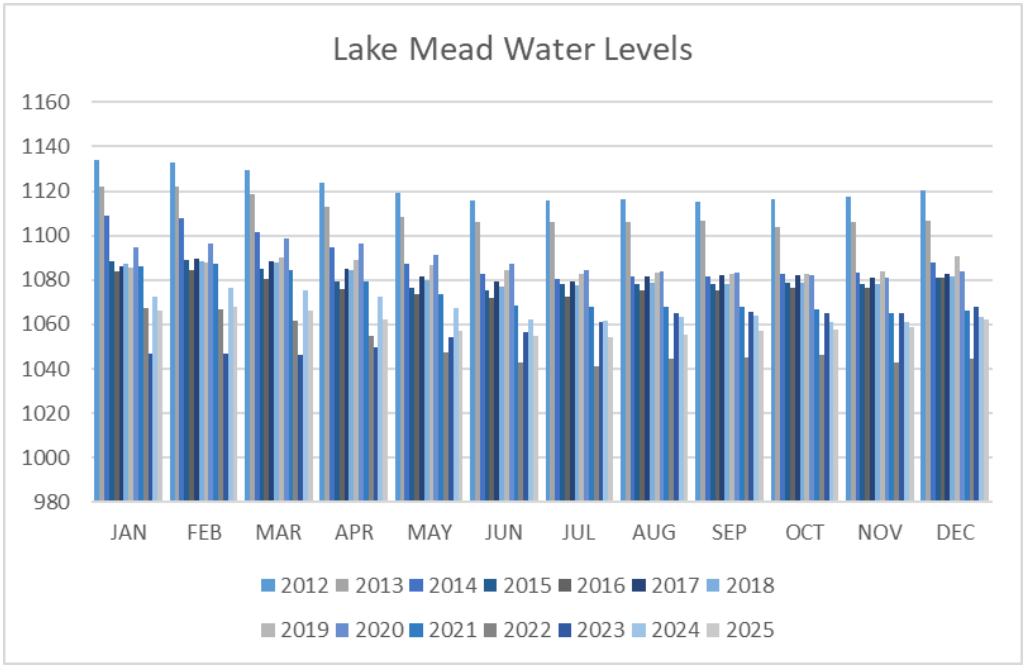
January 22, 2026

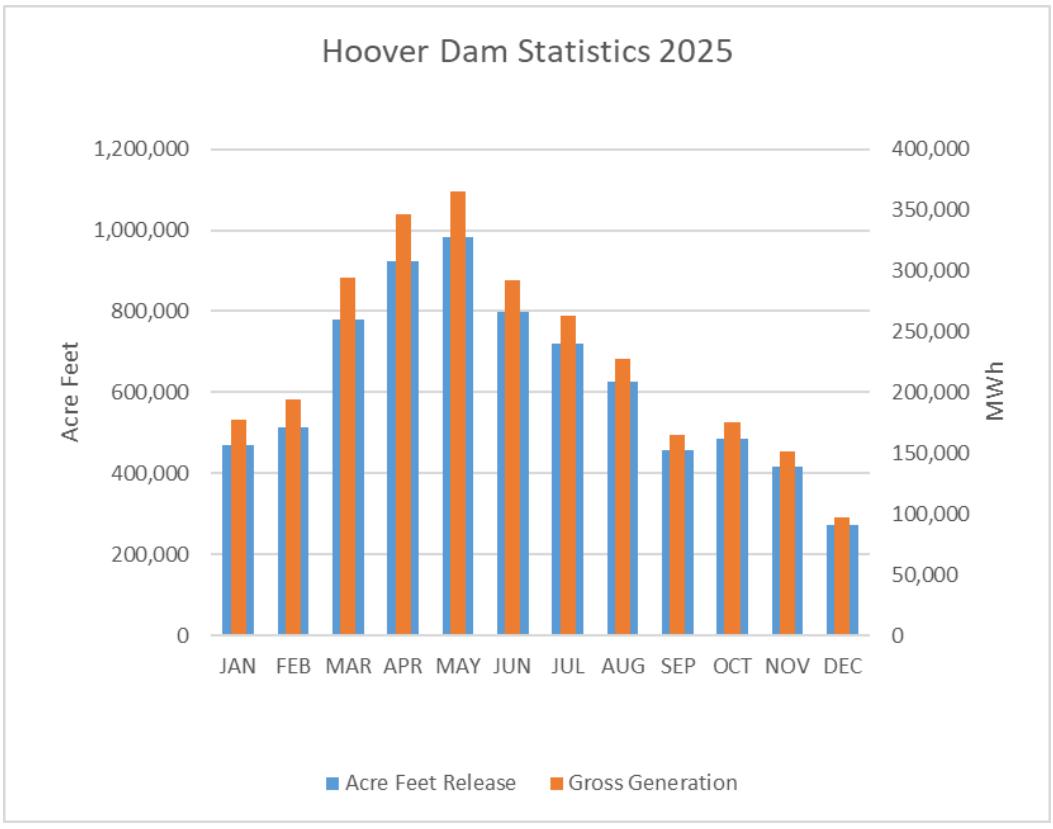
Solar

- SunAnza
  - Please see summary below of monthly output.
  - The battery arbitrage program netted **$8,405.32** reduction in energy costs for FY2025.
- The SunAnza and Santa Rosa projects totaled **674,480 kWh** production for December, representing **17.16% of total sales of 3,931,134 kWh**.

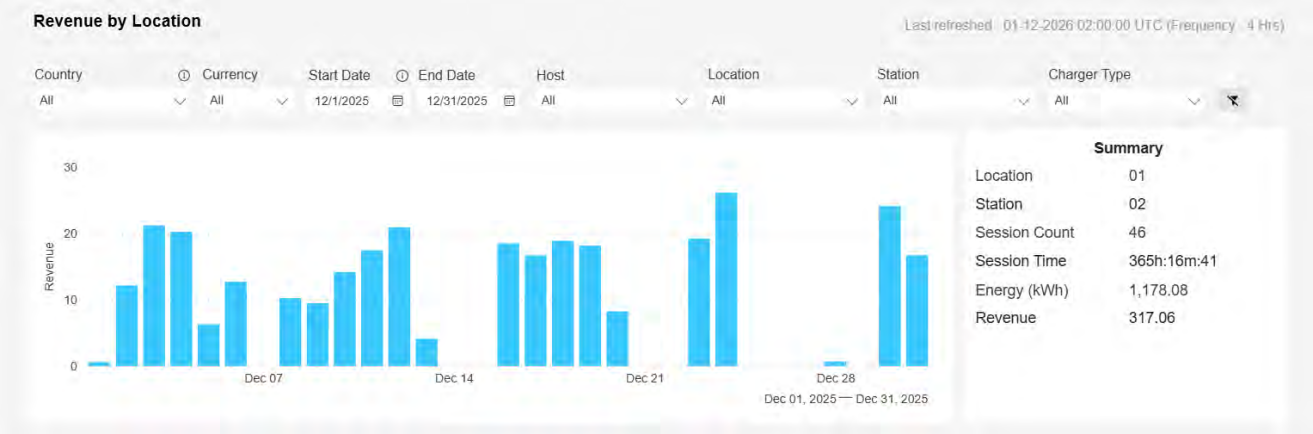


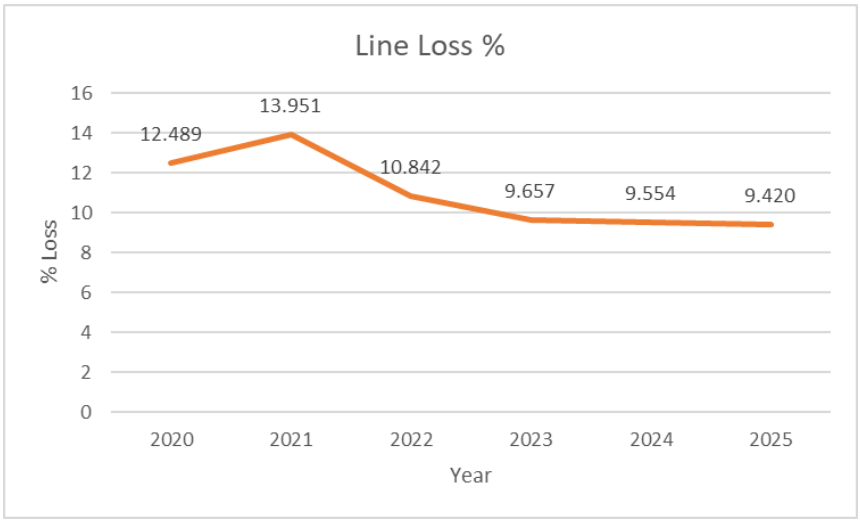
Hoover

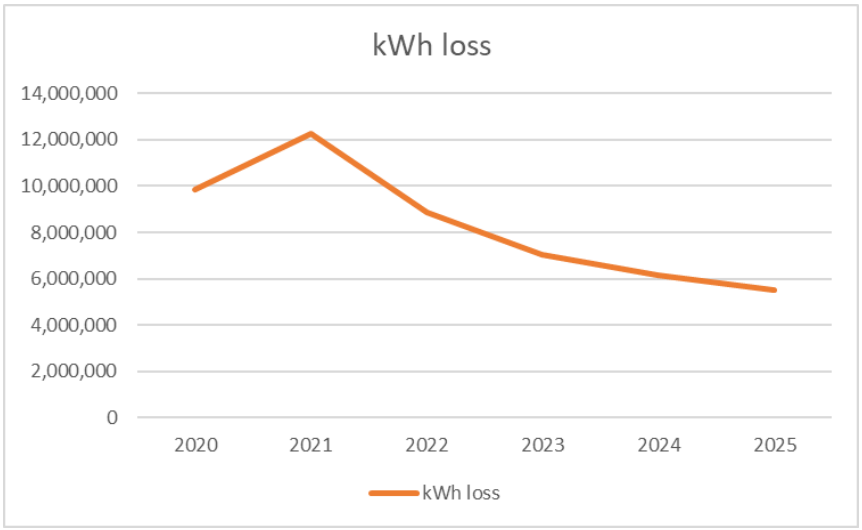

Lake Mead Water Levels
1160
1140
1120
1100
1080
1060
1040
1020
1000
980
JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC
2012 2013 2014 2015 2016 2017 2018
2019 2020 2021 2022 2023 2024 2025


Hoover Dam Statistics 2025
1,200,000
1,000,000
800,000
600,000
400,000
200,000
0
Acre Feet
400,000
350,000
300,000
250,000
200,000
150,000
100,000
50,000
0
MWh
JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC
Acre Feet Release
Gross Generation

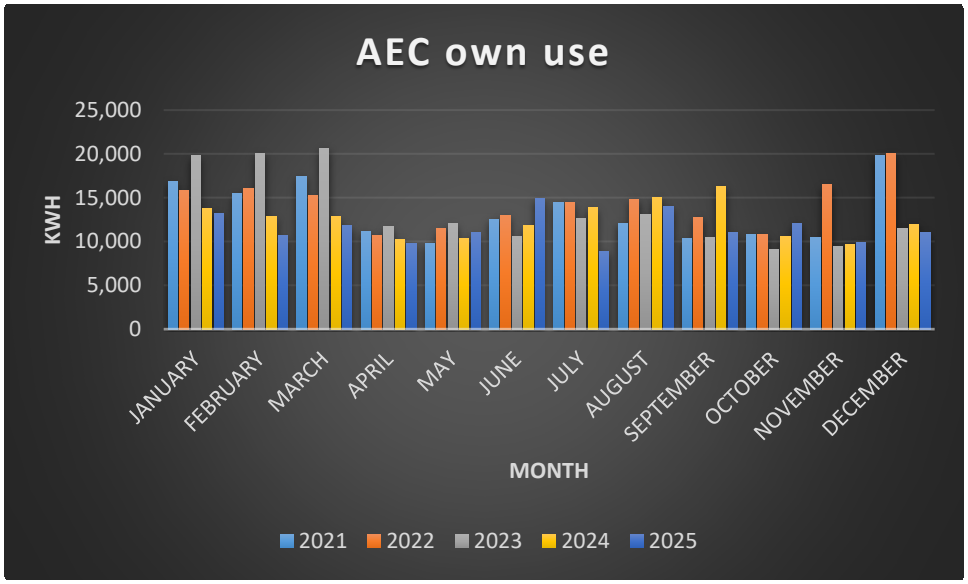
EV Charger

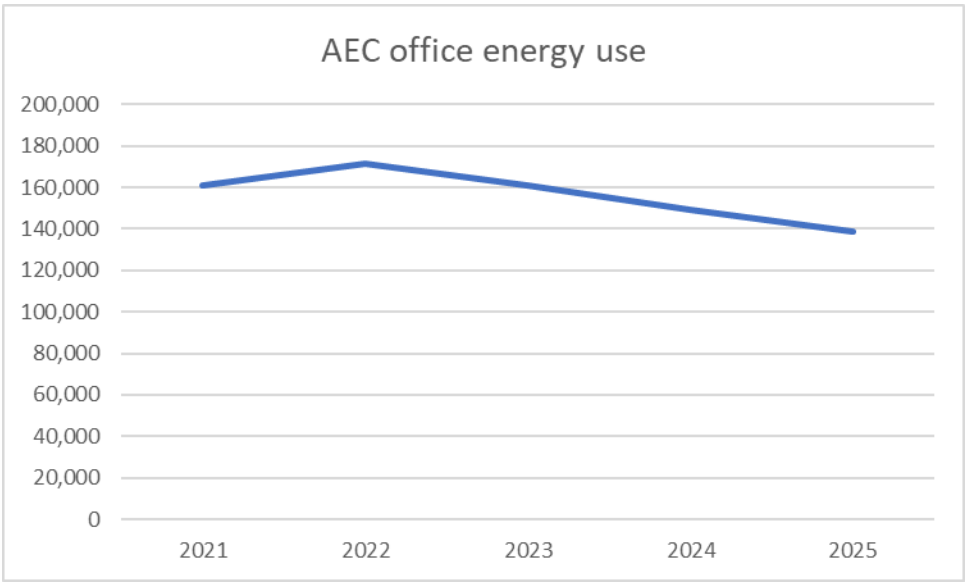




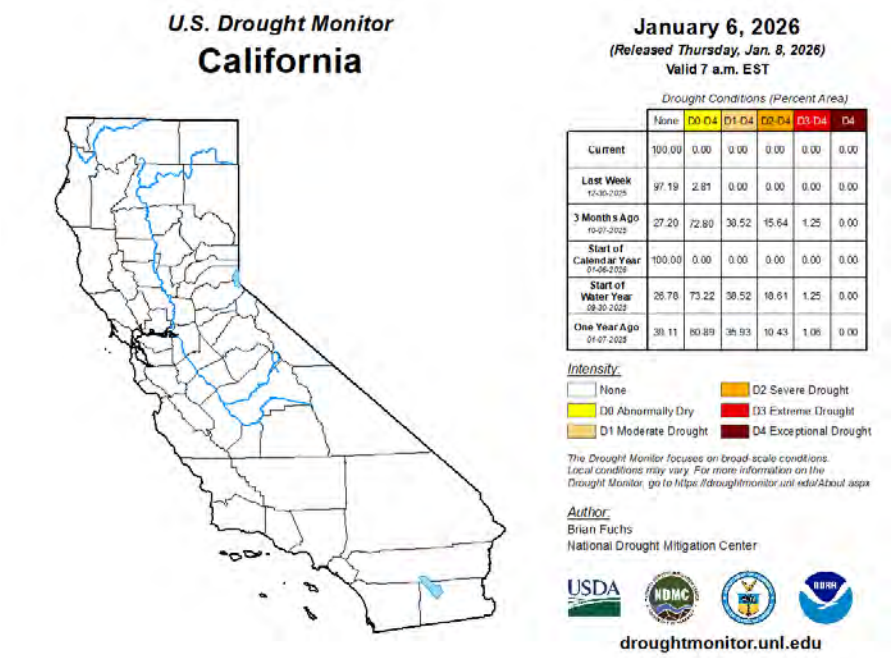


Line loss has decreased by 32.5% since 2021





Office energy use has decreased substantially in the last five years, reflecting a 19.4% drop since the high of 2022.



Other Business

- Renewable Energy Credit Market Analysis
- Impact Analysis of Aluminum Tariffs in the North American Market

United States Department of the Interior

BUREAU OF RECLAMATION
Lower Colorado Dams Office
P.O. Box 60400
Boulder City, NV 89006-0400

IN REPLY REFER TO:

LCD-10000

2.2.4.23

VIA ELECTRONIC MAIL

HOOVER FAX
December 31, 2025

Plant Status

Current Capacity: 846 MW

Lake Mead

Current Elevation:	1063.4 Feet
24 Month Study High:	1076.5 Feet (February 2024)
24 Month Study Low:	1054.1 Feet (July 2025)

LCDO Government Performance and Results Act Goals

Forced Outage Rate (Oct. 2025 – Sep. 2026; Goal is less than 2.2%): 0.77%

Last Month Bridge Plaza Maintenance Costs

Labor:	$ 13,096
Materials:	$ 0
Services:	$ 0

Major Work Items Status

Intake Tower - Cylinder Gate Stems was awarded on September 17, 2020, to Marine Diving Solutions. This is an IDIQ contract for cylinder gate stem fabrication and installation. The Upper Nevada Penstock, Intake Tower was awarded in September 2025. All three of the three stems have been completely removed and replacement started. Work should be completed in March 2026.

Paradox Gate Refurbishment was awarded to Andritz Hydro Corp for both upper and lower paradox gate refurbishments. The total contract value for the upper gate is $1.13M. The lower gate contract value is $1.26M. This project is being funded with Infrastructure Investment and Jobs Act (IIJA) appropriations. A modification for additional, required work was awarded in September 2025. Staff is reaching out to the contractor for an updated schedule.

Upper Nevada Penstock & Lateral Coating was awarded in September 2025 to Hartman Walsh. Work includes scaffolding, high-pressure washing to remove biological growth and failed coating areas, surface preparation and recoating. Power washing is ongoing. Coating in the laterals and the main penstock has begun. Work should be completed in March 2026.

A8 Turbine Runner – The wide head turbine was placed in service in Unit A8 in May of 2014. In July of 2024 the unit was removed from service due to a shear pin failure and alignment issues. Early in May 2025 staff discovered significant damage to the turbine runner. Inspection and testing have been done by Hoover and Technical Service Center (TSC) staff. Once a recommendation is received from TSC, a determination can be made to make repairs or completely replace the turbine runner and seal ring.

Solid Waste Site – The contractor that is conducting the Human Health Risk Assessment has scheduled a site visit for January 2026. They have also started analyzing existing soil sampling data collected to date. The assessment is expected to be completed in August of 2026. The results of the Human Health Risk Assessment will help inform further remediation actions.

7th and 8th Floor Renovation and HVAC Upgrades was awarded to LGA Architects in September 2024 with a contract value of $499,909. The schematics were submitted in October 2025. Staff are looking at ways to reduce the estimated construction cost. Therefore, the 90% Design submittal is on hold. LGA is developing an intermediate phase to install new HVAC units for the 7th floor.

Lower Portal Road Erosion Control and Safety - This project will repair erosion damage and install some guard rails at several locations along the lower portal road. FHWA submitted the 30% design plans and cost estimates in November 2023. The 70% design submittal is anticipated in January 2026 and a 95% design package milestone is March 2026. BOR will be submitting a new grant proposal to Federal Lands Transportation Program between January and March 2026 with selections expected to be made in the Summer of 2026. If FLTP funding is awarded, construction could begin in FY 2027.

Monument Plaza - This project involves replacing the markers and rehabilitation of terrazzo surface around the Winged Statues of the Republic, across from the Visitor Center. Work restarted in February 2025. This is a Southern Nevada Public Lands Management Act (SNPLMA) funded project. The project is complete and open to the public.

Outdoor and VC Observation Area Enhancements - A design contract was awarded to TSK Architects in September 2024 for $1,100,030 to renovate the Observation Level of the Visitor Center and provide pedestrian, wayfinding, and interpretive improvements throughout key outdoor areas near parking lots and trail connections. The 60% design package was submitted in November 2025 and design work is scheduled to be completed in March 2026. This project will improve visitor circulation and accessibility and refresh interpretive experiences that have exceeded their useful life. Construction is currently estimated at $2.5M for the outdoor improvements and $2.9M for the Observation Level renovations. This project is funded through the Southern Nevada Public Lands Management Act (SNPLMA).

VC Theaters Renovation - The design contract for the renovation of the three Visitor Center theaters was awarded to TSK Architects in September 2024 for $569,948. The 60% design package was submitted in November 2025 and design work is scheduled to be completed in March 2026. The project will modernize theater finishes, audiovisual systems, and visitor programming, including updated films and improved interpretive storytelling. Construction for the theater renovations is

currently estimated at $6.4M. This project is funded through the Southern Nevada Public Lands Management Act (SNPLMA).

Security Response Force Renovation Design - The design contract was awarded to LGA for $879,070 to support a full renovation of the SRF facility. The project was split into two phases: Phase 1 includes a new dispatch center, armory replacement, and renovation of office space; Phase 2 includes new conference space, offices, a breakroom, and upgraded locker rooms. The Phase 2 design plans are now at 100% and will be shelved until approximately $6.1M of construction funding is secured. The construction contract for Phase 1 was awarded in September 2025 to KWR for $4.8M. The contractor mobilized in December 2025, with demolition beginning in January 2026. Construction is expected to be completed by January 2027. These are Denver Security funded projects.

480V Switchgear Replacement (October 2024) – This project was awarded on September 30, 2024 to Gardner Zemke Company with a total contract value of $9,817,131. This project will replace the existing two 208V sections and three 480V switchgear sections, along with multiple panelboard replacements throughout the facility. Scope also includes replacement of multifunction relays for station service protection, the installation of main-tie-main control equipment, and equipment to reduce arc-flash hazards. Removal and replacement of several panels was completed in December. This project will continue through 2027.

VISITOR CENTER TOURISM

	FY 2026 December	FY 2025 December	FY 2026 Year to Date	FY 2025 Year to Date
Visitation	36,269	30,192	111,020	86,703
Total Revenue [1]	$ 1,083,274	$ 1,137,910	$ 3,278,899	$ 2,713,631
Revenue from Ticketing	794,590	713,105	2,384,175	1,539,415
Revenue from Parking	168,750	249,575	491,750	630,275
Revenue from Commercial Use Authorization (CUA)	108,935	169,755	372,740	512,980
Revenue from Memorabilia	-	-	-	-
Revenue from Other Sources [2]	10,999	5,475	30,234	30,961
Total Expenses [3]	$ 1,230,082	$ 1,815,218	$ 2,414,134	$ 2,609,206
Expenses - General	1,230,082	1,815,218	2,414,134	2,609,206

Cost per ticketed visitor subsidized by customers:

YTD FY2026	$7.79
YTD FY2025	$1.20

(1) December revenue is down over $54K or nearly 5% compared to Dec FY25. It's up just over $565K or almost 21% year over year.

(2) Revenue from Other Sources includes filming, special events, misc. revenue and permits.

(3) December expenses are down just over $585K or slightly more than 32% compared to same month last year. The decrease is primarily timing related based on when (monthly, quarterly, annually - given the agreement and related pay schedule) installment payments on agreements (e.g., visitor services, ticketing contract, janitorial services, HVAC maintenance, etc.) are made or given overall changes, per discontinued or newly added agreements compared to previous year. Total Expenses are down $195K or over 7% overall.

BOULDER CANYON PROJECT

FY 2026 Fund Status

(as of December 31, 2025 ~ 25% of the year elapsed)

A	B	C	D	E	F	G	H	J	W	X	Y	Z	AA	AB	AC
Account	Budget Item	10-Yr Plan PRS Budgeted Amount	Multi-Year Project Funding	Prior-Year UDO's	Total Prior-Year Funds	Total Available	Reprogramming	Revised Available	Actual Expenditures	Total to Date Undelivered Orders	Committed (PRs Pending)	Total Expenditures & Obligations	Unobligated Bal Remaining	Uncommitted Bal Remaining	% Funds Exp & Obl
EXTRAORDINARY MAINTENANCE															
5170	Power Plant Piping Management Plan	1,275,000	494,969	1,228,567	1,723,537	2,998,537		2,998,537	440,028	848,192	6,000	1,288,220	1,710,316	1,704,316	43.0%
5175	Fire Piping Plan	1,325,000	593,816	787,808	1,381,626	2,706,626		2,706,626	292,636	497,172	0	789,810	1,916,816	1,916,816	29.2%
5112	Crane Inspection & Repair (cableway)	400,000	374,023	462,467	836,510	1,236,510		1,236,510	35,120	439,409	0	474,529	761,981	761,981	38.4%
E171	HIGHWAY ROUTE 93 MAINT"	0	0	0	0	0		0	4,491	0	0	4,491	(4,491)	(4,491)	#DIV/0!
E174	Tail Bay Stop Logs	500,000	7,321	242,697	250,018	750,018		750,018	243,054	0	250,000	243,054	506,964	256,964	32.4%
5042	Penstocks & Lateral Spot Coating	2,250,000	159,489	4,025,082	4,184,571	6,434,571		6,434,571	668,384	3,558,695	0	4,227,079	2,207,492	2,207,492	65.7%
E181	Rockfall Mitigation	500,000	6,804	577,599	586,402	1,086,402		1,086,402	249,160	345,981	0	595,141	491,262	491,262	54.8%
E193	Erosion Repair	100,000	235,398	189,556	424,954	524,954		524,954	183,387	36,484	13,356	219,870	305,083	291,727	41.9%
E231	Spillway, Penstock, & Dam Abutment Drain Cleanings	500,000	114,790	376,881	491,671	991,671		991,671	1,841	376,881	0	378,722	612,949	612,949	38.2%
E232	Lower Portal Road Erosion Control, Slope Stabilization & Safety Improvement	100,000	10,000	620,378	630,378	730,378		730,378	0	620,378	0	620,378	110,000	110,000	84.9%
E251	Water Tank Inspection & Repair (Fire & Warehouse Tanks)	860,000	10,673	0	10,673	870,673		870,673	0	0	0	0	870,673	870,673	0.0%
E243	Partial Discharge Monitors	50,000	6,183	0	6,183	56,183		56,183	0	0	0	0	56,183	56,183	0.0%
E202	N3 Rotor Repair	0	0	199,518	199,518	199,518		199,518	199,694	0	0	199,694	(176)	(176)	100.1%
E203	GSU Transformers Maintenance	1,468,000	89,935	1,601,288	1,691,223	3,159,223		3,159,223	(19,639)	1,620,927	1,418,000	1,601,288	1,557,935	139,935	50.7%
E222	Observation Area Enhancements	6,000	109,663	0	109,663	115,663		115,663	0	0	0	0	115,663	115,663	0.0%
E252	Visitor Center Theaters Renovation	12,000	60,000	0	60,000	72,000		72,000	0	0	0	0	72,000	72,000	0.0%
E261	Cincinnati Boring Mill Rehab (NEW)	750,000	0	0	0	750,000		750,000	0	0	0	0			
E253	N1 Brake Plate Replacement	50,000	207,222	0	207,222	257,222		257,222	0	0	0	0	257,222	257,222	0.0%
E254	Butterfly Valve Overhaul	0	0	20,347	0	0		0	0	20,347	0	20,347	(20,347)	(20,347)	#DIV/0!
E242	A5 Stator Re-Wedge	0	27,992	0	27,992	27,992		27,992	0	0	0	0	27,992	27,992	0.0%
5155	Paradox Valve Repairs	0	13,085	0	13,085	13,085		13,085	0	0	0	0	13,085	13,085	0.0%
E192	Visitor Center Refurb - Exhibit Level	0	91,216	12,356	103,572	103,572		103,572	0	12,356	0	12,356	91,216	91,216	11.9%
E191	Monument Plaza Restoration	0	15,547	0	15,547	15,547		15,547	0	0	0	0	15,547	15,547	0.0%
E214	**Solid Waste Site Mitigation**	0	21,172	127,691	148,863	148,863		148,863	28,120	109,802	0	137,922	10,941	10,941	92.7%
E2141002	**Solid Waste Site RFI**	0	0	0	0	0		0	0	0	0	0	0	0	#DIV/0!
5181	Generator Life Extension	0	2,953	0	2,953	2,953		2,953	0	0	0	0	2,953	2,953	0.0%
5160	Turbine Pit Area Machining-N1	0	0	6,555	6,555	6,555		6,555	0	6,555	0	6,555	0	0	100.0%
E183	Exciter Rebuild	0	200,772	0	200,772	200,772		200,772	0	0	0	0	200,772	200,772	0.0%
	Subtotal - Extraordinary Maintenance	**10,146,000**	**2,855,024**	**10,478,809**	**13,313,487**	**23,459,487**	**0**	**23,459,487**	**2,326,279**	**8,493,178**	**1,687,356**	**10,819,457**	**11,890,029**	**10,202,673**	**46.1%**
REPLACEMENTS															
5034	Generator Coolers	502,000	56,875	111,643	168,518	670,518		670,518	(326)	111,643	0	111,317	559,201	559,201	16.6%
5149	Cylinder Gate Stems	3,000,000	903,881	2,734,859	3,638,740	6,638,740		6,638,740	825,370	4,847,376	0	5,672,748	965,992	965,992	85.4%
5037	480 Volt Switchgear	500,000	0	8,417,350	8,417,350	8,917,350		8,917,350	364,937	8,147,939	145,805	8,532,876	384,473	238,668	95.7%
R201	UCM Life Cycle Replacement	887,000	636,579	0	636,579	1,523,579		1,523,579	0	0	161,433	0	1,523,579	1,362,146	0.0%
R262	2300-V Vacuum Circuit Breaker Replacement (NEV	120,000			0	120,000		120,000	0	0	0	0			
R211	HVAC Replacement & 7th & 8th Floor Reno	500,000	777,352	308,364	1,085,715	1,585,715		1,585,715	73,433	265,660	60,672	339,093	1,246,622	1,185,950	21.4%
R263	VC Distribution Feeders Replacement (NEW)	910,000			0	910,000		910,000	0	0	0	0			
R251	A9 Wide Head Turbine Runner Replacement	1,500,000	315,711	0	315,711	1,815,711		1,815,711	5,222	0	0	5,222	1,810,490	1,810,490	0.3%
R241	Additional Sump Pump	0	123,547	415,921	539,468	539,468		539,468	423,031	0	0	423,031	116,437	116,437	78.4%
R224	Water Plant & Wastewater Plant Controls Replacement	0	20,265	0	20,265	20,265		20,265	0	0	0	0	20,265	20,265	0.0%
5039	Escalator Replacement	0	0	246,334	246,334	246,334		246,334	132,735	125,707	0	258,443	(12,109)	(12,109)	104.9%
	Subtotal - Replacements	**7,919,000**	**2,834,209**	**12,234,470**	**15,068,679**	**22,987,679**	**0**	**22,987,679**	**1,844,401**	**13,498,326**	**367,910**	**15,342,729**	**6,614,950**	**6,247,041**	**66.7%**

Renewable Energy Credit Market Analysis

AEC has participated in the Renewable Energy Credit (REC) market since we began generating energy on-system via our SunAnza Project. These certificates have value in the commodities market through representing the renewable attributes of any renewable energy resource.

