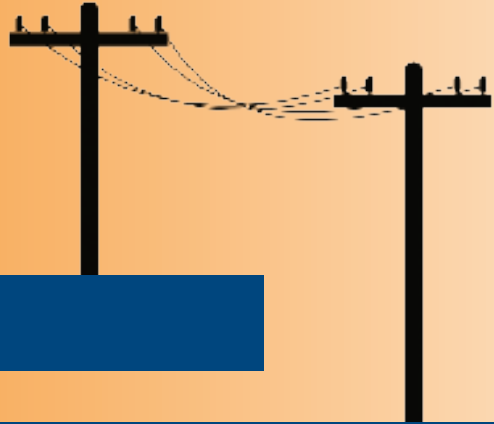


ANNUAL REPORT

2024



BUILDING ON A STRONG FOUNDATION



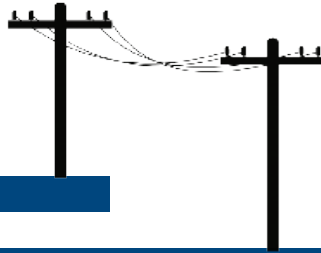
A Touchstone Energy® Cooperative 

Management Report



DARIN THORP

President/CEO



KIM SHOUP

Chairman of the Board

In 1936, during a time when our community was left in the dark by investor-owned utilities, a group of local farmers came together to set the first electric pole and run the first power lines for what would become North Western Electric Cooperative. The co-op was built on hard work, grit, determination, and the idea of a brighter and better future for our local communities. It was a promise made between neighbors that our community would fight for progress, and that's a commitment we remain focused on today.

Over the last nearly 90 years, NWECC has experienced incredible change as our community has grown and has adapted to an ever-changing industry by always keeping our members' best interests at the forefront of all decisions. In recent years, NWECC has endured rising material costs, increased electric demand, and rapidly changing energy regulations, all while fighting to maintain stable rates for our members and ensuring their needs are being considered by local, state, and federal legislators. After years of maintaining the same rates, NWECC implemented a slight rate adjustment in 2024 and has absorbed costs to prevent another rate adjustment in 2025.

However, NWECC's commitment to its members stretches far beyond providing electricity. In 2024, your electric cooperative team presented safety demonstrations to more than 400 local students and emergency responders, spoke about co-op job opportunities during career fairs, and participated in community parades and

festivals. In addition, NWECC presented \$7,000 in scholarships to students at five local schools and sponsored two students to attend Youth Tour in Washington, D.C. As a result of NWECC's continued commitment to its members, the co-op received a member satisfaction score of 87 in 2024, making it one of the highest-ranked electric co-ops in Ohio.

Natural disasters were not in short supply in 2024, and NWECC was proud to answer the call for help from cooperatives in need. NWECC sent four lineworkers to provide aid to our sister cooperative in Delaware and Morrow counties after a spring tornado hit their system, and South Carolina cooperatives in the fall after Hurricane Helene wreaked havoc on the state.

We have prepared this report to offer insights into our efforts to continue providing members with electricity that is safe, reliable, affordable, and environmentally responsible, as well as share the financial outcomes and offer a preview of how we will continue to manage these challenges into the future, this year, and beyond.

As always, we thank you for your interest and continued engagement as a member of NWECC. Our cooperative was built on a solid foundation nearly 90 years ago and has continued to build on that foundation and operate by the very principles and ideas that our founding members held dear: resilience, commitment, cooperation, and service to others.

By investing in building our infrastructure, we are investing in you, our members, to improve reliability, keep costs as low as possible, and add value to your lives. Major projects to modernize and expand substations as well as transmission lines will result in a more reliable and resilient grid in the years ahead. These investments won't go far without maintaining our system, including trimming trees around our rights-of-way, so that's an area of continuing focus. Here is a snapshot of some of these investments.

Farmer substation rebuild

In 2024, the oldest substation on our system, the Farmer substation, was totally removed and has been rebuilt and expanded. The substation was first built and energized back in the late 1930s, and although it had undergone maintenance-type updates through the years, it became necessary to replace and add on to the structure. The project, costing around \$3 million, will improve the reliability for those members served by the substation, and also provides more stable backup capabilities for some of the largest demands on our system. The substation is expected to be energized and operational soon.



Vegetation management

At NWECC, one of the annual expenses is our vegetation management program, an important investment to ensure reliability. At times, this may involve tree trimming or cutting. Along with member requests, our contractor also rotates throughout the service territory following a scheduled maintenance plan. In 2024, nearly \$400,000 was spent in eight townships, clearing more than 200 miles within the power line corridor. When trimming or cutting trees, NWECC's contractor follows generally accepted industry guidelines and best practices to ensure minimal impact on the environment.



Condemned poles

As our infrastructure ages, it is important to constantly monitor and repair/replace any component that is no longer safe or may hinder the reliability of our service. In 2024, over 2,000 poles were tested in St. Joseph, Jefferson and Brady townships. The results determined that 40 of them failed and were considered condemned. Once a pole has been marked as condemned, it must be replaced.



What's next?

- A project to move 1.5 miles of transmission lines on County Road 3.75, near the Edon substation to improve the right-of-way access to the infrastructure.
- A three-phase rebuild will take place along U.S. Hwy 20 (in the County Road 15 and Q area) to correct voltage issues.
- The new four-year (2026-2029) construction work plan will be developed and placed in the budget based on the strategic plans approved by NWECC management and the Board of Trustees.

