

Annual Report



ALLAMAKEE
CLAYTON
ELECTRIC COOPERATIVE

[Accelerating Innovation]

09.08.25

ACEC Headquarters

1:30–6:30 pm

2024

YOU'RE INVITED!

Please join us for our

ANNUAL MEETING DRIVE- THROUGH Monday, Sept. 8, 2025 1:30 – 6:30 p.m. Allamakee-Clayton Electric Cooperative Headquarters

Director elections for Districts A and B will occur via mail or can be dropped off during the drive-through service at the Cooperative on Monday, September 8, 2025, from 1:30 p.m. to 6:30 p.m. Employees and directors will greet you, provide people in the vehicle with a hot to-go meal (while supplies last), and present you with your annual meeting gift. In addition, the Co-op will enter all attendees into a drawing for a bill credit.



AL STEFFENS
PRESIDENT



HOLLEE MCCORMICK
EVP | GENERAL
MANAGER

PRESIDENT & GENERAL MANAGER REPORT

In the blink of an eye, 2024 has come and gone.

There are many things we can look back on with pride. We maintained a 99.98% overall reliability rate, meaning when you flipped the light switch, we delivered safe, reliable power. We provided over \$1 million in local USDA economic development loans, with the help of our Generation and Transmission (G&T) Dairyland Power Cooperative. That is money that stays within the ACEC community to better the local economy. After four years of planning and deployment, we accomplished our goal of bringing fiber internet to the city of Waukon and portions of Allamakee County that previously were underserved with reliable internet options. We continued to grow our Voice Over Internet Protocol (VoIP) phone services, as well as bring assistance to families with our FirstCall Emergency Response System.

We have continued to accelerate innovation by keeping what is best for our members in mind.

This year, we ask you to continue to support our Cooperative by attending our Annual Meeting and voting on your board members and policies. What makes a Cooperative unique is that each

member has a vote for who represents them on their Board of Directors. That's Cooperative Principle #2 – Democratic Member Control. We encourage you to exercise this right either before or at our Annual Meeting, happening Monday, Sept. 8, from 1:30-6:30 p.m.

We also ask you to vote on two amendments to our Articles of Incorporation. We'd like you to vote on the number of directors who represent you on our Board, as well as to give us authority to investigate electronic voting in the future. You can find out more about these proposed amendments on page 8.

DEVELOPING THE LOCAL ECONOMY

Working with our local economic developers and Chambers of Commerce is vital to our success and the success of the communities we serve. That's why we work to form a partnership and compliment the work they're already doing.

In 2024, we partnered with various businesses within our communities, as well as with Dairyland Power, to add over \$1 million to our economy with funds from the USDA Rural Economic Development Loan & Grant program (REDLG) and USDA Revolving Loan Fund (RLF).





These businesses featured a wide range of industries and varied across our service territory. We assisted another type of cooperative purchase equipment for an expansion. We paired with Dairyland for construction of a new event venue. Along with Dairyland and two other cooperatives, we assisted a daycare construct a new building. A loan to a local business was used to purchase specialized equipment to expand their services. We also helped a business with a remodel.

This work with our communities further demonstrates our Cooperative Principle #7 – Concern for Community.

BRINGING INTERNET INNOVATION TO WAUKON

In 2024, AC Skyways, a division of ACEC, continued to bring high-quality fiber internet to Waukon and the surrounding Allamakee County rural areas. We concluded trenching fiber lines throughout the Waukon city limits. In total, we now have 1,791 passings within the city. At the end of 2024, we had 645 AC Skyways fiber customers within city limits and more added every day.

We also grew outside the city limits. We completed our build in what we termed

the Southwest Allamakee rural area, bringing fiber passings to 429 dwellings. We also completed a project near the Dorchester area.

In total, we now have a potential for nearly 3,000 fiber customers.

Our Skyways customer service continues to bring the best to the area. In addition to offering fiber, satellite and wireless internet connections, we also increased our VoIP subscriber base in 2024. This was not an area we anticipated growing into but it has filled a need our communities have. We are proud to say at the end of the year, we had over 278 VoIP lines.

ABOUT THE MEMBERS

At the heart of what we do are the members we serve. Throughout 2024, we had multiple connection points with members of various demographics.

We attended all four of our area county fairs, connecting with members and sharing our story. We enjoyed participating in the Big Four Fair parade. We welcomed area youth to our office for a variety of job shadow and career exploration opportunities.

A highlight every year is having the opportunity to select two area students

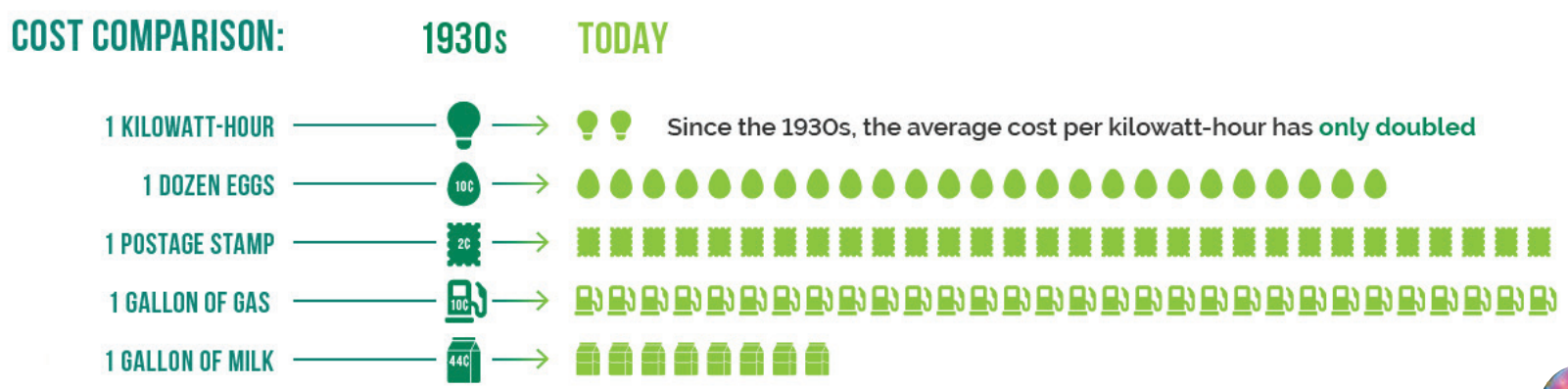
to go to Washington D.C. as a part of the National Youth Tour. As always, the students who apply and ultimately represent ACEC on the tour impress and inspire us.