What is a REC?

A REC is a tradable certificate representing the environmental benefits of 1 megawatt-hour (MWh) of electricity generated from renewable sources like wind, solar, or hydro, allowing buyers to claim renewable energy use, support green projects, and meet sustainability goals, even if they draw from the general grid. While the physical power goes to the grid, the REC captures the "green" attributes, enabling separate sales and purchases to offset fossil fuel use and fund clean energy development.

California regulation

The California Air Resources Board (CARB) requires the annual surrender by all electric utilities of a certain number of RECs in any given year, based upon the carbon intensity of the utility's energy mix. Fossil fuel-based resources, such as coal or natural gas, that are imported into California, require RECs to be turned over to CARB, which is the case for AEC through 2025. Our resources will change for 2026 because of the recent agreement between us and Trico in Tucson, becoming less carbon intensive and more renewable.

While AEC is not subject to the requirements of the Renewable Portfolio Standard (RPS, see Figure 1), we are required to meet the non-emitting resource regulation for 2045. Senate Bill 100 (De Leon, 2018), requires all electric utilities to supply 100 percent of retail sales from zero-carbon resources by 2045 (see Figure 2).

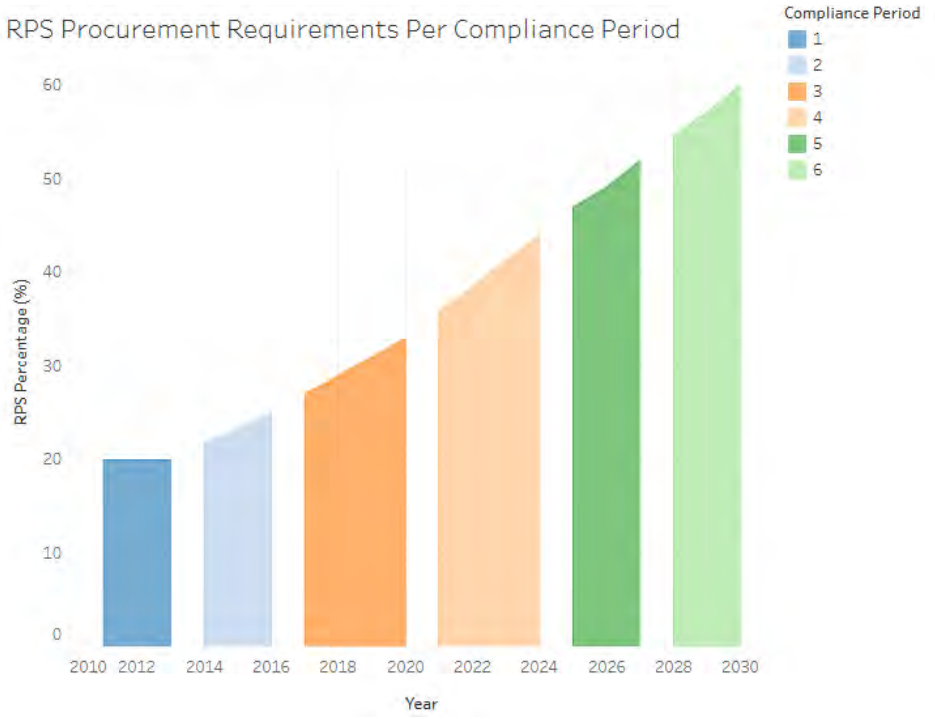


Figure 1: RPS compliance periods

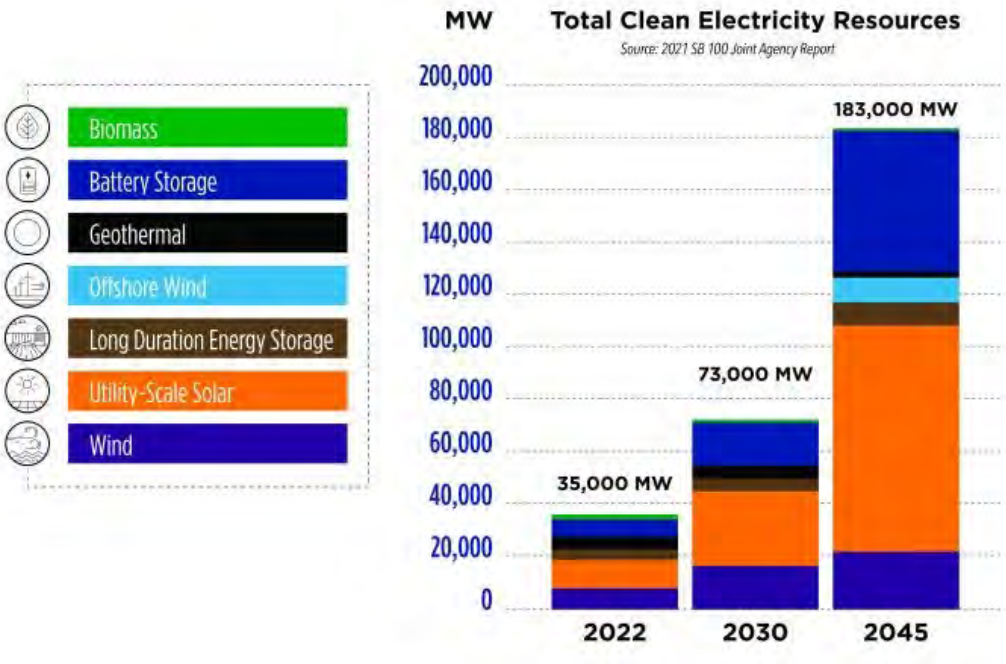


Figure 2: SB100 clean resource mix projection

Factors Influencing REC Price Volatility

REC prices exhibit volatility influenced by market dynamics, regulatory shifts, and geographical considerations:

- **Supply and Demand**: Supply is shaped by weather conditions affecting solar, wind, and hydro generation, total installed renewable capacity, and operational reliability. Oversupply can lead to price declines, while strong demand (driven by corporate pledges and RPS) typically results in price increases.
- **Regulatory Changes**: Revisions to RPS mandates, introduction of new carbon pricing mechanisms, or expiration of incentives (sunset clauses) can profoundly impact prices. Regulatory uncertainty, in particular, tends to amplify market volatility. The use of "alternative compliance payments" (ACPs) can also cap REC prices, potentially discouraging new investment.
- **Geographical Location and Regional Disparities**: RECs are generally valid only within specific regions or states, leading to localized supply-and-demand imbalances and distinct pricing structures. States with more ambitious RPS targets often experience higher REC prices. While REC arbitrage exists to capitalize on price differences, transaction costs and regulatory hurdles can impede its full effectiveness. Solar RECs (SRECs) often command a premium due to specific mandates or perceived environmental benefits.
- **Voluntary Commitments**: While a significant demand driver, corporate voluntary commitments can fluctuate based on profitability, public perception, and evolving Environmental, Social, and Governance (ESG) priorities, further contributing to price variability.

The dynamic interaction between compliance and voluntary REC segments provides a crucial stabilizing force. When compliance-driven demand wanes or prices decline, voluntary buyers often step in, seeking to acquire RECs at attractive price points for their sustainability objectives. This strategic absorption of excess supply helps mitigate extreme downward price movements,

contributing to a more resilient market structure. The upward sloping futures curve observed for Green-e certified RECs further supports this positive long-term market sentiment.

The Inflation Reduction Act (IRA), while not directly regulating RECs, exerts a substantial indirect influence. The IRA has catalyzed unprecedented growth in clean energy development through transferable tax credits, increasing the overall supply of RECs. Concurrently, the IRA allows corporations to reinvest tax savings from these credits into other sustainability initiatives, including the procurement of unbundled RECs, effectively boosting demand. This dual effect of boosting both supply and demand provides a more robust foundation for the REC market, contributing to fundamental stability and growth potential.

Figure 3 below summarizes the key factors influencing REC market price volatility:

Factor Category	Specific Drivers/Examples	Impact on REC Prices
Supply/Demand	Weather conditions (solar, wind, hydro), installed capacity, operational reliability, corporate sustainability pledges, RPS mandates	Oversupply can cause plummeting prices; high demand can lead to price increases
Regulatory Changes	RPS revisions, new carbon pricing mechanisms, sunset clauses, alternative compliance payments (ACPs)	Significant impact, with uncertainty amplifying volatility
Geographical Location	State-specific RPS, regional supply/demand imbalances, Solar RECs (SRECs) vs. other RECs	Leads to localized pricing and potential arbitrage opportunities
Voluntary Commitments	Corporate profitability, public perception, ESG priorities	Demand can fluctuate, contributing to price variability

Figure 1: REC Market Factors

Revenue history

The revenue that AEC has received from the sale of RECs since 2019 has made a significant impact on controlling the cost of energy purchased. All proceeds from REC sales have been credited against the wholesale cost of purchased energy since 2019, as shown in Figure 4.

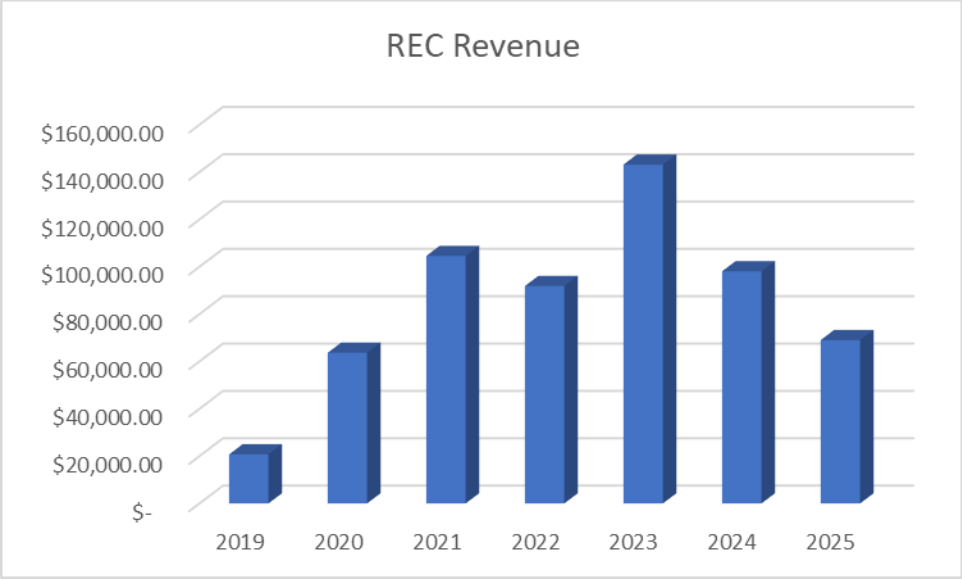


Figure 2: REC sales proceeds

For the preceding seven years, REC sales have generated over **$591,000** in revenue, benefiting AEC members with the corresponding reduction in energy costs.

Declining market

During the last two quarters of 2025, REC prices have declined to the point that our commodities broker has ceased bidding on our REC supply. The market conditions are largely due to oversupply, as discussed above, and do not show signs of rebounding soon.

Conversely, an abundance of renewable resources on the California Independent System Operator system (CAISO) will help us control purchased energy costs into the next year. This market condition will also help us move forward with procuring longer term renewable contracts to comply with the state requirements of SB100 for non-emitting resources by 2045.

Summary

The sale of Renewable Energy Credits has benefited AEC by indirectly reducing our wholesale cost of purchased energy since 2019. Due to market fluctuations, that benefit has slowly been reduced to the point where it is infeasible to participate in the market currently. This situation is fluid and subject to change in the near future.

Because of our shift to CAISO resources in 2026, we anticipate a lower overall cost of purchased energy for the year. This trend will continue beyond 2026 as AEPCO continues to market our existing Apache Station capacity to a third-party entity, simultaneously lowering our exposure to plant retirement costs and increasing our compliance track with California renewable resources.

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Impact analysis of aluminum tariffs in the North American Market

Background

Aluminum is one of the most common metals in the world, used in a myriad of industries including automotive, packaging, construction, consumer products, and importantly for the utility world, conductors and transformers. It is an abundant element with very specific characteristics that make it irreplaceable for electrical use: it is paramagnetic, meaning it is weakly attracted to magnetic fields, but loses its magnetism once the field is removed. It is ductile and highly malleable, highly conductive, and—perhaps most importantly—infinitely recyclable. This last feature will play an important part in this analysis.

This versatile metal is of the utmost importance to the electric energy sector. It is used in virtually every aspect of our generation, transmission, and distribution systems across the country and around the world. Notably, for AEC, one of the primary areas of concern is our conductor supply.

Supply in the US

In the mid twentieth century, the US led the world in aluminum production. Smelters were usually collocated near hydropower installations to take advantage of the abundant and inexpensive electric energy available there. Aluminum is extremely energy intensive, requiring **17 MWh** per ton of finished product. A full smelter can use up to **11 TWh** per year (in kilowatt-hours, that is 11,000,000,000 kWh), or as much as an average city (Science Direct, n.d.). This energy intensity makes the recyclability of aluminum extremely important in the economics of producing a finished product.

Globalization, and the inevitable aging of the US smelter fleet, led to ore refinement and smelting being developed in other countries with abundant hydropower, such as Norway, Iceland, and Canada. By the early 2020s, only four primary smelters remained operational in the US. Domestic production fell to **700,000** tons per year while demand exceeded **five million tons** per year. Recycling expanded to supply roughly **72%** of domestic demand with imports (mostly from Canada) supplied the remaining **14%** (Barnard, 2025).

Tariffs

In early 2025, the US Federal administration sharply escalated tariffs on imported aluminum, citing national security, supply chain resilience, and domestic job protection. Section

232 tariffs[1] rose to 25% and then to 50% for most sources. The stated intent was straightforward. Higher prices would support domestic producers and encourage investment in new capacity. Tariffs would level the playing field and bring smelting back. This plan utterly failed. US imports of primary aluminum from Canada fell to just 268,000 tons in May, the lowest level since December 2022, as a direct result of US tariffs. Meanwhile, aluminum commodities' futures have reached highs not seen since the pandemic (see Figure 1).

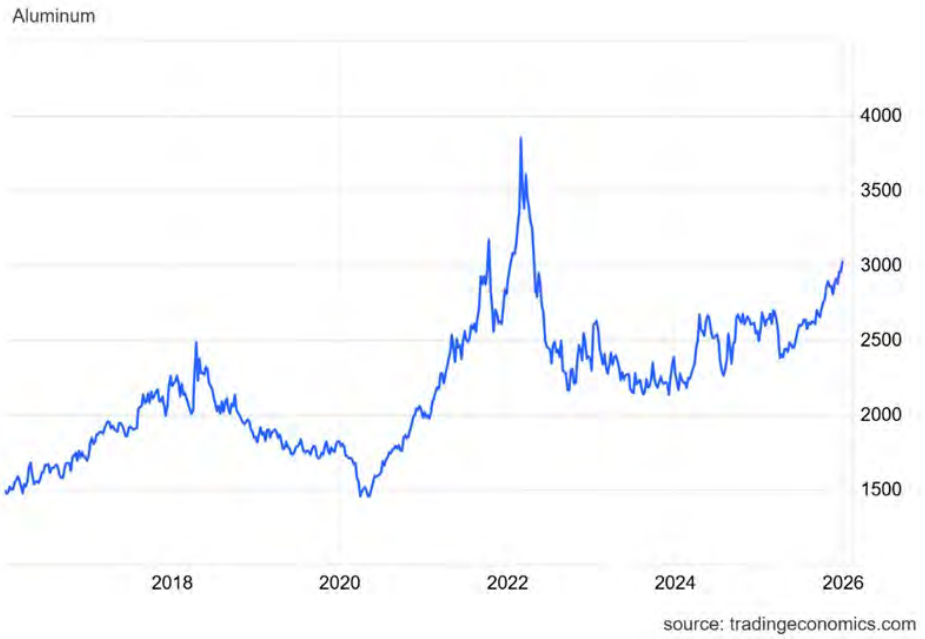


Figure 1: Aluminum futures, January 3, 2026

Economic impacts of an undersupplied market

Basic supply and demand logic would indicate that prices escalate when a shortage exists in the face of high demand. Figure 2 demonstrates not only the effects specific to the aluminum market in the US, but the disparity in per MWh price appetite between smelters and data centers (Barnard, 2025, see Figure 2). This price appetite will further restrict the development and competitiveness of domestic aluminum smelter operations.

[1] Section 232 tariffs are import duties on certain goods, like steel, aluminum, lumber, and auto parts, imposed under the Trade Expansion Act of 1962 to protect U.S. national security by addressing threats from imports, allowing the President to levy tariffs after Department of Commerce investigations, with ongoing actions covering various products and generating exemptions, exclusions, and ongoing legal/trade discussions (Council on foreign relations, n.d.).

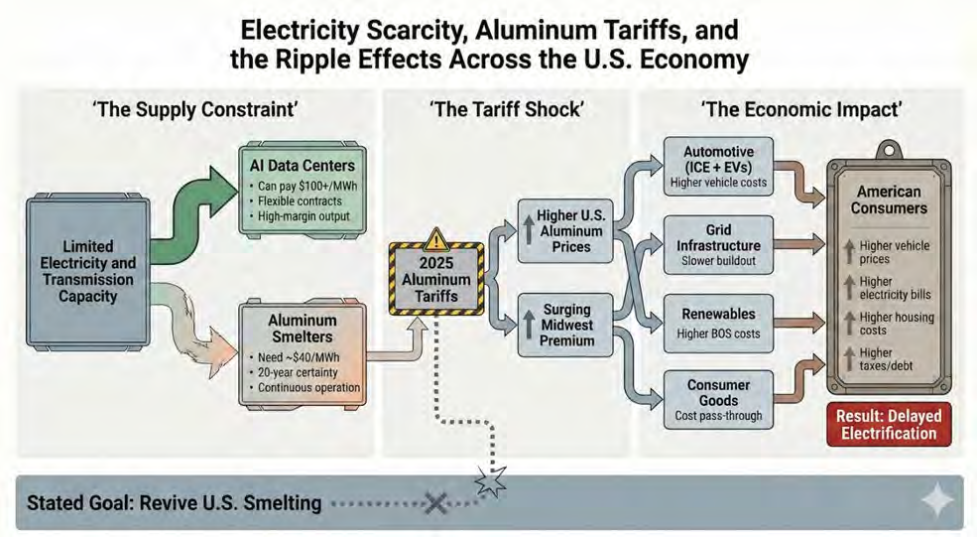


Figure 2: Economic impact of supply shortages

The projected increase in load for Artificial Intelligence (AI) oriented data centers nationwide is staggering. According to McKinsey & Company, AI will drive a 350% increase in global electricity demand over business-as-usual load increase by 2030 (Noffsinger & Sachdeva, 2025; see Figure 3).

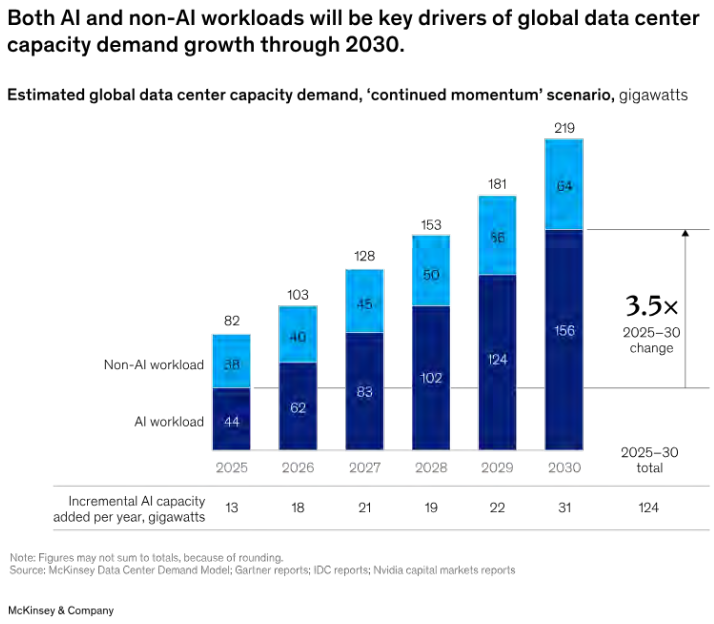


Figure 3: Projected load increase through 2030

The McKinsey study also states that "…companies across the compute power value chain will need to invest $5.2 trillion into data centers by 2030 to meet worldwide demand for AI alone."

This level of infrastructure investment, coupled with the willingness of data center loads to accept higher prices for electric energy, is forecast to impact retail electric rates in the wider electric markets. According to a report by Finance & Commerce (Press, TA, December 2025), the nation's grid is totally unprepared for this type of expansive increase in load due to a historic lack of investment in infrastructure, delays in existing projects, and a whipsaw of political agendas at the federal level that effectively destroy private investment due to regulatory uncertainties. Across the full spectrum, electricity prices are up nationally 7.4% and are expected to exceed inflation going forward.

Direct impact for AEC

With multiple factors involved in this developing situation, it is difficult to quantify the overall financial impact on the cooperative. To summarize, these are the competing issues:

- Price increases for any aluminum products, specifically conductor and related equipment, because of decreased availability
- Our inability to gain economy of scale in purchasing due to our small size
- Overall energy cost increases due to unstable market conditions in the merchant generator sector caused by AI installations

Historic conductor use

New installations, as well as existing system upgrades, drive our annual use of aluminum conductor. For the five-year period ending in 2025, we purchased approximately 266,000 feet of conductor, the total of which consisted of various sizes and configurations (see figure 4.)

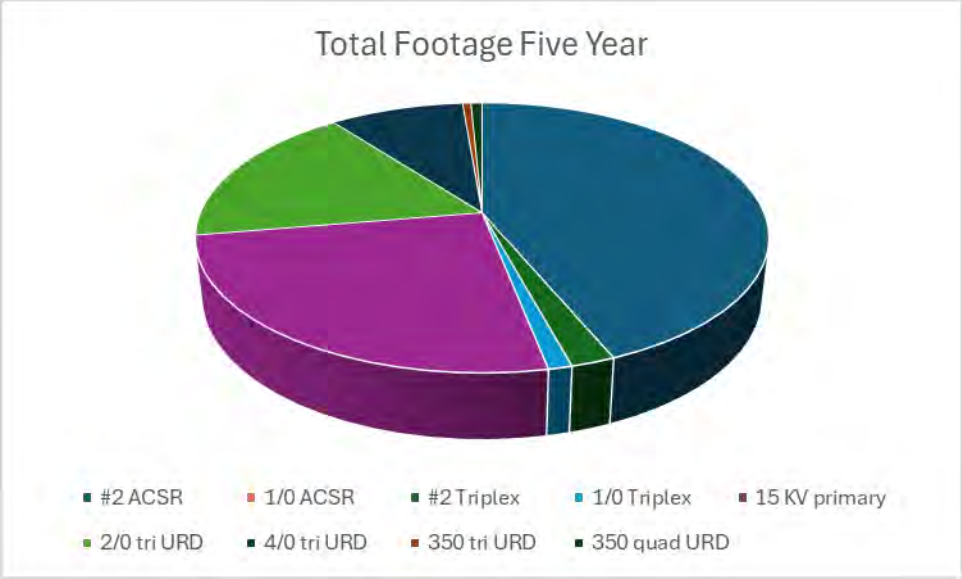


Figure 4: Total conductor purchases

The three largest types and sizes (by volume) coincide as most of the purchase cost for the same time period as shown in figure 5.



Figure 5: Total conductor purchased cost

For the last five years, our conductor purchases have totaled approximately $404,000. The size and quantity of each purchase vary with need; however, most of our expense is on overhead wire (#2 ACSR) and underground primary cable. This exposure puts us at risk for higher pricing and material shortages. According to industry investment house Morningstar, the following are areas of concern:

> *"-- The 50% tariffs on imported steel, aluminum, and copper directly threaten the ambitious agenda to upgrade and expand the U.S. power grid.*
> *-- Regulated utilities recover prudent costs from customers via rates, but a sudden surge in capital costs because of tariffs puts that cost recovery at risk.*
> *-- From a credit perspective, these tariffs introduce additional risk for utilities, and a layer of financial pressure that could weaken the financial performance of some issuers* (Morningstar DBRS, n.d.)*."*

Conclusion

While it remains unclear how extensive cost increases or material shortages will affect us, it is imperative that we remain diligent and sensitive to trends in the market and purchase essential items at quantity when and if necessary to prevent service disruptions for our members.

We must also continue to push for long-term stability in our energy market purchases through AEPCO. Our staff is committed to this effort and will remain involved in the drive to find more affordable and regulation compliant renewable resources to serve our load.

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MEMBER SERVICES REPORT JANUARY 2026

AEC Energy Efficiency Programs

AEC Rebate Program

$14,695 in rebates has been paid to 31 members in the AEC Energy Efficiency Program.

AEC Smart Thermostat Program

40 members are participating in this program with 52 smart thermostats installed. This month, members who participate in this program received their $100 bill annual bill credit.

Financial Assistance Programs

Thimble Club CCP Distributions

2024 $41,950.93 152 recipients

2025 $61,917.51 179 recipients – Final numbers for 2025

LIHEAP Distributions

The 2025 LIHEAP assistance to our members is $15,215 which has helped 25 co-op members. The average wait time to receive funds is approximately 4 to 6 weeks.

AEC Outreach Programs

FIND Food Distribution

The FIND Food Mobile Food Pantry will be held on Saturday, January 17, 2026.

