

Powering
**LIFE &
COMMUNITY**

THAT'S THE COOPERATIVE DIFFERENCE



A Touchstone Energy®
Cooperative 



2022

**ANNUAL
REPORT**



PRESIDENT'S REPORT

Our mission is clear: to enhance the quality of life for our members, employees, and communities by safely providing reliable and competitively priced energy services.

Each year, the President's Report offers an opportunity to look back on our cooperative's progress and provide updates on DEMCO's performance and operations.

As your locally elected board of directors, we are proud to represent you—our member-owners—and remain focused on serving your best interests.

That responsibility goes well beyond regular board meetings. Directors actively pursue ongoing education and certification to stay current on industry developments and best practices in areas such as engineering, finance, and governance. This commitment to continuous improvement helps ensure informed decision-making that supports the cooperative's long-term success.

In 2025, DEMCO delivered 2,298,290,300 kilowatt-hours of electricity to 120,168 meters across our system. With 9,460 miles of line and a peak demand of 694.57 megawatts, these figures highlight our continued focus on reliability and operational performance.

Board directors reelected without opposition are Glenn DeLee, representing East Feliciana Parish; Kevin Beauchamp, representing West Feliciana Parish; Melissa Dufreche, representing Tangipahoa Parish; Randy Lorio, representing East Baton Rouge Parish, and myself, Danny Berthelot, representing Livingston Parish.

On behalf of your board of directors, thank you for the trust you place in us. We are honored to serve and remain committed to powering our communities—today and into the future.

Sincerely,

A handwritten signature in dark ink, appearing to read 'D. Berthelot', written in a cursive style.

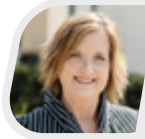
Danny Berthelot

President, DEMCO Board of Directors

DISTRICT 1
Elinda Taillon
ASCENSION PARISH



DISTRICT 2
Jill McGraw
EAST BATON ROUGE PARISH



DISTRICT 3
Randy Lorio
EAST BATON ROUGE PARISH



DISTRICT 4
Steve Irving
EAST BATON ROUGE PARISH



DISTRICT 5
Mike Anderson
EAST FELICIANA PARISH



DISTRICT 6
Glenn DeLee
EAST FELICIANA PARISH



DISTRICT 7
Leslie Falks
LIVINGSTON PARISH



DISTRICT 8
Dennis Lott
LIVINGSTON PARISH



DISTRICT 9
Daniel Berthelot
LIVINGSTON PARISH



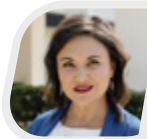
DISTRICT 10
Richard "Dickie" Sitman
ST. HELENA PARISH



DISTRICT 11
Tresa Byrd
ST. HELENA PARISH



DISTRICT 12
Melissa Dufreche
TANGIPAHOA PARISH



DISTRICT 13
Kevin Beauchamp
WEST FELICIANA PARISH



BOARD OF DIRECTORS



MANAGER'S MESSAGE

Powering Life & Community is more than a theme—it reflects the purpose behind every investment DEMCO makes on behalf of our members.

In 2025, DEMCO continued investing in the electric system to support reliability, future growth, and the long-term needs of our membership. Implementation of the 2024–2027 Construction Work Plan, the largest in the cooperative's history, advanced critical infrastructure improvements designed to strengthen the system and prepare for continued growth. We secured external funding to support vegetation management initiatives, helping offset costs while preserving resources for additional reliability improvements.

We also remained focused on enhancing the member experience. Investments in technology and service improvements made it easier for members to connect with their cooperative, access information, and manage their accounts. New enhancements to the 844-MyDEMCO platform improved accessibility and responsiveness, while expanded communication efforts helped members stay informed about programs, services, and cooperative initiatives.

Beyond the electric system, DEMCO continued investing in the communities we serve. Through scholarships, youth leadership programs, literacy initiatives, volunteer service projects, and community partnerships, we remained committed to supporting the people and organizations that help our communities thrive.

The accomplishments highlighted throughout this report reflect the cooperative difference in action. They demonstrate how a member-owned cooperative reinvests resources to strengthen reliability, enhance service, and improve quality of life for the members and communities it serves.

Thank you for your continued trust in DEMCO. It is our privilege to serve you, and we remain committed to powering life and community for generations to come.