Our FirstCall Emergency Response Department continues to bring comfort and security to families who have taken advantage of this service. We are proud to provide this potentially life-saving product.

We also look forward to our two member events we host every year – the Member Appreciation Picnic in June and our Annual Meeting in September. It's always fun to see smiling faces at both and have an opportunity to receive feedback.

ACCELERATING INNOVATION

It's our member satisfaction that brings me back to our annual meeting and voting. We are always looking to the future and what will be best for our membership. We believe the two amendments we are asking you to vote on will prepare us best for what the future holds for our Co-op. On behalf of the ACEC staff and our Board of Directors, we hope you'll join us at our Annual Meeting and continue to share in our innovations.



2024 DAIRYLAND DIRECTOR REPORT



A Touchstone Energy® Cooperative 

I am proud to be our cooperative's representative on the Dairyland Power Cooperative Board of Directors. Dairyland is the generation and transmission (G&T) cooperative that provides the power required by ACEC members 24/7/365.

Dairyland had a lot of exciting developments last year that will benefit the entire region, as well as ACEC. I'd like to share a few of those.

A NEW ERA

Last year was a banner year as Dairyland was awarded more than \$600 million in grants. The grant projects will help reduce Dairyland's carbon footprint and add resiliency to the grid through more than 1,000 MW of renewable energy projects and battery storage, as well as upgrades and rebuilds to existing transmission infrastructure.

Dairyland was awarded a \$595 million Empowering Rural America (New ERA) grant. The grant will support the development of more than 1,000 MW of renewable energy projects and critical transmission system upgrades. New ERA projects are expected to result in more than a 70 percent decrease in CO2 emissions, and create career opportunities and sources of tax revenue for local communities.

In addition, Dairyland was awarded a \$5.7 million U.S. Department of Energy grant to install a long-duration energy storage flow battery in ACEC's service territory.

In alignment with our statewide association – Iowa Association of Electric Cooperatives – and the National Rural Electric Cooperative Association

(NRECA) in Arlington, Va., Dairyland works with elected officials, regardless of party affiliation, to advocate for policies benefitting electric cooperatives. With a new federal administration, Dairyland, our statewide association and the NRECA are monitoring developments and advocating for co-op priorities that support growth and development in the rural communities we serve.

As part of its overall sustainable power supply plan, Dairyland continues to explore small modular nuclear reactors. Nuclear will drive the clean energy transition by providing reliable baseload, carbon-free power to support economic growth and the integration of wind and solar.

NO TRANSITION WITHOUT TRANSMISSION

ACEC and Dairyland are part of the Midcontinent Independent System Operator (MISO), which is the air traffic controller for reliable and cost-effective electricity in a 15-state region plus the province of Manitoba, Canada.

One critical aspect of reliably powering the lives of more than 40 million people in the MISO footprint is building new power generation facilities; the other is efficiently delivering electricity to where it is needed. In September 2024, the 102-mile, 345 kilovolt (kV) Cardinal-Hickory Creek transmission line was energized between Dubuque, Iowa, and Middleton, Wis. By the time Cardinal-Hickory Creek was placed in service, there were 160 renewable generation projects totaling 24.5 gigawatts dependent upon the line.

Although Dairyland is on a path to decarbonization, it is taking a measured approach that ensures reliability. President & CEO Brent Ridge has consistently reiterated that Dairyland will not sacrifice safety and reliability in meeting its members' energy needs. Last year, as a result of new economic development opportunities, Dairyland's member cooperatives collectively attracted 27 projects totaling 20.4 MW of new load in 2024.

830

Distribution co-ops are the foundation of the cooperative network.



64

G&T co-ops provide wholesale power to distribution co-ops.

COMMUNITY

In 2024, Dairyland donated \$1,000 to the City of Harpers Ferry for a new playground through Dairyland's Cooperative Contributions program. We are grateful to Dairyland for giving back to the communities we serve through this grant.



Looking to the future, we're excited to be a host cooperative for the Dairyland Day of Service this October. We will be working with the Dairyland team to clean up an area of Yellow River State Forest. Every year, Dairyland works with several of their cooperatives to donate time and energy to clean-up projects within that cooperative's service territory. We are looking forward to partnering with Dairyland, other neighboring cooperatives and the YRSF staff to clean up a section of the park. We will be sharing more information as it gets closer.

The future is exciting, and I am proud to serve as ACEC's representative on Dairyland's Board of Directors. Thank you for your membership!



JEFF BRADLEY
ACEC BOARD
PRESIDENT

DAIRYLAND POWER
BOARD DIRECTOR



MUNICIPALITIES

58

Average meters served
per one mile of line.

\$131,000

Revenue generated
per one mile of line.



Percentage of
Iowa's served.



ELECTRIC CO-OPS

4

Average meters served
per one mile of line.

\$10,800

Revenue generated
per one mile of line.



Percentage of
Iowa's served.



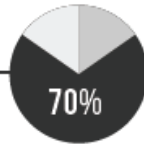
INVESTOR-OWNED

28

Average meters served
per one mile of line.

\$85,000

Revenue generated
per one mile of line.



Percentage of
Iowa's served.

In Iowa, the average household served
by electric cooperatives spends about

\$5.25 PER DAY FOR ELECTRICITY



THAT'S CHEAPER THAN BUYING A SANDWICH OR SPECIALTY COFFEE DRINK!