Canned Food Drive

AEC is still distributing emergency food boxes to qualified local residents.

Other Business

2026 AEC Board of Director Election

There are three seats open this year, one seat in each district. Candidate Petitions will open on Tuesday, February 24th. The deadline to have petitions turned in is end of business day on May 25, 2026.

AEC Celebrates 75 Years!



You will see a lot of this logo this year, as AEC celebrates 75 years! You can order shirts with the logo from Lands End. We also have a "special" t-shirt coming for annual meeting.

Member Statistics

December 2025		**January 2026**	
District 1	1,350	District 1	1,357
District 2	1,358	District 2	1,357
District 3	1,395	District 3	1,394
Total	**4,103**	**Total**	**4,108**

Telecommunications Manager Report

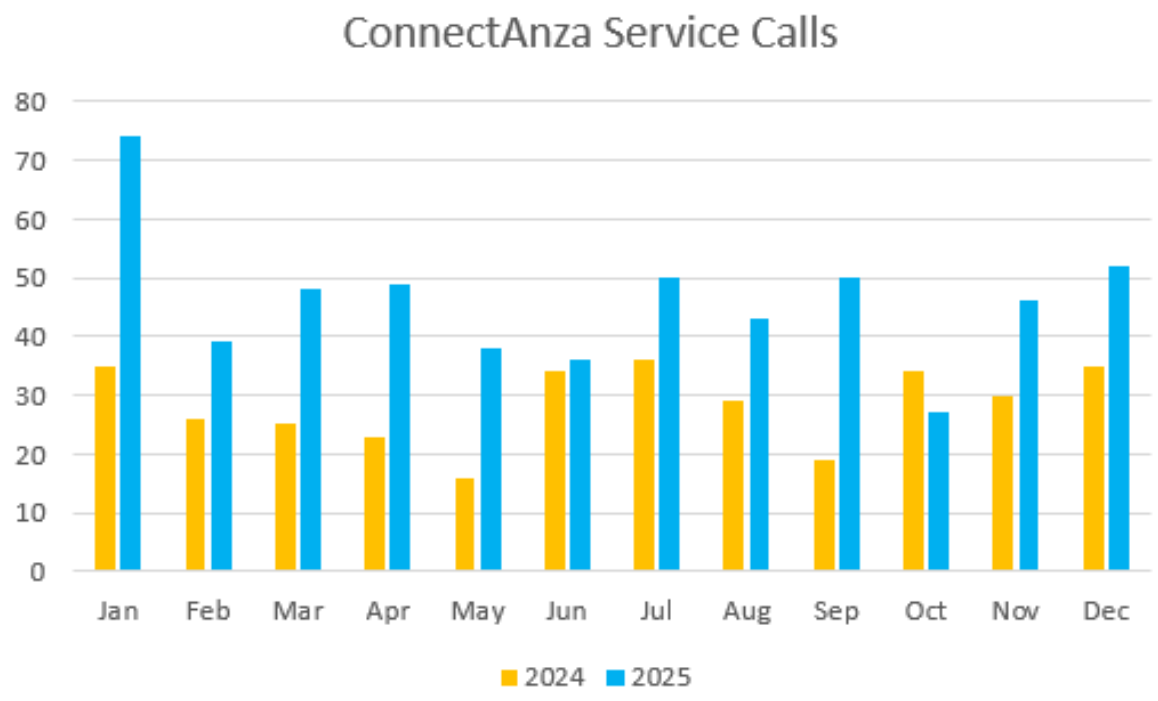
January 2026

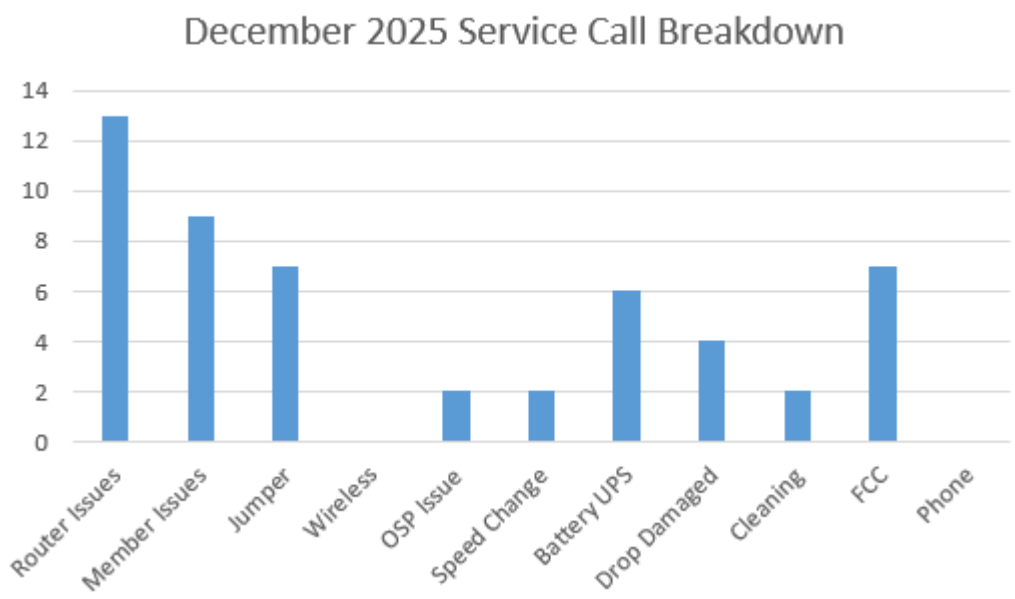
ConnectAnza Subscriber Connections Update

December 2025:

- 14 New Subscriber Installations.
- 12 Churn Connects.
- 26 Disconnects.

No net change to subscriber count.





Reliability

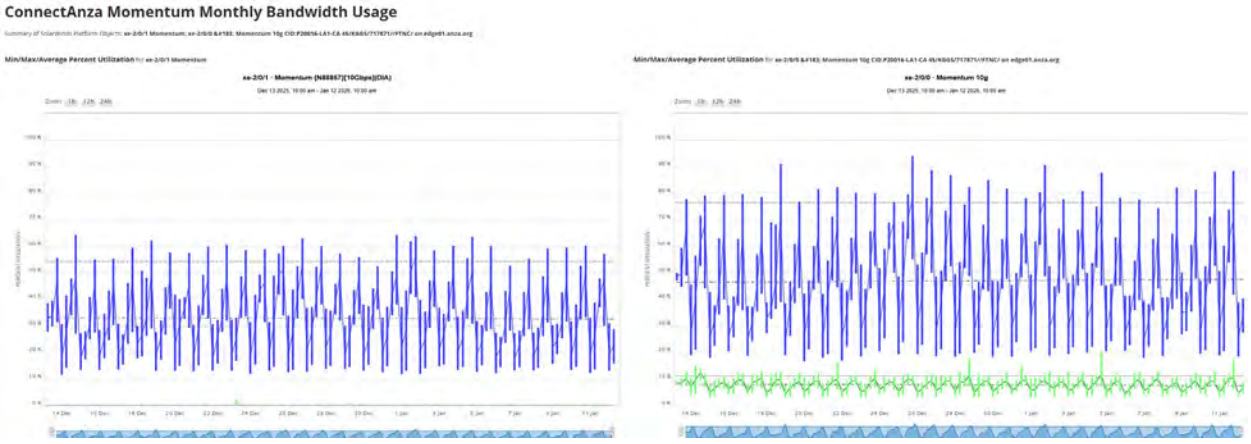
Significant OSP Damage

Date	Duration	Start	End	Members Affected	Cause
12/1/2025	20 Hrs	2pm	10am	2	Woodpecker damage.
12/9/2025	21 Hours	4pm	1pm	1	Cahuilla Quarry truck hit line.

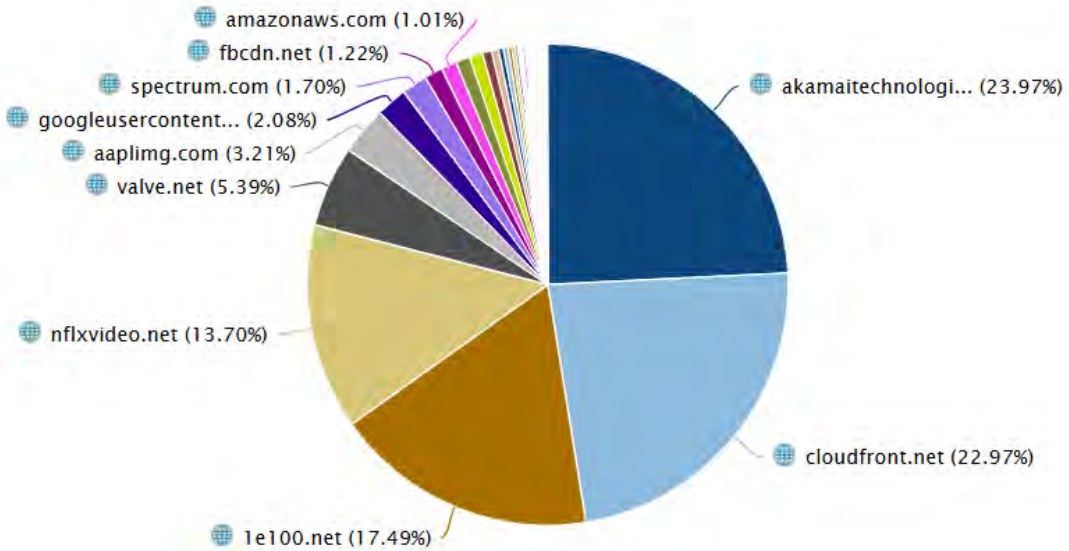
Total System Uptime for the Month: **100%**

*Uptime is calculated by the minute and is a measure of internet availability on the total ConnectAnza system, exclusive of individual member outages.

Bandwidth Usage Past 30 Days



Top 10 Domains for the Month



Operations Report

Anza Electric Cooperative, Inc. – December 2025

Safety Meetings

Dates	Topic	Presenter
12/04/2025	Hot Sticking Tips	Brian A.
12/11/2025	Flagger Certification (In-Person)	Marsden Safety Training
12/18/2025	Climbing	Isaac T.
12/24/2025	General Linework Safety	James Z.
12/31/2025	Dangers of Working in High Winds	Brian A.

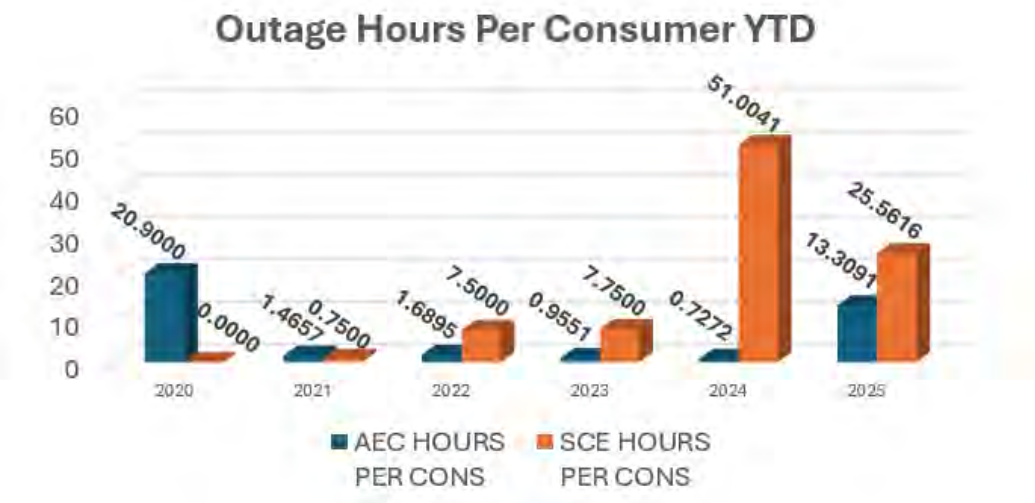
As we enter the peak times for Santa Ana wind events, there were several key topics discussed. It was a friendly reminder to the field personnel about the operational limitations our aerial lifts have when operating in high wind events. Field personnel were able to hold open discussions and share safety practices when working alongside each other. A primary topic was the importance of utilizing the length of an entire hot stick when climbing. As the apprentices get experienced to live line work, we remind them "short sticking" is to be avoided because it defeats the purpose of the insulating distance between the worker's body and an energized line.

Lost Time Due to Accidents

0 Hours

Outages Hours Per Consumer

Power Supply (SCE)	0.0000
Severe Weather	0.0000
Planned Outages	0.0000
Other	0.0162
Month Total	0.0162 hours per consumer



Outages

No major outages to report for this month.

Other Business

- Federated Rural Electric Insurance Exchange performed their annual on-site visit and conducted a general walk-through to include a field visit. They specifically commented on how impressed they were with our inspection process and the extent of detail it all includes. During the field visit, they observed the crew during a pole changeout and highlighted how they were immediately presented with a tail board prior to entering the work zone. Last, their Safety & Loss Prevention Consultant was able to get us set up with their S.A.F.E. application which aims to enhance safety culture and improve job planning for electric cooperative workers.

- Marsden Safety provided Traffic Control Flagger training for all field personnel. With thorough instruction covering the California Manual on Uniform Traffic Control Devices (CA MUTCD), “Temporary Traffic Control” and proper demonstration in flagging, everyone received a 3-year certification.

Engineering Report

New Services Completed This Month

3

Line Length Added to AEC Distribution

	This Month	Year to Date	Total
Primary	18’	1496’	589 Miles
Secondary	654’	3354’	164 Miles
Total Plant			753 Miles

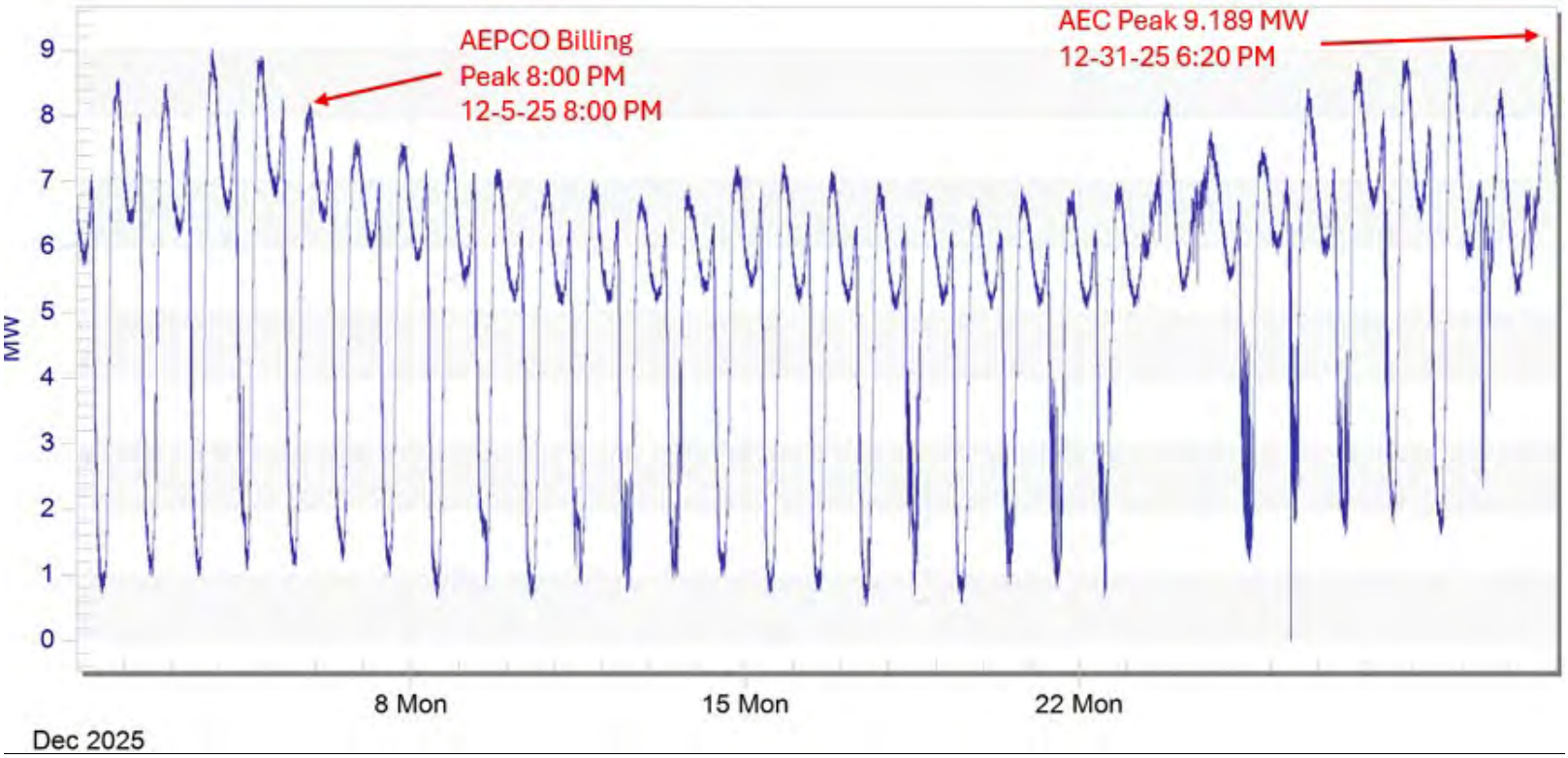
Short-Term Job Forecast

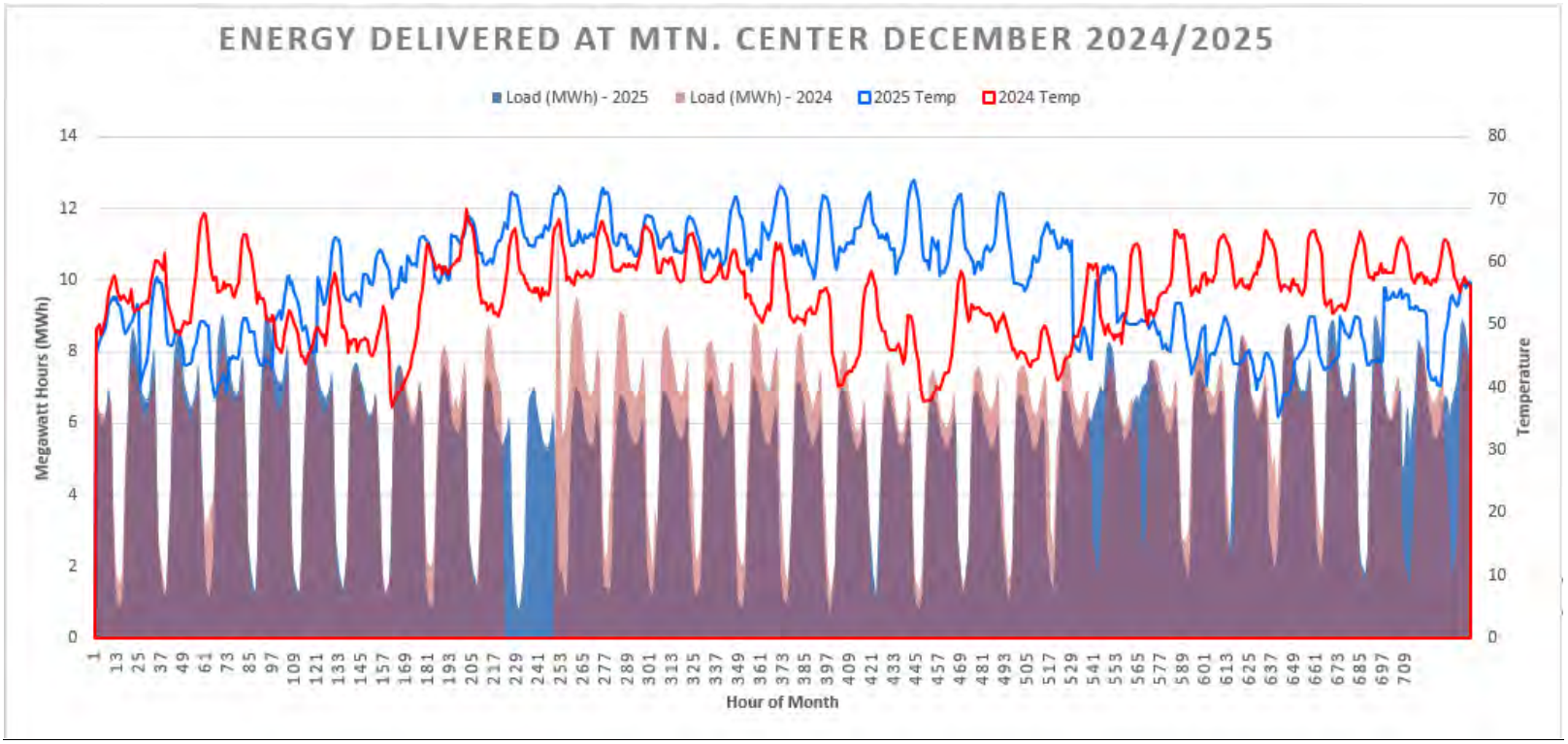
Approximately 4 jobs will be ready for construction in the next 2 months.

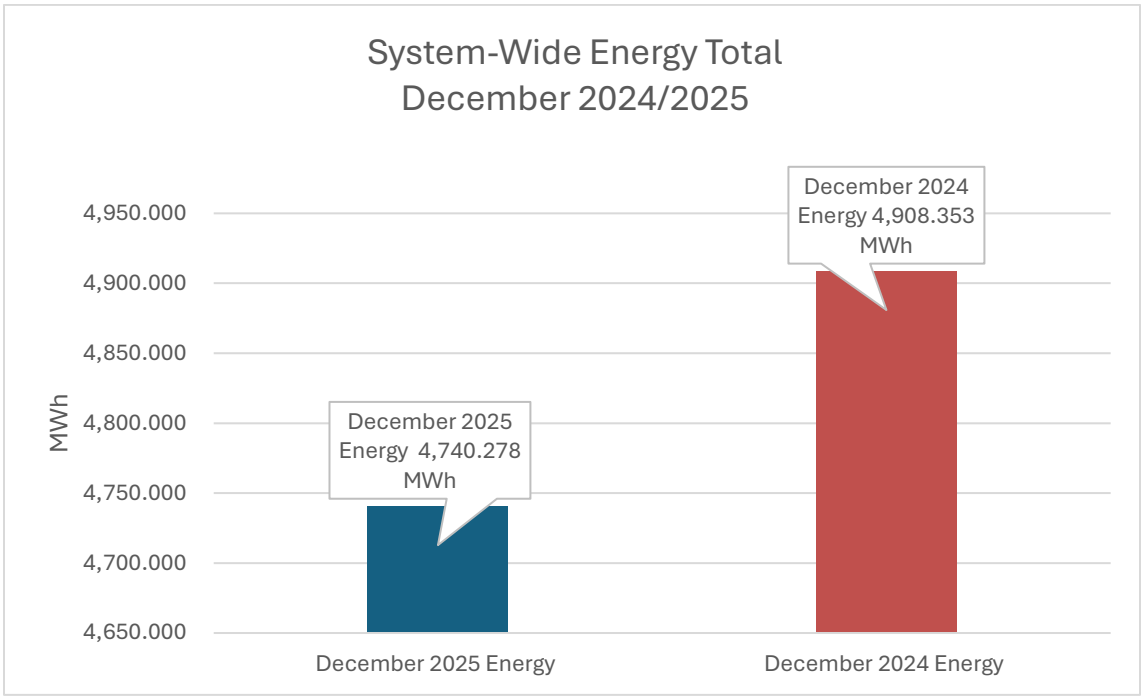
Long-Term New Job Forecast

The long-term forecast projects approximately 30 new jobs expected to be ready for construction within the next year.

Mountain Center Peak (19MW Max)




ENERGY DELIVERED AT MTN. CENTER DECEMBER 2024/2025
Load (MWh) - 2025
Load (MWh) - 2024
2025 Temp
2024 Temp
Megawatt Hours (MWh)
Temperature
Hour of Month


System-Wide Energy Total
December 2024/2025
MWh
4,950.000
4,900.000
4,850.000
4,800.000
4,750.000
4,700.000
4,650.000
December 2025 Energy 4,740.278 MWh
December 2024 Energy 4,908.353 MWh
December 2025 Energy
December 2024 Energy

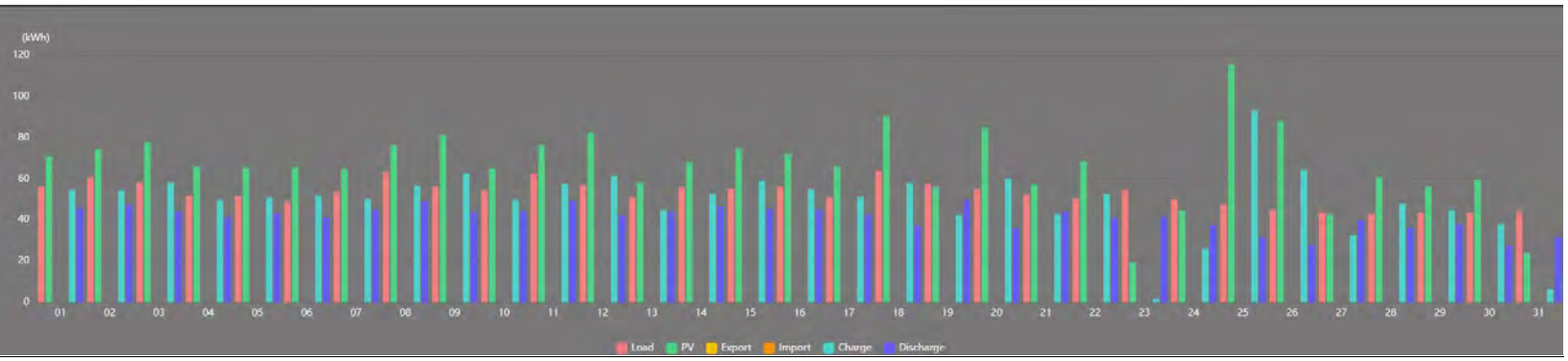
Other Business

- Circuit 1100 – To date, approximately 30 poles have been changed out on Circuit 1100. Baldy is approaching the completion of the first wire pulling section and will begin pulling wire in that section within the next month.
- All detailed inspections were completed by December 31st, maintaining compliance with GO165 regulations and setting the foundation to our new inspection structure. In all, 4188 items were identified as needing follow up repairs ranging in priority from immediate to a two-year follow up timeframe.
- All solar inverters were operational throughout the month and continue to operate within normal limits.

2025 Year-End Stats

Ductile Iron Poles Installed – 163
New Services Installed – 21
Service Upgrades – 16
Fires Requiring Work Orders – 3
Pole Changes Due to Fire – 44
Primary Underground Burnouts – 3
Primary Dig-Ins – 2
Secondary Burnouts – 5
Secondary Dig-Ins – 1
Work Orders Completed – 163
Max Import at Mountain Center – 13.53 MW (August 21, 6:00 PM)
Min Import at Mountain Center - .39 MW (May 14, 1:00 PM)
New Behind the Meter (BTM) Solar Installs – 19 (Approximately 152 kWDC)
Miles of New Line Installed – OH Primary – 0
URD Primary - .3 miles
OH Secondary - .02 miles
URD Secondary - .61 miles

Deep Canyon



The Deep Canyon microgrid continues to operate exceptionally without any notable anomalies.

Anza Electric Cooperative, Inc.

A Touchstone Energy® Cooperative

ConnectAnza
Internet. At the speed of light.

OPERATING STATEMENT
and
VARIANCE REPORT
with
Actual / Budget / Prior Year Comparison

for period December 31, 2025

January 22, 2026

Public reporting burden for this collection of information is estimated to average 17 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Agriculture, Clearance Officer, OIRM, AG Box 7630, Washington, DC 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB # 0572-0032), Washington, DC 20503, OMB FORM NO. 0572-0032, Expires 06/30/1998.

This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et seq.) and is not confidential.

UNITED STATES DEPARTMENT OF AGRICULTURE

FINANCIAL AND STATISTICAL REPORT

Anza Electric Cooperative, Inc. and ConnectAnza

INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2

This data will be used by RUS ti review your financial situation. Your response is required (7 U.S.C. 901 et,seq.) and may be confidential.