Sincerely,

Randy Pierce

CEO & General Manager



REVENUE REINVESTMENT AND FINANCIAL STEWARDSHIP

As utility costs continue to increase across the industry, DEMCO remains focused on balancing affordability, reliability, and long-term system needs through responsible planning and financial management.

Revenue collected from members supports a wide range of cooperative operations and investments.



Reliability Investments

support substations, distribution line upgrades, vegetation management, storm restoration, ongoing system maintenance, and other technologies that help maintain a safe and reliable electric system.



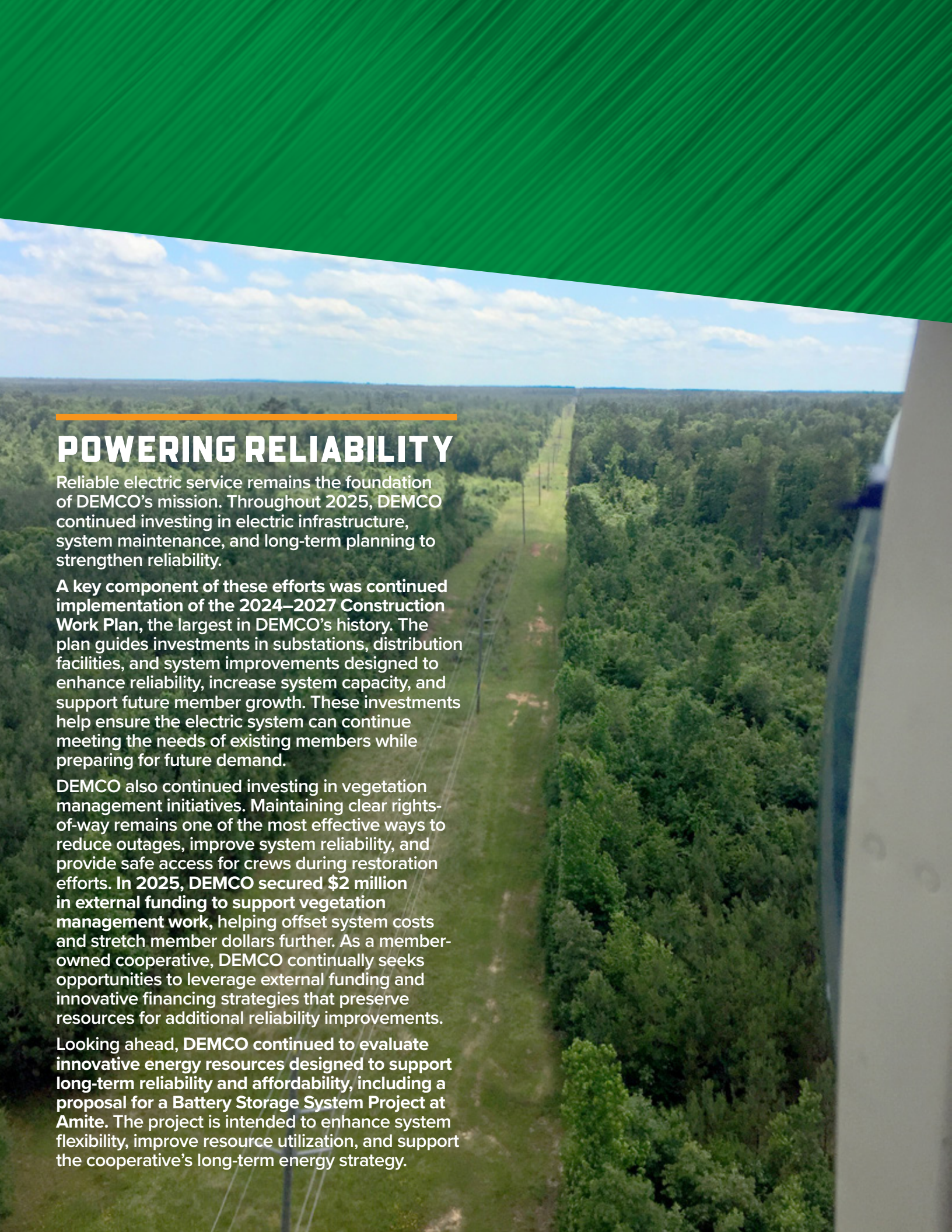
Member Service Investments

support call center operations, billing systems, account management resources, digital account tools, self-service options, member communications, and technology enhancements designed to improve accessibility and the overall member experience.



