

CEC *inside your* co-op

For members of Choctaw Electric Cooperative | MAY 2026

Powering the Future

Global supply chain disruptions, supply and demand creating pressure for utilities

Across the United States, electric utilities are grappling with sharp increases in costs, coupled with significant delays of critical infrastructure components that are impacting projects. From poles and transformers to conductors, crossarms and substation equipment, nearly every aspect of the electric grid supply chain has been affected.

Western Farmers Electric Cooperative (WFEC), a not-for-profit, wholesale power supplier for 21 distribution cooperatives and Altus Air Force Base, located across Oklahoma and into parts of New Mexico, is dealing with these same delays and inflation of necessary components.

The prices for wooden utility poles, for example, have climbed substantially due to lumber shortages and labor constraints in the forestry sector. Steel and aluminum prices—key materials for conductors and substation components—have also risen steeply, driven by increased global demand and fluctuating energy costs tied to their production.

Perhaps the most critical shortage has been with substation transformers. Lead times for transformers have

tripled to more than 36 months. During the past four years, transformer costs have doubled with longer wait times.

Similarly, power line costs have increased from \$400,000 per mile to more than \$600,000. Power plant equipment costs have also increased and can take more than five years to arrive and be constructed at a cost of around \$200 million for 100 MW of natural gas generation.

The scarcity and demand have triggered nationwide competition among utilities, cooperatives and municipalities, all vying for limited inventories, as domestic manufacturers struggle to keep pace with orders and international shipping remains unreliable.

In response, utilities are re-evaluating their procurement strategies, prioritizing inventory planning, and in some cases, collaborating across regions to share critical components, as the nation pushes toward a more resilient and sustainable energy future. Addressing the escalating cost and competition for electric utility supplies must remain a top priority.

For more information, visit the WFEC website: www.wfec.com.



Oklahoma Co-ops Navigate Rising Infrastructure Costs

Oklahoma's electric cooperatives power lives and empower communities. Over the past five years, co-ops have seen cost increases across the industry. These rising costs impact all of us. It is our responsibility to find the most cost-effective way to keep the lights on safely, affordably, and reliably for our members. Here is a summary of key cost drivers and percentage increases since 2020.

50-80%...Utility poles

40-110%...Crossarms & braces

50-80%...Conductor wire

80-120%...Transformers

50%-100%...Copper wiring

20-50%...Smart meters

80-100%...Pad-mounted transformers

30-60%...Circuit breakers/reclosers

Data source: Oklahoma Association of Electric Cooperatives

Choctaw Electric Cooperative

Serving members in Choctaw, Pushmataha, Atoka, McCurtain, Bryan and LeFlore counties.

CONNECT WITH US

Monday-Friday | 8 a.m. to 5 p.m.

24 Hour Outage Line

(800) 780-6486

Hugo Office

PO Box 758
1033 N. 4250 Rd.
Hugo, OK 74743

Toll free: (800) 780-6486

Local: (580) 326-6486

Fax: (580) 326-2492

Idabel Office

2114 SE Washington
Idabel, OK 74745

Toll free: (800) 780-6486

BOARD OF TRUSTEES

Brent Franks | President
Bill Woolsey | Vice President
Perry Thompson, Jr. | Secretary/Treasurer
Jarred Campbell
Debbie Cody
Jana Burris
Ken Autry
Stacy Nichols
Jackson Ferguson

MANAGEMENT & STAFF

Kooney Duncan | CEO
Tanya Roebuck | Executive Assistant/
HR & Benefits
Jia Johnson | Public Relations Director

FOLLOW US ONLINE

www.choctawelectric.net



[www.facebook.com/
choctawelectriccooperative](https://www.facebook.com/choctawelectriccooperative)

MANAGE YOUR ACCOUNT

choctawelectric.smarthub.coop



Download the free SmartHub
app in your device's app store

Celebrating the people behind our power

On April 6, we celebrated Employee Appreciation Day, a meaningful opportunity to recognize one of Choctaw Electric Cooperative's greatest assets—our people. Every day, our employees show up ready to serve, ensuring reliable, safe and affordable energy reaches the homes and businesses that depend on us. Their dedication is what keeps our cooperative strong and moving forward.

To celebrate, employees gathered for a fish fry luncheon that brought together both current staff and retirees. The retirees' presence was a powerful reminder of the investment so many have made in this cooperative over the years. It's our responsibility to build on that foundation and continue progressing for the communities we serve.

One of the most inspiring parts of the day was the generosity shown through an auction benefiting the Cooperative Family Fund. The fundraiser was entirely employee-driven—an idea that originated during a safety meeting and quickly gained support across the team. Thanks to their efforts, we expect Choctaw Electric Cooperative will donate more than \$12,000 to supporting co-op families experiencing

hardship, including children of fallen employees. This spirit of goodwill speaks volumes about who our employees are.

We were honored to welcome Cooperative Family Fund board member Kerrie Robinson, who shared how contributions like these are making a lasting difference. Her message, combined with the response from our employees, made for a truly memorable day.

