

MANAGER'S REPORT

WINTER RELIABILITY FORECASTS SHOWS ADEQUATE RESOURCES FOR 2025-2026 SEASON



Keaton Hildreth, CEO

In November, the North American Electric Reliability Corporation (NERC) released its 2025/2026 Winter Reliability Assessment. In that report, Southwest Power Pool (SPP)—our regional transmission operator (RTO)—is projected to have sufficient generation capacity to meet expected demand under normal winter conditions.

While many RTOs across the country face elevated reliability risks this winter, our region is not among them. That's encouraging news and a reflection of the extensive work happening behind the scenes to strengthen grid reliability.

While we've recently shared updates about upcoming rate adjustments, we want to use this space to highlight the reliability work that often goes unseen but is critical to keeping your electricity dependable.

What Is a Regional Transmission Organization (RTO)?

Electric utilities nationwide are members of one of nine regional transmission organizations (RTOs) and independent system operators (ISOs), also called power pools. These entities are federally regulated by FERC (Federal Energy Regulatory Commission) and work on a regional scale to coordinate, control, and monitor supply and demand on the electric grid. RTOs do not own the power grid, but they work as "air-traffic controllers" of the grid to ensure reliable power supplies, adequate transmission infrastructure, and "day-ahead" electric market coordination of wholesale electricity prices on behalf of their members.

While SPP is not listing reliability as being at a high risk level for the upcoming winter season, our industry continues to navigate significant long-term challenges in maintaining a resilient and reliable electric grid.

The changing energy landscape presents both opportunities and challenges. While the SPP region has made substantial progress in bolstering its transmission infrastructure and adding renewable energy resources like wind and solar, the variable nature of these resources requires careful planning to maintain reliability. A key factor contributing to improved stability is SPP's new Planning Reserve Margin policy.

What Is a Planning Reserve Margin?

Calhoun County Electric Cooperative, SPP, and our power supplier, Corn Belt Power, must be prepared for periods of extreme demand. To do that, we rely on reserve margins—extra generating capacity held in reserve to meet unexpected needs. Reserve margins represent the percentage of unused generation available during peak

demand. Nationwide and within SPP, these margins are shrinking. When reserve margins tighten, there's less buffer for unexpected outages (i.e. plant mechanical failure) or emergencies, increasing the risk of forced interruptions.

Maintaining reliability requires a diverse mix of generation resources. Dispatchable resources—coal, natural gas, and nuclear—remain essential when renewable output drops. Yet many of these traditional plants face retirement pressures due to federal emissions regulations that often require technologies not yet commercially available or economically feasible.

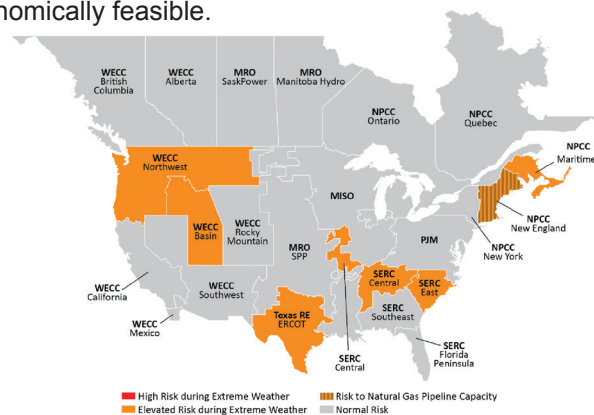


Figure 1: Winter Reliability Risk Area Summary

Source: NERC

Proactive Steps to Ensure Reliability

Calhoun County Electric Cooperative and its partners are taking decisive action to maintain grid reliability for our members through several key initiatives:

- **Advocating for Reliability and Affordability:** Electric cooperatives across the country are owned by you, the members we serve. This means that our cooperative works together with other electric cooperatives to educate lawmakers and advocate on behalf of our members to ensure that reliable power is also competitively priced.
- **Resource Diversification:** Nationally, there is increasing reliance on renewable energy sources, and at the same time, we're seeing fossil fuel plants taken offline, often ahead of schedule. Additionally, we're seeing more pressure on the electric grid due to the ever-present severe weather events and historic rising demand, as we begin to electrify more sectors of our economy in the form of electric vehicles, data storage and cryptocurrency. Calhoun County Electric Cooperative believes and advocates for an all-of-the-above energy approach. The "all-of-the-above" approach promotes the idea that the United States relies on a reliable and sustainable fuel supply. There is great value in maintaining a diverse mix of fuel sources—fossil fuels and renewables—to ensure reliability and resiliency and meet the growing demand for electricity.
- **Grid Infrastructure:** As a member of Corn Belt Power, we pool resources and expertise to invest in technology, security, and infrastructure to deliver reliable and cost-effective power. Our operations are dedicated to strengthening our electric infrastructure through targeted

Continued on next page

CELEBRATING DEDICATION

Calhoun County Electric Cooperative Association was proud to celebrate two major employee milestones in 2025. **Bret McAlister**, Line Superintendent, marked an incredible **30 years** of service, and Journeyman Lineman **Ben Wiederin** celebrated **15 years** with the cooperative. Together, their dedication, skill, and commitment represent 45 years of keeping the lights on for our members.