BORROWER DESIGNATION
California 41 Anza

PERIOD ENDED
DECEMBER 2025

BORROWER NAME AND ADDRESS
Anza Electric Cooperative, Inc.
P.O. Box 391909
Anza, CA 92539

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United State Code Section 1001.

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

DURING THE PERIOD COVERED BY THIS REPORT PURSUSANT TO PART 1718 OF 7 CFR CHAPTER XVII
(check one of the following)

[X] All of the obligations under the RUS loan documents have been fulfilled in all material respects.

[ ] There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT	DATE	SIGNATURE OF MANAGER OR APPROPRIATE TITLE	DATE

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR - TO - DATE			THIS MONTH
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	(d)
1. Operating Revenue and Patronage Capital	16,962,656	16,444,826	18,644,161	1,277,383
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	6,377,763	4,781,393	6,553,051	362,587
4. Transmission Expense	45,602	50,627	52,377	4,431
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	2,016,428	2,202,218	1,951,703	237,608
7. Distribution Expense - Maintenance	574,638	1,250,800	781,231	177,646
8. Consumer Accounts Expense	1,388,959	1,375,036	1,126,858	128,379
9. Customer Service and Information Expense	438,345	541,667	486,099	18,261
10. Sales Expense	0	0	0	0
11. Administration and General Expense	2,783,335	2,630,064	3,043,296	259,299
12. Total Operation & Maintenance Expense (2-11)	13,625,069	12,831,805	13,994,616	1,188,211
13. Depreciation and Amortization Expense	1,730,914	1,754,842	1,823,356	147,315
14. Tax Expense - Property	0	0	0	0
15. Tax Expense - Other	37,803	30,347	38,400	1,623
16. Interest on Long - Term Debt	972,315	1,184,323	1,106,035	119,947
17. Interest Charged to Construction - Credit	0	0	0	0
18. Interest Expense - Other	23,656	53,824	0	0
19. Other Deductions	0	0	0	0
20. Total Cost of Service (12-19)	16,389,758	15,855,140	16,962,406	1,457,096
21. Patronage Capital & Operating Margins (1-20)	572,898	589,686	1,681,753	-179,713
22. Non Operating Margins - Interest	266,012	33,974	20,000	877
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0
25. Non Operating Margins - Other	318,544	100,606	0	-36,976
26. Generation & Transmission Capital Credits	0	71,498	40000	0
27. Other Capital Credits and Patronage Dividends	79,078	98,620	75000	0
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21-28)	1,236,532	894,384	1,816,753	-215,812

USDA - RUS	BORROWER DESIGNATION
FINANCIAL AND STATISTICAL REPORT	California 41 Anza
Anza Electric Cooperative, Inc. and ConnectAnza	PERIOD ENDED
INSTRUCTIONS - See RUS Bulletin 1717B-2	**DECEMBER 2025**

ITEM	YEAR-TO-DATE: AEC / CA LAST YEAR (a)	YEAR-TO-DATE: AEC / CA THIS YEAR (b)	ITEM	YEAR-TO-DATE: AEC / CA LAST YEAR (a)	YEAR-TO-DATE: AEC / CA THIS YEAR (b)
1. New Services Connected	25 / 166	13 / 137	5. Miles Transmission	25 / 0	25 / 0
2. Services Retired	0 / 0	0 / 0	6. Miles Distribution - Overhead : CA Estimated	503 / 571	503 / 571
3. Total Services in Place Electric and Fiber Optic	5413 / 3690	5426 / 3827	7. Miles Distribution - Underground : CA Estimated	235 / 27	236 / 27
4. Idle Services (Exclude Seasonals)	598 / 696	630 / 751	8. Total Miles Energized (5+6+7) : CA Estimated	763 / 598	764 / 598

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility & Fiber Plant in Service	55,548,837	30. Membership	935
2. Construction Work in Progress	9,945,387	31. Patronage Capital	15,524,964
3. Total Utility & Fiber Plant (1 + 2)	65,494,225	32. Operating Margins - Prior Years	0
4. Accum. Provision for Depreciation & Amort.	24,812,096	33. Operating Margins - Current Year	582,234
5. Net Utility Plant (3 - 4)	40,682,128	34. Non Operating Margins	304,698
6. Nonutility Property - Net	0	35. Other Margins and Equities	1,967,679
7. Investments in Subsidiary Companies	0	36. Total Margins & Equities (30 thru 35)	18,380,510
8. Invest in Assoc. Org. - Patronage Capital	4,900,655	37. Long - Term Debt ~~RUS~~ (Net)	16,393,633
9. Invest in Assoc. Org. - General Funds	147,877	38. Long - Term Debt - FFB - RUS Guaranteed	0
10. Invest in Assoc. Org. - Nongeneral Funds	128,932	39. Long - Term Debt - Other - RUS Guaranteed	0
11. Invest in Economic Development Projects	0	40. Long - Term Debt Other (Net)	13,396,846
12. Other Investments	250	41. Long - Term Debt - RUS - Econ Dev (Net)	0
13. Special Funds	330,465	42. Payments - Unapplied	0
14. Total Other Property & Invest. (6 thru 13)	5,508,179	43. Total Long-Term Debt (37 thru 41 - 42)	29,790,479
15. Cash - General Funds	1,679,489	44. Obligations Under Capital Leases - Noncurrent	425,289
16. Cash - Construction Funds - Trustee	0	45. Accumulated Operating Provisions	840,662
17. Special Deposits	0	46. Total Other Noncurrent Liabilities (44 + 45)	1,265,950
18. Temporary Investments	789,323	47. Notes Payable	0
19. Notes Receivable - Net	0	48. Accounts Payable	8,556,381
20. Accounts Recvble - Net Sales of Energy & Fiber	569,736	49. Consumer Deposits	1,231,555
21. Accounts Receivable - Net Other	8,085,036	50. Current Maturities Long-Term Debt	0
22. Renewable Energy Credits	0	51. Current Maturities Long-Term Debt	0
23. Materials & Supplies - Electric & Other	1,961,890	-Economic Development	0
24. Prepayments	180,222	52. Current Maturities Capital Leases	0
25. Other Current & Accrued Assets	1,594	53. Other Current and accrued Liabilities	661,859
26. Total Current & Accrued Assets (15 thru 25)	13,267,291	54. Total Current & Accrued Liabilities (47 thru 53)	10,449,794
27. Regulatory Assets	0	55. Regulatory Liabilities	0
28. Other Deferred Debits	814,675	56. Other Deferred Credits	385,541
29. Total Assets & Other Debits (5+14+26 thru 28)	60,272,273	57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	60,272,273

PART D. NOTES TO FINANCIAL STATEMENTS

THIS SPACE IS PROVIDED FOR IMPORTANT DISCLOSURE NOTES TO THE FINANCIAL STATEMENTS CONTAINED IN THIS REPORT. (A SEPARATE SHEET MAY BE USED IF ADDITIONAL SPACE IS NEEDED.

ANZA ELECTRIC COOPERATIVE AND CONNECTANZA COMBINED

LINES 21 AND 48 INCLUDE INTERDIVISION TRANSACTIONS.

DECEMBER 2025

CONSUMER STATISTICS

	2023	2024	2025
AEC NO. BILLED THIS MONTH	4,820	4,815	4,796
AEC NO. BILLED LAST MONTH	4,887	4,846	4,814
AVG. RESIDENTIAL KWH USED	910	742	694
AVG. RESIDENTIAL ELECTRIC BILL	242	$ 214	$ 187
TOTAL AVG. KWH USED	1032	876	822
TOTAL AVG. ELECTRIC BILL	274	$ 254	$ 222
NO. MINIMUM ELECTRIC BILLS	159	160	158
CA NO. BILLED THIS MONTH	2945	2994	3076
CA NO. BILLED LAST MONTH	2916	3001	3077
AVG. RESIDENTIAL INTERNET BILL	58	$ 58	$ 59
AVG. TOTAL INTERNET BILL	63	$ 63	$ 63

ESTIMATED CONT-IN-AID OF CONSTRUCTION: AEC

BALANCE BEGINNING OF YEAR	4,644,727.31
AMOUNTS RECEIVED THIS YEAR (NET)	89,022.42
TOTAL CONT-IN-AID OF CONSTRUCTION	4,733,749.73

USDA - RUS

FINANCIAL AND STATISTICAL REPORT

Anza Electric Cooperative, Inc. and ConnectAnza

BORROWER DESIGNATION

California 41 Anza

MONTH ENDING

DECEMBER 2025

RUS USE ONLY

USING COMBINED BALANCE SHEET

Current Assets to Current Liabilities Ratio	1.270
Margins & Equities as % of Assets	30.496
Long Term Debt as % of Plant	45.486

PART D. CONSUMER SALES AND REVENUE DATA

CLASS OF SERVICE	THIS MONTH					YEAR-TO-DATE		
	No. Receiving Svc. AEC	CA	kWh Sold	Amount AEC & CA Combined	No. Minimum Bills	Avg. No. Receiving Serv.	kWh Sold Cumulative	Amount Cumulative
	a		b	c	d	e	f	g
1. Residential Sales (excl seas.)	4,435	2,947	3,076,228	1,002,116	137	7,353	38,652,345	12,612,885
2. Residential Sales Seasonal								
3. Irrigation Sales	9		12,888	4,942	10	9	293,689	93,775
4. Comm. & Ind. - 50kVA or less	330	104	402,591	123,879	11	430	5,777,504	1,742,517
5. Comm. & Indus. - over 50kVA	20	16	447,948	122,734		36	5,623,729	1,569,372
6. Public St. & Highway Lighting								
7. Other Sales to Public Auth.	2	9	1,479	436		9	17,207	5,335
8. Fiber Rev. Contra - Service, PD				0				0
9. Sales - VOIP			347 LINES	6,846				83,987
10. Total Sales of Fiber & Electric				0				0
Energy (1 thru 9)	4,796	3,076	3,941,134	1,260,954	158	7,837	50,364,474	16,107,871
11. Other Electric Revenue				16,429				336,958
12. Total (10 + 11)				1,277,383				16,444,828

PART E. kWH AND kW STATISTICS: ANZA ELECTRIC COOPERATIVE ONLY

ITEM	THIS MONTH a	YEAR-TO-DATE b		THIS MONTH a	YEAR-TO-DATE b
1. SR SOLAR kWh Generated	134,492	2,012,949	6. Office Use	12,522	152,661
2. kWh Purchased-AEPCO	4,069,645	46,449,244	7. Total Unaccounted For		
3. Net SA Solar kWh Purchased	536,584	7,668,516	(4 Less 5 & 6)	777,065	5,493,574
4. Total kWh (1 thru 3)	4,740,721	56,130,709	8. Percent System Loss	16.391	9.787
			9. Maximum Demand (kW)	9,090	13,428
5. Total kWh - Sold	3,941,134	50,364,474	10. Month When Maximum Demand Occurred		8

RUS Form 7 Computer Generated Form

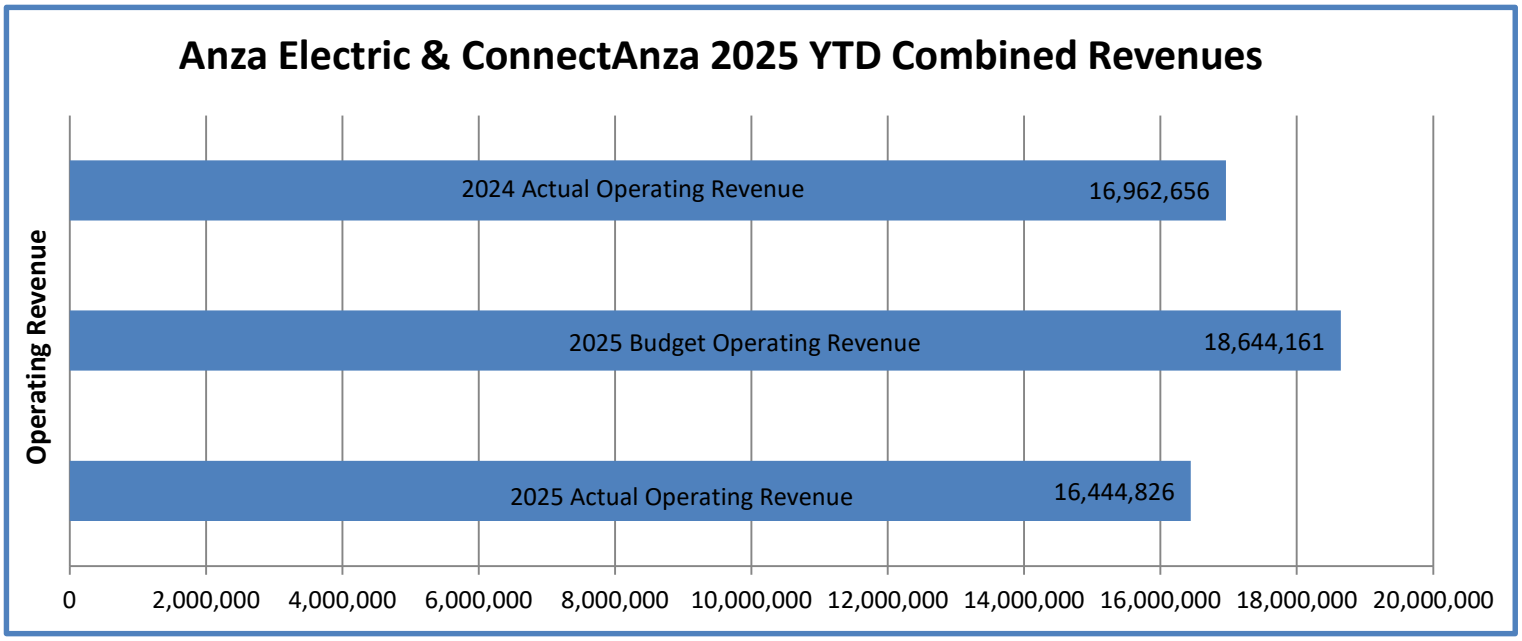
Anza Electric Cooperative, Inc.

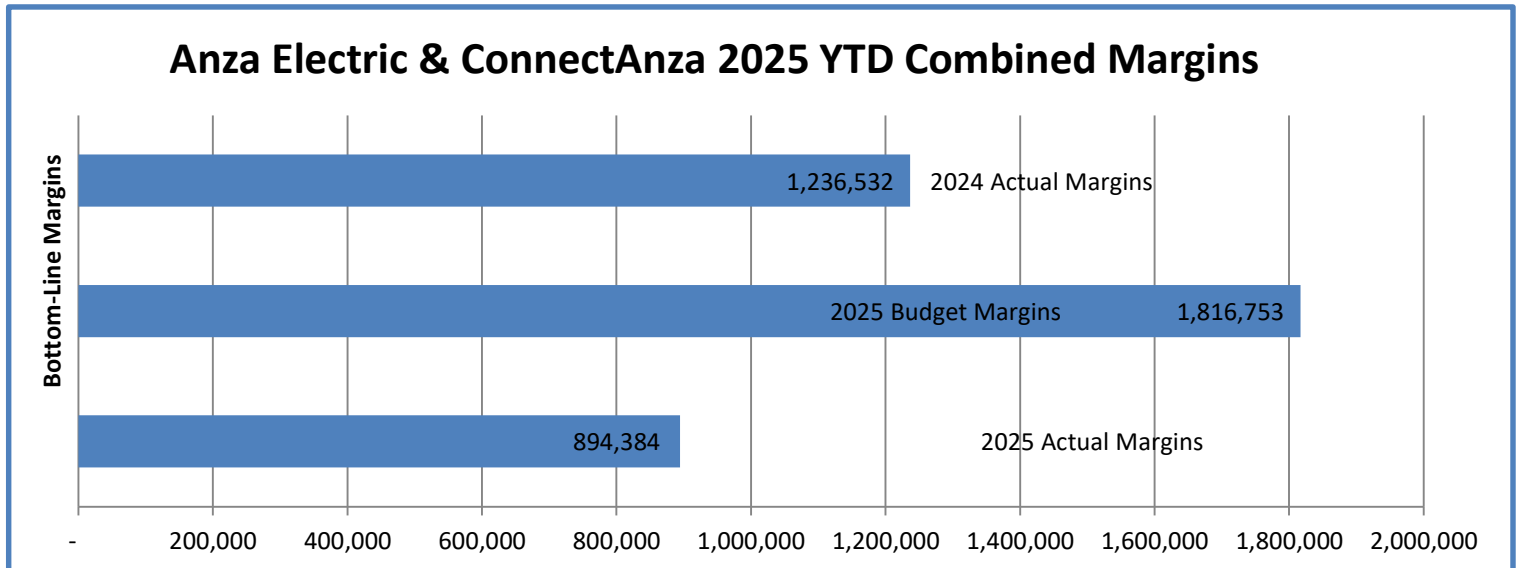
A Touchstone Energy® Cooperative

ANZA ELECTRIC COOPERATIVE, INC.
ACTUAL / BUDGET / PRIOR YEAR COMPARISON
for period ending December 31, 2025

ConnectAnza
Internet. At the speed of light.

Form 7 F-7 Line #	Item	2025 Y-T-D Actual $ from Form 7	2025 Y-T-D Budget $	Y-T-D Difference Between 2025 Actual & Budget	% of Budget	2024 Y-T-D Actual $ from Form 7	Y-T-D Difference Between 2025 & 2024 Actual $	% of Actual
Line 1	Operating Revenue	16,444,826	18,644,161	(2,199,335)	88%	16,962,656	(517,830)	97%
Line 3	Purchased Power	4,781,393	6,553,051	(1,771,658)	73%	6,377,763	(1,596,370)	75%
Line 4	Transmission Expense	50,627	52,377	(1,750)	97%	45,602	5,025	111%
Line 6	Distribution Expense - Operations	2,202,218	1,951,703	250,515	113%	2,016,428	185,790	109%
Line 7	Distribution Expense - Maintenance	1,250,800	781,231	469,569	160%	574,638	676,162	218%
Line 8	Consumer Accts Expense	1,375,036	1,126,858	248,178	122%	1,388,959	(13,923)	99%
Line 9	Customer Service & Information Expense	541,667	486,099	55,568	111%	438,345	103,322	124%
Line 11	Administrative & General Expense	2,630,064	3,043,296	(413,232)	86%	2,783,335	(153,271)	94%
Line 13	Depreciation Expense	1,754,842	1,823,356	(68,514)	96%	1,730,914	23,928	101%
Line 15	Tax Expense	30,347	38,400	(8,053)	79%	37,803	(7,456)	
Line 16	Interest Long Term Debt Expense	1,184,323	1,106,035	78,288	112%	972,315	212,008	124%
Line 18	Interest Expense - Other (Short-term)	53,824	-	53,824		23,656	30,168	
Line 19	Other Deductions	-	-	0		-	0	
Line 21	Operating Margins	589,686	1,681,753	(1,092,067)	35%	572,898	16,788	103%
Line 22	Non-Operating Margins - Interest Income	33,974	20,000	13,974	170%	266,012	(232,038)	13%
Line 25	Non-Operating Margins - Other	100,606	0	100,606		318,544	(217,938)	
Line 26	Gen & Trans Cap Credits	71,498	40,000	31,498		0	71,498	
Line 27	Other Cap Credits & Patronage Div'ds	98,620	75,000	23,620		79,078	19,542	
Line 29	Margins	894,384	1,816,753	(922,369)	49%	1,236,532	(342,148)	72%
	kWh sold	50,364,474	60,000,000	(9,635,526)	84%	58,194,049	(7,829,575)	87%
	kWh purchased (Mtn Ctr, SunAnza & Santa Rosa)**	56,130,709	65,999,999	(9,869,290)	85%	64,644,228	(8,513,519)	87%
	Operating TIER:	**1.50**	(KRTA Ratio 8: Indicates ability to generate operations earnings to cover long term interest expenses)					
	Bottom-Line TIER:	**1.76**	**2.64**			**2.27**		


Anza Electric & ConnectAnza 2025 YTD Combined Revenues
Operating Revenue
2024 Actual Operating Revenue
16,962,656
2025 Budget Operating Revenue
18,644,161
2025 Actual Operating Revenue
16,444,826
0
2,000,000
4,000,000
6,000,000
8,000,000
10,000,000
12,000,000
14,000,000
16,000,000
18,000,000
20,000,000


Anza Electric & ConnectAnza 2025 YTD Combined Margins
Bottom-Line Margins
1,236,532
2024 Actual Margins
2025 Budget Margins
1,816,753
894,384
2025 Actual Margins
-
200,000
400,000
600,000
800,000
1,000,000
1,200,000
1,400,000
1,600,000
1,800,000
2,000,000

Anza Electric Cooperative, Inc.

A Touchstone Energy® Cooperative

OPERATING STATEMENT
and
VARIANCE REPORT
with
Actual / Budget / Prior Year Comparison

for period ending December 31, 2025

January 22, 2026

Public reporting burden for this collection of information is estimated to average 17 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Agriculture, Clearance Officer, OIRM, AG Box 7630, Washington, DC 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB # 0572-0032), Washington, DC 20503, OMB FORM NO. 0572-0032, Expires 06/30/1998.

This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et seq.) and is not confidential.

UNITED STATES DEPARTMENT OF AGRICULTURE

FINANCIAL AND STATISTICAL REPORT

Anza Electric Cooperative, Inc. only

INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2

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BORROWER DESIGNATION
California 41 Anza

PERIOD ENDED
DECEMBER 2025

BORROWER NAME AND ADDRESS
Anza Electric Cooperative, Inc.
P.O. Box 391909
Anza, CA 92539

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United State Code Section 1001.

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

DURING THE PERIOD COVERED BY THIS REPORT PURSUSANT TO PART 1718 OF 7 CFR CHAPTER XVII
(check one of the following)

[X] All of the obligations under the RUS loan documents have been fulfilled in all material respects.

[ ] There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT	DATE	SIGNATURE OF MANAGER OR APPROPRIATE TITLE	DATE

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR - TO - DATE			THIS MONTH
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	(d)
1. Operating Revenue and Patronage Capital	14,594,014	14,031,091	16,241,638	1,077,160
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	6,187,717	4,591,286	6,326,251	347,901
4. Transmission Expense	45,602	50,627	52,377	4,431
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	1,622,469	1,827,114	1,518,916	202,487
7. Distribution Expense - Maintenance	555,434	1,247,903	735,296	176,506
8. Consumer Accounts Expense	1,360,174	1,335,550	1,092,068	123,742
9. Customer Service and Information Expense	149,866	149,411	277,302	-17,763
10. Sales Expense	0	0	0	0
11. Administration and General Expense	2,462,804	2,212,148	2,660,540	209,463
12. Total Operation & Maintenance Expense (2-11)	12,384,066	11,414,039	12,662,751	1,046,766
13. Depreciation and Amortization Expense	1,265,850	1,271,452	1,340,821	106,848
14. Tax Expense - Property	0	0	0	0
15. Tax Expense - Other	128	248	0	0
16. Interest on Long - Term Debt	888,789	1,114,737	1,036,141	114,578
17. Interest Charged to Construction - Credit	0	0	0	0
18. Interest Expense - Other	23,656	53,824	0	0
19. Other Deductions	0	0	0	0
20. Total Cost of Electric Service (12-19)	14,562,489	13,854,299	15,039,712	1,268,192
21. Patronage Capital & Operating Margins (1-20)	31,525	176,792	1,201,925	-191,032
22. Non Operating Margins - Interest	266,012	33,974	20,000	877
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0
25. Non Operating Margins - Other	318,544	100,606	0	-36,976
26. Generation & Transmission Capital Credits	0	71,498	40,000	0
27. Other Capital Credits and Patronage Dividends	79,078	98,620	75,000	0
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21-28)	695,159	481,490	1,336,925	-227,131

USDA - RUS FINANCIAL AND STATISTICAL REPORT Anza Electric Cooperative, Inc. only	BORROWER DESIGNATION California 41 Anza PERIOD ENDED **DECEMBER 2025**
INSTRUCTIONS - See RUS Bulletin 1717B-2	

ITEM	YEAR-TO-DATE LAST YEAR (a)	YEAR-TO-DATE THIS YEAR (b)	ITEM	YEAR-TO-DATE LAST YEAR (a)	YEAR-TO-DATE THIS YEAR (b)
1. New Services Connected	25	13	5. Miles Transmission	25	25
2. Services Retired	0	0	6. Miles Distribution - Overhead	503	503
3. Total Services in Place	5413	5426	7. Miles Distribution - Underground	235	236
4. Idle Services (Exclude Seasonals)	598	630	8. Total Miles Energized (5+6+7)	763	764

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	43,199,682	30. Membership	935
2. Construction Work in Progress	8,957,611	31. Patronage Capital	15,417,650
3. Total Utility Plant (1 + 2)	52,157,293	32. Operating Margins - Prior Years	0
4. Accum. Provision for Depreciation & Amort.	21,558,559	33. Operating Margins - Current Year	176,792
5. Net Utility Plant (3 - 4)	30,598,734	34. Non Operating Margins	304,698
6. Nonutility Property - Net	0	35. Other Margins and Equities	1,967,679
7. Investments in Subsidiary Companies	0	36. Total Margins & Equities (30 thru 35)	17,867,753
8. Invest in Assoc. Org. - Patronage Capital	4,900,655	37. Long - Term Debt ~~RUS~~ (Net)	16,393,633
9. Invest in Assoc. Org. - General Funds	147,877	38. Long - Term Debt - FFB - RUS Guaranteed	0
10. Invest in Assoc. Org. - Nongeneral Funds	128,932	39. Long - Term Debt - Other - RUS Guaranteed	0
11. Invest in Economic Development Projects	0	40. Long - Term Debt Other (Net)	11,951,258
12. Other Investments	250	41. Long - Term Debt - RUS - Econ Dev (Net)	0
13. Special Funds	330,465	42. Payments - Unapplied	0
14. Total Other Property & Invest. (6 thru 13)	5,508,179	43. Total Long-Term Debt (37 thru 41 - 42)	28,344,891
15. Cash - General Funds	1,679,489	44. Obligations Under Capital Leases - Noncurrent	425,289
16. Cash - Construction Funds - Trustee	0	45. Accumulated Operating Provisions	840,662
17. Special Deposits	0	46. Total Other Noncurrent Liabilities (44 + 45)	1,265,950
18. Temporary Investments	789,323	47. Notes Payable	0
19. Notes Receivable - Net	0	48. Accounts Payable	461,484
20. Accounts Receivable - Net Sales of Energy	487,876	49. Consumer Deposits	922,902
21. Accounts Receivable - Net Other	8,085,036	50. Current Maturities Long-Term Debt	0
22. Renewable Energy Credits	0	51. Current Maturities Long-Term Debt	0
23. Materials & Supplies - Electric & Other	1,672,519	-Economic Development	0
24. Prepayments	159,969	52. Current Maturities Capital Leases	0
25. Other Current & Accrued Assets	1,594	53. Other Current and accrued Liabilities	636,029
26. Total Current & Accrued Assets (15 thru 25)	12,875,807	54. Total Current & Accrued Liabilities (47 thru 53)	2,020,415
27. Regulatory Assets	0	55. Regulatory Liabilities	0
28. Other Deferred Debits	898,934	56. Other Deferred Credits	382,644
29. Total Assets & Other Debits (5+14+26 thru 28)	49,881,654	57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	49,881,654

PART D. NOTES TO FINANCIAL STATEMENTS

THIS SPACE IS PROVIDED FOR IMPORTANT DISCLOSURE NOTES TO THE FINANCIAL STATEMENTS CONTAINED IN THIS REPORT. (A SEPARATE SHEET MAY BE USED IF ADDITIONAL SPACE IS NEEDED.

ANZA ELECTRIC COOPERATIVE ONLY

LINE 21: INTERDIVISION ENTRIES OF $8,094,897.57 (GL 143.75) ARE RECORDED HERE.

