

## TO OUR MEMBERS

Your Board of Directors and staff remain committed to the two highest priorities of members, affordable and reliable service. It was a year of milestones for the Co-op worth celebrating.

• Wholesale power prices continued to decline from COVID era peaks, enabling us to lower the Co-op Power rate twice in 2024. These decreases continued a two-year run of consecutive declines in the power supply rate. Overall, NHEC average member electric bills, including distribution, transmission and energy charges, were lower than for the customers of investor-owned electric utilities in New Hampshire.

• Reliability made great strides in 2024 with projects like the replacement of Co-op substations in Jackson and Bridgewater, the relocation of three miles of main circuit lines from the woods to the roadside in Andover, and the continued replacement of electric lines that were “direct buried” in the ground decades ago and prone to failure.

• NH Broadband, the Co-op’s wholly-owned internet subsidiary, set new milestones in its mission to provide fiber-optic internet access to our members.

In 2024, the company built a record 1,131 miles of fiber and made service available to another 16,120 Co-op members. By the end of 2024, NH Broadband service was available to 29,744 members in more than 40 towns. Expansion continues in 2025, please visit [NHBroadband.com](https://NHBroadband.com) to check availability where you live!

• The NHEC Foundation, largely funded by member “Round-Up” contributions, was able to distribute over \$220,000 in grants to 38 non-profit organizations working every day to make our communities stronger, better places to work and live. We also continued our scholarship program, awarding six scholarships to high school seniors bound for college, and one lineworker scholarship to help train the next generation of utility workers.

We greatly appreciate our employees’ commitment to our members and your participation in our cooperative.



William Darcy  
Board Chair



Michael Jennings  
President/CEO

## BOARD OF DIRECTORS

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Vice Chair,  
Tuftonboro  
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Rumney  
Director, Lee  
Director, Sandwich  
Director, Littleton  
Director, Melvin Village  
Director, Thornton  
Director, Center Harbor

### MISSION STATEMENT

Our mission is to provide our members the ability to access affordable, reliable electric and broadband service options that support and simplify their lives.

## 2024 IN REVIEW

FEBRUARY



The NHEC Foundation marked its 13th year of support for the Colebrook Mobile Food Pantry. Co-op and community volunteers distributed 13,740 pounds of food to nearly 300 families in need.

APRIL



The most destructive storm in Co-op history caused \$7 million in damage and power outages affecting more than 60,000 members. It's one of six big storms to hit our service territory in 2024.

JUNE



The NHEC Annual Meeting tradition was renewed in a new location – Owl's Nest Resort in Thornton – with a new daylong schedule of activities. Join us at Owl's Nest again for the 2025 Annual Meeting on June 17, 2025! See [NHEC.com](https://NHEC.com) for details

JULY



The Co-op introduced a new Renewable Energy Rate for members who wish to support the development of renewable energy in the region. Members who enroll in the Renewable Energy Rate have the choice to purchase Co-op Power with 50 percent or 100 percent renewable attributes.

AUGUST



The NHEC Board approved its fourth consecutive decrease in the Co-op Power Rate, lowering the average member's bill by about \$10 a month. The Co-op Power Rate remained the lowest among the state's four electric utilities throughout 2024.

OCTOBER



NH Broadband reached a key milestone, surpassing the number of miles of fiber-optic line built in the previous year. In total, 1,131 miles of fiber were constructed in 2024, making high speed internet service available to another 16,120 Co-op members.

NOVEMBER



Substations in Jackson and Bridgewater were replaced as part of an ongoing commitment to improve Reliability, one of the pillars in the Co-op's five-year strategic plan. In all, the Co-op is rebuilding 21 substations as part of a multi-year project that will not only improve reliability but also support an increase in electrical demand.

DECEMBER



The Board of Directors announced Michael Jennings, formerly the Vice President for Energy Delivery at the Co-op, would assume the role of interim President & CEO, effective Jan. 1, 2025.



## 2024 Annual Report to Members

Guided by its purpose, mission and vision, NHEC has embarked on a 5-year Strategic Plan to better meet the needs of our members and the Cooperative. The Strategic Plan identifies five Key Areas of Focus:

RELIABILITY

AFFORDABILITY

MEMBER EXPERIENCE

EMPLOYEE EXPERIENCE

BROADBAND BUILDOUT

# 2024 TREASURER'S REPORT

New Hampshire Electric Cooperative (NHEC) ended the year with a positive net margin of \$6.8 million from our electric distribution operations. The distribution revenue that NHEC earned was 1.1% greater than budget, or \$0.9 million, while distribution expenses were 0.9% less than budget, or \$0.7 million. The financial impact of major storms throughout the year was reduced by disaster declarations, enabling NHEC to potentially recover some of the expenses from the Federal Emergency Management Agency (FEMA).

In 2024, NHEC saw a 4% increase in net kWh sales due to a hot July and cold December. NHEC continued to see growth in new construction, resulting in the addition of 547 new services during the year bringing our total number of accounts to nearly 85,000.

