

Our mission rolls on and your support is unwavering

Our commitment to providing you, our members, with safe, reliable and affordable electricity has never been stronger — throughout 2023, we decreased the cost of power several times through Power Cost Adjustments (PCAs).

Remember, as a member of a not-for-profit cooperative, you receive power at cost, meaning we'll never charge you more than it costs us to provide it. Last year, we were able to lower the cost of power by an overall 20 percent for members from January 2023 to its lowest point in the year.



This January, the wholesale costs forecast led to an increase in the PCA, and it's worth noting that the cost of materials needed to fulfill our mission statement continues to skyrocket.

We have, however, noticed a decline in the cost of natural gas, and we hope that momentum continues as it should in turn lead to savings for members down the road.

Further highlighting the advantages of a cooperative, this year more than 13,000 members exercised their civic duty, voting in the Board of Trustees election and electing three trustees who serve on Clay Electric's board. I want to thank those who exercise the right to participate in the cooperative's democratic voting process.

I say this to highlight Capital Credits, funds that go back to members after the end of the year when it's determined how much revenue exceeds total expenses. Again, these credits exist because of Clay Electric's unique not-for-profit status and stand as a testament to our commitment to affordable

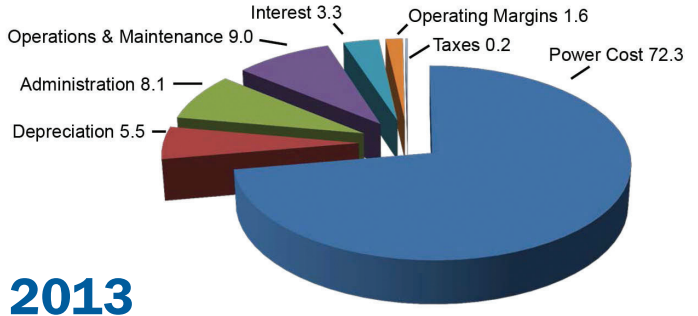
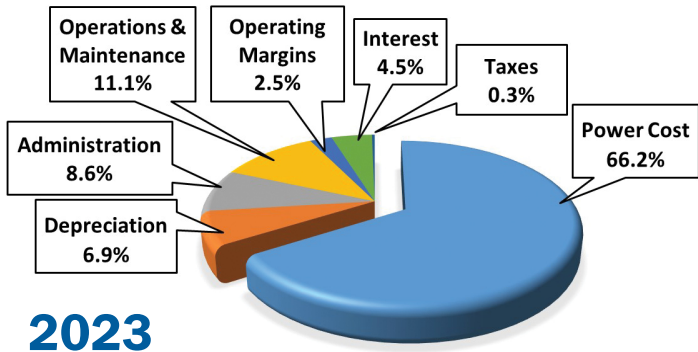
electricity for our members. The men and women you elected returned, for a second year in a row, \$12 million to members. Over the last 50 years, members — both current and former — have received a cumulative \$226 million in Capital Credit refunds.

I'm happy to say that many of our members take the cooperative spirit to heart, an impressive 83 percent to be exact, choosing to round their monthly billing statements up to the nearest dollar amount. One of the seven guiding principles of a cooperative is concern for the community, and it's clear that's something our members care about deeply. Because of that, more than 100 grants were approved last year, disbursing just over \$1 million to local organizations that are keen in making the world a better place.

While we do our best to provide affordable electricity, we're always looking for ways to take that a step further, namely, giving you the tools to understand what might have caused a spike on your monthly bill and ways to avoid that in the future. Our latest tool, Usage Alerts, quite literally puts the power in our members' hands as the new feature is another benefit to having the MyClayElectric App on your Apple or Android phone. Once set up, push alerts can be sent via email or text for daily or hourly high usage. Just open your MyClayElectric app, tap "more," then "settings" and then "usage" to get started.

I extend my heartfelt gratitude and thanks to all Clay Electric members for continuing to allow us to be your trusted energy provider. Your cooperative is looking forward to what the future holds and it's truly an honor to serve you and your families.

How each dollar was spent



REVENUE AND EXPENSE STATEMENTS

Years Ending December 31	2023	2022
REVENUES		
Energy Sales.....	\$ 404,271,428	\$ 457,148,839
Other Electric Revenues.....	11,369,600	11,200,275
Total Operating Revenues	\$ 415,641,028	\$ 468,349,114
EXPENSES		
Purchased Power.....	\$ 273,384,930	\$ 333,421,835
Transmission and Generation.....	1,690,797	1,908,961
Operations.....	17,892,644	17,434,022
Maintenance.....	28,186,459	20,888,983
Customer Accounting.....	10,234,157	10,027,209
Customer Service & Information.....	3,084,208	2,747,436
Administrative & General.....	21,836,103	19,233,182
Depreciation.....	28,510,819	27,141,996
Taxes.....	1,297,996	1,219,933
Interest.....	18,834,510	16,117,226
Other Deductions	405,962	390,452
Total Expenses.....	\$ 405,358,585	\$ 450,531,235
MARGINS		
Operating Margins.....	\$ 10,282,443	\$ 17,817,879
Non-Operating Margins.....	526,168	598,546
Capital Credits from Associated Organizations.....	8,033,353	8,380,005
Total Margins.....	\$ 18,841,964	\$ 26,796,430

BALANCE SHEETS

As of December 31	2023	2022
ASSETS		
Cash/Cash Equivalents.....	\$ 487,462	\$ 264,205
Investments.....	130,093,351	124,076,758
Accounts Receivable.....	23,460,710	24,255,115
Inventory.....	38,351,965	22,858,534
Other Current & Accrued Assets.....	18,506,000	31,832,408
Prepayments.....	826,915	617,159
Deferred Debits.....	55,869,150	52,191,820
Net Utility Plant.....	647,738,756	606,004,040
Total Assets.....	\$915,334,309	\$862,100,039
LIABILITIES		
Notes Payable	\$ 426,401,888	\$ 364,826,213
Accounts Payable.....	29,849,286	55,704,608
Customer Deposits.....	13,321,738	12,931,835
Other Current & Accrued Liabilities.....	19,252,792	11,414,432
Deferred Credits & Miscellaneous Reserves	5,892,513	8,685,585
Total Liabilities.....	\$ 494,718,217	\$ 453,562,673
MEMBER EQUITIES		
Membership Fees.....	\$ 807,665	\$ 792,235
Accumulated Other Comprehensive Income.....	13,264,042	12,579,710
Capital Credits.....	406,544,385	395,166,421
Total Equities.....	\$ 420,616,092	\$ 408,538,366
Total Liabilities and Equities.....	\$ 915,334,309	\$ 862,101,039

YEAR-END STATISTICS

	2013	2023	2022
Average Number of Members			
Receiving Service Per Month.....	167,647	190,601	187,066
Total kWh Purchased by Cooperative Members.....	3,019,123,837	3,547,252,235	3,514,762,545
Average Monthly Residential kWh Usage.....	1,128	1,184	1,195
Total kWh Purchased by Cooperative.....	3,153,197,357	3,648,562,454	3,666,124,402
Cost of Power Purchased by Cooperative.....	245,678,049	275,075,728	335,330,795
Average Cost per kWh Purchased by Cooperative.....	.0779	0.0754	.0915
Clay Peak Demand in Kilowatts (kW).....	773,224	864,519	889,004
Month of Clay Peak Demand.....	February	August	December