DECEMBER 2025
CONSUMER STATISTICS

	2023	2024	2025
NO. BILLED THIS MONTH	4,871	4,815	4,796
NO. BILLED LAST MONTH	4,887	4,846	4,814
AVG. RESIDENTIAL KWH USED	826	742	694
AVG. RESIDENTIAL BILL	$ 224	$ 214	$ 187
TOTAL AVG. KWH USED	948	876	822
TOTAL AVG. BILL	$ 256	$ 254	$ 222
NO. MINIMUM BILLS	136	160	158

ESTIMATED CONT-IN-AID OF CONSTRUCTION

BALANCE BEGINNING OF YEAR	4,644,727.31
AMOUNTS RECEIVED THIS YEAR (NET)	89,022.42
TOTAL CONT-IN-AID OF CONSTRUCTION	4,733,749.73

USDA - RUS

FINANCIAL AND STATISTICAL REPORT

Anza Electric Cooperative, Inc. (only)

BORROWER DESIGNATION

California 41 Anza

MONTH ENDING

DECEMBER 2025

RUS USE ONLY

Current Assets : Current Liab Ratio	6.373
Margins & Equities as % of Assets	35.820
Long Term Debt as % of Plant	54.345

PART D. CONSUMER SALES AND REVENUE DATA

CLASS OF SERVICE	THIS MONTH				YEAR-TO-DATE		
	No. Receiving Service a	kWh Sold b	Amount c	No. Minimum Bills d	Avg. No. Re-ceiving Serv. e	kWh Sold Cumulative f	Amount Cumulative g
1. Residential Sales (excl seas.)	4,435	3,076,228	829,409	137	4,433	38,652,345	10,548,665
2. Residential Sales Seasonal							
3. Irrigation Sales	9	12,888	4,942	10	9	293,689	93,775
4. Comm. & Ind. - 50kVA or less	330	402,591	116,048	11	333	5,777,504	1,658,763
5. Comm. & Indus. - over 50kVA	20	447,948	115,467		20	5,623,729	1,479,729
6. Public St. & Highway Lighting							
7. Other Sales to Public Auth.	2	1,479	436		2	17,207	5,335
8. Sales for Resale - RUS Borr.							
9. Sales for Resale - Others.							
10. Total Sales of Electric Energy (1 thru 9)	4,796	3,941,134	1,066,302	158	4,797	50,364,474	13,786,267
11. Other Electric Revenue			10,858				244,824
12. Total (10 + 11)			1,077,160				14,031,091

PART E. kWH AND kW STATISTICS

ITEM	THIS MONTH a	YEAR-TO-DATE b		THIS MONTH a	YEAR-TO-DATE b
1. SR SOLAR kWh Generated	134,492	2,012,949	6. Office Use	12,522	152,661
2. kWh Purchased-AEPCO	4,069,645	46,449,244	7. Total Unaccounted For		
3. Net SA Solar kWh Purchased	536,584	7,668,516	(4 Less 5 & 6)	777,065	5,493,574
4. Total kWh (1 thru 3)	4,740,721	56,130,709	8. Percent System Loss	16.391	9.787
			9. Maximum Demand (kW)	9,090	13,428
5. Total kWh - Sold	3,941,134	50,364,474	10. Month When Maximum Demand Occurred		8

RUS Form 7 Computer Generated Form

Anza Electric Cooperative, Inc.

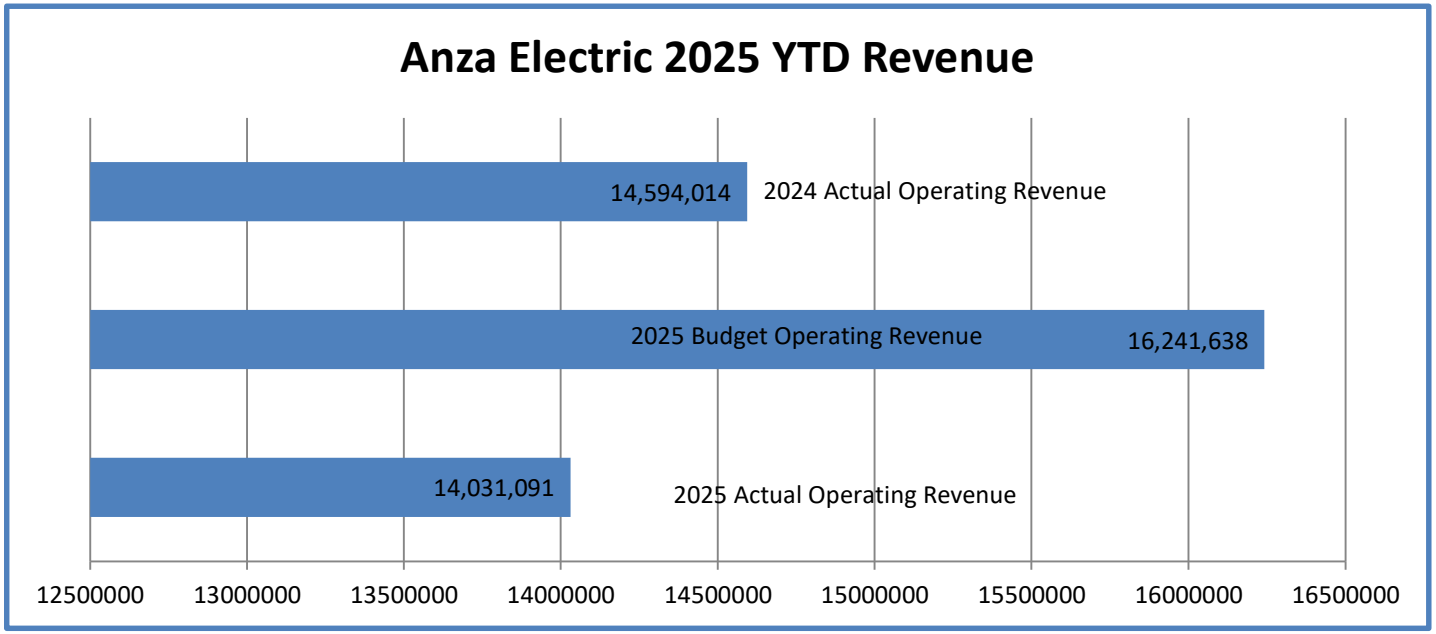
A Touchstone Energy® Cooperative

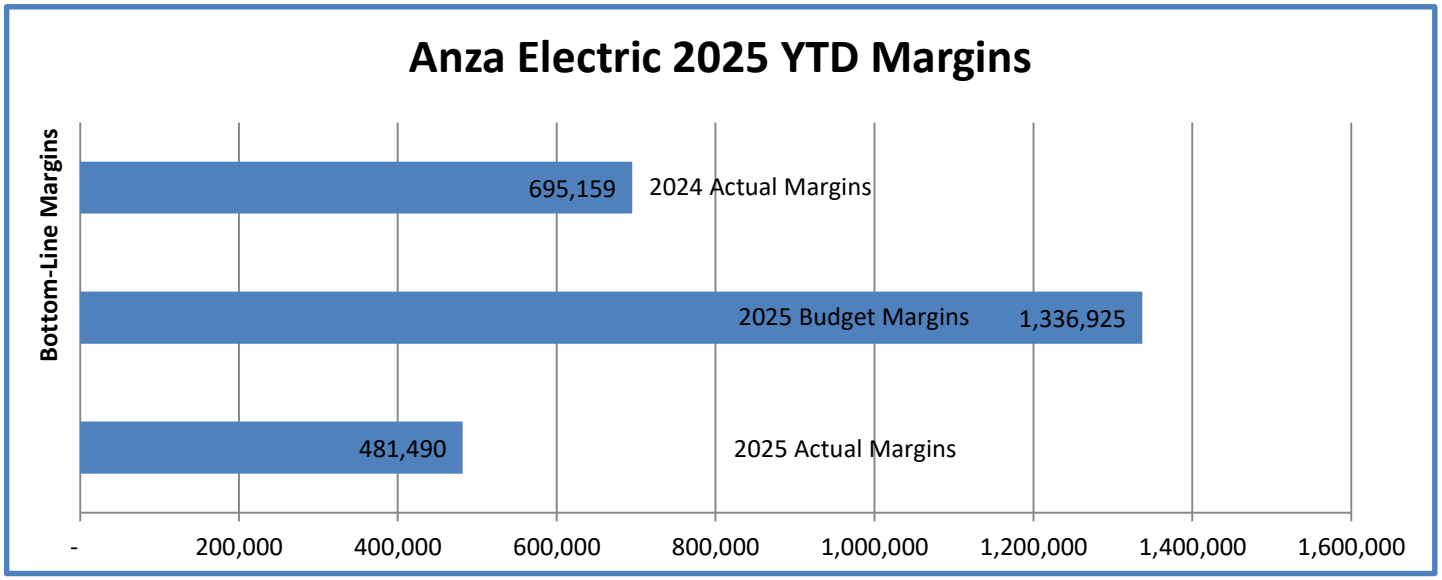
ACTUAL / BUDGET / PRIOR YEAR COMPARISON
for period ending December 31, 2025

Form 7 Line #	Item	2025 Y-T-D Actual $ from Form 7	2025 Y-T-D Budget $	Y-T-D Difference Between 2025 Actual & Budget	% of Budget	2024 Y-T-D Actual $ from Form 7	Y-T-D Difference Between 2025 & 2024 Actual $	% of Actual
Line 1	Operating Revenue	14,031,091	16,241,638	(2,210,547)	86%	14,594,014	(562,923)	96%
Line 3	Purchased Power	4,591,286	6,326,251	(1,734,965)	73%	6,187,717	(1,596,431)	74%
Line 4	Transmission Expense	50,627	52,377	(1,750)	97%	45,602	5,025	111%
Line 6	Distribution Expense - Operation	1,827,114	1,518,916	308,198	120%	1,622,469	204,645	113%
Line 7	Distribution Expense - Maintenance	1,247,903	735,296	512,607	170%	555,434	692,469	225%
Line 8	Consumer Accts Expense	1,335,550	1,092,068	243,482	122%	1,360,174	(24,624)	98%
Line 9	Customer Service & Information Expense	149,411	277,302	(127,891)	54%	149,866	(455)	100%
Line 11	Administrative & General Expense	2,212,148	2,660,540	(448,392)	83%	2,462,804	(250,656)	90%
Line 13	Depreciation Expense	1,271,452	1,340,821	(69,369)	95%	1,265,850	5,602	100%
Line 15	Tax Expense	248	-	248		128	120	
Line 16	Interest Long Term Debt Exp	1,114,737	1,036,141	78,596	113%	888,789	225,948	128%
Line 18	Interest Current Debt Exp	53,824	-	53,824		23,656	30,168	
Line 19	Other Deductions	-	-	0		-	0	
Line 21	Operating Margins	176,792	1,201,925	(1,025,133)	15%	31,525	145,267	
Line 22	Non-Operating Margins - Interest Income	33,974	20,000	13,974	170%	266,012	(232,038)	13%
Line 25	Non-Operating Margins - Other	100,606	-	100,606		318,544	(217,938)	
Line 26	Generation & Transmission Cap Credits	71,498	40,000	31,498		0	71,498	
Line 27	Other Cap Credits & Patronage Div'ds	98,620	75,000	23,620		79,078	19,542	
Line 29	Margins	481,490	1,336,925	(855,435)	36%	695,159	(213,669)	69%
	kWh sold	50,364,474	60,000,000	(9,635,526)	84%	58,194,049	(7,829,575)	87%
	kWh purchased & SR Solar	56,130,709	65,999,999	(9,869,290)	85%	64,644,228	(8,513,519)	87%

Operating TIER: **1.16** (KRTA Ratio 8: Indicates ability to generate operations earnings to cover interest expenses)

Bottom-Line TIER: **1.43** (KRTA Ratio 6: Indicates ability to earn margins to cover long-term interest expense)


Anza Electric 2025 YTD Revenue
14,594,014
2024 Actual Operating Revenue
2025 Budget Operating Revenue
16,241,638
14,031,091
2025 Actual Operating Revenue
12500000
13000000
13500000
14000000
14500000
15000000
15500000
16000000
16500000


Anza Electric 2025 YTD Margins
Bottom-Line Margins
695,159
2024 Actual Margins
2025 Budget Margins
1,336,925
481,490
2025 Actual Margins
-
200,000
400,000
600,000
800,000
1,000,000
1,200,000
1,400,000
1,600,000

YEAR-TO-DATE COST OF POWER, SUMMARY		
2025 YEAR-TO-DATE AEPCO POWER COST (ACTUAL COST)	$	6,462,610.53
AEPCO 3RD PARTY SALES APPLIED TO POWER COST	$	(2,166,825.53)
CREDITS APPLIED TO AEPCO POWER COST (CRR, REC)	$	(69,018.55)
KILOWATT HOURS PURCHASED FROM AEPCO (INCLUDES SUNANZA)		53,878,795
YEAR-TO-DATE CENTS PER KILOWATT HOUR, AEPCO COST DIVIDED BY KILOWATT HOURS		0.078450
ESTIMATED COST OF SANTA ROSA SOLAR ARRAY OPERATION	$	60,355.32
KILOWATT HOURS PRODUCED BY SANTA ROSA SOLAR		2,012,949
YEAR-TO-DATE CENTS PER KILOWATT HOUR, SANTA ROSA SOLAR		0.029984

PEAK, PCA DETAILS					
AEPCO PEAK KW	DATE:	12/5/2025	TIME: 8:00 AM	TOTAL:	7,713
ANZA PEAK KW	DATE:	12/3/2025	TIME: 9:00 PM	TOTAL:	9,090
POWER COST ADJUSTMENT CHARGED	DEC	$ -		YTD:	$ 256,592.98



ConnectAnza

Internet. At the speed of light.

OPERATING STATEMENT
and
VARIANCE REPORT
with
Actual / Budget / Prior Year Comparison

for period ending December 31, 2025

January 22, 2026

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UNITED STATES DEPARTMENT OF AGRICULTURE

FINANCIAL AND STATISTICAL REPORT

ConnectAnza only

INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2

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BORROWER DESIGNATION
California 41 Anza

PERIOD ENDED
DECEMBER 2025

BORROWER NAME AND ADDRESS
Anza Electric Cooperative, Inc.
P.O. Box 391909
Anza, CA 92539

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DURING THE PERIOD COVERED BY THIS REPORT PURSUSANT TO PART 1718 OF 7 CFR CHAPTER XVII
(check one of the following)

[X] All of the obligations under the RUS loan documents have been fulfilled in all material respects.

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SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT	DATE	SIGNATURE OF MANAGER OR APPROPRIATE TITLE	DATE

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR - TO - DATE			THIS MONTH
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	(d)
1. Operating Revenue and Patronage Capital	2,368,641	2,413,735	2,402,523	200,223
2. Backhaul Power/ Production Expense	0	0	0	
3. Cost of Purchased Backhaul	190,046	190,107	226,800	14,687
4. Transmission Expense	0	0	0	
5. Regional Market Operations Expense	0	0	0	0
6. Fiber Expense - Operation	393,959	375,104	432,787	35,121
7. Fiber Expense - Maintenance	19,203	2,898	45,935	1,141
8. Fiber Consumer Accounts Expense	28,785	39,485	34,790	4,637
9. Fiber Customer Service and Information Expense	288,479	392,256	208,797	36,024
10. Sales Expense	0	0	0	0
11. Administration and General Expense	320,531	417,916	382,756	49,836
12. Total Operation & Maintenance Expense (2-11)	1,241,002	1,417,766	1,331,865	141,446
13. Depreciation and Amortization Expense	465,064	483,390	482,535	40,467
14. Tax Expense - Property	0	0	0	0
15. Tax Expense - Other	37,676	30,098	38,400	1,623
16. Interest on Long - Term Debt	83,526	69,586	69,894	5,369
17. Interest Charged to Construction - Credit	0	0	0	0
18. Interest Expense - Other	0	0	0	0
19. Other Deductions	0	0	0	0
20. Total Cost of Fiber Optic Service (12-19)	1,827,268	2,000,841	1,922,695	188,904
21. Patronage Capital & Operating Margins (1-20)	541,373	412,895	479,828	11,319
22. Non Operating Margins - Interest	0	0	0	0
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0
25. Non Operating Margins - Other	0	0	0	0
26. Generation & Transmission Capital Credits	0	0	0	0
27. Other Capital Credits and Patronage Dividends	0	0	0	0
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21-28)	541,373	412,895	479,828	11,319

USDA - RUS FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION California 41 Anza
ConnectAnza only	PERIOD ENDED
INSTRUCTIONS - See RUS Bulletin 1717B-2	**DECEMBER 2025**

ITEM	YEAR-TO-DATE LAST YEAR (a)	YEAR-TO-DATE THIS YEAR (b)	ITEM	YEAR-TO-DATE LAST YEAR (a)	YEAR-TO-DATE THIS YEAR (b)
1. New Services Connected	166	137	5. Miles Transmission	0	0
2. Services Retired	0	0	6. Miles Backbone Distribution - Overhead :	571	571
3. Total Services in Place	3690	3827	7. Miles Backbone Distribution - Underground :	27	27
4. Idle Services (Exclude Seasonals)	696	751	8. Total Backbone Fiber Miles Lit (5+6+7) :	598	598

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Fiber Plant in Service	12,349,155	30. Membership	0
2. Construction Work in Progress	987,776	31. Patronage Capital	107,314
3. Total Fiber Plant (1 + 2)	13,336,931	32. Operating Margins - Prior Years	0
4. Accum. Provision for Depreciation & Amort.	3,253,537	33. Operating Margins - Current Year	405,443
5. Net Fiber Plant (3 - 4)	10,083,394	34. Non Operating Margins	0
6. Non-fiber Property - Net	0	35. Other Margins and Equities	0
7. Investments in Subsidiary Companies	0	36. Total Margins & Equities (30 thru 35)	512,757
8. Invest in Assoc. Org. - Patronage Capital	0	37. Long - Term Debt RUS (Net)	0
9. Invest in Assoc. Org. - General Funds	0	38. Long - Term Debt - FFB - RUS Guaranteed	0
10. Invest in Assoc. Org. - Nongeneral Funds	0	39. Long - Term Debt - Other - RUS Guaranteed	0
11. Invest in Economic Development Projects	0	40. Long - Term Debt Other (Net)	1,445,588
12. Other Investments	0	41. Long - Term Debt - RUS - Econ Dev (Net)	0
13. Special Funds	0	42. Payments - Unapplied	0
14. Total Other Property & Invest. (6 thru 13)	0	43. Total Long-Term Debt (37 thru 41 - 42)	1,445,588
15. Cash - General Funds	0	44. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	0	45. Accumulated Operating Provisions	0
17. Special Deposits	0	46. Total Other Noncurrent Liabilities (44 + 45)	0
18. Temporary Investments	0	47. Notes Payable	0
19. Notes Receivable - Net	0	48. Accounts Payable	8,094,898
20. Accounts Receivable - Net Sales of Fiber	81,860	49. Consumer Deposits	308,652
21. Accounts Receivable - Net Other	0	50. Current Maturities Long-Term Debt	0
22. Renewable Energy Credits	0	51. Current Maturities Long-Term Debt -Economic Development	0
23. Materials & Supplies - Fiber & Other	289,372		
24. Prepayments	20,253	52. Current Maturities Capital Leases	0
25. Other Current & Accrued Assets	0	53. Other Current and accrued Liabilities	25,829
26. Total Current & Accrued Assets (15 thru 25)	391,484	54. Total Current & Accrued Liabilities (47 thru 53)	8,429,379
27. Regulatory Assets	0	55. Regulatory Liabilities	0
28. Other Deferred Debits	-84,259	56. Other Deferred Credits	2,896
29. Total Assets & Other Debits (5+14+26 thru 28)	10,390,620	57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	10,390,620

PART D. NOTES TO FINANCIAL STATEMENTS

THIS SPACE IS PROVIDED FOR IMPORTANT DISCLOSURE NOTES TO THE FINANCIAL STATEMENTS CONTAINED IN THIS REPORT. (A SEPARATE SHEET MAY BE USED IF ADDITIONAL SPACE IS NEEDED.

LINE 48: INTERDIVISION ENTRIES OF $8,094,897.55 (GL 143.76) ARE RECORDED HERE.

DECEMBER 2025
CONNECTANZA CONSUMER STATISTICS

	2023	2024	2025
NO. BILLED THIS MONTH	2815	2,945	3,076
NO. BILLED LAST MONTH	2797	2,916	3,077
AVG. RESIDENTIAL BILL	$ 55	$ 58	$ 59
TOTAL AVG. BILL	$ 60	$ 63	$ 63

USDA - RUS

FINANCIAL AND STATISTICAL REPORT

ConnectAnza (only)

BORROWER DESIGNATION

California 41 Anza

MONTH ENDING

DECEMBER 2025

RUS USE ONLY

Current Assets : Current Liab Ratio	1.170
Margins & Equities as % of Assets	4.935
Long Term Debt as % of Plant	10.839

PART D. CONSUMER SALES AND REVENUE DATA

CLASS OF SERVICE	THIS MONTH				YEAR-TO-DATE		
	No. Receiving Service a	VoIP Consumers b	Amount c	No. Minimum Bills d	Avg. No. Receiving Serv. e	kWh Sold Cumulative f	Amount Cumulative g
1. Residential Sales (excl seas.)	2,947		172,707		2,920	GL 457.70	2,064,220
4. Commercial	104		7,832		97	GL 457.71	83,754
5. Premium Commercial	16		7,268		16	GL 457.74	89,643
5. Fiber Service Discount-Contra						GL 457.76	
7. Public Donation (Comm&Res)	9		0		7		0
7. Public Donation Discount-Contra						GL 457.75	
9. VOIP Sales		(347 lines)	6,846			GL 457.78	83,987
9. VOIP Discount-Contra/Taxes						GL 458.78	
TOTALS (1 thru 9)	3,076		194,652		3,040		2,321,603
11. Other Revenue			5,571			GL 457.77	92,133
12. Total (10 + 11)			200,223				2,413,736

PART E. kWH AND kW STATISTICS

ITEM	THIS MONTH a	YEAR-TO-DATE b		THIS MONTH a	YEAR-TO-DATE b
1. Net kWh Generated			6. Office Use		
2. kWh Purchased			7. Total Unaccounted For		
3. Interchange kWh - Net			(4 Less 5 & 6)		
4. Total kWh (1 thru 3)			8. Percent System Loss		
			9. Maximum Demand (kW)		
5. Total kWh - Sold			10. Month When Maximum Demand Occurred		

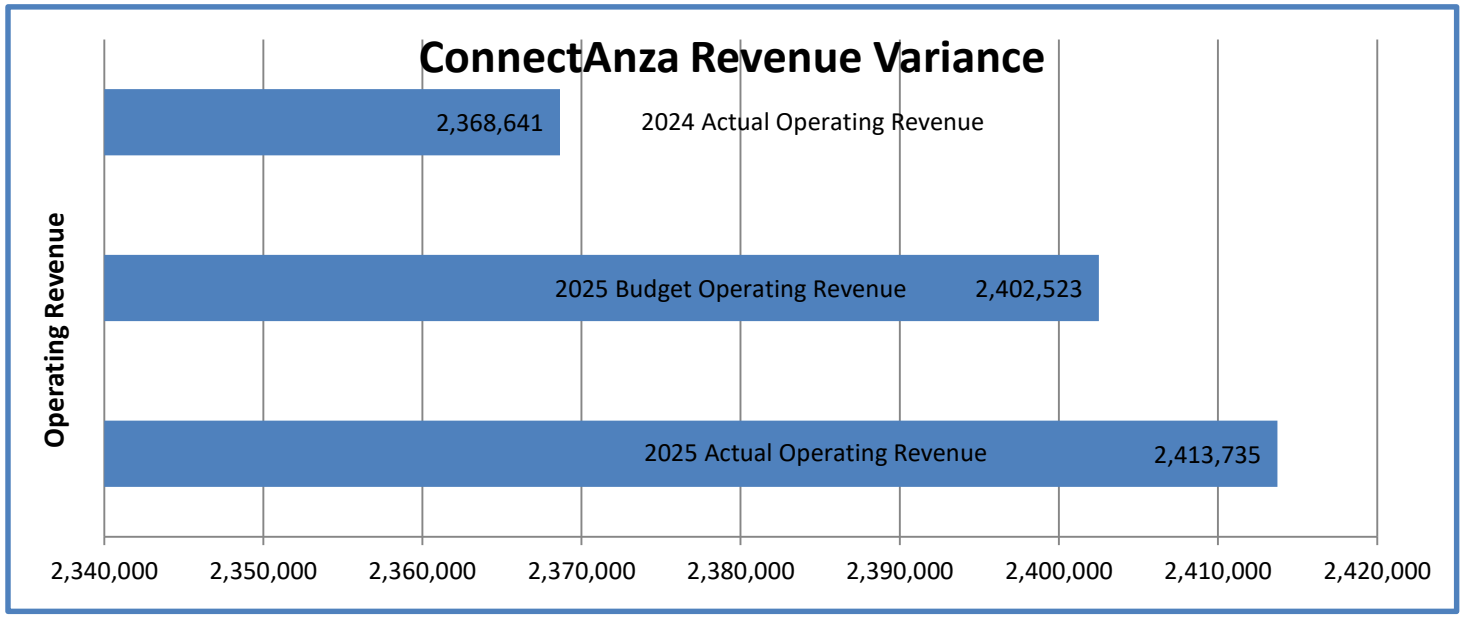
RUS Form 7 Computer Generated Form

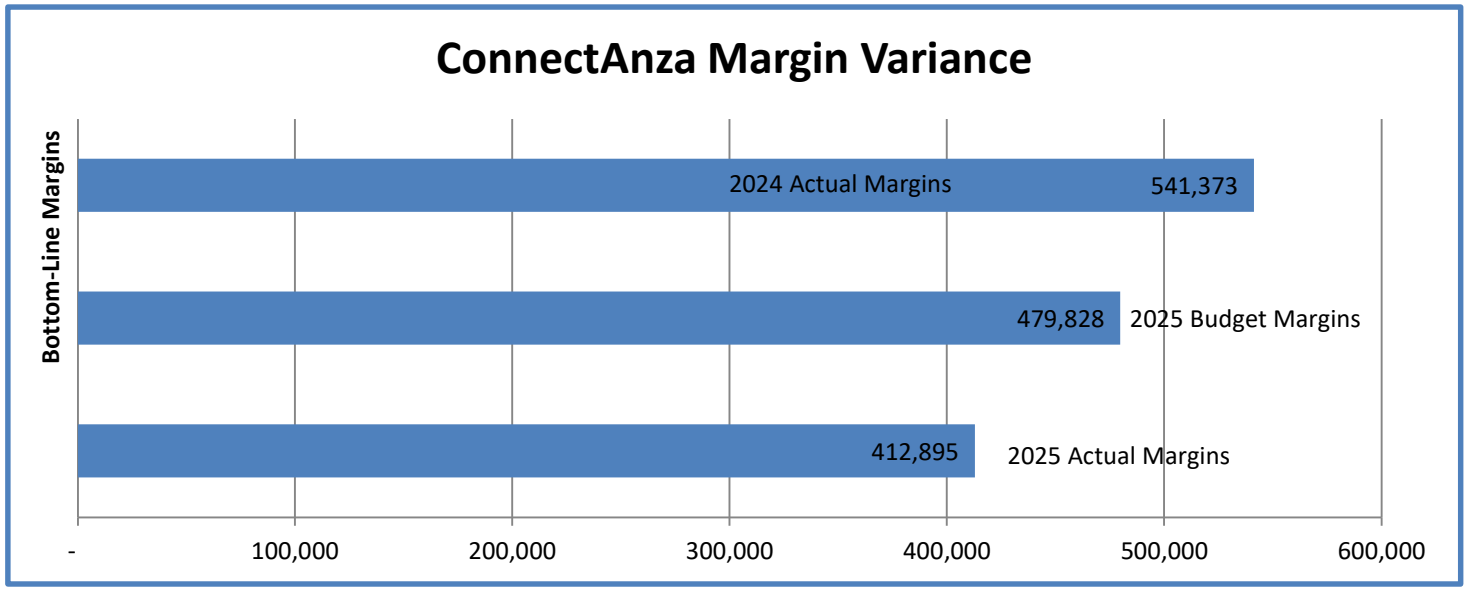
ANZA ELECTRIC COOPERATIVE, INC., DBA ConnectAnza
ACTUAL / BUDGET / PRIOR YEAR COMPARISON
for period ending December 31, 2025

Form 7 Line #	Item	2025 Y-T-D Actual $ from Form 7	2025 Y-T-D Budget $	Y-T-D Difference Between 2025 Actual & Budget	% of Budget	2024 Y-T-D Actual $ from Form 7	Y-T-D Difference Between 2025 & 2024 Actual $	% of Actual
Line 1	Operating Revenue	2,413,735	2,402,523	11,212	100%	2,368,641	45,094	102%
Line 3	Backhaul Costs	190,107	226,800	(36,693)	84%	190,046	61	100%
Line 6	Fiber Expense - Operation	375,104	432,787	(57,683)	87%	393,959	(18,855)	95%
Line 7	Fiber Expense - Maintenance	2,898	45,935	(43,037)	6%	19,203	(16,305)	15%
Line 8	Fiber Consumer Accts Expense	39,485	34,790	4,695	113%	28,785	10,700	137%
Line 9	Fiber Customer Service & Information Expense	392,256	208,797	183,459	188%	288,479	103,777	136%
Line 11	Administrative & General Expense	417,916	382,756	35,160	109%	320,531	97,385	130%
Line 13	Depreciation Expense	483,390	482,535	855	100%	465,064	18,326	104%
Line 15	Tax Expense	30,098	38,400	(8,302)		37,676	(7,578)	80%
Line 16	Interest - Long Term Debt Expense	69,586	69,894	(308)	100%	83,526	(13,940)	83%
Line 18	Interest - Short Term Debt Expense	-	-	0		-	0	
Line 19	Other Deductions	-	-	0		-	0	
Line 21	Operating Margins	412,895	479,828	(66,933)	86%	541,373	(128,478)	76%
Line 22	Non-Operating Margins - Interest Income	0	0	0		-	0	
Line 26	Generation & Transmission Cap Credits	0	0	0		-	0	
Line 27	Other Cap Credits & Patronage Div'ds	0	0	0		-	0	
Line 29	Margins	412,895	479,828	(66,933)	86%	541,373	(128,478)	76%

Operating TIER: **6.93** (KRTA Ratio 8: Indicates ability to generate operations earnings to cover Long Term interest expenses)

Bottom-Line TIER: **6.93** (KRTA Ratio 6: Indicates ability to earn margins to cover Long Term interest expense)


ConnectAnza Revenue Variance
Operating Revenue
2,368,641
2024 Actual Operating Revenue
2025 Budget Operating Revenue
2,402,523
2025 Actual Operating Revenue
2,413,735
2,340,000
2,350,000
2,360,000
2,370,000
2,380,000
2,390,000
2,400,000
2,410,000
2,420,000


ConnectAnza Margin Variance
Bottom-Line Margins
2024 Actual Margins
541,373
479,828
2025 Budget Margins
412,895
2025 Actual Margins
-
100,000
200,000
300,000
400,000
500,000
600,000

Anza Electric Cooperative, Inc.