Community Investments

support scholarships, youth programs, literacy initiatives, safety education, community partnerships, and volunteer service projects that strengthen the communities we serve.



POWERING RELIABILITY

Reliable electric service remains the foundation of DEMCO's mission. Throughout 2025, DEMCO continued investing in electric infrastructure, system maintenance, and long-term planning to strengthen reliability.

A key component of these efforts was continued implementation of the 2024–2027 Construction Work Plan, the largest in DEMCO's history. The plan guides investments in substations, distribution facilities, and system improvements designed to enhance reliability, increase system capacity, and support future member growth. These investments help ensure the electric system can continue meeting the needs of existing members while preparing for future demand.

DEMCO also continued investing in vegetation management initiatives. Maintaining clear rights-of-way remains one of the most effective ways to reduce outages, improve system reliability, and provide safe access for crews during restoration efforts. In 2025, DEMCO secured \$2 million in external funding to support vegetation management work, helping offset system costs and stretch member dollars further. As a member-owned cooperative, DEMCO continually seeks opportunities to leverage external funding and innovative financing strategies that preserve resources for additional reliability improvements.

Looking ahead, DEMCO continued to evaluate innovative energy resources designed to support long-term reliability and affordability, including a proposal for a Battery Storage System Project at Amite. The project is intended to enhance system flexibility, improve resource utilization, and support the cooperative's long-term energy strategy.

POWERING MEMBER SERVICE

Providing reliable electricity is only part of serving members. **DEMCO also invests in technology, communications, and service enhancements** designed to improve member experience. Providing excellent service requires **ongoing investment in the tools, technology, and resources that help members** connect with DEMCO. Throughout 2025, DEMCO continued to enhance the member experience by improving service accessibility, expanding digital communication channels, and investing in technology designed to deliver faster, more responsive support.

Member Service Representatives handled more than 121,000 CALLS during 2025, averaging approximately 11,000 CALLS PER MONTH.

Members also utilized digital service channels nearly 5,000 TIMES through online chat and submitted more than 9,400 INQUIRIES through MyDEMCO, demonstrating continued demand for convenient and accessible service options.

DEMCO enhanced the 844-MyDEMCO telephone platform in November 2025, introducing skills-based call routing, enhanced reporting capabilities, and a call-back feature that allows members to retain their place in line without waiting on hold. **The system also includes a full Spanish-language phone menu**, improving accessibility for a broader range of members.

These improvements contributed to significant improvements in service performance. Average wait times during peak call periods decreased from more than six minutes earlier in the year to approximately two minutes by year-end. Together, these investments reflect DEMCO's commitment to providing convenient, responsive service through both traditional and digital channels.

Member education initiatives help members better understand cooperative programs and services, electric rates, energy efficiency opportunities, outage preparedness, and emerging technologies.

DEMCO utilized a variety of communication channels to provide timely and relevant information, including Along These Lines magazine, CEO communications, member emails, PowerSmart energy efficiency resources, hurricane preparedness campaigns, website content, social media, and MyDEMCO communications.

To expand member education efforts, **DEMCO launched the "Co-op Conversations with DEMCO" podcast**, providing members with additional educational content on topics including energy efficiency, right-of-way maintenance, youth programs, storm preparedness, and member service enhancements.

By providing information through multiple communication channels, DEMCO helps members make informed decisions and better understand the value of cooperative membership.

POWERING COMMUNITY

Concern for Community is one of the seven cooperative principles and remains a guiding force behind DEMCO's outreach efforts. Throughout 2025, DEMCO continued to invest in programs and partnerships that strengthen local communities, build relationships, and enhance the quality of life across its seven-parish service area.

Through volunteerism, educational outreach, workforce development, and community partnerships, DEMCO remains actively engaged in the communities it serves. These efforts help extend DEMCO's presence beyond electricity delivery and demonstrate the cooperative's commitment to serving members where they live, work, and learn.

DEMCO SERVES

In 2025, **60 employees contributed more than 500 volunteer hours** through **DEMCO Serves**, supporting local schools, churches, youth organizations, councils on aging, food banks, and other community initiatives throughout the service area.



