



2024 ANNUAL REPORT



Platte-Clay
Electric Cooperative

A Touchstone Energy® Cooperative



Powered By Values

SINCE 1938



PCEC linemen work around the clock to ensure reliable service by maintaining co-op infrastructure and responding to outages impacting members as safely and quickly as possible.

Dear Consumer-Members,

It's wonderful to connect with you all once again, as we reflect on our journey and reaffirm our commitment to serving you with safe and reliable energy.

At the core of our cooperative's mission lies a set of values that drive everything we do. We take great pride in being *powered by values* — values that elevate us beyond being just another electric provider.

Values like history, community outreach, reliability, transparency and safety are not just words to us — they are the guiding principles that shape our actions and decisions.

Over the past year, we've continued our tradition of providing reliable power while investing in the Northland communities we serve. From supporting local schools and youth programs to partnering with charity organizations and small businesses, our commitment to community runs deep.

Another value that set us apart is our commitment to service. We would like to express our sincere gratitude to our dedicated employees. Their hard work ensures that we meet your energy needs efficiently and with care.

Every member of our team, from our linemen to our customer service representatives, plays a crucial role in our success. We deeply appreciate their unwavering commitment to serving you.

Lastly, as we mark over 85 years of serving the Northland communities, we want to thank each of you. Your support has been essential to our success, and we remain dedicated to our core values that have guided us from the beginning.

Thank you for being part of our cooperative family.

Dave Deihl
General Manager and CEO

Kendall Davis
Board President



Kendall Davis
Board President
South District



Theresa Wren
Vice President
North District



Kim Goepferich
Secretary
South District



Larry Leachman
Treasurer
West District



Mark Baker
Director
North District



Ed Barger
Director
North District



David Edwards
Director
North District



Dennis Fulk
Director
West District



Kelly Parkhurst
Director
West District

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MEMBER OWNED AND LED

As a cooperative, Platte-Clay is controlled and governed by its membership. Directors play an important role in the cooperative by giving consumer-members a seat at the decision-making table through local representation. The directors set policy and help ensure governance of the co-op. The directors have worked alongside staff to establish strategic goals for the co-op. Board members also receive opportunities for training in co-op leadership as well as opportunities to develop deeper knowledge of how the energy industry operates. Their leadership is pivotal in helping navigate current challenges such as rising inflation and increasing power demand.

PCEC STRATEGIC GOALS

- 1 Maintain Financial Stability
- 2 Enhance Member Information, Education and Engagement
- 3 Enhance Investment in System Reliability
- 4 Ensure Workforce Stability and Continuity
- 5 Construct and Maintain a Comprehensive Technology Work Plan
- 6 Relentless Pursuit of Safety



In 2023, PCEC Directors, including Kelly Parkhurst, front left and Ed Barger, front right, toured Associated Electric Cooperative's Thomas Hill Power Plant in 2023 to get an up-close look at what it takes to power Missouri's rural electric cooperatives.