A Touchstone Energy® Cooperative 

CONSTRUCTION WORK PLAN 2021-2024

LOAN FUNDS REPORT

for period December 31, 2025

January 22, 2026

Anza Electric Cooperative, Inc.

A Touchstone Energy® Cooperative

REGULAR MEETING
BOARD OF DIRECTORS
Thursday, January 22, 2026

CONSTRUCTION WORK PLAN LOAN FUND REPORT
FOR PERIOD ENDING DECEMBER 31, 2025

COBANK LOAN CA 00092567T05		
APPROVED MAY 08, 2025	AMOUNT:	$ 20,000,000.00
COBANK REFINANCE LOC	08/01/25	$ (1,850,000.00)
COBANK DRAW DOWN #1 ROSA FIRE	08/22/25	$ (2,500,000.00)
COBANK DRAW DOWN #2	10/20/25	$ (1,000,000.00)
COBANK DRAW DOWN #3	11/25/25	$ (1,000,000.00)
COBANK DRAW DOWN #4	12/23/25	$ (2,000,000.00)
REMAINING LOAN BALANCE		$ 11,650,000.00

COST OF WORK COMPLETED:	INVENTORY #	
LOC EXPENSES	2024-2025	$ (1,850,000.00)
MATERIAL EXPENSES	08-25	$ (337,206.40)
ENGINEERING EXPENSES	08-25	$ (8,553.98)
CONTRACT LABOR EXPENSES	08-25	$ (101,132.50)
MATERIAL EXPENSES	09-25	$ (105,267.39)
ENGINEERING EXPENSES	09-25	$ (7,438.50)
CONTRACT LABOR EXPENSES	09-25	$ (1,474,000.00)
MATERIAL EXPENSES	10-25	$ (620,194.67)
ENGINEERING EXPENSES	10-25	$ (11,175.75)
CONTRACT LABOR EXPENSES	10-25	$ (221,112.32)
MATERIAL EXPENSES	11-25	$ (55,519.00)
CONTRACT LABOR EXPENSES	11-25	$ (111,721.00)
MATERIAL EXPENSES	12-25	$ (519,613.00)
ENGINEERING EXPENSES	12-25	$ (36,519.80)
CONTRACT LABOR EXPENSES	12-25	$ (549,652.41)

TOTAL DRAWN DOWN:	$ 8,350,000.00
TOTAL EXPENDITURES:	$ (6,009,106.72)
REMAINING BALANCE FOR CONSTRUCTION ACCOUNT:	$ 2,340,893.28

Anza Electric Cooperative, Inc.

A Touchstone Energy® Cooperative

ConnectAnza
Internet. At the speed of light.

INVESTMENT REPORT

for period December 31, 2025

January 22, 2026

ANZA ELECTRIC COOPERATIVE, Inc.

A Touchstone Energy® Cooperative

TEMPORARY INVESTMENT / CASH BALANCE
BOARD OF DIRECTORS
REGULAR MEETING
January 22, 2026

Description	Investment	Accrued Through Dec 31, 2025	As of December 31, 2025
UBS Certificates of Deposit	505,000.00	285,367.40	790,367.40
Total Temporary Investments (GL 136.10)			790,367.40
General Funds, Capital Credit Acct & Petty Cash			1,679,488.90
Total Temporary Investments and Cash			2,469,856.30

Anza Electric Cooperative, Inc.

A Touchstone Energy® Cooperative

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YEAR-TO-DATE CASH FLOW

for period December 31, 2025

January 22, 2026

ANZA ELECTRIC COOPERATIVE, INC. / CONNECTANZA

2025 CASH FLOW

ACTUAL

	ACTUAL JAN	ACTUAL FEB	ACTUAL MAR	ACTUAL APR	ACTUAL MAY	ACTUAL JUN	ACTUAL JUL	ACTUAL AUG	ACTUAL SEP	ACTUAL OCT	ACTUAL NOV	ACTUAL DEC	ANNUAL
BEGINNING BALANCES	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**	
Temporary Investments	619,884	620,491	629,387	776,517	777,585	778,172	778,778	779,365	783,561	785,219	788,416	788,966	
Cash on Hand	534,935	286,627	472,427	710,337	635,478	41,798	600,361	421,687	2,130,056	(24,611)	487,989	336,529	
TOTAL Beginning Balance	1,154,818	907,118	1,101,814	1,486,855	1,413,063	819,970	1,379,139	1,201,052	2,913,618	760,608	1,276,405	1,125,496	
MONTHLY CASH INCOME	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**	**ANNUAL**
Energy Sales Collected	1,170,059	1,334,593	1,301,350	1,060,489	1,153,176	1,104,986	1,125,908	1,269,539	1,282,984	1,011,339	1,007,322	1,097,438	13,919,184
ConnectAnza Collected	114,702	207,608	222,375	182,328	194,320	195,557	186,820	200,131	209,371	178,517	203,648	205,815	2,301,192
Operations (Svc Ent/Pole)	8,340	37,544	25,065	37,815	8,708	73,911	11,496	7,396	91,982	102,478	31,800	129,371	565,906
AEPCO/NRECA/Ruralite													-
Admin (Ins, Cks, Int/Temp/CC Ret)	673	8,653	1,901	1,339	836	2,209	7,507	4,482	51,656	6,932	34,525	18,205	138,918
PUC/CASF Grant Collected	6,831	111,995	6,831	6,831	6,831	6,831	6,831	6,831	6,490	6,490	6,490	5,024	184,309
GHG Auction / CRR / REC		18,468	13,740		5,480	-		11,849	19,482				69,019
Misc / Loan Adv	23,042	714,181	255,717	693,269	5,980	492,408	5,583	2,512,780	23,011	1,008,140	1,015,245	2,018,507	8,767,862
TOTAL Monthly Cash Income	1,323,647	2,433,042	1,826,980	1,982,072	1,375,332	1,875,902	1,344,145	4,013,007	1,684,975	2,313,897	2,299,030	3,474,359	25,946,389
MONTHLY DISBURSEMENTS	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**	**ANNUAL**
Personnel (Payroll-AEC GL)	164,775	196,879	136,171	204,507	158,219	159,798	172,920	205,014	155,929	170,516	162,246	220,624	2,107,597
Personnel (Payroll-CA GL)	22,743	18,683	26,553	21,968	23,225	23,247	30,755	21,771	21,465	25,479	22,334	27,268	285,490
Personnel (Payroll Tax, Ins, Ben)	371,055	400,392	330,749	314,217	339,144	212,894	248,598	315,310	276,455	298,616	293,706	320,526	3,721,662
Director Expenses	6,990	6,816	6,640	4,002	15,490	9,730	19,425	7,257	9,424	19,823	20,017	33,420	159,036
Services	63,218	80,789	62,322	71,146	109,314	168,857	133,466	62,821	97,508	187,298	75,797	110,789	1,223,325
Debts AEC (CFC, CoBank)	25,754	415,644	27,329	27,963	427,843	31,488	31,143	430,720	36,378	44,921	445,349	55,296	1,999,827
Operations (Pwr/Mat/Transp)	513,406	534,091	545,763	698,457	703,782	506,380	592,971	640,364	451,034	509,591	549,914	528,280	6,774,034
Administrative Costs	239,558	82,794	56,180	447,778	55,860	36,192	107,259	61,400	274,785	73,364	25,241	527,970	1,988,380
Capital Credits Expense													-
Capital Budget Items / Gen Plt	71,911	378,960	85,093	178,683	77,721	91,178	80,158	448,076	2,340,718	263,387	739,109	206,926	4,961,921
SunAnza	916	-		3,546		-			2,516	27,323	23,204		57,505
ConnectAnza-Ops (Contract Lbr/Eng)	14,781	19,365	74,177	21,138	-	9,582	29,094	-	21,944	92,001	4,622	17,489	304,195
ConnectAnza-Materials	18,331	40,183	16,933	3,584	854	1,654	1,005	51,752	49,409		13,081	25,439	222,225
ConnectAnza - Backhaul	17,916	17,922	17,811	17,696	17,741	26,075	15,905	16,729	16,661	16,671	16,793	16,734	214,654
ConnectAnza - Debts (CoBank)	34,954	34,957	34,954	34,956	34,958	34,955	34,955	34,959	34,955	34,962	34,956	34,956	419,478
ConnectAnza -Admin Costs	5,039	10,871	21,264	6,223	4,275	4,703	24,577	4,270	48,805	34,145	23,570	5,325	193,066
TOTAL Monthly Disbursements	1,571,348	2,238,345	1,441,939	2,055,863	1,968,425	1,316,734	1,522,231	2,300,442	3,837,985	1,798,099	2,449,939	2,131,043	24,632,395
CASH	907,118	1,101,814	1,486,855	1,413,063	819,970	1,379,139	1,201,052	2,913,618	760,608	1,276,405	1,125,496	2,468,812	
ENDING BALANCES	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**	**ANNUAL**
Temporary Investments	620,491	629,387	776,517	777,585	778,172	778,778	779,365	783,561	785,219	788,416	788,966	789,323	
Cash on Hand	286,627	472,427	710,337	635,478	41,798	600,361	421,687	2,130,056	(24,611)	487,989	336,529	1,679,489	
TOTAL Ending Cash Balance	907,118	1,101,814	1,486,855	1,413,063	819,970	1,379,139	1,201,052	2,913,618	760,608	1,276,405	1,125,496	2,468,812	
TOTAL Cash Income	1,323,647	2,433,042	1,826,980	1,982,072	1,375,332	1,875,902	1,344,145	4,013,007	1,684,975	2,313,897	2,299,030	3,474,359	25,946,389
TOTAL Monthly Disbursements	1,571,348	2,238,345	1,441,939	2,055,863	1,968,425	1,316,734	1,522,231	2,300,442	3,837,985	1,798,099	2,449,939	2,131,043	24,632,395
Positive/Negative Cash Flow	(247,701)	194,696	385,041	(73,791)	(593,093)	559,168	(178,086)	1,712,565	(2,153,010)	515,798	(150,909)	1,343,316	1,313,994

FINANCE / AUDIT COMMITTEE
ANZA ELECTRIC COOPERATIVE, INC.
JANUARY 22, 2026

AGENDA

1. - General Manager's Expenses for December 2025 $ 0

2. * Approval of Directors' Expenses for December 2025 $ 27,435.45

- Hope Adams	$ 7,315.24
- Doug Hay	$ 7,643.11
- Stephan Lauzier	$ 1,196.45
- D.F. (Pebbles) Lewis	$ 1,176.48
- Greg Pennyroyal	$ 7,953.08
- Diane Sieker	$ 956.88
- Ryall Stewart	$ 1,194.21

3. * Approval of Expenditures for December 2025 $ 2,131,042.92

COMMITTEE MEMBERS:

D.F. (Pebbles) Lewis, Chairman
Ryall Stewart
Stephan Lauzier

Greg Pennyroyal, Ex Officio

GENERAL MANAGER EXPENSES 2025

MONTH	EVENT	FOOD	LODGING	TRANSPORTATION	REGISTRATION	TOTAL	BOARD FEES	AEPCO TRAVEL REIMBURSED	AEPCO FEE DONATION - THIMBLE CLUB	AEPCO FEE DONATION - AMERICAN HEART ASSOCIATION	TOTAL EXPENSES
JANUARY						$ -					$ -
FEBRUARY						$ -					$ -
MARCH	GSPC Legislative Conference (Mar 3-4)	$ 66.50	$ 202.10	$ 446.40		$ 715.00					$ 715.00
	NRECA PowerXchange National Meeting (Mar 9-12)	$ 345.78	$ 944.40	$ 978.26		$ 2,268.44					$ 2,268.44
APRIL	NRECA Legislative Conference (Apr 27-30) *Corrected	$ 1,303.85	$ 2,807.96	$ 3,710.78		$ 7,822.59					$ 7,822.59
MAY						$ -					$ -
JUNE						$ -					$ -
JULY						$ -					$ -
AUGUST						$ -					$ -
SEPTEMBER	GSPC ANNUAL MEETING (Sep 29-30)	$ 210.49	$ 252.25			$ 462.74					$ 462.74
OCTOBER	NRECA Region 7&9 Meeting (Oct 6-8)	$ 621.68	$ 666.82	$ 1,746.38		$ 3,034.88					$ 3,034.88
NOVEMBER						$ -					$ -
DECEMBER						$ -					$ -
		$ 2,548.30	**$ 4,873.53**	**$ 6,881.82**	**$ -**	**$ 14,303.65**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 14,303.65**

YEAR TO DATE TOTAL EXPENSES	**$ 14,303.65**
YEAR TO DATE TOTAL AEPCO BOARD FEES	**$ -**
TOTAL EXPENSES FOR THE MONTH OF DECEMBER	**$ -**

2025 BOARD EXPENSES

LAST NAME	BOARD FEES BDEX 05	BOARD PREP BDEX 08	BOARD MILEAGE BDEX 04	YTD REG BOARD FEES	EVENT / DATE / ZIPCODE	MEETING REGISTRATION BDEX 06	EVENT COMP BDEX 05	DIR. TRAVEL 930.11 BDEX 03	PER DIEM	HOTEL BDEX 03	EDUCATION BDEX 07	ADVANCE REQUEST 143.00 BDEX 09	DIR. EXP / EXTRAS 143.00 BDEX 09	DEDUCTION	EVENT TOTAL	EVENT % OF BUDGET
ADAMS	$ 470.74	$ 470.74	$ 4.34	$ 11,345.50	AzG&T Annual Meeting / Benson, AZ / May 14		$ 941.48	$ 578.20	$ 140.00	$ 133.40					**$ 1,793.08**	**1%**
					AEC Annual Meeting / Anza, CA / Jul 19		$ 470.74	$ 1.26							**$ 472.00**	**0%**
					Employee Relations Committee Meeting / Anza, CA / Sep 22		$ 470.74	$ 4.34							**$ 475.08**	**0%**
					GSPC Annual Meeting / San Diego, CA / Sep 29-30		$ 941.48	$ 132.30		$ 252.25					**$ 1,326.03**	**1%**
					NRECA Regions 7&9 Meeting / Bellevue, WA / Oct 6-8		$ 1,412.22	$ 434.60	$ 253.00	$ 703.50					**$ 2,803.32**	**2%**
					NRECA Winter School for Directors / Nashville, TN / Dec 12-16	$ 3,675.00	$ 3,295.18	$ 875.16	$ 559.00	$ 1,640.08					**$ 6,369.42**	**5%**
HAY	$ 470.74	$ 470.74	$ 14.28	$ 5,720.28	GSPC Annual Meeting / San Diego, CA / Sep 29-30		$ 941.48	$ 120.26		$ 264.31					**$ 1,326.05**	**1%**
					AEPCO Director Orientation / Benson, AZ / Oct 7-8		$ 941.48		$ 120.00	$ 272.31			$ 49.00		**$ 1,382.79**	**1%**
					NRECA Winter School for Directors / Nashville, TN / Dec 12-16	$ 3,575.00	$ 3,295.18	$ 753.19	$ 559.00	$ 2,079.98					**$ 6,687.35**	**6%**
LAUZIER	$ 470.74	$ 470.74	$ 9.80	$ 10,925.02	Washington Youth Tour Interviews / Anza, CA / Jan 16		$ 235.37	$ 12.88							**$ 248.25**	**0%**
					Employee Relations Committee Meeting / Anza, CA / Sep 22		$ 470.74	$ 9.80							**$ 480.54**	**0%**
					GSPC Annual Meeting / San Diego, CA / Sep 29-30		$ 941.48	$ 149.80		$ 259.72					**$ 1,351.00**	**1%**
					AEC Budget Meeting / Anza, CA / Dec 15		$ 235.37	$ 9.80							**$ 245.17**	**0%**
LEWIS	$ 470.74	$ 470.74	$ 8.54	$ 11,391.70	Washington Youth Tour Interviews / Anza, CA / Jan 16		$ 235.37	$ 10.92							**$ 246.29**	**0%**
					NRECA Legislative Conference / Washington, DC / Apr 27-30		$ 1,882.96	$ 891.10		$ 1,370.52					**$ 4,144.58**	**3%**
					Lands End Spring Order									$ (153.75)	**$ (153.75)**	**0%**
					2025 Summer School for Directors / Colorado Springs, CO / Jul 11-15		$ 3,295.18	$ 1,178.17	$ 430.00	$ 1,039.38					**$ 5,942.73**	**5%**
					AEC Annual Meeting / Anza, CA / Jul 19		$ 470.74	$ 10.64							**$ 481.38**	**0%**
					GSPC Annual Meeting / San Diego, CA / Sep 29-30		$ 941.48			$ 217.25					**$ 1,158.73**	**1%**
					AEC Budget Meeting / Anza, CA / Dec 15		$ 235.00								**$ 235.00**	**0%**
PENNYROYAL	$ 520.74	$ 470.74	$ 10.92	$ 11,247.14	Washington Youth Tour Interviews / Anza, CA / Jan 16		$ 235.37	$ 12.60							**$ 247.97**	**0%**
					2025 Summer School for Directors / Colorado Springs, CO / Jul 11-15		$ 3,295.18	$ 605.53	$ 559.00	$ 1,701.78					**$ 6,161.49**	**5%**
					AEC Annual Meeting / Anza, CA / Jul 19		$ 470.74	$ 12.60							**$ 483.34**	**0%**
					Employee Relations Committee Meeting / Anza, CA / Sep 22		$ 520.74	$ 10.92							**$ 531.66**	**0%**
					GSPC Annual Meeting / San Diego, CA / Sep 29-30		$ 941.48	$ 133.00		$ 260.82					**$ 1,335.30**	**1%**
					NRECA Winter School for Directors / Nashville, TN / Dec 12-16	$ 3,575.00	$ 3,295.18	$ 1,172.14	$ 559.00	$ 1,924.36					**$ 6,950.68**	**6%**
SIEKER	$ 470.74	$ 470.74	$ 15.40	$ 11,482.56	Washington Youth Tour Interviews / Anza, CA / Jan 16		$ 235.37	$ 14.70							**$ 250.07**	**0%**
					NRECA Legislative Conference / Washington, DC / Apr 27-30		$ 1,882.96			$ 1,353.15					**$ 3,236.11**	**3%**
					AzG&T Annual Meeting / Benson, AZ / May 14							$ (500.00)			**$ (500.00)**	**0%**
					AEC Annual Meeting / Anza, CA / Jul 19		$ 470.74	$ 14.70							**$ 485.44**	**0%**
					Employee Relations Committee Meeting / Anza, CA / Sep 22		$ 470.74	$ 15.40							**$ 486.14**	**0%**
					GSPC Annual Meeting / San Diego, CA / Sep 29-30		$ 941.48	$ 120.40							**$ 1,061.88**	**1%**
STEWART	$ 470.74	$ 470.74	$ 8.68	$ 11,751.92	Washington Youth Tour Interviews / Anza, CA / Jan 16		$ 235.37	$ 5.32							**$ 240.69**	**0%**
					Lands End Spring Order									$ (17.24)	**$ (17.24)**	**0%**
					AEC Annual Meeting / Anza, CA / Jul 19		$ 470.74	$ 5.32							**$ 476.06**	**0%**
					GSPC Annual Meeting / San Diego, CA / Sep 29-30		$ 941.48	$ 131.60		$ 260.86					**$ 1,333.94**	**1%**
					AEC Budget Meeting / Anza, CA / Dec 15		$ 235.37	$ 8.68							**$ 244.05**	**0%**
TOTAL	**$ 3,345.18**	**$ 3,295.18**	**$ 71.96**	**$ 73,864.12**	**EVENT**	**$ 10,825.00**	**$ 34,649.02**	**$ 7,289.73**	**$ 3,179.00**	#########	**$ -**	**$ (500.00)**	**$ 49.00**	**$ (170.99)**	**$ 57,968.57**	**48%**

YTD EXPENSES	YTD EXPENSES	% OF TOTAL BUDGET
ADAMS	$ 24,584.43	20%
HAY	$ 15,116.47	12%
LAUZIER	$ 13,249.98	11%
LEWIS	$ 23,446.66	19%
PENNYROYAL	$ 26,957.58	22%
SIEKER	$ 16,502.20	14%
STEWART	$ 14,029.42	12%
TOTAL	**$ 133,886.74**	**110%**

MONTH	TOTAL EXPENSE	% OF TOTAL BUDGET
JANUARY	$ 6,989.83	6%
FEBRUARY	$ 5,756.56	5%
MARCH	$ 5,756.56	5%
APRIL	$ 3,852.88	3%
MAY	$ 15,371.81	13%
JUNE	$ 5,585.57	5%
JULY	$ 21,240.68	18%
AUGUST	$ 6,707.98	6%
SEPTEMBER	$ 8,685.74	7%
OCTOBER	$ 19,791.36	16%
NOVEMBER	$ 6,712.32	6%
DECEMBER	**$ 27,435.45**	**23%**
YTD TOTAL	**$ 133,886.74**	**110%**

ANZA ELECTRIC COOP, INC.
DECEMBER 2025
CHECKS

NAME	AMOUNT	DESCRIPTION
DARLENE RAYAS	2,304.00	JANITORIAL SERVICE
BEARCOM	25,144.21	REPEATER
GUO AN XU	2,000.00	REFUND CR BAL,DISC ACC,ELEC
MICHAEL TAN	373.70	REIMBURSEMENT HOLIDAY REFRESHMENTS
BRIAN D WAY	37.82	REFUND CR BAL,DISC ACCT,ELE
POWELL'S OFFICE FURNITURE	15,160.30	50% DEP, FURNITURE FOR OPS BUILD
TORRIN WILLIAMS	108.17	REFUND CR BAL,DISC ACCT,FIB
EMPIRE TODAY, LLC	8,410.07	CARPET FOR NEW OPS BUILDING
BALDY UTILITY COMPANY, INC	71,498.30	CONTRACTOR
ADVANTAGE ANSWERING +	834.18	ANSWERING SERVICE
ALFREDO CERVANTES JR	100.00	REFUND CR BAL,DISC ACCT,FIB
AMERICAN SOLUTIONS	77.99	END OF YEAR TAX FORMS
ANZA COMMUNITY BROADCASTING	500.00	UNDERWRITING DONATION, MONTHLY
ARDENT DIAGNOSTICS	100.00	CONSORTIUM ANNUAL FEE
BALDY UTILITY COMPANY, INC	29,480.20	CONTRACTOR
BEST BEST & KRIEGER LLP	2,530.50	LEGAL
CR&R INCORPORATED	336.84	WASTE & RECYCLING SERVICES
CRN SOLUTIONS	53.29	FIBER MATERIALS
DELL FINANCIAL SERVICES LLC	423.22	SERVER
DESERT ALARM	7,245.83	NEW GATE ACCESS / INTERCOMM
FREEDOM ELECTRIC	12,320.00	TEP GRANT
FUTURA SYSTEMS INC	3,550.00	MONTHLY CHARGES
GENUINE CABLE GROUP, LLC.	6,234.61	MATERIALS
GO1 USA LLC	6,300.00	EMPLOYEE EDUCATION
INLAND FLEET SOLUTIONS INC.	14,079.35	VEHICLE REPAIRS
INNOVATIVE DOCUMENT	459.93	MONTHLY MAINTENANCE
MARSDEN MASTER	1,900.00	CAL OSHA FLAGGER TRAINING
MERIDIAN COOPERATIVE, INC.	17,385.44	BILL PROCESSING/POSTAGE/SUPPORT
MOMENTUM TELECOM	5,026.22	VOIP CHARGES
MOMENTUM TELECOM INC	11,708.24	INTERNET HOSTING
MONARCH	2,469.10	40 YARD DUMPSTER
ONESOURCE SUPPLY	22,390.50	MATERIALS
PALMS TO PINES HVAC	13,800.00	GRANT TEP
PINO TREE SERVICE	56,730.00	FUEL REDUCTION/VEGETATION CLEAR
PIONEER	226.67	SOCIAL MEDIA - SILVER LEVEL
POWER & TELEPHONE	63.36	FIBER MATERIALS
PRECISION AERIAL	10,132.76	VEHICLE REPAIRS
SECURITAS SECURITY SERVICES	3,420.15	SECURITY SERVICES
SHARON EVANS	500.00	BENEFICIAL ELECTRIFICATION REBATE
SINH TU	2,060.56	REFUND CR BAL,DISC ACC,ELEC
TALLMAN EQUIPMENT	2,420.81	MATERIALS
TANTALUS SYSTEMS INC.	29,632.80	2026 ANN MAINT/SUPPORT, HOSTING
UMETECH, INC.	6,950.00	HOSTING & COMPUTER SUPPORT
UNDERGROUND SERVICE ALERT	92.00	DIG ALERT TICKETS
WALTERS WHOLESALE ELECTRIC	493.11	MATERIALS
WESTERN WEATHER GROUP INC.	550.00	WEATHER STATION REPORTING
RED BARN CUSTOM CABINETRY	4,384.00	COUNTER TOP NEW BUILD
DARLENE RAYAS	2,304.00	JANITORIAL SERVICE
KEVIN M SHORT	1,380.58	REIMBURSEMENT
SKIDMORE	14,750.00	FUEL REDUCTION/VEGETATION CLEAR
DMV RENEWAL	543.00	REGISTRATION RENEWAL
AMERESCO SOLAR, LLC	178.25	CONTROL CHARGERS
ANZA LOCK AND SAFE	117.50	REKEY LOCKS ON NEW OPS' BUILDING
BALDY UTILITY COMPANY, INC	22,353.62	CONTRACTOR
CINTAS CORPORATION #055	1,137.63	UNIFORMS & SUPPLIES
COMPLIANCE SOLUTIONS INC.	500.80	PROFESSIONAL SVC FOR: JAN 2026
DESERT ALARM	210.11	REPEATER WITH A 9V TRANSFORMER
DMV RENEWAL	1,364.00	REGISTRATION RENEWAL
EDI KANDEL	247.36	REFUND CR BAL,DISC ACCT,ELEC&FIB
FREEDOM ELECTRIC	6,280.00	GRANT TEP
GENUINE CABLE GROUP, LLC.	4,185.42	MATERIALS
J HARLEN CO INC	524.30	TOOLS
LAKE RIVERSIDE ESTATES	164.00	ASSESSMENT LOT #273
LONE WOLF NETWORKS LLC	600.00	NETWORK ENGINEERING/CONSULTING
MI-TECH SERVICES, INC.	31,036.11	POLE INSPECTIONS
NRECA E&T 9-201	7,200.00	FINANCIAL DECISION MAKING COURSE