CANDIDATES



DISTRICT A **BRICE WOOD**

**Lansing, Iowa
Lafayette
Township**

Brice lives south of Lansing with his wife, Kathy, and their three children. He works for the Allamakee County Highway Department as a sign person, installing signs in the county right of way as well as working with outside contractors, plowing snow and many other road maintenance tasks. In addition, Brice is a volunteer fireman for the Lansing Fire Department and recently obtained his EMT certification. He also serves as a volunteer driver and EMT for the Lansing EMS Service. He and his family are active in the Lansing Immaculate Conception Church, where he and Kathy teach Faith Formation. He has served on the ACEC Board of Directors since 2022.

Brice has a background in renewable energy, working as a former wind turbine technician. He said that background provided a good foundation of understanding in his first term on the board. "The industry is familiar to me but I have been impressed to see how ACEC operates as a distribution cooperative that provides safe, reliable and affordable electricity to its members," he said. "Safe and affordable service is key. As an electrical cooperative, we have a unique opportunity to shape the future of the Co-op by voting for directors we think will be represent members' interests."

As he looks to the future and preparing ACEC for success, Brice believes it's important for the Co-op and the Board to continue to look at ways to be innovative.

"I believe meeting an ever-growing peak demand and looking into new and innovative ways to replace base load generation that is being retired is very important as well as looking into potential projects that will help grow and maintain the cooperative for many years to come."



DISTRICT A **EATON COTE**

**Waukon, Iowa
Union Prairie
Township**

Eaton Cote is a resident of rural Waukon. Cumulatively, he's been an ACEC member for 16 years, with 12 years at his current residence. Eaton's a lifelong resident of Allamakee County. In the past, he's owned his own business and been a National Park Service employee. He previously served as the Athletic Club president and is a former Allamakee County fair board member. He and his wife, Kris, have been married for 41 years. They have two children and five grandchildren. He is a CDL driver for AgVantage Farm Service, driving a variety of tender trucks for agricultural applications.

As a member-consumer of ACEC, Eaton believes it's important for the Co-op to continue to evolve with new power sources while monitoring how those new sources influence costs and consumer needs. "As a current ACEC member, I'm concerned with the cost of electrical service and how those services are produced," he said. "My experience is on the customer side of things. We have both electrical and internet service through ACEC, and also a solar system tied to the co-op, which has been educational

in how it relates to ACEC. I hope these experiences will help me offer valuable input to benefit the cooperative."

In addition to paying attention to the cost of electrical service, Eaton believes the Co-op needs to bring ideal customer service to its members. "I think communication is very important to members. To receive speedy answers to questions and if needed, timely service to resolve situations."



DISTRICT B

**JOHN
BRUIHLER**

**Hawkeye, Iowa
Windsor
Township**

John has been an ACEC member for over 20 years. He and his wife, Debra, reside west of Hawkeye. He farms with his son and has been active in promoting conservation farming for many years. He is an alumnus of the Minnesota Agricultural Leadership Program, is the past-president of the Rush-Pine Farmer Lead Council and is a former postmaster in Rushford, Minnesota.

While he believes regulations and infrastructure are two of the most critical challenges facing cooperatives today, John says it's imperative that the board take the time to look at the whole picture. "I'm willing to take the time required to provide my input and ideas to continue to have the cooperative provide reliable and competitive products," he said.

John says he thinks members are looking for a Board who can continue to provide affordability into the future. He said in the future, he thinks members will expect



"insight and direction on what is the most efficient and reliable options available to them."



DISTRICT B
RONALD
HARTMAN

Sumner, Iowa
Banks Township

Ronald has been an ACEC member for 26 years, living near Sumner. He is a retired elementary school teacher, teaching at Durant Elementary School for 33 years. He currently works part time at Meadowbrook Country Club and serves as the Sumner rural Fire Department secretary/treasurer. In addition, he is the Banks Township clerk and is the president of the Wilson Grove Cemetery Association. He's previously served as the president of the Sumner Education Association and as a council member of St. John's Lutheran Church. He has four children and 11 grandchildren. From his educator experience, Ronald believes he'd be a good representative on the Board. "As a long-time user of

electricity, I'd like to learn the ins and outs of the co-op," he said. "As a recovering educator, I'd like to speak for those who want to know 'why?' and 'how?'"

When it comes to looking to the future, Ronald believes it involves keeping energy cost-efficient while providing excellent customer service. "As energy demands increase, bringing more power at a lower cost continues to be among the challenges," he said. "In addition, having state-of-the-art equipment and competent, quick and friendly responses to those in need are important attributes."



DISTRICT B
AL STEFFENS

Clermont, Iowa
Dover Township

Al and his wife, Brenda, have been ACEC members since 1974. He currently owns a beef and crop family farm with his two sons. Al is actively involved in the community. He is a Dover Township trustee and is on the Fayette County Zoning and Adjustment board.

He's previously served as the president of Farm Credit Services of America, was the vice-president of the Clermont Rural Fire Board, and was a board member for the DHIA, District 1 Holsteins, Fayette County Holsteins, Fayette County Extension and for the West Clermont Lutheran Church. Al has been an ACEC director since 2019. He served as the board president this past year.

Al believes a key to being a good director for the co-op is remember to listen to the members and focus on what is best in the long term. "As a member-owner like you, I enjoy talking to members about what they expect and ways we can improve," he said.

When it comes to the future, Al believes having a power grid that is able to serve future demands is most imperative to co-ops. He also believes it's important for the board to find ways to continue to help its members. "Co-ops need to help with planning solar and any ways they can help reduce power bills. Members expect their co-op to help with things to help better plan for the future."

NOMINATING COMMITTEE

COOPERATIVE MEMBERS SELECT CANDIDATES FOR THEIR BOARD



Each spring, the ACEC Board of Directors appoints a nominating committee to select candidates to run for the ACEC Board of Directors. This year's Nominating Committee gathered in May to select director candidates to run for the Board election. We thank them for their time!