Bret began his career at CCECA in 1995 and has spent three decades serving our members with unmatched knowledge and leadership. His steady guidance, problem-solving abilities, and deep understanding of our system have made him a trusted resource both in the field and within the cooperative.

Ben joined CCECA in 2010 and has developed into a highly skilled and dependable lineman. Known for his strong work ethic and calm approach during challenging restoration work, he plays a vital role in maintaining safe and reliable service for our members.

We are grateful for Bret and Ben's longstanding commitment to our cooperative values—service, safety, and community. Please join us in congratulating both of them on these remarkable achievements. Their dedication continues to strengthen CCECA and the communities we serve.

Pictured L to R: Bret McAlister & Ben Wiederin



CCECA HELPS SPREAD HOLIDAY CHEER

This season, Calhoun County Electric Cooperative Association has been proud to take part in several holiday traditions that spread joy throughout our community. Administrative Assistant/Communications Specialist Menley Hildreth helped with the setup for the Rockwell City Festival of Trees, where CCECA also sponsored and decorated a festive tree for the annual display.

CCECA linemen once again volunteered their time to help hang Christmas lights around the Rockwell City square, ensuring the town shines bright for the holidays.

Additionally, CCECA contributed to the SCC After Prom Christmas Light Trail, creating a light display to support the fundraiser and help make the event both magical and successful.

From lending a hand behind the scenes to spreading holiday cheer in our office and lighting up our community spaces, we are grateful for the opportunity to support local celebrations that make the season a little brighter for all. Giving back is at the heart of what we do — and we're grateful for the opportunity to help make the season special for our member-owners and community.



Calhoun County Electric Cooperative Association is proud to support local students pursuing their future goals. This year, CCECA will award **four \$500** scholarships to area seniors. In addition to our local scholarship, we are able to provide the Basin Electric Power Cooperative scholarship, which will award **\$1,500** to our top applicant and **\$1,000** to the runner-up.

Dependents of Calhoun County Electric Cooperative members are eligible to apply for both scholarships. The application period for both opportunities is open from now until **Friday, February 6, 2026**. Applications and additional details can be found on our website, calhounrec.coop/scholarships.

We encourage all eligible students to apply and take advantage of these great opportunities! Feel free to contact our office at 712-297-7112 with any questions.



CCECA's Festival of Trees tree.



Hanging Christmas lights around the square.



CCECA's office Christmas tree.

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ENERGY EFFICIENCY TIP OF THE MONTH

To maximize your fireplace's efficiency, always keep the damper closed when the fireplace is not in use. An open damper is like an open window, allowing warm indoor air to escape and cold air to enter. Consider installing a fireplace insert, which improves heat output by circulating warm air into the room rather than letting it escape up the chimney. Also, burn only seasoned hardwood to ensure a hotter, cleaner burn. Regularly clean and inspect your chimney to maintain safe and efficient operation.

Energy Trail Tour 2026

Calhoun County Electric Cooperative
Association and Corn Belt Power Cooperative
invite you to join us for one of two Energy Trail Tours being
offered this summer. This 3-day adventure will allow you to experience,

first-hand, how your power providers convert energy from water, wind, and coal into electricity. View coal being mined and see how those mines are then returned to productive farm and native grass lands. Enjoy interactive walking tours through a hydroelectric and coal-fired energy generation facility and other stops along the way. Meet other cooperative member-owners while traveling together across the Dakotas on-board a motor-coach bound for the North Dakota's Energy Loop. Two lucky couples from Calhoun County Electric will be selected at random from those who sign up.

☒ YES, please enter our names in the drawing for the trip. We understand that if our names are drawn, we will be billed \$100.

Our first and second choice of dates:

June 24-26 1st 2nd (please circle)
July 15-17 1st 2nd

I/we ☐ have ☐ have not
participated in this tour in the past.

First Person _____

Second Person _____

Address _____

City _____

Phone _____

Clip this coupon and return to cooperative by April 29, 2026.

Reach Us

REGULAR OFFICE HOURS:

8:00 a.m. to 4:00 p.m.
(Monday-Friday)

SUMMER OFFICE HOURS:

7:30 a.m. to 4:30 p.m. M-Th
7:30 a.m. to 11:00 a.m. F
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CONTACT US 24/7:

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January Member Challenge

Find the answers within the stories, features, and content of this newsletter and you could win a prize.

Send your answer to memberchallenge@calhounrec.coop, clip and mail to:

Calhoun County Electric Cooperative, PO Box 312, Rockwell City, IA 50579 or submit on our website: www.calhounrec.coop/member-challenge-submission. You may mail your entry along with your electric bill payment, but remember there is a deadline!

Entries for this issue **must be received by February 1st**. Three names will be drawn from all correct entries. Members will receive a **\$10 credit** on their account. Members who answer the questions correctly and participate at least 4 times throughout the year, will be eligible for a \$100 Calhoun County Electric Cooperative Pre-Paid Debit card, through a random drawing, at the end of the year.

Congratulations November winners:

Marvin Nimke, Mary Ellen Metzger,
and James Whitehill

1. The changing energy landscape represents both _____ and _____.

2. Applications for Youth Tour are open now until March _____, 2026

3. Bret McAlister, Line Superintendent, marked an incredible _____ years of service and Journeyman Lineman Ben Wiederin celebrated _____ years with the cooperative.

Name _____



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