DEEPLY ROOTED IN HISTORY

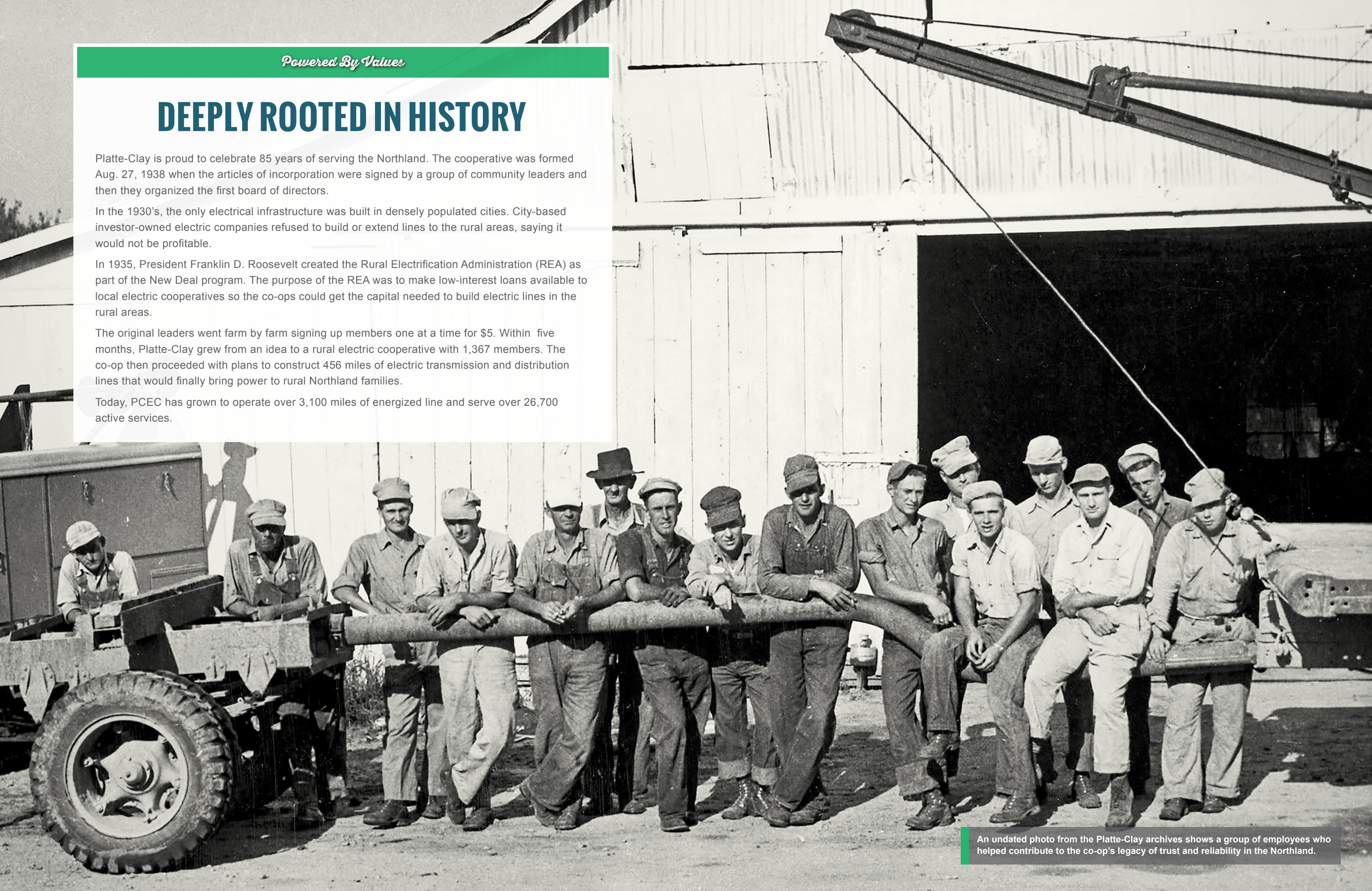
Platte-Clay is proud to celebrate 85 years of serving the Northland. The cooperative was formed Aug. 27, 1938 when the articles of incorporation were signed by a group of community leaders and then they organized the first board of directors.

In the 1930's, the only electrical infrastructure was built in densely populated cities. City-based investor-owned electric companies refused to build or extend lines to the rural areas, saying it would not be profitable.

In 1935, President Franklin D. Roosevelt created the Rural Electrification Administration (REA) as part of the New Deal program. The purpose of the REA was to make low-interest loans available to local electric cooperatives so the co-ops could get the capital needed to build electric lines in the rural areas.

The original leaders went farm by farm signing up members one at a time for \$5. Within five months, Platte-Clay grew from an idea to a rural electric cooperative with 1,367 members. The co-op then proceeded with plans to construct 456 miles of electric transmission and distribution lines that would finally bring power to rural Northland families.