TOTAL - Pg. 1 497,074.91

NAME	AMOUNT	DESCRIPTION
ONESOURCE	11,723.86	CAHUILLA EV CHARGER PROJECT
ONLINE INFORMATION SERVICES	209.58	ONLINE UTILITY EXCHANGE
RICHIE TOOLS AND SERVICES	17,488.62	CONNECTANZA DROPS
SD MYERS LLC	9,755.00	STATION EQUIPMENT OIL TESTING
SECURITAS SECURITY SERVICES	5,156.82	SECURITY SERVICES
SOPHATH PRAK	21.77	REFUND CR BAL,DISC ACCT,FIBER
TEMECULA ELECTRICAL SUPPLY	139.71	MATERIALS
TERMINIX	145.00	PEST CONTROL
TRAVIS JORDAN	343.18	REFUND CR BAL,DISC ACCT,ELEC&FIB
WALTERS WHOLESALE ELECTRIC	30,167.18	MATERIALS
TEMECULA ELECTRICAL SUPPLY	701.67	MATERIALS
JOSEPH OSWALD	130.90	REFUND CR BAL,DISC ACCT,ELEC
NETCEED	797.70	JUNIPER
NRECA	7.50	FSA INVOICE FOR DECEMBER 2025
SANTA ROSA PIT STOP	3,484.34	FUEL

TOTAL - Pg. 2	80,272.83

TOTAL of Pgs 1-2	577,347.74

ANZA ELECTRIC COOP, INC.
DECEMBER 2025
DRAFTS

NAME	AMOUNT	DESCRIPTION
AFLAC	5,033.82	HOSPITAL & SUPPLEMENTAL
DEPARTMENT OF MOTOR VEHICLES	187.00	MOTOR CARRIER PERMIT
DEPT OF THE TREASURY	99,112.43	FEDERAL PAYROLL TAXES
DIANE SIEKER	956.88	BOARD EXPENSE
DONNA F. LEWIS	1,176.48	BOARD EXPENSE
DOUGLAS E HAY	7,643.11	BOARD EXPENSE
FARM CREDIT LEASING	14,272.45	LEASING FEES
HEALTH EQUITY	1,750.84	HSA EMPLOYEE CONTRIBUTIONS
HEALTH EQUITY	87.50	HSA MONTHLY ADMINISTRATION FEES
KATHLEEN HOPE ADAMS	7,315.24	BOARD EXPENSE
NRECA	60,424.57	NRECA GROUP MEDICAL & LIFE
NRECA	18,233.94	NRECA 401K CONTRIBUTIONS
NRECA	3,328.14	NRECA 401K LOAN DRAFT PAYMENTS
RIVERSIDE COUNTY TREASURER	26.92	PROPERTY TAX ASSESSMENT #2025-580130017
RYALL STEWART	1,194.21	BOARD EXPENSE
STATE OF CALIFORNIA	30,109.46	STATE PAYROLL TAXES
STEPHAN LAUZIER	1,196.45	BOARD EXPENSE
US BANK	37,186.26	CREDIT CARD CHARGES
VERIZON WIRELESS	101.28	WEATHER STATION CELLS
VERIZON WIRELESS	403.16	ON CALL CELLS, TABLETS

Total Drafts	289,740.14

OTHER EXPENDITURES

PURCHASED POWER - NOVEMBER	373,343.58
COBANK CONNECTANZA LOAN	34,955.85
COBANK MONTHLY LOAN PAYMENT	55,296.32
CONNECTANZA TAX	584.42
NRECA RS PLAN	97,509.92
PAYROLL	247,892.59
RETURNED CHECKS	20,061.35
BANK FEES	366.24
RIVERSIDE COUNTY PROPERTY TAX - AEC	269,994.42
RIVERSIDE COUNTY PROPERTY TAX - CA	151,950.35
COOPERATIVE CARE PROGRAM	12,000.00

TOTAL - Other Expenditures	1,263,955.04

TOTAL EXPENSES	2,131,042.92

BYLAW / POLICY COMMITTEE MEETING
ANZA ELECTRIC COOPERATIVE, INC.
JANUARY 22, 2026

AGENDA

1. DIRECTORS PURVIEW

* Policy No. 100 – “Board Policies”
* Policy No. 101 – “Board of Directors & General Manager Code of Ethics”
* Policy No. 102 – “Statement of Ideals & Objectives”

2. MANAGEMENT PURVIEW

* Policy No. 206 – “Petty Cash Fund”
* Policy No. 301 – “Meter Reading and Billing and Collection”
* Policy No. 301.1 – “Fees and Deposits”

3. REVIEW OF BYLAWS

- ARTICLE I

COMMITTEE MEMBERS:

Ryall Stewart, Chairman
Doug Hay
Diane Sieker

Greg Pennyroyal, Ex Officio

ANZA ELECTRIC COOPERATIVE, INC.
BOARD POLICY NO. 100

BOARD POLICIES

I. OBJECTIVES

A. To establish the basis for the formulation, review and approval, recording and publication of Cooperative policies.

B. Cooperative policies are intended to state Cooperative objectives as determined by BOD approval, and to serve as a guide for achievement of those cooperative objectives as executed by the General Manager and its staff.

C. To seek consistency of management actions and continuity of the Cooperative's business intended to ensure the achievement of goals and desirable levels of results.

II. POLICY DEVELOPMENT, APPROVAL AND DISTRIBUTION

A. The Board of Directors of Anza Electric Cooperative, Inc. has resolved that the statements contained herein shall govern as to the responsibilities for policy development, approval, and distribution.

1. Policy development shall be based upon planning, the result of detailed observations, study, and analysis of the affairs of the Cooperative.

2. Policy recommendations will provide for the content of the written policy statements and the assignments of specific responsibility therein. The policies shall reflect long-term and long-term authority on actions to be taken by the Board of Directors and the General Manager.

B. Policies will be systematically developed according to a standard written format. All approved policies will be maintained in an electronic format which is indexed. Policies approved by the Board of Directors will set forth clearly and concisely the policy objectives and policy responsibility.

C. The electronic copies of policies shall contain only those policies which have been approved by the Board of Directors. Copies of policy manuals will be distributed and maintained on a current basis for each Board Director and the Cooperative attorney. It is the intent of the Board of Directors that the policy manual be available for review by interested members at the Cooperative office. It is also the intent of the Board of Directors that the General Manager and employed staff shall keep informed on all policies.

III. RESPONSIBILITY

A. The Board of Directors is responsible for policy determination. Such policies as may be approved shall be based upon review and consideration of recommendations from the Board of Directors and the General Manager.

B. The Board of Directors is responsible for establishing a Policy Committee and the duties of such committee shall be outlined.

C. The General Manager is responsible to the Policy Committee for formulation and recommendations of policies which require board approval. The General Manager's policy recommendations shall include statements on policy objectives, content and responsibility.

D. The General Manager, in consultation with the Cooperative attorney, shall make sure all proposed policies or revisions to existing policies meet the requirements of all applicable regulatory and/or administrative agencies, as well as all State and Federal legal requirements.

E. The General Manager is responsible for interpretation and implementation of approved policies to staff. Such internal operational policy statements may be essential to set forth interpretations and procedures shall be approved by the General Manager.

F. It is the General Manager's responsibility to make distribution of electronic copies of policies to staff and other employed personnel as needed.

Signed: _____
President

Signed: _____
Secretary

Effective Date: May 24, 1984
Reviewed & Signed: July 23,1990
Revised: August 23, 2001
Reviewed & Signed: January 26, 2006
Reviewed & Signed: February 22, 2007
Reviewed & Signed: January 24, 2008

Reviewed & Signed January 21, 2009
Revised: January 28, 2010
Reviewed & Signed: January 27, 2011
Revised: January 26, 2012
Reviewed & Signed: January 24, 2013
Reviewed & Signed: January 23, 2014
Reviewed & Signed: January 26, 2015
Reviewed & Signed: January 29, 2016
Reviewed & Signed: January 19, 2017
Reviewed & Signed: February 20, 2018
Revised: January 24, 2019
Reviewed & Signed: January 23, 2020
Reviewed & Signed: January 28, 2021
Reviewed & Signed: January 27, 2022
Reviewed & Signed: January 26, 2023
Revised: April 18, 2024
Reviewed & Signed: January 23, 2025

ANZA ELECTRIC COOPERATIVE, INC.
BOARD POLICY NO. 101

BOARD OF DIRECTORS & GENERAL MANAGER CODE OF ETHICS

I. OBJECTIVE

The Board of Directors of Anza Electric Cooperative, Inc. has adopted the following Code of Ethics to apply to the Cooperative's Board of Directors and General Manager. This policy is intended to focus on areas of ethical risk, provide guidance to help recognize and deal with ethical issues, provide mechanisms to report unethical conduct, foster a culture of honesty, transparency and accountability, deter wrongdoing and promote fair and accurate disclosure and financial reporting.

No policy can anticipate every situation that may arise. Accordingly, this policy is intended to serve as a source of guiding principles. The General Manager is encouraged to bring questions about particular circumstances that may involve one or more of the provisions of this policy to the attention of the President of the Board of Directors, who may consult with inside or outside legal counsel as appropriate.

This policy is adopted in accordance with Policy No. 100 – "BOARD POLICIES".

II. CONTENT A. Honest and Ethical Conduct

The General Manager and Board of Directors are expected to adhere to a high standard of ethical conduct. The reputation of the Cooperative depends on the way the Cooperative conducts business and the way the public perceives that conduct. Unethical actions, or the appearance of unethical actions, are not acceptable. The General Manager and Board of Directors are expected to be guided by the following principles in carrying out responsibilities:

1. Loyalty

   The General Manager and Board of Directors shall not be, nor appear to be, subject to influences, interests or relationships that conflict with the best interests of the Cooperative.

2. Compliance with Applicable Laws

   The General Manager and Board of Directors shall comply with all laws, rules and regulations applicable to the Cooperative's activities.

3. Observance of Ethical Standards

The General Manager and Board of Directors must adhere to high ethical standards in the conduct of duties. These include honesty, transparency and fairness.

4. Proper Decorum

Directors are obligated to act with proper decorum. Although they may disagree with the opinions of others on the Board or a committee, they must act with respect and dignity and not make personal attacks on others. Accordingly, Directors must focus on issues, not personalities, and conduct themselves with courtesy toward each other and toward employees, vendors and members of the Cooperative. Directors shall act in accordance with Board decisions and shall not act unilaterally or contrary to the Board's decisions.

B. Conflict of Interest

The General Manager and the Board of Directors shall avoid any conflicts of interest between themselves and the Cooperative. Any situation that involves, or may involve, a conflict of interest with the Cooperative should be disclosed promptly to the President of the Board of Directors, who may consult with inside or outside legal counsel as appropriate.

A "conflict of interest" can occur when an individual's personal interest is adverse to – or may appear to be adverse to – the interests of the Cooperative. Conflicts of interest also arise when an individual, or a member of their immediate family, receives improper personal benefits as a result of their position with the Cooperative. "Immediate family" includes a person's spouse, parents, children, siblings, in-laws, and anyone (other than employees) who share such person's home.

This policy does not attempt to describe all possible conflicts of interest, which could develop. Some of the more common conflicts from which the General Manager and Board of Directors must refrain, however, are set forth below.

1. Improper Conduct and Activities

The General Manager and Board of Directors may not engage in any conduct or activities that are inconsistent with the Cooperative's best interests or that disrupt or impair the Cooperative's relationship with any person or entity with which the Cooperative has or proposes to enter into a business or contractual relationship.

2. Compensation from Non-Company Sources

The General Manager and Board of Directors may not accept compensation (in any form) for services performed for the Cooperative from any source other than the Cooperative without Board approval.

3. Gifts

The General Manager, Board of Directors, and their immediate family members shall not accept gifts from persons or entities where any such gifts could influence their actions in their position with the Cooperative.

4. Personal use of Company assets

The General Manager and Board of Directors shall not use Cooperative assets, labor or information for personal use, other than incidental personal use, unless approved by the President of the Board of Directors as part of a compensation or expense reimbursement program.

C. Corporate Opportunities

The General Manager and Board of Directors are prohibited from:

1. Taking for themselves personal opportunities related to Cooperative business.

2. Using Cooperative property, information, or position for personal gain.

3. Competing with the Cooperative for business opportunities.

D. Confidentiality

The General Manager and Board of Directors shall maintain the confidentiality of information entrusted to them by the Cooperative and any other confidential information about the Cooperative, its business, customers or suppliers that comes to them, from whatever source, except when disclosure is authorized or legally mandated. For purposes of this policy, "confidential information" includes all non-public information relating to the Cooperative, its business, consumers/members or suppliers.

E. Compliance with Laws, Rules and Regulations

The General Manager and Board of Directors shall comply with all laws, rules and regulations applicable to the Cooperative.

F. Encouraging the Reporting of any Illegal or Unethical Behavior

The General Manager and Board of Directors shall promote ethical and transparent behavior and create a culture of ethical compliance. The General Manager and Board of Directors shall foster an environment in which the Cooperative:

1. Encourages employees to talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation.

2. Encourages employees to report violations of laws and rules.

3. Informs employees that the Cooperative will not tolerate retaliation for reports made in good faith.

G. Conclusion

Violations of Policy by General Manager

Allegations of violations of this policy by the General Manager shall be communicated to the Board President promptly. Violations will be investigated by the Board of Directors or by a person or persons designated by the Board of Directors, and appropriate disciplinary action will be taken in the event of any violations of this policy, up to and including termination.

Violations of Policy by Directors

Directors who violate the Cooperative's ethics policy are deemed to be acting outside the course and scope of their authority. Anyone in violation of this policy may be subject to immediate disciplinary action, including, but not limited to:

- Censure.
- Removal from committees;
- Removal as an officer of the board;
- Request for resignation from the board;
- Recall by the membership, and
- Legal proceedings.

Prior to taking any of the actions described above, the Executive Committee shall investigate the violation. The Committee shall review the evidence of violation, endeavor to meet with the Director believed to be in violation, confer with the Cooperative's legal counsel, and present its findings and recommendations to the Board for appropriate action. The Board shall endeavor to meet with the Director in executive session prior to imposing disciplinary action against that person.

III. RESPONSIBILITY

The Board of Directors, as a whole, is responsible for seeing that this policy is understood and adhered to by the General Manager and the Board of Directors.

Signed: _____
President

Signed: _____
Secretary

Effective Date: October 27, 1987
Reviewed & Signed: July 23, 1990
Revised: August 23, 2001
Revised: October 23, 2003
Revised: December 21, 2004
Revised: January 26, 2006
Reviewed & Signed: February 22, 2007
Reviewed & Signed: January 24, 2008
Reviewed & Signed: January 21, 2009
Revised: January 28, 2010
Reviewed & Signed: January 27, 2011
Reviewed & Signed: January 26, 2012
Reviewed & Signed: January 24, 2013
Reviewed & Signed: January 23, 2014
Revised: January 26, 2015
Reviewed & Signed: January 29, 2016
Reviewed & Signed: January 19, 2017
Revised: February 20, 2018
Revised: January 24, 2019

Reviewed & Signed: January 23, 2020
Reviewed & Signed: January 28, 2021
Reviewed & Signed: January 27, 2022
Reviewed & Signed: January 26, 2023
Reviewed & Signed: April 18, 2024
Reviewed & Signed: January 23, 2025

ANZA ELECTRIC COOPERATIVE, INC.
BOARD POLICY NO. 102

STATEMENT OF IDEALS AND OBJECTIVES

I. STATEMENT OF IDEALS

A. That the Cooperative exists primarily to serve its members. The services provided by the Cooperative are essential to the people of our area, to our State, and to the building of our nation.

B. That the Cooperative exists for the benefit of its members, but the welfare of its employees and the general public must be taken into account.

C. That it is all important that the Cooperative furnish the best utility service that it can provide, a service high in value and steadily improving, at a price to the member that will always be as low as possible and at the same time keep the Cooperative financially stable.

D. That the success of the Cooperative depends on the people it employs to provide this essential service. To provide this service the Cooperative must attract and keep capable employees. Salaries shall commensurate with wages within the industry.

E. That the Cooperative must do all things essential to good management, service, research, finance, organization, and training of employees on a long range basis.

F. This policy is adopted in accordance with Policy No. 100 – "BOARD POLICIES".

II. STATEMENT OF OBJECTIVES

A. With Members

1. To provide the best possible utility service to all who desire it within the system's service area at the lowest price consistent with the highest standards of service which includes the establishment of an adequate financial structure, sufficient funds available to cover all costs of service, payments to local governments in the form of taxes, retirement of the outstanding debt obligations, provisions for future expansion and equitable remunerations to the employees.

2. To strive constantly for ever higher standards of service through progressive management, utilization of new equipment and techniques and improved methods of operation in order to lower costs of producing and distributing electric power.

3. To enhance the Cooperative's reputation for fair dealing, prompt and efficient service, dependability, integrity, courtesy, productive ability and technical competence.

4. To keep the members adequately informed about the manner of operation, plans, progress and problems of their utility system and to strive to obtain their understanding, acceptance and support and to demonstrate that the business is locally owned and operated.

B. With Employees

1. To establish the view that our greatest assets are our human assets and that these must be developed and improved as a matter of moral obligation as well as material advantage.

2. To reward and encourage progress, inform, train, develop and properly assign all employees in order to attract and keep in its service those who seek a career with the Cooperative so that their lives and work will be given meaning, dignity, satisfaction and purpose both on and off the job.

3. To promote employees' advocacy in the belief in the ideas of the social and economic obligation involved in doing a job well.

C. With Public

1. To develop understanding, acceptance and support of the Cooperative's objectives, plans and programs.

2. To foster and develop the acceptance of the Cooperative as a good citizen and as a respected member of the business community.

3. To provide leadership and cooperate with other community and civic groups in furthering programs of mutual interests which will benefit the Cooperative's service area.

Signed: _____
President

Signed: _____
Secretary

Effective Date: May 24, 1984
Revised: July 23, 1990
Revised: August 23, 2001
Revised: December 21, 2004
Reviewed & Signed: January 26, 2006
Revised: February 22, 2007
Reviewed & Signed: January 24, 2008
Reviewed & Signed: January 21, 2009
Revised: January 28, 2010
Reviewed & Signed: January 27, 2011
Reviewed & Signed: January 26, 2012
Reviewed & Signed: January 24, 2013
Reviewed & Signed: January 23, 2014
Reviewed & Signed: January 26, 2015
Revised: January 29, 2016
Reviewed & Signed: January 19, 2017
Revised: February 22, 2017
Revised: February 20, 2018
Reviewed & Signed: January 24, 2019
Reviewed & Signed: January 23, 2020
Reviewed & Signed: January 28, 2021
Reviewed & Signed: January 27, 2022
Reviewed & Signed: January 26, 2023
Reviewed & Signed: April 18, 2024
Reviewed & Signed: January 23, 2025

ANZA ELECTRIC COOPERATIVE, INC.
BOARD POLICY NO. 206

PETTY CASH FUND

I. OBJECTIVE

To establish and maintain a cash drawer in the amount of $500.00

This policy is adopted in accordance with Policy No. 100 – "BOARD POLICIES".

II. POLICY CONTENT

To establish reimbursement of the petty cash fund on a periodic basis by authorized person by signed receipts.

III. RESPONSIBILITY

The General Manager shall be responsible for carrying out the provisions of this policy.

Signed: _____
President

Signed: _____
Secretary

Effective Date: February 26, 1987
Reviewed & Signed: August 23, 1990
Revised: October 25, 2001
Reviewed & Signed: April 28, 2005
Reviewed & Signed: June 22, 2006
Reviewed & Signed: September 25, 2007
Reviewed & Signed: June 26, 2008
Reviewed & Signed: July 24, 2009
Reviewed & Signed: June 24, 2010
Reviewed & Signed: June 23, 2011
Reviewed & Signed: July 31, 2012

Reviewed & Signed: June 27, 2013
Reviewed & Signed: June 26, 2014
Reviewed & Signed: June 25, 2015
Reviewed & Signed: June 23, 2016
Reviewed & Signed: June 22, 2017
Reviewed & Signed: June 28, 2018
Reviewed & Signed: June 27, 2019
Reviewed & Signed: June 25, 2020
Reviewed & Signed: June 24, 2021
Reviewed & Signed: June 23, 2022
Reviewed & Signed: June 22, 2023
Reviewed & Signed: January 23, 2025

ANZA ELECTRIC COOPERATIVE, INC.
BOARD POLICY NO. 301

METER READING, UTILITY BILLING, COLLECTION,

DISCONTINUANCE AND RESTORATION OF SERVICE

I. OBJECTIVE

To provide an orderly schedule for the reading of members meters and the payments of utility billing, to the end that all members will be treated on a fair and uniform basis.

This policy is adopted in accordance with Policy No. 100 – "BOARD POLICIES"

II. POLICY CONTENT

A. Electric Meter Reading - Billing and Collection Schedule

1. All electric meters of the Cooperative shall be read or estimated monthly for the preparation of regular bills and as required for the preparation of opening bills, closing bills, and special bills.

   a. Opening or closing bills will be computed in accordance with the applicable rate schedule, and the minimum charges specified therein will be assessed on all bills in accordance with §II(A)(1)(b) herein.

   b. For regular monthly billing cycles when the total period for service is less/more than 30 days, no prorating will be made and no bill for such a service period shall be less than the specified monthly minimum charge.

   c. Each meter on a member's premises will be considered separately and the readings of two or more meters will not be combined except:

      (1) Where combination of meter readings is specifically provided for in a rate schedule.

      (2) For the Cooperatives' operating convenience or necessity may require the use of more than one meter.

      (3) Where otherwise required.

2. Electric energy bills are considered due and payable ten days after rendered, and bills not paid by the due date printed on the bill or the due date of a payment arrangement are subject to disconnection for non-payment. Failure to receive electric energy bill will not release the member/consumer from payment obligation.

    a. Payment of bills may be made through normally accepted methods of payment.

3. A member's ~~electric~~ service may be discontinued for non-payment of a bill for ~~electric~~ service furnished at a previous location.

4. If a member is receiving ~~electric~~ service at more than one location, service at all locations may be discontinued if bills for service at any one or more of these locations are not paid.

B. ConnectAnza Billing and Collection Schedule

1. ConnectAnza members are billed at a monthly rate for internet service, voice-over-internet-protocol (VOIP), and other services as determined by the Board of Directors.

    a. Opening or closing bills will be computed in accordance with the applicable rate schedule, and the minimum charge specified therein will be assessed on all bills in accordance with §II(B)(1) herein.

    b. For regular monthly billing cycles when the total period for service is less/more than 30 days, prorating will be made and billing for such a service period may be less than the specified monthly minimum charge.

    c. Each ConnectAnza service on a member's premises will be considered separately and billed at the rate established in accordance with §II(B)(1) herein.

    d. ConnectAnza bills are sent via invoice billing, including electric service, as applicable to each member. It is responsibility of each member to provide the Cooperative

with accurate contact information and to regularly check their bills.

2. ConnectAnza bills are considered due and payable by the due date printed on the invoice billing, and bills not paid by the disconnect date printed on the bill or the due date of a payment arrangement are subject to disconnection for non-payment. Failure to receive a ConnectAnza bill will not release the member from payment obligation.

    a. Payment of bills may be made through normally accepted methods of payment.

3. A ConnectAnza service may be discontinued for non-payment of a bill for either electric or ConnectAnza service furnished at a separate location.

4. If a member is receiving ConnectAnza service at more than one location, service at all locations may be discontinued if bills for service at any one or more of these locations are not paid.

C. Meter Test

1. Every meter shall be tested at or prior to the time of installation, and no meter shall be placed in service if found to register more than 1% fast or 1% slow.

2. A member may, on notice of not less than one week, request that the Cooperative test their meter.

    a. No charge will be made for such a test, but, should a member demand a test within six months after installation or more often than once in twelve months, they will be required to deposit $25.00 to pay, in part, the cost of the test. This deposit will be returned if the meter is found to register more than 2% fast or 2% slow.

    b. A member shall have the right to require the Cooperative to conduct the test in their presence or in the presence of an expert or other representative appointed by them. The results of the test will be furnished to the member within a reasonable time after completion of the test.

C. Adjustment of Bills for Meter Error

1. Fast Meter: When, upon test, any meter is found to be registering more than 2% fast, the Cooperative will refund to the member the amount of the overcharge based on corrected meter readings for the preceding six months.

2. Slow Meter: When, upon test, any meter for domestic service is found to be registering more than 2% slow, or any meter for other class of service is found to be registering more than 2% slow, the Cooperative may bill the member for the amount of the undercharge based on corrected meter readings for the preceding three months.

3. Non-registering Meter: If a meter for domestic service is found to be non-registering, the Cooperative may bill the member for the Cooperative's estimate of the electricity used but not registered, not exceeding three months in the case of domestic service and three years for non- domestic service.

4. Estimated Usage: When regular, accurate meter readings are not available or the electric usage has not been accurately measured, the Cooperative may estimate the member's electricity usage for billing purposes on the basis of information including, but not limited to, the physical condition of the metering equipment, available meter readings, records of historical use and/or the general characteristics of the member's load and operation.

D. Adjustment of Bills for Billing Errors

1. Overcharge: When any member is overcharged by the Cooperative as a result of a billing error, bills will be corrected and the overcharge refunded, without interest, to the member for the period of the billing error, but not to exceed three years.

2. Undercharge: When a domestic or residential member, is undercharged by the Cooperative as a result of a billing error, the member may be billed for the amount of the under-charge, without interest, for the period during which the under-billing occurred, but not to exceed three months.

   a. When a member other than a domestic or residential member is undercharged by the Cooperative as

a result of a billing error, the member may be billed for the amount of the undercharge, without interest, for the period during which the under-billing occurred, but not to exceed three years.

3. Unauthorized Use: When reasonable information exists that there has been inaccurate metering due to unmetered or unauthorized use of Cooperative service resulting from actions by other than an authorized Cooperative employee, the member may be billed for the entire amount of the undercharge, without interest, for the entire period during which such under-billing occurred. Also see Policy No. 307 "Power Theft".

4. Estimated Usage: When regular, accurate meter readings are not available or the electric usage has not been accurately measured, the Cooperative may estimate the member's electricity usage for billing purposes on the basis of information including, but not limited to, the physical condition of the metering equipment, available meter readings, records of historical use and/or the general characteristics of the member's load and operation.

E. Refusal of Service by Cooperative

The Cooperative may refuse to connect or may disconnect service to a member for any violation of Cooperative's policies, or facts, in which the Cooperative determines that there is an immediate hazard or threat to life or property or a Certified Court Order. The discontinuance of service by the Cooperative for any cause stated does not release the member of their obligation for any and all bills and charges due or from any legal action. Requests for disconnect from any local, state or federal authority must be in writing setting forth facts to satisfy the Cooperative that policies have been violated or that a hazard or threat to life or property exists justifying immediate disconnect.

F. Member Connection or Disconnection of Service

Any member desiring a service be connected, disconnected or changed from one location to another shall give the Cooperative three working days' notice in person, by phone, or in writing provided such notice does not violate any contractual obligation. The member is responsible for all energy used at the meter location until proper notice has been given to the Cooperative.

G. Service Rendered Unusable

When an act of god or force majeure causes a member's service to be interrupted which might terminate the membership it shall be the duty of the Board of Directors in its sole discretion to determine the current membership status of the affected member(s).

H. Rates

1. A rate schedule of each member's assigned classification of utility service shall be available at the Cooperative's office. The terms and conditions of electric service and ConnectAnza services shall be clearly spelled out in each rate schedule.