FRIDAY NIGHT LIGHTS

DEMCO continued its Friday Night Lights member appreciation events, connecting with members and local communities at high school football games throughout the service area.

COMMUNITY PARTNERSHIPS

DEMCO maintained partnerships with organizations, including Councils on Aging, Louisiana Public Broadcasting's Young Heroes program, the Louisiana Council of Farmer Cooperatives, local schools, and community organizations, to support education, outreach, and community development initiatives.

SAFETY EDUCATION

Electrical safety remained a priority in 2025. DEMCO conducted bucket truck demonstrations, Fire in the Wire presentations, and Making Accidents Disappear electrical safety programs, reaching thousands of students, educators, first responders, and community members.

WORKFORCE DEVELOPMENT

DEMCO continued supporting workforce development through internships, career fairs, classroom presentations, and educational partnerships designed to introduce students to career opportunities within the electric utility industry and skilled trades.

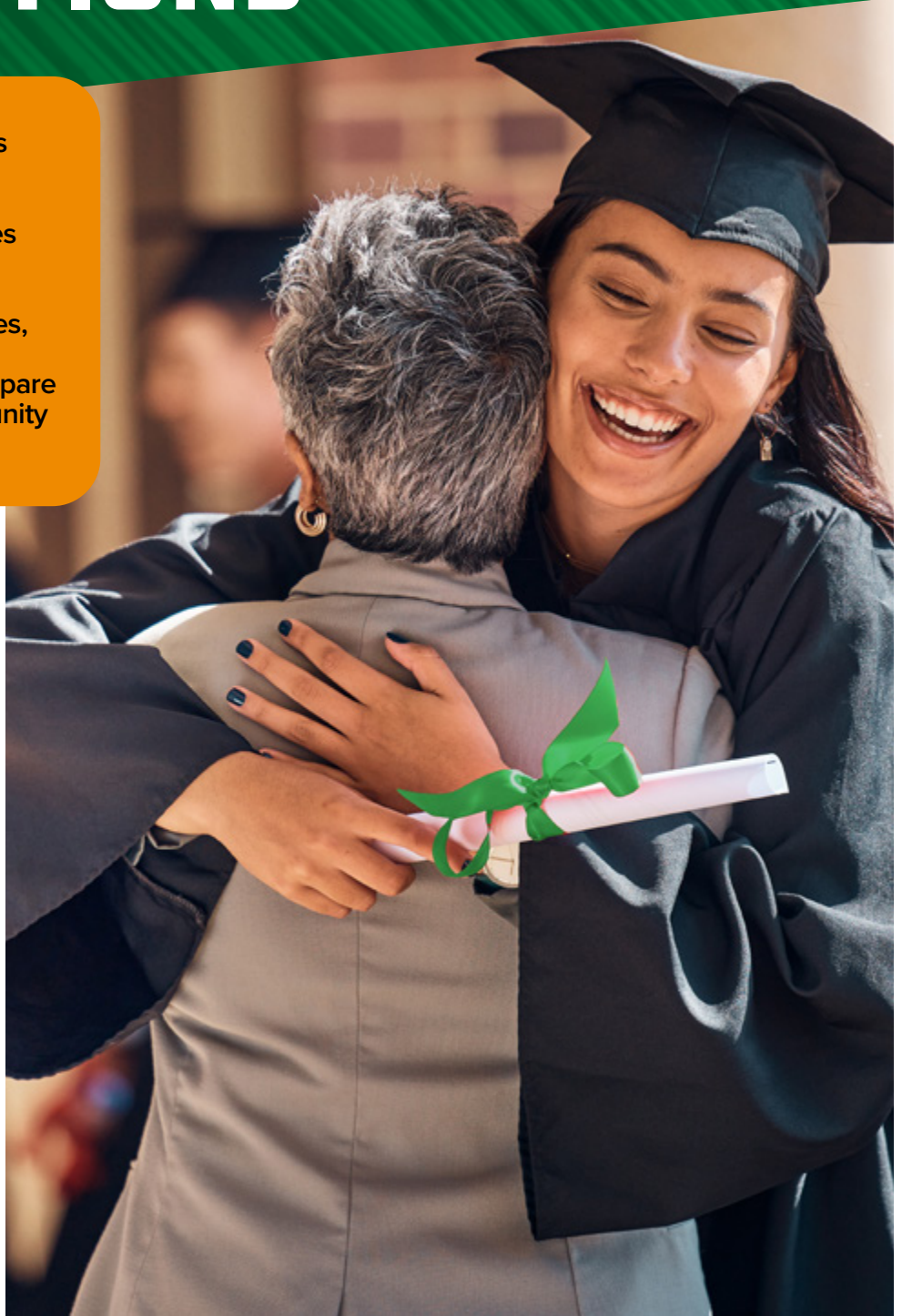


POWERING FUTURE GENERATIONS

Investing in future generations remains an important part of DEMCO's commitment to strengthening the communities it serves. Through leadership development, educational opportunities, literacy initiatives, and scholarship programs, DEMCO continues to help prepare the next generation of community and cooperative leaders.

SCHOLARSHIPS

DEMCO invested more than \$193,000 in scholarships in 2025, supporting educational opportunities for local students pursuing higher education and career training.



ESSAY CONTEST & YOUTH TOUR

DEMCO sponsored its annual Essay Contest, providing students with the opportunity to learn about electric cooperatives and compete for a trip to Washington, D.C. Six students were selected to represent DEMCO on the National Rural Electric Cooperative Association Youth Tour.

YOUTH COOPERATIVE AMBASSADOR PROGRAM (YCAP)

The Youth Cooperative Ambassador Program continued providing students with opportunities to learn about cooperative principles, financial literacy, leadership, and community service while developing skills that prepare them for future success.