*The following ACEC members served on the 2025 nominating committee, from left, front row – **Peggy Connor**, Hawkeye; **Andy Shull**, Waukon; **Matt Byrnes**, Dorchester; **Darcy Radloff**, Postville. Back row – **Mike Poratz**, Sumner; **Sandy Klosterman**, West Union; **Cindy Koons**, Guttenberg; **Kay Kent**, Hawkeye; **Diane Kraus**, Postville; **Peter Kiel**, Harpers Ferry.*



BOARD PROPOSES TWO ADDITIONS TO ARTICLES OF INCORPORATION



The Board of Directors has the responsibility to periodically review the Articles of Incorporation of the Cooperative to determine if any modifications are needed. The Board has identified two areas where it feels changes are needed. Cooperative members are asked to cast a ballot FOR the proposed addition to the Articles of Incorporation. Ballots are enclosed within this Annual Report and have been mailed to all members with the Official Notice of the Annual Meeting.

The first proposed amendment asks to change the number of directors on the Board. Currently, the Board is composed of nine directors, three from each district. The proposed change would read "The Board may consist of no less than seven (7) and no more than ten (10) Directors." It would continue "... the number of directors may be fixed or changed from time to time, within the minimum and maximum number, by the members of the Board of Directors."

The second proposed amendment change asks for permission to utilize electronic voting in the future. Members would need to vote before 4:30 p.m. local time on the last business day before the day of the Member meeting.

Members are encouraged to vote in favor of the proposed additions to the Articles of Incorporation. If you have questions about the proposed additions, please call the Co-op at 563-864-7611. The full text of the proposed changes are below:

The following are the proposed additions to ACEC's Articles of Incorporation. Your ballot for the Articles of Incorporation

is enclosed on page 12 of this Annual Report. Please place a check (✓) in the Yes box to vote for the proposed additions or in the No box to vote against the proposed additions.

Article IX, Section 1

From and after the Annual Meeting of Members to be held in 2025, the business and affairs of the Cooperative shall be managed by a Board of Directors consisting of no less than seven (7) nor more than ten (10) directors.

Following the Annual Meeting of Members to be conducted in 2025, the Board may consist of no less than seven (7) and more than ten (10) Directors. Pursuant to Iowa Code 499.36(2)"c", the number of directors may be fixed or changed from time to time, within the minimum and maximum number, by the members of the Board of Directors. The Board may elect to reduce the size of the Board of Directors (but subject to the minimum size requirement) by electing not to fill a vacancy created on the Board of Directors, or by having the members elect fewer Directors at an Annual Meeting than the number of Directors whose terms are expiring. If the Board elects to increase the size of the Board of Directors (subject to the maximum size limit), the vacancy created by the increase in size may be filled by the Board of Directors or the members. If the vacancy is filled by the Board of Directors, the Director appointed by the Board shall serve an initial term of no more than three (3) years. Thereafter, the Director so appointed shall be subject to election by the members at the Annual Meeting similar to the other elected directors. Any appointed Director must

reside in and receive service from the Cooperative at a location within the District they are appointed to represent. The Directors shall have the authority to modify the District Boundaries and the number of Directors to be elected from each District so that there is an approximately equal number of Directors per member in each District.

Article IX, Section 3

In addition to the foregoing methods of voting, the Board of Directors may authorize voting by Electric Transmission, provided such electronic vote is received from the Member by the Cooperative or its representative at the headquarters office of the Cooperative, before 4:30 p.m. local time, on the last business day before the day of the Member Meeting at which the election or vote will be held, in accordance with such policies and procedures as may be adopted from time-to-time by the Board to promote the orderly, secure and accurate voting and tabulation of ballots sent and received by Electronic Transmission.



MEET YOUR CO-OP

OUR MISSION –

Allamakee-Clayton Electric Cooperative is dedicated to enhancing the quality of life for our members, partners, and neighbors by providing safe, reliable, and affordable electric services and other innovative solutions.

NINE MEMBER-ELECTED DIRECTORS



AL STEFFENS
PRESIDENT



MICHAEL GIBBS
VICE
PRESIDENT



CINDY HEFFERN
SECRETARY-
TREASURER



**ROGER
ARTHUR**
DIRECTOR



**JEFF
BRADLEY**
DIRECTOR



**NELSON
CONVERSE**
DIRECTOR



**GREG
FORMANEK**
DIRECTOR



**JERRY
KELEHER**
DIRECTOR



BRICE WOOD
DIRECTOR

ACEC EMPLOYEES

Josh Abbott
Lead Lineman

Sam Ash
Equipment Technician

Tim Bauch
Line Superintendent

Kelly Blockhus
*Broadband Technology
Specialist*

Jeff Cox
Line Crew Foreman

Aandi Deering
Staking Engineer

Jason Donnelly
First Class Lineman

Travis Erickson
First Class Lineman

Blair Everman
First Class Lineman

Sam Freitag
Apprentice Lineman

Steve Gehling
*Lead Equipment
Technician*

Ben Grangaard
First Class Lineman

Brennen Gunderson
Engineering Coordinator

Andrew Henderson
First Class Lineman

Regan Jacobson
Accountant

Ryan Jaster
Apprentice Lineman

Kim Kloke
*Member Accounts
Representative*
*as of Aug. 1, 2025

Jason Leonhart
Lead Lineman

Staci Malcom
*Skyways | Member
Service Representative*

Matt Marting
IT Specialist

Josh Mitchell
Utility Forester

Doug Moose
*Custodian | Warehouse
Coordinator*

Jason Nefzger
Lead Lineman

Brad Pecinovsky
*Compliance & Training
Coordinator*

Jack Regan
Hot Line Foreman

Ben Schulmeister
*Fleet Services &
Equipment Technician*

Brent Schutte
First Class Lineman

Darrin Smith
*IT | Broadband
Specialist*

Stacy Stock
*Operations &
Engineering
Coordinator*

Jo Suckow
Data Processing Clerk

Teri Wagner
*Accounting Assistant
| Executive Services
Coordinator*

MANAGEMENT STAFF



HOLLEE MCCORMICK
Executive Vice
President |
General Manager



**JENNIFER
ACHENBACH**
Manager | Marketing
& Communications



DAVID DECKER
Director | Finance
& Administrative
Services



BRENDA HACKMAN
Manager | Economic
Development &
Community Relations



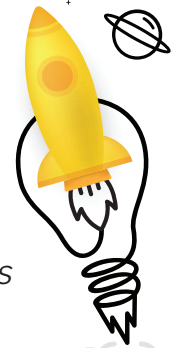
JENI KOLSRUD
Manager | Information
Technology