III. RESPONSIBILITY

A. The General Manager is responsible for seeing that the provisions of this policy are carried out.

Signed: _____
President

Signed: _____
Secretary

Effective Date: June 30, 1988
Revised: August 25, 1994
Revised: December 1, 1996
Revised: May 26, 2005
Revised: July 28, 2006
Reviewed & Signed: October 23, 2007
Reviewed & Signed: June 26, 2008
Revised: August 27, 2009
Revised: June 24, 2010
Revised: June 23, 2011
Revised: May 24, 2012
Revised: December 27, 2012
Reviewed & Signed: June 27, 2013
Revised: July 29, 2014
Revised: June 25, 2015
Reviewed & Signed: April 28, 2016
Revised: July 28, 2017
Revised: June 28, 2018

Reviewed & Signed: June 27, 2019
Reviewed & Signed: June 25, 2020
Reviewed & Signed: June 24, 2021
Reviewed & Signed: June 23, 2022
Reviewed & Signed: June 22, 2023
Reviewed & Signed: January 23, 2025
Revised: May 22, 2025

ANZA ELECTRIC COOPERATIVE, INC.
BOARD POLICY NO. 301.1

DEPOSITS & FEES

I. OBJECTIVE

To provide guidelines for fees and deposits.

II. POLICY CONTENT

A. Fees

A $25.00 non-refundable establishment fee shall be required to establish or re-establish service where applicable.
A $50.00 service charge will be charged to re-establish service previously disconnected for non-payment.

1. Anytime service is to be established after normal business hours a $250.00 after hours charge will apply.

2. Any member who has more than one meter shall be required to pay an establishment fee and deposit for each additional meter.

3. A $25.00 service charge will be required for connecting an existing security light that is not being connected at the time service is being connected.

4. A member whose service was discontinued for non-payment or left an outstanding bill, shall provide full payment of outstanding balance and applicable deposit before service may be established or re-established.

5. Any property owner with an outstanding balance will be required to pay the balance in full before service can be established for their tenant.

6. Payments for establishment fees and/or deposits as required under the rules of the cooperative shall be paid before service will be connected or reconnected.

7. Returned Checks: When a check received in payment of a member account is returned by the bank for any reason, the cooperative will notify member. Checks returned for insufficient funds will be considered the same as delinquent accounts. A $25.00 charge will be made for each check not paid by the bank for any reason stated by the bank or financial institution.

B. Deposit Criteria

The Cooperative shall consider the status of the applicant and act according to the following criteria:

1. Residential Service Applicants

a. New-service applicants who pose no credit risk (Green Light returned on the ONLINE Utility Exchange) will be charged no deposit.

b. New-service applicants who pose minimal risk (Yellow Light returned on the ONLINE Utility Exchange) will be charged a deposit of $100.00.

c. New-service applicants who pose substantial credit risk (Red Light returned on the ONLINE Utility Exchange) will be charged a minimum deposit of $300.00.

d. If the service address is new and has not had service before, an ONLINE Utility Exchange Report will be run as normally required. A Green Light shall require no deposit. A Yellow Light shall require a deposit of $100.00. A Red Light shall require a deposit of $300.00. The account will be reviewed after six months billing history has been created to determine if additional deposit is needed or a portion refunded.

e. Any existing member who becomes delinquent and has had three or more delinquencies in any consecutive six month period, shall be deemed to have an unsatisfactory payment record and must pay a minimum deposit of $300.00 or a deposit equal to twice the average bill for that location, whichever is greater, to continue service.

f. A member who has had service disconnected for non-payment or has an unpaid utility bill reported by the ONLINE Utility Exchange, shall pay a minimum deposit of $300.00 or a deposit equal to twice the average monthly bill for that location, whichever is greater.

g. A service applicant who provides falsified information shall be denied service until that person supplies a valid identification.

h. Applicants who refuse to provide sufficient information to run a valid credit report pose a greater credit risk and shall be charged a $300.00 deposit or a deposit equal to twice the average bill for that location, whichever is greater.

i. Residential accounts with use greater than 4,000 kWh for a one month period may be subject to a deposit of twice the average bill for that location regardless of credit history.

2. Commercial Applicants

a. Commercial applicant's deposit will be determined in the following manner:

i. Sole proprietorships will have an ONLINE Utility Exchange report pulled on the sole proprietor and charged a deposit based on Part C below– Business Intelliscore Results.

ii. Partnerships, Limited Liability Companies(LLC) and Limited Liability Partnerships (LLP) that are less than one year old will have an ONLINE Utility Exchange Report pulled on the managing partner or managing director, as appropriate, and the corresponding deposit will be charged as described in Part C. If the entity is over one-year-old, an IntelliScore Report will be pulled and a deposit charged as described in Part C below.

iii. Commercial applicants who are corporations, regardless of whether they are Subchapter S or full "C" Corporations, or any corporation that has a corporate headquarters outside of our service area shall have their credit risk based upon the ONLINE Utility Exchange's Business Profile Report and IntelliScore Report.

iv. If the Business Profile Report OR IntelliScore Report indicates credit risk, the customer will be charged a minimum deposit of $1000.00 or twice monthly average for that location, whichever is greater. The account will be reviewed after six months of billing history has been created to determine if additional deposit is needed or a portion refunded.

v. Any commercial member with bills in excess of $2,000 per month can have their deposit reviewed to determine if additional deposit is needed or a portion refunded.

vi. Any existing commercial member who becomes delinquent and has had three or more delinquencies in any consecutive six month period, shall be deemed to have an unsatisfactory payment record and must pay a minimum deposit of $1000.00 or a deposit equal to three times the average bill for that location, whichever is greater, to continue service.

vii. Associations such as Home Owner Associations often do not have credit history. A deposit of $500.00 or one time the highest monthly bill during the prior twelve months, whichever is greater, will be charged.

C. The ONLINE Utility Exchange's Business IntelliScore reports:

1. Commercial applicants who pose low risk and display an IntelliScore of <<80 to 100>> shall pay a deposit of one times the highest monthly usage of the service address during the prior 12 months or $300.00 whichever is greater.

2. Commercial applicants who pose a moderate credit risk and display an IntelliScore score of <<70 to 79>> shall pay a deposit of two times the highest monthly usage of the service address during the prior 12 months or $500.00 whichever is greater.

3. Commercial applicants who pose a substantial credit risk and display an IntelliScore score of <<69 or lower>> shall pay a deposit of three times the highest monthly usage of the service address during the prior 12 months or $1000.00 whichever is greater.

4. If no billing history exists for the location, a minimum deposit of $500.00 will be collected. The deposit will be reviewed after six months of billing history has been created to determine if additional deposit is needed or a portion refunded.

D. Deposit Duration

1. Residential accounts: Deposits are not returned until electric service is terminated or member no longer poses a credit risk. The Cooperative will return deposits, if requested, as a billing credit onto the account after one year of service and a payment history reflecting no delinquent payments or returned checks along with a positive report from ONLINE Utility Exchange report indicating no credit risk.

2. Commercial accounts: Deposits are not returned until electric service is terminated or member no longer poses a credit risk. The Cooperative returns deposits, if requested, as a billing credit onto the account after five year provided the account has maintained a payment history reflecting no delinquent payments or returned checks along with a positive report from ONLINE Utility Exchange indicating no credit risk.

III. GENERAL

A. Deposits are required to be paid prior to the time a connect order is issued.

B. Upon termination of service, the deposit will be applied against any unpaid bills of the member.

C. Any remaining deposit balance will be returned to the member.

D. The Cooperative will not accept a letter of credit in lieu of screening an applicant through the ONLINE Utility Exchange.

IV. ConnectAnza Deposits

A. All ConnectAnza residential applicants shall be required to pay a deposit for Cooperative equipment at a rate of $100 per service.
B. All ConnectAnza commercial applicants shall be required to pay deposits based on the requirements of the service.
C. Deposits are eligible to be refunded to the member once all Cooperative equipment is returned following a disconnection of service.

V. ConnectAnza Fees

A. A member whose service was disconnected for non-payment or left an outstanding bill shall provide full payment of outstanding balance and a reconnection fee of $50 in order to have service reestablished.

VI. RESPONSIBILITY

The General Manger is responsible for seeing that the provisions of this policy are carried out.

Signed: _____
President

Signed: _____
Secretary

Effective Date: December 27, 2012
Reviewed & Signed: June 27, 2013
Revised: July 29, 2014
Reviewed & Signed: June 25, 2015
Revised: January 29, 2016
Reviewed & Signed: June 23, 2016
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Reviewed & Signed: June 28, 2018

Reviewed & Signed: June 27, 2019
Reviewed & Signed: June 25, 2020
Revised: October 22, 2020
Reviewed & Signed: June 24, 2021
Reviewed & Signed: June 23, 2022
Reviewed & Signed: June 22, 2023
Reviewed & Signed: January 23, 2025
Revised: May 22, 2025

ARTICLE I
MEMBERSHIP

SECTION 1. ELIGIBILITY, MEMBERSHIP RENEWAL, REACTIVATION. Any natural person, firm, association, corporation, business trust, partnership, Federal agency, state or political subdivision thereof, or body politic (each hereinafter referred to as "person", "applicant", "him" or "his" or "her") shall be eligible to become a member of, and, at one or more premises owned or directly occupied or used by him or her, to receive electric service from, Anza Electric Cooperative, Inc. (hereinafter called the "Cooperative"). Application for membership - whereby the applicant agrees to purchase available services from the Cooperative and to be bound by and to comply with all the other provisions of the Cooperative's Articles of Incorporation and Bylaws, and all rules, regulations, rate classifications and rate schedules established pursuant thereto, as all the same then exist or may thereafter be adopted or amended (the obligations embraced by such agreement being hereinafter called "membership obligations") - shall be made in writing on such form as is provided therefor by the Cooperative. With respect to any particular classification of service for which the Board of Directors shall require it, such application shall be accompanied by a supplemental contract, executed by the applicant on such form as is provided therefor by the Cooperative. The membership application shall be accompanied by the fees (together with any service security deposit, service connection deposit or facilities extension deposit, or contribution in aid of construction that may be required by the Cooperative) which fee (hereinafter called "additional payments, if any"), shall be refunded in the event the application is denied. Any former member of the Cooperative may, by the sole act of paying outstanding account plus accrued interest thereon at the California legal rate on judgments in effect when such account first became overdue, compounded annually (together with additional payments/deposits, if any), renew and reactivate any prior application for membership to the same effect as though the application had been newly made on the date of such payment.

The member shall be entitled to hold a membership interest for each service area that requires a separate class of membership as set forth in these By-laws. A service connection deposit or fee, in such amounts shall be prescribed by the Cooperative (together with

additional payments, if any), shall be paid by the member for each service connection requested.

Upon payment of the connection fee established by the Board of Directors and receipt of service, the applicant shall become a member.

A person becomes a member by holding one or more classes of membership, but holding more than one class of membership does not entitle a person to additional rights or votes as a member. No membership in the Cooperative shall be transferable, except as provided in these By-laws.

SECTION 2. JOINT MEMBERSHIP. A husband and wife, a partnership or two natural persons may apply for a joint membership and, subject to their compliance with the requirements set forth in Section 1 of this Article may be accepted for such membership. The term "member" as used in these By-laws shall be deemed to include a husband and wife, a partnership or two natural persons holding a joint membership and any provisions relating to the rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect of the holders of the joint membership shall be as follows:

(a) The presence at a meeting of either or both shall be regarded as the presence of one member;

(b) The vote of either separately or both jointly shall constitute one joint vote;

(c) A waiver of notice signed by either or both shall constitute a joint waiver;

(d) A notice to either shall constitute a notice to both;

(e) Expulsion of either shall terminate the joint membership and neither shall be a member;

(f) Withdrawal of either member shall terminate the joint membership;

(g) Either, but not both, may be elected or appointed as an officer or director, provided that the individual appointed meet the qualifications for such office.

SECTION 3. CONVERSION OF MEMBERSHIP. (a) A membership may be converted to a joint membership upon the written request of the holder thereof and the agreement by such holder and his or her spouse or other joint members to comply with the Articles of Incorporation, By-laws and Rules and Regulations adopted by the Board of Directors.

(b) Upon the death of either spouse or partner who is a party to the joint membership, such membership shall be held solely by the survivor. The estate of the deceased shall not be released from any debts due to the Cooperative.

SECTION 4. ELECTRIC ENERGY. Each member shall, as soon as electric energy shall be available, receive service from the Cooperative for all electric energy used on the premises specified in the application for membership, except co-generation, and shall pay thereforth monthly rates which shall from time to time to be fixed by the Board of Directors; provided, however, that the Board of Directors may limit the amount of electric energy which the Cooperative shall be required to furnish to any one member. It is expressly understood that amounts paid for the electric energy in excess of the cost of service are furnished by members as capital and each member shall be credited with the capital so furnished as provided in these By-laws. Each member shall pay to the Cooperative such minimum amount per month regardless of the amount of electric energy consumed, as shall be fixed by the Board of Directors from time to time. Each member shall pay all amounts owed to the Cooperative as and when the same shall become due and payable.

SECTION 5. FIBER OPTIC SERVICES. Each member shall, as soon as services shall be available to such member, receive an offer of service from the Cooperative for fiber optic services available for use on the premises specified in the application for membership or where the member currently receives electrical energy services, and in the event that the member decides to apply for such fiber optic class of service, the member shall pay thereforth monthly rates which shall from time to time to be fixed by the Board of Directors;

provided, however, that the Board of Directors may limit the amount of capacity within the fiber optic network which the Cooperative shall be required to furnish to any one member based on the facilities and capacity available. It is expressly understood that amounts paid for fiber optic services in excess of the cost of service are furnished by members as capital and each member shall be credited with the capital so furnished as provided in these By-laws. Each member shall pay to the Cooperative such minimum amount per month regardless of the fiber optic services consumed, as shall be fixed by the Board of Directors from time to time. Each member shall pay all amounts owed to the Cooperative as and when the same shall become due and payable.

SECTION 6. TERMINATION OF MEMBERSHIP. (a) Any member may withdraw from membership upon compliance with such uniform terms and conditions as the Board of Directors may prescribe. The Board of Directors of the Cooperative may, by the affirmative vote of not less than two-thirds of all the directors, expel any member who fails to comply with any of the provisions of the Articles of Incorporation, By-laws or Rules or Regulations adopted by the Board of Directors, but only if such member shall have been given written notice by the Secretary of the Cooperative that such failure makes the member liable to expulsion and such failure shall have continued for at least 10 days after such notice was given. Any expelled member may be reinstated by vote of the Board of Directors or by vote of the members at any annual or special meeting.

(b) Upon the withdrawal, death, cessation of existence or expulsion of a member the membership of such member shall thereupon terminate. Termination of membership in any manner shall not release a member or the member's estate from any debts due the Cooperative.

(c) In case of withdrawal or termination of membership in any manner, the Cooperative shall repay to the member the amount of membership fee paid by the member, provided, however, that the Cooperative shall deduct from the amount of the membership fee the amount of any debts or obligations owing from the member to the Cooperative.

(d) If a member withdraws from only one class of membership, but remains a member for the purposes of another class of service,

then the status of such person as a member of the Cooperative will remain unchanged and only the member's rights with respect to the withdrawn class will be terminated, provided, however, that the Cooperative will make any payments in connection with the terminated class of service pursuant to section (c) above.

The Corporate Governance Institute

Pointers for communicating effectively in the boardroom:

- When people communicate well together it brings collaboration, purpose and productivity.
- A great communicator in the boardroom brings energy, is inspiring and ignites infectious energy.
- Being prepared is the cornerstone of being an effective communicator
- Failures of communication effectively include constantly checking devices, rambling, lack of eye contact, starting and ending a meeting badly, coming unprepared, not asking questions
- If you express yourself simply, you inspire confidence, so be a good editor and deliver content that has relevance and purpose.
- The consequence of poor communication includes lost time due to misunderstandings, frustration due to uncertainty, people left out if it's not inclusive, messages misunderstood or misinterpreted, and negative energy that reduces influence.
- Examples of poor communication from a Chair include very low engagement, maybe due to intimidation, not feeling included, and members feeling like they've nothing to add.
- It's important for the chair to understand quieter members of the board. These people have strong listening and observation skills that need to be shared. Build a relationship with them outside of the boardroom to encourage involvement and engagement.
- The traits of a really good communicator include someone who is relaxed and can make people feel comfortable, who has an awareness of the people in the room, the ability to open up and listen well, makes eye contact, uses facial expressions, brings their personality and warmth into the room
- Effective comms is 20% what you know and 80% how you feel about what you know. Ask yourself, how would you like people to feel after they've heard from you?
- To polish your communications skills take some simple steps:
    - Pause, and remove the fillers such as 'um', 'and' 'eh'
    - Broaden small talk – be able to contribute to casual talk
    - Control your voice – have water nearby, it helps to relax the voice
    - Overprepare – you can't do enough preparation, this allows you to speak up and gives you the motivation to do better
    - Less can be more – inject comment when you have something fresh to add
    - Invoke your vertical – think of your body language, put your feet firmly on the ground, and sit straight.
- Strategies to get your ideas heard:
    - Preparation
    - Don't leave communications to the boardroom alone
    - Connect personally with your board – good relationships make it easier to communicate
    - Focus on your impact – think, breath, speak
    - Embrace differences of opinion and difficult conversations

    - Always back yourself.

- Remember to use the rule of three. When sharing info, break it into three parts.
- For longer communications pieces, keep it conversational. Use short sentences. Open strong and end with a firm conclusion.

Best Practices For Improving Board Member Communications

It's easy to focus on the mechanics of running an organization through a board and unintentionally overlook how much of the board's work is related to communication. We have the good fortune in today's society to have many different channels for improving communication. We can talk on the phone, chat by messaging apps, FaceTime or video call each other, or speak face-to-face. Board directors need good communication skills whether they're working on solo projects or in a group setting. Improving board communication combines communications skills with using the right communication channels at the right time to accurately reflect the information that we're trying to relay.

Strong board communication skills are an asset for board directors. Good communication helps to build trust, improve branding, enhance decision-making and protect the organization's reputation. When communication is lacking in the boardroom, it can lead to serious problems or even a major crisis. A bad situation can be made worse by poor communication.

The culture in the boardroom is a strong indicator of whether a board benefits from good communication. A strong boardroom culture encourages a degree of openness to all perspectives. Boardrooms should be reflective of a collegial environment where dissenting opinions are encouraged and accepted at face value. Board directors are expected to support board decisions even when they disagree with them behind closed doors or when they voted against them. Strong boards present a united front.

The board chair is a key player in how tensions in the boardroom resolve or don't resolve, as the case may be. Experienced board chairs are skilled at encouraging a spirit of collegiality and dissipating emotion during heated debates. As the leader of the board, the board chair should strive to create an inclusive culture that encourages full participation and contribution in the most respectful environment. Effective boards welcome informative debates where diverse perspectives are the norm. Multiple opinions are important for laying the foundation for meaningful challenge and dissent.

At all times, it's important for board directors to recognize and accept that tensions are likely to surface at the precise time that they have to make tough decisions. This means that board directors have to check their egos at the door and focus on the reason they come together which is for the benefit of good decision-making for the organization.

The board chair should ensure that all board directors have the opportunity to have complete information with the benefit of full transparency. All board directors should have the chance to have their questions answered fully and have ample opportunity to voice their concerns and opinions. Boards that overlook directors who feel left out or dismissed risk having board directors on the board who harbor anger and resentment which may re-surface at a later time and set the stage for future conflict. Board directors who don't feel like the rest of the board is giving their ideas value are likely to hold back and become passive observers rather than be active, engaged members of the group.

To set a collegial atmosphere, boards should be willing to welcome constructive criticism, challenge fundamental assumptions and hold themselves and the executives accountable . Boards put themselves in the best position to make good decisions when all board directors have adequate time to read all the reports and hear multiple perspectives on an issue. Before being asked to make decisions, board directors should also have the opportunity to fully air their questions and concerns and be given time to challenge proposals.

Best practices encourage boards to have diversity around the boardroom. That doesn't mean that boards should have diversity just for the sake of checking off the right boxes. Having a diverse board is only beneficial for boards that are willing to take full advantage of the fact that they have a diverse board by ensuring they remain engaged.

It helps for boards to recognize that while diversity is part of best practices, it can lead to tension even among the most collegial boards. Healthy board communications will help establish that tension can be a healthy part of board debate. Well-managed conflict can help boards become better balanced in their decision-making. Board directors who are willing to bring forth challenges incite greater insight without creating heated conflicts.

Many boards find that it's helpful to arrange for occasional informal gatherings outside of the boardroom. Informal gatherings present opportunities for board directors to get to know each other better on a personal and professional level. Informal meetings can be set up one-on-one or for a group. Informal get-togethers can take the form of board development seminars or workshops, breakfast meetings, dinners, coffee meetings, or a week-long strategic planning meeting retreat.

A theory and framework of listening, comprehension and creativity:

Video: https://www.youtube.com/watch?v=eLfXpRkVZaI



Listening is not a singular definitive process. The framework and intention when listening yields very different outcomes not only in the comprehension of what is heard but of the dialogue and outcomes of the Board and the entirety of the AEC team. A common understanding and vocabulary of not only the discussion but the intention of how we listen may give us the tools to not only improve our listening but to support a more comprehensive imaginative and innovative understanding as a board and in the larger context of the organization.

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“The Legislative Conference does a great job of educating participants, members, and staff on key issues impacting the rural electric cooperative industry. Having access to and developing better relationships with key decision-makers enables us to be effective both now and in the future with respect to challenges and opportunities in our line of business."

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Definitions in Public Utilities Code

- **Section 331.1**. For purposes of this chapter, "**community choice aggregator**" means any of the following entities, if that entity is not within the jurisdiction of a local publicly owned electric utility that provided electrical service as of January 1, 2003:

  (a) Any city, county, or city and county whose governing board elects to combine the loads of its residents, businesses, and municipal facilities in a communitywide electricity buyers' program.

  (b) Any group of cities, counties, or cities and counties whose governing boards have elected to combine the loads of their programs, through the formation of a joint powers agency established under Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code.

- **Section 2776** As used in this chapter, the term "**electrical cooperative**" means any private corporation or association organized for the purposes of transmitting or distributing electricity exclusively to its stockholders or members at cost.

- **Section 218.** (a) "**Electrical corporation**" includes every corporation or person owning, controlling, operating, or managing any electric plant for compensation within this state, except where electricity is generated on or distributed by the producer through private property solely for its own use or the use of its tenants and not for sale or transmission to others.

- **Section 218.3** "**Electric service provider**" means an entity that offers electrical service to customers within the service territory of an electrical corporation, as defined in Section 218, but does not include an entity that offers electrical service solely to service customer load consistent with subdivision (b) of Section 218, and does not include an electrical corporation, as defined in Section 218, or a public agency that offers electrical service to residential and small commercial customers within its jurisdiction, or within the service territory of a local publicly owned electric utility. "Electric service provider" includes the unregulated affiliates and subsidiaries of an electrical corporation, as defined in Section 218.

- No reference to a definition of an "**Electricity Supplier**" in the Public Utilities Code.

- No reference to a definition of an "**Entity Offering Electric Service**" in the Public Utilities Code.

- **Section 380** (j) For purposes of this section, "**load-serving entity" means an electrical corporation, electric service provider, or community choice aggregator.** "Load-serving entity" does not include any of the following:
  (1) A local publicly owned electric utility as defined in Section 9604.
  (2) The State Water Resources Development System commonly known as the State Water Project.
  (3) Customer generation located on the customer's site or providing electric service through arrangements authorized by Section 218…

- **Section 9604** (d) "**Local publicly owned electric utility**" as used in this division means a municipality or municipal corporation operating as a "public utility" furnishing electric service as provided in Section 10001, a municipal utility district furnishing electric service formed pursuant to Division 6 (commencing with Section 11501), a public utility district furnishing electric services formed pursuant to the Public Utility District Act set forth in Division 7 (commencing with Section 15501), an irrigation district furnishing electric services formed pursuant to the Irrigation District Law set forth in Division 11 (commencing with Section 20500) of the Water Code, or a joint powers authority that includes one or more of these agencies and that owns generation or transmission facilities, or furnishes electric services over its own or its member's electric distribution system.

- **Section 399.12**: (i) "**Retail seller**" means an entity engaged in the retail sale of electricity to end-use customers located within the state, including any of the following:
  (1) An **electrical corporation**, as defined in Section 218.
  (2) A **community choice aggregator**. The commission shall institute a rulemaking to determine the manner in which a community choice aggregator will participate in the renewables portfolio standard program subject to the same terms and conditions applicable to an electrical corporation.
  (3) An **electric service provider**, as defined in Section 218.3, for all sales of electricity to customers beginning January 1, 2006. The commission shall institute a rulemaking to determine the manner in which electric service providers will participate in the renewable portfolio standard program. The electric service provider shall be subject to the same terms and conditions applicable to an electrical corporation pursuant to this article. Nothing in this paragraph shall impair a contract entered into between an electric service

provider and a retail customer prior to the suspension of direct access by the commission pursuant to Section 80110 of the Water Code.

(4) "Retail seller" does not include any of the following:

(A) A corporation or person employing cogeneration technology or producing electricity consistent with subdivision (b) of Section 218.

(B) The Department of Water Resources acting in its capacity pursuant to Division 27 (commencing with Section 80000) of the Water Code.

(C) A local publicly owned electric utility.

- No reference to a definition of a "**Retail Supplier**" in the Public Utilities Code.

- No reference to a definition of an "**Entity Offering Electric Service**" in the Public Utilities Code.

COMMONLY USED ACRONYMS

Cooperative Organizations:

- Affordable Connectivity Program **(ACP)**
- Arizona Electric Power Cooperative **(AEPCO)**
- Arizona Generation & Transmission **(AZG&T)**
- Broadband Equity Access and Deployment **(BEAD)**
- Bolinger, Seger, Gilbert, and Moss **(BSGM)**
- California Center for Cooperative Development **(CCCD)**
- Cooperative Care Program **(CCP)**
- CoBank
- Cooperative Finance Corporation **(CFC)**
- Cooperative Research Network **(CRN)**
- Federated Rural Electric Insurance
- General Pacific **(GenPAC)**
- Golden State Power Cooperative **(GSPC)**
- Internet Service Provider **(ISP)**
- Low Income Home Energy Assistance Program **(LIHEAP)**
- National Cooperative Service Corporation **(NCSC)**
- National Rural Electric Cooperative Association **(NRECA)**
- National Rural Telecommunications Cooperative **(NRTC)**
- North West Public Power Association **(NWPPA)**
- Northern California Power Agency **(NCPA)**
- Plumas Sierra Rural Electric Cooperative **(PSREC)**
- RE Magazine
- Rural Utility Services **(RUS)**
- Pioneer
- South Eastern Data Corporation **(SEDC)**
- Surprise Valley Electric Cooperative **(SEVC)**
- Trinity Public Utilities District **(TPUD)**

Other Organizations:

- California Air Resources Board **(CARB)**
- California Energy Commission **(CEC)**
- California Office of Emergency Services **(CalOES)**
- California Public Utilities Commission **(CPUC)**
- California Municipal Utilities District **(CMUD)**
- Federal Communications Commission **(FCC)**
- Federal Energy Regulatory Commission **(FERC)**
- Imperial Irrigation District **(IID)**
- Joint Utility Group **(JUG)**
- North American Electric Reliability Corporation **(NERC)**
- Riverside County Emergency Management Department **(EMD)**
- Sacramento Municipal Utilities District **(SMUD)**
- San Diego Gas & Electric **(SDG&E)**
- Southern California Edison **(SCE)**
- US Department of Energy **(DOE)**
- Western Electric Coordinating Council **(WECC)**
- Western Renewable Energy Generation Information System **(WREGIS)**
- Wildfire Safety Advisory Board **(WSAB)**
- Wildfire Safety Division **(WSD)**

Other:

- Agreed Upon Procedures **(AUP)**
- Battery Energy Storage System **(BESS)**
- California Advanced Services Fund **(CASF)**
- Distributed Energy Resources **(DER)**
- Fiber to the Home **(FTTH)**
- Net Energy Metering **(NEM)**
- Physical Security Plan **(PSP)**
- Point of Presence **(POP)**
- Public Safety Power Shutoff **(PSPS)**
- Rural Digital Opportunity Fund **(RDOF)**
- Safety and Enforcement Division **(SED)**
- Times Interest Earned Ratio **(TIER)**
- Wildfire Mitigation Plan **(WMP)**