BY THE NUMBERS

over
130 million
kWh sold in 2024



6,048 Members



6,054 Meters



18 Employees (electric)



more than
\$665,000
in capital credits
returned to
members in 2024



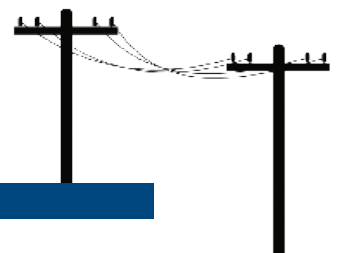
LIFETIME CAPITAL CREDITS RETIREMENT
\$22.3 million

more than
2,300 customer locations
(45% are NWECC members)



6 employees (propane)

1,082 Miles of wire



Statement of Revenue & Expenses

For the years ended December 31, 2024 and 2023

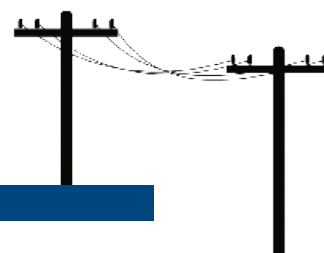
	2024	2023
REVENUE:		
Electric Energy Revenue – Customer	19,162,543	16,744,553
Other Operating Revenue	467,529	172,744
TOTAL OPERATING REVENUE	\$19,630,072	\$16,917,297
OPERATING EXPENSES:		
Cost of Power	12,271,928	10,644,719
Operation Expense	656,051	552,273
Maintenance Expense	819,147	726,176
Customer Account Expense	405,932	362,065
Sales Expense	31,379	26,071
Administrative & General Expense	1,431,852	1,353,455
TOTAL OPERATING EXPENSE	\$15,616,290	\$13,664,759
OTHER DEDUCTIONS:		
Depreciation Expense	1,347,295	1,313,103
Interest Expense	670,113	670,860
Property Tax Expense	698,238	680,287
Other Deductions	7,113	4,180
TOTAL OTHER DEDUCTIONS	\$2,722,759	2,668,430
TOTAL COST OF ELECTRIC SERVICE	\$18,339,049	\$16,333,189
OPERATING MARGINS	\$1,291,023	\$584,108
ADD: NONOPERATING MARGINS:		
Interest Income & Other	91,131	382,935
G & T Capital Credits	301,911	597,767
NONOPERATING MARGINS	\$393,042	\$980,702
TOTAL MARGINS	\$1,684,065	\$1,564,811
TIMES INTEREST EARNED RATIO	3.51	3.33

Balance Sheet

As of December 31, 2024, as compared with December 31, 2023

	2024	2023
ASSETS:		
Utility Plant	48,414,368	45,277,905
Less: Reserve for Depreciation	-16,837,587	-15,955,126
Book Value of Utility Plant	31,576,781	29,322,779
Cash & Short Term Investments	259,014	1,284,643
Receivables – Accounts, Notes & Interest	3,276,991	2,804,383
Investments in Associated Organizations	10,410,209	10,597,144
Materials & Supplies	671,698	652,952
Other Assets	280,549	344,499
TOTAL ASSETS	\$46,475,243	\$45,006,401
LIABILITIES:		
Accounts Payable	1,595,834	1,793,713
Accrued Taxes & Deferred Credits	1,192,287	1,132,003
Long-term Debt	22,563,148	21,490,887
Short-term Debt	0	300,000
TOTAL LIABILITIES	\$25,351,269	\$24,716,603
NET WORTH:		
Patronage Capital – Regular	14,919,205	14,312,734
Patronage Capital – G & T	6,204,769	5,977,064
TOTAL NET WORTH	\$21,123,974	\$20,289,798
TOTAL LIABILITIES & NET WORTH	\$46,475,243	\$45,006,401
EQUITY RATIO	45.45%	45.08%

BUILDING ON A STRONG FOUNDATION



Board of Trustees



District 1

Keith Stark



District 2

Mitch Headley
Secretary



District 3

Kim Shoup
Chairman



District 4

Chris Oberlin



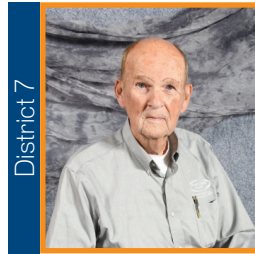
District 5

Ryan Wehri
Vice-Chairman



District 6

Jordan Ruffer



District 7

Richard Polter



BUILDING ON A STRONG FOUNDATION

Employees

Andrew Overman, Director of Finance & Accounting
 Bob Carter, Director of Operations
 Braden Miller, Journeyman Lineman
 Brad Plummer, Journeyman Lineman
 Chad Livensparger, Journeyman Lineman
 Darin Thorp, President/CEO
 Doug Dulle, Journeyman Lineman
 Jenni Koch, Operations Coordinator
 Jessi Frantom, Member Services Representative
 Levi Brandt, Journeyman Lineman
 Natalee Collins, Accounting Manager
 Nolan Swank, Apprentice Lineman

Pearl Rakes, Director of Marketing & Communications
 Preston Knecht, Staking Technician/Fleet & Safety Manager
 Shane Zulch, Apprentice Lineman
 Todd Stimpfle, Staking/Field Technician
 Tom Clark, Line Supervisor
 Tracey Carter, Director of Human Resources



A Touchstone Energy® Cooperative 

Dakota Parish, Service Technician
 Jade Linnemeier, Customer Service Representative
 Josh Curry, Delivery Driver/Service Representative
 Josh Mansel-Pleydell, Delivery Driver/Service Representative
 Lyndsay Villalovos, Customer Service Representative - Seasonal
 Peter Coolman, Director of Operations



your local propane partner