DOLLY PARTON'S IMAGINATION LIBRARY

DEMCO continued to expand support for Dolly Parton's Imagination Library, helping to provide free monthly books to thousands of children throughout the service area and promoting early childhood literacy across multiple parishes.

EDUCATIONAL PROGRAMS

Additional youth-focused initiatives included teacher grants, classroom presentations, career exploration activities, and cooperative education programs designed to connect students with educational and career opportunities.



THE COOPERATIVE DIFFERENCE

Every mile of line maintained, every member served, every student supported, and every community partnership strengthened reflects the cooperative difference in action.

As we look ahead, DEMCO remains committed to powering life and community while delivering the value, service, and reliability our members expect and deserve.

THE MEN AND WOMEN OF DEMCO

Adam Aime
Albert Allen
Justin Andrews
Brock Andrus
Jeff Andry
Matthew Arceneaux
Jake Arledge
Hijah Armstrong
Anthony Arnold
Marc Aucoin
Shinell Aultman
Kenneth Bailey
Jason Ballard
Braydon Ballard
Penny Bates
Jeff Bellington
D'Aaron Bennett
Traymond Benton
Troy Bergeron
Derek Bergin
Jamie Berry
Trent Bigner
Tia Billoups
Chelsea Bossier

Donald Bradford
Lori Broussard
Lacey Brown
Trevor Browning
Julie Burns
Luke Butler
Ashley Carradine
Scot Carraway
Andy Castello
Beau Caston
Brooke Causey
Jodie Chapman
Todd Chauvin
Mike Chiasson
Jamie Coats
Dominique Comeaux
Donny Compton
Paige Courtney
Sheri Cox
Eric Crain
Daniel Cross
Dustin Crouch
Johnathan Crowder
Rickey Cummings

Doug Dalgo
Hanna Davila
Lori Dean
Danny Delatte
Scott DeLee
Edward DeLee
Emily DeLee
Jenny Desselle
Tyler Desselle
Patrick Donohue
Michael Doughty
Galen Dunbar
Tiffany Dunn
Wade Duplessie
Ethan Easley
John Edwards
Josh Ellis
Vince Estes
Brad Everett
George Fage
Cade Felps
Rebecca Fitzhugh
Lindsey Fontenot
Anna Fournet
Frank Fowler
Penny Fruge
Erin Gallahue
Charlie Gallup
Cecil Garaudy
Lauren Garaudy
Mason Gautreaux
Twyla Gibson
Bobby Gill
Cody Glascock
Travas Glascock
Cole Glascock
Michael Glascock
Andy Graham
Malia Gray