**JASON
TROENDLE**
Director |
Operations &
Engineering



RYAN WAGNER
Manager | Member
Services



At the heart of everything we do, we strive to provide our members with safe, reliable electric service. Unfortunately, there are circumstances when our members do suffer outages.

In order to provide better reliability, the Co-op buries electric lines each year. This helps reduce weather-related outages. Yet again, tree-related outages were the leading cause of interruptions in 2024. This proves again why it's important to maintain a vegetation management schedule to manage trees along the right of way.

WHAT'S CAUSING OUTAGES?



PLANNED
14% 2024
7% 2023



ANIMALS
9% 2024
14% 2023



TREES
32% 2024
25% 2023



WEATHER
10% 2024
10% 2023



PUBLIC
10% 2024
7% 2023



OTHER
5% 2024
12% 2023



EQUIPMENT
10% 2024
13% 2023



UNKNOWN
10% 2024
12% 2023

2024 OUTAGE SUMMARY

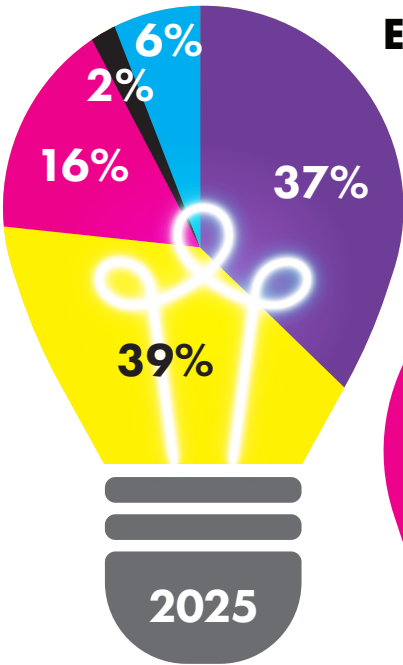
MONTH	OUTAGES	MEMBERS	MINUTES
January	11	330	37,010
February	10	129	21,803
March	26	571	73,797
April	40	1,302	120,770
May	39	999	143,399
June	48	1,112	203,293
July	24	417	61,906
August	21	304	62,874
September	13	136	22,267
October	24	988	86,203
November	16	227	32,581
December	13	519	42,645

We are proud to report ACEC's overall reliability rate is 99.98%!

PLUGGED IN:

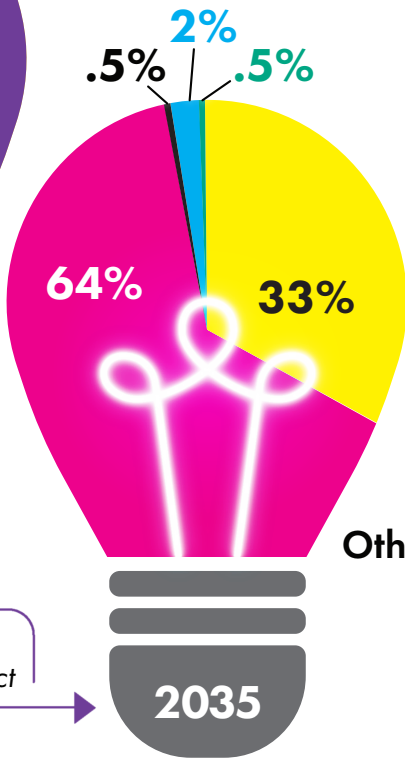
Number of miles driven in 2024:

3,466



Assuming NEW ERA and EPA Rule 111d are in effect

ENERGY RESOURCES (NAMEPLATE CAPACITY)



- Coal
- Natural Gas
- Wind & Solar
- Other Renewables
- Other Energy *
- Battery

* Renewable technology without Renewable Energy Certificates (RECs)

ACCELERATING QUALITY INTERNET

AC Skyways, the internet division of Allamakee-Clayton Electric Cooperative, celebrated a major milestone in 2024.

After years of planning and implementation, AC Skyways completed its fiber internet projects in Waukon and rural Allamakee County. Bringing high-quality internet to portions of Allamakee County began in 2020, when ACEC was awarded its first fiber grant. We began on the western part of Waukon, laying fiber to serve 226 potential customers. Our first fiber customer was hooked up in December 2021. Since then, we've been awarded four other Empower Rural Iowa grants, allowing us to continue expanding our services.

In 2024, we completed testing and began hooking up residents in the northern and southwest portions of the city limits. We also completed trenching, testing and installing fiber in what we termed the southern Allamakee County area, as well as finishing a grant area near Dorchester.

At the end of the year, we are pleased to report we have 1,123 total subscribers throughout our service area. This is an increase of over 500 fiber subscribers from the end of 2023.

We've also seen a continued increase in the number of people taking advantage of our Voice over Internet Protocol (VoIP) phone service. At the end of the calendar year, we had 278 VoIP lines in use, an increase of over 100.

We are thankful for the customers who have taken advantage of our internet services and look forward to continuing to bring innovation to the area.