NHEC works hard to keep our operating costs down, while providing good service to our members. We continue to invest in right-of-way clearing and tree trimming. Over the past three years we have cleared and maintained over 1,700 miles of line and invested more than \$26 million to improve service reliability to our members. Additionally, over \$28 million dollars has been invested into infrastructure and system improvements in that same time period.

We continue to build out our fiber-optic network to provide high-speed internet service to members in unserved and underserved towns in our service territory. In 2024, we built over 1,000 miles of fiber and have passed over 27,000 homes and businesses and serve over 5,000 customers.

Overall, NHEC's strong financial health ensures that we have the capital necessary to maintain and improve the electric distribution system and broadband networks our members rely on every day.

Respectfully submitted,  
Jerry Stringham,  
*Treasurer*

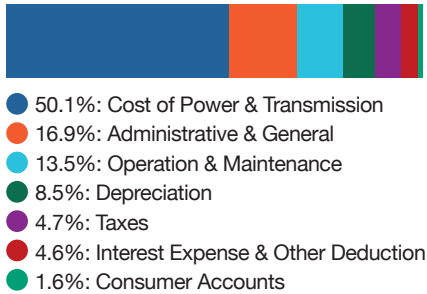
## CONSOLIDATED BALANCE SHEETS

	2024 (000s)	2023 (000s)
<b>Assets</b>		
Current Assets		
Cash and Cash Equivalents	\$ 983	\$ 1,501
Receivables from Members - Energy Sales	14,951	14,900
Other Receivables	7,719	15,668
Material & Supplies Inventory	15,335	12,086
Prepayment and Other Current Assets	2,651	2,494
<b>Total Current Assets</b>	<b>41,639</b>	<b>46,649</b>
Utility Plant	540,505	480,079
less: Depreciation	(205,085)	(193,067)
<b>Net Utility Plant</b>	<b>335,420</b>	<b>287,012</b>
Other assets		
Investments in Assoc. Organizations	10,368	10,734
Non-utility property	14,203	7,748
Postretirement Benefits Other Than Pensions	699	226
Intangible assets	738	830
<b>Total Other Assets</b>	<b>26,008</b>	<b>19,538</b>
Deferred Debits	14,492	7,214
<b>Total Assets</b>	<b>\$ 417,559</b>	<b>\$ 360,413</b>
<b>Liabilities &amp; Equity</b>		
Current Liabilities		
Line of Credit	\$ 24,849	\$ 25,303
Accounts Payable	22,952	30,379
Accrued Liabilities	5,393	6,158
Member Deposits	2,172	2,155
Current Portion of Long-term Lease Obligations	587	297
Current Portion of Long-term Liabilities	9,692	6,709
<b>Total Current Liabilities</b>	<b>65,645</b>	<b>71,001</b>
Long-term Obligations	187,421	128,761
Deferred Credits	16,878	16,637
Member Equity	147,615	144,014
<b>Total Liabilities &amp; Equity</b>	<b>\$ 417,559</b>	<b>\$ 360,413</b>

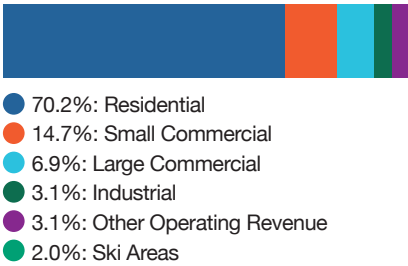
## CONSOLIDATED STATEMENTS OF OPERATIONS

	2024 (000s)	2023 (000s)
<b>Revenue</b>		
Operating Revenues	\$ 175,460	\$ 183,120
<b>Expenses</b>		
Cost of Power & Transmission	86,601	101,223
Operation & Maintenance	23,401	21,830
Consumer Accounts	2,751	2,651
Administrative & General	29,224	28,583
Depreciation	14,673	13,474
Interest Expense & Other Deduction	8,030	5,733
Taxes	8,121	8,157
<b>Total Operating Expenses</b>	<b>172,801</b>	<b>181,651</b>
<b>Operating Margins</b>	<b>2,659</b>	<b>1,469</b>
<b>Non-operating Margins:</b>		
Interest Income & Patronage	547	109
Other	376	452
<b>Total Non-operating Margins</b>	<b>923</b>	<b>561</b>
<b>Net Margins</b>	<b>\$ 3,582</b>	<b>\$ 2,030</b>

Expenses by Category - 2024



Operating Revenue - 2024



The annual audit of New Hampshire Electric Cooperative and Subsidiary's records was performed by McNair, McLemore, Middlebrooks & Co, LLC, 389 Mulberry St, Macon, GA 31201, and reviewed by the Audit Committee of the Board of Directors of New Hampshire Electric Cooperative. Copies of the complete report are available by mail upon request, or online at [www.nhec.com](http://www.nhec.com).