John Green
Dusty Guarino
Jennifer Guerrero
Jeff Guffey
Kelli Guidry
Michelle Guidry
Stephanie Guidry
Kip Guidry
Lee Guillot
Aaron Guitreau
Cody Hanna
Cody Harper
Darren Harrell
Brice Harrell
Philip Harris
Anne Hawes
Kelvin Haymon
Rocio Hernandez
KellyHeroman
Zachary Herring
Allana Herring
Beau Higgins
Ray Hill
Chelsea Hitchens
Thomas Hodges
Jimmy Holden
Cole Holden
Avesia Holland
Dante Holmes
Collin Howell
Cole Hudspeth
Coraneisha Hughes
Jeremy Jett
David Jewell
Jake Jewell
Toni Johnson
Clayton Johnson
Tyler Keefer
Moussa Keita

Boaz Kennedy
Lisa Key
Joel Kilpatrick
Tommy Klein
Michael Knight
Missy Knoblauch
Benjamin Kyzar
Slade Lacey
Chad LaCost
Devin Landry
Chad Landry
Destiny Landry
Jake Lane
Joel Langlois
Macie Langlois
Stephanie Laspe
David Latona
Valerie Lawrence
Jeff Lea
Louis Lee
Kaleb Lee
Roman Lee
Sarah Lee
Jordan Lee
Shawn Little
Lorenza Lively
Ken Lofton
Jared Louque
James Macias
Jared Mack
Patrick Mansfield
Peggy Maranan
Chanon Martin
D.J. Matte
Page McClure
Patrick McCoy
Theo McCray
Damon McMorris
Brian Merritt
Haley Merritt
Scott Miller

Josh Miller
Justin Milton
Brady Milton
Kade Milton
PaulaMims
Yuan Mizell
Tiffany Moore
Jacob Moore
Payton Moran
Ben Morein
Bubba Morgan
Garrett Motichek
Quanika Muse
Lyle Newell
Alex Newman
Ethan Noland
Chad Norred
Eric Ouber
Russchelle Overhultz
Jacob Overhultz
Braden Owens
Charlotte Ozuna
Kerri Pagano
Melvin Parker
Jacob Parker
Brady Parker
Brett Patterson
Luke Patterson
Daniel Pendergist
Mark Phillips
Bianca Pickett
Jacob Pickett
Randy Pierce
Daniel Poirrier
Donnie Prest
Cody Prest
Josh Prestridge
Andrew Prestridge
Terrie Reed
Matt Reed
Ryan Reed
Elishea Rheams

Nakita Ricard
Sandra Richard
Nicole Rineheart
Charlie Rogers
Sam Rosso
Marci Rottmann
Rachel Roule
Connor Rushing
Linda Sanders
Asa Scott
Olivia Serignet
Ty Shaffer
Corey Sharpe
Levy Sibley
Brandon Simon
Kellie Smith
Abigail Smith
Nick Smith
Jared Soileau
Steven Spring
Jeremy Starns
Taylor Stevens
Raymond Stewart
Larry Stewart
Jeffrey Stewart
Ashton Stokes
Darren StPierre
Blake Sullivan
Erica Sullivan
Kelsey Talbot
Patrick Tanner
Michael Taylor
Agra Templet
Cration Templeton
Aaron Terrance
Justin Terrell
Rusty Todd
Maderis Trout
David Tucker
Heather Verrett
Rhowanda Vessel
John Wales
Jeremy Wascom

Chase Wascom
Ethan Wascom
Carl Watts
Hannah Watts
Daniel Watts
Jordan Watts
Brennan Watts
Megan Watts
Michael Welborn
Carl Westbrook
Zachary Westbrook
Darrel White
Caleb Wilkinson
Derrick Willis
Dale Wolfe
Bodhi Wright
Gavin Young
Tyler Zimmerebner