Kelly Blockhus
*Broadband Technology
Specialist*



Staci Malcom
*Skyways | Member
Service Representative*



Matt Marting
IT Specialist



Darrin Smith
IT | Broadband Specialist



SUPPORTING OUR COMMUNITIES

In 2024, we were able to provide an additional \$1 million-plus in financial support to area businesses through use of the USDA Rural Economic Development Revolving Loan & Grant program (REDLG) and USDA Revolving Loan Fund (RLF).

Several businesses in our service territory took advantage of using the local economic developers

and Chambers of Commerce, as well as our own economic development department and that at Dairyland Power, to take advantage of the government loan programs.

We are proud to support area businesses. For more information, visit <https://acrec.com/economic-development>.



An application written by Dairyland Power and submitted by ACEC provided a REDLG loan to **Nexus Cooperative** to purchase equipment for an expansion at the existing feed mill in Elgin.



ACEC utilized USDA Revolving Loan Fund (RLF) money to assist **Rainbow Quarry LLC** outside of Rossville to purchase a diamond band saw to expand its product base.



ACEC was proud to partner with Dairyland Power Cooperative, Corn Belt Power Cooperative and Butler County REC to provide assistance through the USDA Revolving Loan Funds (RLF) program for the **Summer Daycare and Learning Center, Inc.** for its new building.





ACEC assisted **Shea Properties, LLC** with a USDA Revolving Loan Fund (RLF) for a commercial building remodel and green space renovation located in an historic downtown building in Elkader.



ACEC and Dairyland Power Cooperative together helped facilitate a USDA Rural Economic Development Revolving Loan to **White Haus Holding, LLC**, outside of Waukon to construct and furnish a new event venue, White Haus Social.

JOIN TODAY!

OPERATION ROUND UP

WHAT IS OPERATION ROUND UP?

Operation Round Up supports local organizations by collecting money from members who sign up to have their electrical bill rounded up to the next dollar.

EXAMPLES OF ORGANIZATIONS THAT COULD RECEIVE FUNDS

- Fire Departments
- Libraries
- Community Projects
- Student Programs
- Community & School Support Programs



HOW MUCH IS COLLECTED?

The average account contributes \$6 a year. The most a member could contribute is \$11.88 (99¢ a month).



To round up your electric bill and support your local communities, complete the form at www.acec.com/OperationRoundUp.



SMALL CHANGE THAT CHANGES LIVES

— OPERATION ROUND UP —



ACEC LOVES OUR MEMBERS

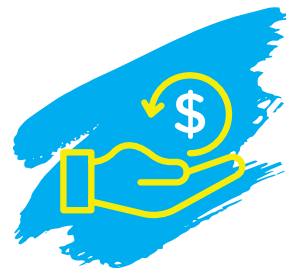


GET TO KNOW ALLAMAKEE-CLAYTON ELECTRIC

12.317

AVG KWH USE
PER MONTH BY
RESIDENTIAL
MEMBERS

*(does not include commercial
or industrial loads)*



TOTAL MEMBER
REBATES:
\$123,670

AVERAGE MONTHLY BILL

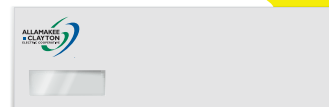
(Residential Average)