Today, PCEC has grown to operate over 3,100 miles of energized line and serve over 26,700 active services.



An undated photo from the Platte-Clay archives shows a group of employees who helped contribute to the co-op's legacy of trust and reliability in the Northland.

COMMITTED TO RELIABILITY

Reliability stands as a cornerstone of our cooperative, and achieving dependable service for members relies on several critical factors. One crucial aspect is maintaining our infrastructure to the highest standards. Platte-Clay manages and operates over 3,100 miles of energized lines, equipped with state-of-the-art technology.

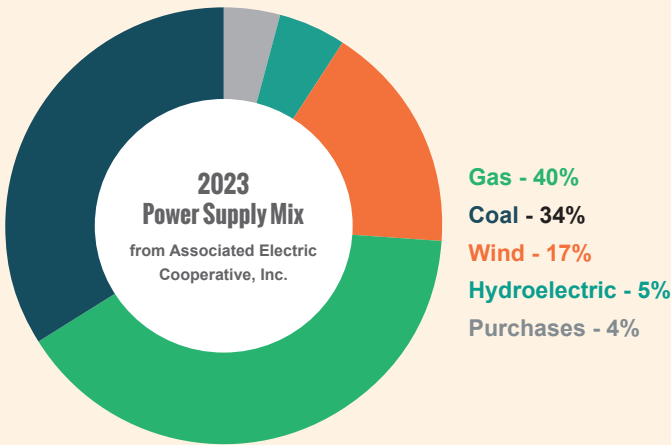
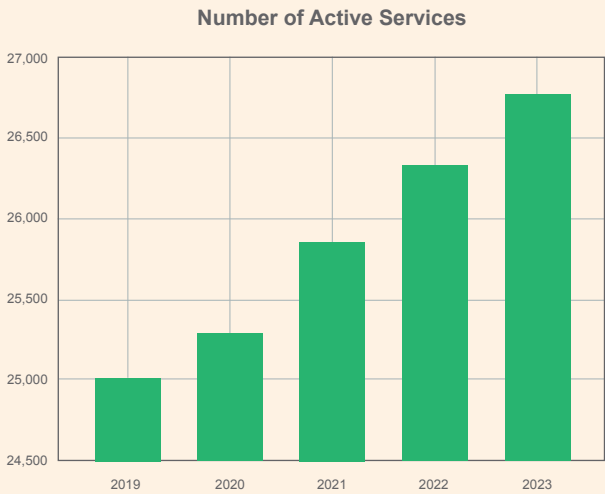
Dedicated crews work year-round to keep right-of-ways clear and mitigate potential vegetation interference that could lead to outages. We understand the significance of maintaining a continuous power supply, which is why PCEC invests in infrastructure maintenance and prioritizes outage response.

In 2023, the average outage time system-wide was 64 minutes, surpassing industry benchmarks and underscoring our unwavering commitment to keeping our members connected.

Reliability Highlights

	2021	2022	2023
Investment in Infrastructure	\$7,068,366	\$8,512,869	9,630,869
Total Miles of Line	3,071	3,097	3,118
Power Blinks Per Meter	12.5	9.7	10.05
Outage Minutes Per Member	169*	77	84

*Increase correlated with anomalous wind storm in June '21.



Maintaining right of ways is crucial to sustaining reliability for PCEC’s distribution system. With over 3,100 miles of line stretching across parts of seven counties, co-op teams and contractors work tirelessly year-round to ensure vegetation is properly cleared from lines to reduce outages and make it safer for linemen to access. Pictured is a before and after of a cleared right of way project in Iatan, Mo, in northwestern Platte County.



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COMMUNITY OUTREACH

Beyond being a power distributor, PCEC has a longstanding tradition of outreach in the communities we serve. Whether it's supporting local businesses, schools, food pantries or blood drives, our cooperative values being a member of our community.