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FINANCIALS

Assets

	2025	2024
Utility Plant		
Electric Plant in Service	862,515,660	821,494,340
Other Fixed Assets	2,030,949	1,864,537
Right of Use Lease Assets	344,537	246,112
Construction Work In Progress	8,676,868	21,125,193
Subtotal	873,568,014	844,730,182
Less: Accumulated Depreciation	(215,019,918)	(217,789,252)
Total Utility Plant, Net	658,548,096	626,940,930
Investments and Other Assets		
Investments in Associated Organizations	14,449,128	12,854,845
Non-Utility Property	2,662,941	—
Notes Receivable, Long-Term Portion	24,398	52,570
Total Investments and Other Assets	17,136,467	12,907,415
Current Assets		
Cash and Cash Equivalents	4,273,928	215,801
Current Portion of Notes Receivable	45,840	80,673
Accounts Receivable		
Consumers Net of Allowance	16,817,435	14,212,320
Other Receivables	4,827,449	20,016,866
Unbilled Revenue	15,652,122	15,444,525
Total Accounts receivable	37,297,006	49,673,711
Under Collected Purchased Power Adjustment	10,060,947	890,564
Materials and Supplies	8,466,303	10,018,153
Other Current and Accrued Assets	2,588,659	3,543,215
Total Current Assets	62,732,683	64,422,117
Other Assets		
Deferred Charges	30,721,596	29,001,469
Deferred Income Tax Asset	-	-
Total Other Assets	30,721,596	29,001,469
Total Assets	769,138,842	733,271,931

Equities & Liabilities

	2025	2024
Equities		
Memberships	326,940	340,720
Patronage Capital	120,367,095	106,666,783
Other Equities (Deficits)	17,327,843	15,772,210
Total equity	138,021,878	122,779,713
Long-Term Debt		
Notes Payable, Less Current Maturities	499,751,920	466,939,450
Financing Lease Obligations, Less Current Maturities	2,095,617	1,632,470
Operating Right of Use Lease Obligations, Less Current Maturities	-	59,078
Total Long-Term Debt	501,847,537	468,630,998
Current Liabilities		
Current Maturities of Notes Payable	18,316,956	17,673,353
Current Maturities of Finance Lease Obligations	898,149	565,367
Current Maturities of Right of Use Lease Obligations	59,078	61,003
Current Portion of Post-Retirement Benefit Obligation	1,333,444	1,237,827
Lines of Credit	37,919,668	59,071,376
Accounts Payable	21,211,344	19,066,091
Consumer Deposits	9,552,300	9,310,675
Accrued Interest	570,895	616,109
Other Accrued Expenses and Deferred Credits	3,147,397	2,970,794
Total Current Liabilities	93,009,231	110,572,595
Deferred Credits and Other Liabilities		
Accrued Post Retirement Benefits	25,076,103	20,491,297
Deferred Credits	11,184,093	10,797,328
Total Deferred Credits & Other Liabilities	36,260,196	31,288,625
Total Equities and Liabilities	769,138,842	733,271,931

FINANCIALS

Statements of Operations



	2025	2024
Operating Revenues	312,909,587	272,232,886
Operating Expenses		
Cost of Power	179,621,122	153,173,062
Cost of Sales	-	-
Distribution - Operation & Maintenance	32,752,258	34,391,840
Transmission - Operation & Maintenance	1,031,984	995,758
Consumer Accounts & Customer Service	7,961,358	8,847,596
Administrative and General	20,240,164	19,434,683
Depreciation and Amortization	28,715,451	26,306,876
Taxes	7,067,367	6,620,561
Other	1,376,038	1,295,700
Total Operating Expenses	278,765,742	251,066,076
Operating Margins Before Fixed Charges	34,143,845	21,166,810
Fixed Charges		
Interest on Long-Term Debt	17,597,595	16,328,150
Amortization on Reacquired Debt	12,350	12,731
Other Interest	5,121,070	2,023,370
Total Fixed Charges	22,731,015	18,364,251
Operating Margins After Fixed Charges	11,412,830	2,802,559
Capital Credits	2,899,575	2,467,492
Non-Operating Margins		
Interest Income	261,806	301,267
Other Income (Loss)	916,788	205,009
Grant Income	-	14,340
Total Non-Operating Margins	1,178,594	520,616
Income Tax Benefit	(110,340)	(158,899)
Net Margins / (Deficits)	15,380,659	5,631,768
Patronage Capital, Beginning of Year	106,666,783	111,914,061
Offset Prior Losses With Operating Margins	(56,157)	(4,972,387)
Special Bad Debt Equity Retirement	(283,429)	(5,247,278)
Margins Transferred to Other Equities	(1,340,761)	(659,381)
Patronage Capital, End of Year	120,367,095	106,666,783

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