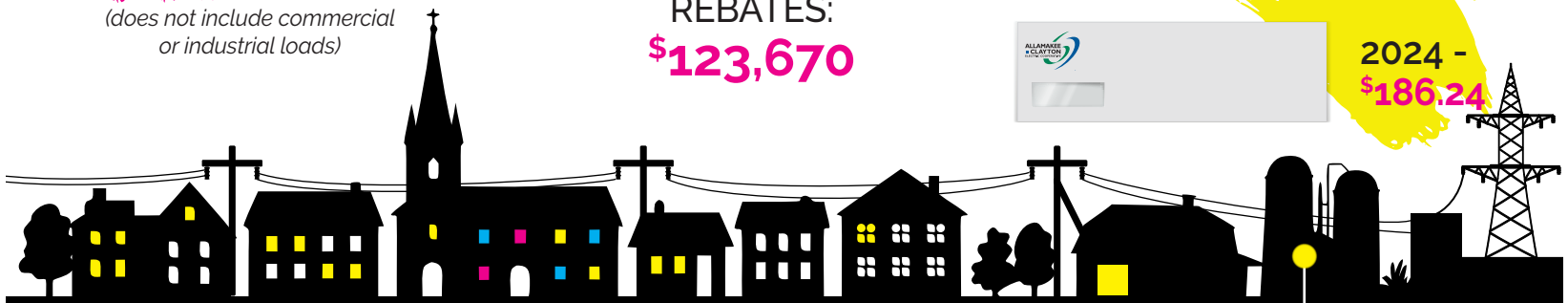
2022 -
\$178.63



2023 -
\$181.23



2024 -
\$186.24



NUMBER OF EMPLOYEES: **37**

MEMBERS PER MILE OF LINE: **3.94**

MEMBERS: **7,157**

TOTAL MILES OF LINE: **2,529.98**

ELECTRIC METERS: **9,964**

MEMBER-OWNED GENERATION
SYSTEMS: **305**



High School Career Day



Member Appreciation Picnic

2024 Financial Highlights - **BALANCE SHEET** *As of December 31*

ASSETS

ELECTRIC PLANT

In service

Under construction

Total electric plant

Less accumulated depreciation

Electric plant, net

OTHER PROPERTY AND INVESTMENTS

Investments in associated companies

Non-utility property, net

Restricted investments, net

Total other property and investments

CURRENT ASSETS

Cash and cash equivalents

Restricted cash

Accounts receivable, net of allowances

Broadband grants receivable

Material and supplies

Prepayments

Interest receivable

Total current assets

DEFERRED DEBITS

TOTAL ASSETS

EQUITIES AND LIABILITIES

EQUITIES

Memberships

Patronage capital

Other equities

Total equities

LONG-TERM DEBT, LESS CURRENT MATURITIES

POST RETIREMENT BENEFITS

CURRENT LIABILITIES

Current maturities of long-term debt

Line of credit

Accounts payable trade

Accounts payable construction

Customer deposits

Taxes accrued

Post retirement benefits

Other

Total current liabilities

DEFERRED CREDITS

TOTAL EQUITIES AND LIABILITIES

2024

2023

\$75,924,251

787,538

76,711,789

30,765,520

45,946,269

13,070,140

12,365,393

4,657,586

30,093,119

142,441

340,259

2,290,184

3,036,781

1,245,780

194,812

25,704

7,275,961

31,189

\$83,346,538

\$490

13,474,350

13,483,880

26,958,720

46,686,421

972,965

2,825,330

3,292,801

1,347,064

0

72,459

274,136

50,958

604,047

8,466,795

261,637

\$83,346,538

\$73,013,096

597,332

73,610,428

29,158,077

44,452,351

12,513,889

8,282,536

2,491,520

23,287,945

64,058

661,911

2,203,297

240,573

1,661,441

371,738

23,391

5,226,409

37,647

\$73,004,352

\$490

14,069,661

13,376,447

27,446,598

37,320,586

946,458

2,335,127

2,668,722

1,098,480

0

79,021

249,437

35,550

532,562

6,998,899

291,811

\$73,004,352

Reprinting or use of any information in this report is strictly forbidden without permission of the Cooperative.



2024 Financial Highlights - STATEMENT OF OPERATIONS As of December 31

	2024	2023
OPERATING REVENUES	\$22,355,072	\$22,170,703
OPERATING EXPENSES		
Cost of power	11,771,859	11,741,089
Distribution - operations	1,763,994	1,551,255
Distribution - maintenance	2,234,315	2,340,779
Customer accounts	509,266	469,753
Customer service and informational	485,054	468,763
Administrative and general	1,592,715	1,494,488
Depreciation	2,308,173	2,215,060
Taxes	0	0
Interest on long-term debt	1,371,366	1,079,111
Other	175,336	219,854
Total operating expenses	22,212,078	21,580,152
OPERATING MARGIN BEFORE CAPITAL CREDITS	142,994	590,551
GENERATION AND TRANSMISSION AND OTHER COOPERATIVE CAPITAL CREDITS	802,702	783,880
NET OPERATING MARGIN	945,696	1,374,431
NONOPERATING MARGIN (LOSS)		
Interest income	113,689	111,040
Gain (loss) from equity investments	88,152	2,486
Other nonoperating margin (loss)	-1,065,543	-806,597
Total nonoperating margin (loss)	-863,702	-693,071
NET MARGIN	\$81,994	\$681,360

Independent Auditor's Report

EideBailly, LLP

Certified Public Accountants & Consultants

The Members

Allamakee-Clayton Electric Cooperative, Inc.
Postville, Iowa

We have audited, in accordance with auditing standards generally accepted in the United States of America, the balance sheets of Allamakee-Clayton Electric Cooperative, Inc. as of December 31, 2024, and the related statements of operations, equities and cash flows (not presented herein) for the year then ended, and in our report, dated February 15, 2025, we expressed an unmodified opinion on those financial statements. In our opinion, the information set forth in the accompanying condensed financial statements is fairly stated in all material respects in relation to the financial statements from which it has been derived. Complete financial statements are on file at the Cooperative's office.

February 14, 2025

Sioux Falls, South Dakota

Reprinting or use of any information in this report is strictly forbidden without permission of the Cooperative.

COMPARATIVE OPERATING STATISTICS

	2024	2023
Number of Members Billed	9,964	9,977
Total Miles of Line Energized	2,530	2,524
Number of Substations	16	16
Total kWhrs Purchased	147,935,244	151,696,635
Total kWhrs Used by All Members	140,519,530	143,338,181
Total kWhrs Unaccounted For	7,415,714	8,358,454
Percent of Line Loss	5.0%	5.5%
Average Monthly kWhrs Used Per Member	1,175	1,197
Average Cost Per kWhr Per Member Per Month	\$15.85	\$15.14
Average Monthly Bill	\$186.25	\$181.23
Average Cost Per kWhr of Purchased Power	\$7.96	\$7.74
Total Cost of Purchased Power	\$11,771,859	\$11,741,089
Total Annual Operating Revenue	\$22,355,072	\$22,170,703
Average Plant Investment Per Member	\$7,699	\$7,378
Deferred Patronage Dividends Refunded this Year	\$577,305	\$587,000
Deferred Patronage Dividends Refunded to Date	\$20,340,987	\$19,763,682



ANNUAL MEETING OF THE MEMBERS

MEETING MINUTES

September 9, 2024



The 86th Annual Meeting of the Allamakee-Clayton Electric Cooperative, Inc. members was held in a drive-through format at the Allamakee Clayton Electric Cooperative headquarters in Postville, Iowa, from 1:30-6:30 p.m. on Monday, September 9, 2024.

Members entered at the main entrance of the Cooperative's headquarters where they were greeted by members of ACEC's Board of Directors and were guided around into the garage where they were then greeted by ACEC employees. Members remained in their vehicles to vote, register for a prize, and receive a gift and hot-to-go meal.

Allamakee-Clayton Electric Cooperative conducted the election of directors via a drive-through event where they could vote in person from their vehicle or vote ahead of time through mail ballot vote. All reports were videotaped and available on the Cooperative's website at acrec.com.

The Cooperative's By-Laws permit voting for the Director election by mail. Further, the By-Laws provide that to the extent members vote by mail, such votes count toward the quorum requirement for the election. Thus, the Minutes of the annual meeting held September 11, 2023, were included in the booklet mailed to each member of the Cooperative prior to the annual meeting.

In accordance with the By-laws of the Cooperative, the Notice of the Annual Meeting and Minutes of the annual

meeting held on September 11, 2023, were incorporated in the Cooperative's Annual Report mailed to all members as part of the Cooperative's monthly print publication ACEC NEWS in August. The 2024 Annual Meeting Notice and 2023 Minutes and a copy can be found, which is available for reference at www.acrec.com.