In 2023, PCEC partnered with area school districts such as Kearney, Platte City, Smithville, Excelsior Springs and Lathrop, to support career events and electric safety presentations for all ages. Platte-Clay also continued to provide scholarships for local high school seniors pursuing careers in the energy industry, and once again sponsored high school juniors in the national Youth Tour leadership development program.



Foreman Dan Smithson and lineman Jake Rose share the tools of the trade with Kearney Elementary students during an outreach event.

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PURSUIT OF SAFETY

In 2023, we achieved an incredible milestone of over 2 million consecutive hours without a lost-time accident — a testament to the diligence and dedication of our team. Safety is not just a priority for us — it's ingrained in our culture.

Operations team members participate in monthly safety trainings on industry regulations and best practices. The co-op also has an employee safety committee where employee representatives from each department can openly discuss any safety concerns or questions with management.



Foreman Tim Cunningham participates in a pole-top rescue safety training. The pole-top rescue is an important safety skill for all linemen to know in the event of a contact emergency. A 165-pound dummy is used in the training.



PCEC holds annual member appreciation events across the co-op service territory where members can enjoy fellowship and the opportunity to meet with co-op leadership.

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ACCOUNTABILITY

Platte-Clay takes pride in being accountable to its members. We are always here to help members with any questions or concerns about their service.

As a cooperative, PCEC returns any additional revenue beyond operating expenses back to members in the form of capital credits. In just the last five years, PCEC has returned nearly \$14 million in capital credits.

PCEC recently received a score of 86 on the American Customer Satisfaction Index (ACSI®). The average annual electric cooperative score is 78.

“What’s best for our members” is a common expression at board and staff meetings.

MEMBER FEEDBACK

- “They quickly respond to calls – always courteous – restore power in record time – really listen and treat me with respect.” -Sherry
- “You all are amazing people.” -Larry
- “Thanks to all the linemen and staff for all that you do.” -Wilson
- “Platte-Clay Electric is the best!” -Sue
- “You guys are hard working people.” -Joe
- “Appreciate all the dangerous work ya’ll do!” -Becky
- Simply the “BEST” thank you PCEC linemen. -Tom

86 ACSI[®] SCORE
CUSTOMER SATISFACTION INDEX

44,016
PHONE CALLS
ANSWERED BY MEMBER
SERVICE REPRESENTATIVES
AND DISPATCH

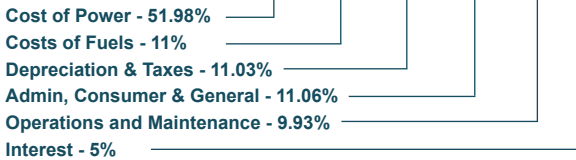
Financial Highlights

	2021	2022	2023
Average Monthly Residential Bill	\$149.25	\$150.63	\$150.81
Member Equity	54%	55%	54%
Total kWh Sold	546 million	569 million	561 million
Capital Credits Returned	\$2.8 million	\$3.5 million	\$2.2 million

CO-OP FINANCIALS

In 2023, the high inflationary environment contributed to increases in wholesale power costs billed to the cooperative. The Directors voted to delay a rate increase to the end of the year, which resulted in a planned decrease in revenues.