DIRECTOR DISTRICT "A"

None

DIRECTOR DISTRICT "B"

Jeff Bradley
Wadena, Iowa Westfield Township

Lori Egan
Waukon, Iowa Ludlow Township

DIRECTOR DISTRICT "C"

Nelson Converse
Postville, Iowa Franklin Township

Jared Funk
Elkader, Iowa Reed Township

Anita Grunder
Clayton, Iowa Clayton Township

Jerry Keleher
Elkader, Iowa Boardman Township

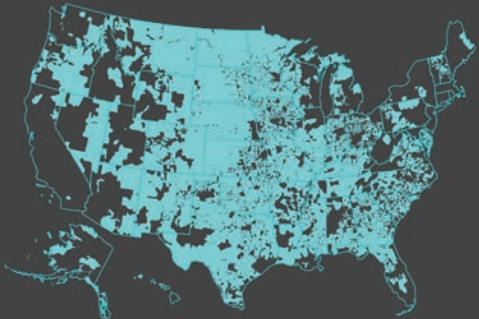
Members of the Nominating Committee were appointed Inspectors of the Election.

Following the cut-off for election ballots, the Inspectors of Election collected all ballots from the members who participated in the Annual Meeting drive-through event and took them to the counting room in the building.

After all ballots for the election of Directors had been counted and tabulated, the Certificate of the Inspectors of the Election was presented by Justin Grove, Chairperson of the Nominating Committee. He certified that Jeff Bradley had been re-elected as Director for District "B" and Jerry Keleher and Nelson Converse had been re-elected as Directors for District "C". The people elected to the Board will serve terms to run for three years or until their successors are elected and qualified. Said Certificate was ordered by the Chairperson to be attached to the minutes of this meeting.

ELECTRIC CO-OPS
ARE PROUD TO
POWER

56% of the
American
landscape.



IMPORTANT REGISTRATION CARD

**PLEASE RETURN THE
ENCLOSED DIRECTOR
BALLOT BY MAIL.**

**Bring this registration card with you to the
ANNUAL MEETING DRIVE-THROUGH**

Allamakee-Clayton Electric Cooperative, Inc.

ACEC HEADQUARTERS – Enter at the main entrance

MONDAY, SEPTEMBER 8, 2025

1:30 – 6:30 PM



PRESENT THIS CARD at the drive-through event for your free gift and hot to-go meal while supplies last (must be present). By doing so, you will automatically qualify for a bill credit or a five-year solar panel subscription. Winners will be announced in the October Energy Update bill insert and the October newsletter.

OFFICIAL ANNUAL MEETING NOTICE

Note: MEETING TO BE CONDUCTED VIA A DRIVE-THROUGH

The regular annual meeting of members of the Allamakee-Clayton Electric Cooperative, Inc., will be held via a drive-through event at the Cooperative's headquarters, Postville, Iowa on Monday, September 8, 2025, between the hours of 1:30 p.m. – 6:30 p.m. to act upon the following:

1. The election of three (3) directors of the Cooperative.

Allamakee-Clayton Electric Cooperative intends to conduct the election of directors via a drive-through event. All reports will be videotaped and available on the cooperative's website at acrec.com.

The Bylaws permit voting for the Director election by mail. Further, the Bylaws provide that to the extent members vote by mail, such votes count toward the quorum requirement for the election. Thus, the Board has determined that the election can be completed without an in-person meeting.

For your information in connection with the election of three (3) directors scheduled for this drive-through event, the committee on nominations, appointed by the Board of Directors of the Cooperative, according to the bylaws, has nominated five members of the Cooperative as indicated on the enclosed ballot.

2. Proposed additions to the Articles of Incorporation, as recommended by the Board of Directors.

The Board is proposing the adoption of Section 1 in Article IX as well as Section 3 in Article IX. A complete copy of the proposed amendments are enclosed with this notice.

PLEASE VOTE BY MAIL: For directors by marking a check ✓ opposite the names of three (3) candidates you wish to vote for; for the proposed amendments by marking a check in either the yes or no boxes. After you have marked your ballot, enclose it in the self-addressed envelope provided, seal it and return it to the Cooperative's office. Any other type of envelope will be accepted if the member's name is in the upper left corner of the envelope, **BUT TO BE VALID IT MUST BE ADDRESSED TO:**

**SECRETARY: Allamakee-Clayton Electric Cooperative
PO Box 715
Postville, IA 52162**

CAUTION: Ballots are not valid if mailed in an envelope without your name and return address on same. Mail your ballot so it reaches the Cooperative office before September 8, 2025.


Return your ballot by mail to qualify for a \$25 bill credit. The senders of the 10 mail ballots drawn will receive one of ten \$25 bill credits.

If you have any questions, please contact Allamakee-Clayton Electric Cooperative at 888-788-1551 and let them know you have a question about the annual meeting.

Dated at Postville, Iowa, this 12th day of August 2025.

Cynthia D. Heffern
Cindy Heffern, Secretary



PO Box 715
Postville, IA 52162-0715
Your Touchstone Energy® Cooperative 

PRSRT STD
U.S. Postage
PAID
DPC



JOIN US FOR OUR
**ANNUAL MEETING
DRIVE-THROUGH**

Monday, Sept. 8, 2025
1:30 PM – 6:30 PM

Members will enter at the [main entrance](#) of the Cooperative's headquarters at 229 Highway 51, Postville, and be guided around into the garage.

You will be greeted by ACEC employees while you remain in your vehicle to vote, register for prizes, and receive a gift and hot to-go meal while supplies last (must be present for a meal). Prizes will be the same amount as in prior years but will be awarded in the form of a credit on your next bill. We will also draw for two 5-year solar panel subscriptions.

Please bring your registration card to be eligible for the drawing!

We hope to see you there!