Operating Expenses (2023): \$70,781,442



Statement of Revenue

	For the Years Ending December 31...	2022	2023
Operating Revenue			
Electric Energy Revenue		\$64,820,215	\$61,699,997
Properties Revenue		\$383,100	\$382,550
Fuels Sales		\$9,031,445	\$8,382,034
Total Operating Revenues		\$74,234,760	\$70,464,581
Operating Expenses			
Cost of Power Purchased		\$35,674,168	\$36,789,418
Cost of Fuel Purchased		\$8,856,843	\$7,789,395
Distribution-Operating		\$685,136	\$895,557
Distribution-Maintenance		\$5,630,585	\$6,131,031
Consumer Accounts		\$521,373	\$627,431
Customer Service and Information		\$1,341,988	\$1,190,343
Sales		\$787,694	\$700,685
Administrative and General		\$5,049,706	\$5,309,341
Depreciation		\$4,984,759	\$5,218,082
Taxes		\$2,730,778	\$2,587,344
Interest Expense		\$2,999,870	\$3,542,815
Total Operating Expenses		\$69,262,900	\$70,781,442
Net Operating Margin		\$4,971,860	\$(316,861)
Non-Operating Margin			
Interest Income		\$40,848	\$55,923
Other Non-Operating Income		\$151,808	\$--
Income/(Loss) from Subsidiaries and Affiliates		\$--	\$2,801,204
Total Non-Operating Margin		\$192,656	\$2,857,127
Capital Credits from Associated Organizations		\$2,445,763	\$2,404,510
Net Margin		\$7,610,279	\$4,944,776

**Platte-Clay Electric Cooperative's financial statements have been independently reviewed and audited by Kelso Lynch - Certified Public Accountants, an auditing firm based in Mission, KS. Financials for 2023 reflect the sale of Platte-Clay Fuels.*

Capital Credits

Both current and long-term consumer-members are eligible to receive a Capital Credit refund. For the year 2024, PCEC returned \$2.2 million to members.

Director Fees

Each director on the Platte-Clay Board of Directors receives \$400 for each local meeting attended, with no other benefits paid.

Balance Sheet

	For the Years Ending December 31...	2022	2023
Assets			
Utility Plant			
Electric Plant in Service - at Cost		\$179,075,198	\$186,192,989
Less: Accumulated Depreciation		\$40,028,316	\$42,651,064
Total		\$139,046,882	\$143,541,925
Construction Work in Progress		\$1,198,580	\$1,412,150
Net Utility Plant		\$140,245,462	\$144,954,075
Non-Utility Plant			
Property and Equipment		\$2,660,235	\$--
Less-Accumulated Depreciation		\$1,638,223	\$--
Net Non-Utility Plant		\$1,022,012	\$--
Other Assets			
Associated Organizations		\$40,144,553	\$40,971,035
Affiliated Businesses		\$--	\$--
Note Receivable - Related Organization		\$--	\$--
Participation Agreement		\$--	\$--
Total Other Assets		\$40,144,553	\$40,971,035
Current Assets			
Cash		\$3,809,592	\$6,476,511
Accounts Receivable			
Customers (Less Provisions for Doubtful Accounts)		\$2,959,629	\$2,901,903
Affiliated Businesses		\$--	\$--
Other		\$214,057	\$644,557
Materials and Supplies		\$232,229	\$34,431
Notes Receivable		\$--	\$--
Interest Receivable		\$7,540	\$--
Other Current Assets		\$4,021,420	\$3,842,414
Total Current Assets		\$11,244,467	\$13,899,816
Deferred Debits		\$26,603	\$216,274
Total Assets		\$192,683,097	\$200,041,200
Members' Equities and Liabilities			
Equities			
Patronage Capital		\$107,547,142	\$108,800,398
Total Equities		\$107,547,142	\$108,800,398
Long-Term Debt			
NRUCFC Mortgage Notes, Less Current Maturities		\$69,257,006	\$70,628,195
Current Liabilities			
Current Maturities of Long-Term Debt		\$3,388,923	\$3,602,000
Accounts Payable		\$167,428	\$174,150
Accounts Payable-Related Party		\$--	\$--
Line of Credit		\$--	\$4,500,000
Accrued Taxes		\$210,797	\$207,429
Accrued Interest		\$508,849	\$569,823
Other Current and Accrued Expenses		\$7,171,906	\$7,329,943
Total Current Liabilities		\$11,447,903	\$16,383,345
Deferred Credits		\$4,431,046	\$4,229,262
Total Members' Equities and Liabilities		\$192,683,097	\$200,041,200



**Platte-Clay
Electric Cooperative**

A Touchstone Energy® Cooperative 



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