Beyond their work at the co-op, our employees give back to our communities in countless ways—coaching, volunteering and supporting local organizations. Simply put, we could not accomplish our goals without them.

To our employees, thank you. Your dedication and teamwork continue to strengthen our cooperative and shape a bright future for our members.



CEO Kooney Duncan



In the photos: Preparations are being made for the Employee Appreciation fish fry on April 6.

Above right: Cooperative Family Fund board member Kerrie Robinson speaks at the luncheon.

Investing in students, powering the future

CEC and WFEC tax dollars contribute \$2.1 million to local education

At Choctaw Electric Cooperative, supporting our local students isn't just a goal—it's built into the way we do business. As a not-for-profit electric cooperative, we're proud that our operations directly benefit 26 area school districts through the gross receipts tax.

In 2025 alone, CEC and our power supplier, Western Farmers Electric Cooperative (WFEC), provided \$2,160,444 in funding to local schools. That's real, tangible support—dollars that help fund classroom supplies, technology,

extracurricular programs and more.

Here's how it works: Instead of paying traditional property taxes, Oklahoma's electric co-ops pay a 2% gross receipts tax on revenue. And here's the best part—95% of that tax goes straight to schools, based on how many miles of co-op power lines run through a district. On a percentage basis, co-ops give more to local schools than other utilities. The chart below shows 2025 tax disbursements to local schools from CEC and WFEC.

School	CEC	WFEC	Total
Antlers	\$113,994.50	\$72,369.97	\$186,364.47
Battiest	\$76,576.13	\$14,638.01	\$91,214.14
Bennington	\$2,480.98	\$35,262.44	\$37,743.42
Boswell	\$27,404.92	\$46,948.24	\$74,353.16
Broken Bow	\$117,609.59	\$95,905.60	\$213,515.19
Clayton	\$18,833.31		\$18,833.31
Denison	\$15,447.49	\$29,850.05	\$45,297.54
Eagletown	\$27,686.76	\$861.07	\$28,547.83
Forest Grove	\$21,062.02	\$32,228.23	\$53,290.25
Fort Towson	\$64,818.02	\$148,635.21	\$213,453.23
Glover	\$17,738.08		\$17,738.08
Haworth	\$84,708.93	\$3,198.23	\$87,907.16
Holly Creek	\$18,655.16	\$161,524.14	\$180,179.30
Hugo	\$106,656.27	\$77,700.36	\$184,356.63
Idabel	\$45,569.71	\$19,886.37	\$65,456.08
Lane	\$39,687.00	\$65,399.48	\$105,086.48
Lukfata	\$21,666.27	\$15,827.09	\$37,493.36
Moyers	\$37,173.88		\$37,173.88
Nashoba	\$23,675.47	\$328.03	\$24,003.50
Rattan	\$91,175.75	\$37,476.57	\$128,652.32
Smithville	\$61,338.51		\$61,338.51
Soper	\$43,676.66	\$34,811.38	\$78,488.04
Tuskahoma		\$492.03	\$492.03
Valliant	\$65,554.16	\$90,739.24	\$156,293.40
Whitesboro	\$2,969.76		\$2,969.76
Wright City	\$30,203.44		\$30,203.44
TOTAL	\$1,176,362.77	\$984,081.74	\$2,160,444.51

Office Closure

Choctaw Electric Cooperative's offices will be closed Monday, May 25, in honor of Memorial Day. In case of an outage, please call our 24-hour out-age line.

Go Paperless

Sign up for paperless billing via the SmartHub app or call Choctaw Electric Cooperative at 800-780-6486.

Showcase Your CEC Treasures

Do you have a piece of memorabilia that reflects Choctaw Electric Cooperative's history? As part of our America's 250th Annual Meeting theme, we're creating a special display area for members to showcase their items. We'll also host a few fun contests with prizes. Start digging now and see what treasures you can find!

May Efficiency Tip

As temperatures start to rise, many homeowners focus on staying cool. Don't forget about the small gaps around windows and doors. While air sealing is often associated with keeping cold air out during winter, it's just as important during summer. Tiny cracks and worn weatherstripping allow cool, conditioned air to escape and hot, humid air to seep indoors. This forces your air conditioner to work harder than necessary and increases energy costs. Take a few minutes to check for drafts, replace weatherstripping and seal leaks. A tighter home keeps you more comfortable and helps manage energy use. Source: energy.gov

Lucky Acct. #38849050

If this is your account number, please contact CEC at 800-780-6486, ext. 241, by the 5th of the month to claim your \$25 bill credit. Unclaimed bill credits roll over each month by \$25 for a maximum credit of \$100.

Local highlights: CEC in the community



Avery Witt



Michael Potter



Brinley Williams

Congratulations, Energy Camp winners!

In March, Choctaw Electric Cooperative selected the winners of the Energy Camp student essay contest: Avery Witt of Antlers, Michael Potter of Soper and Brinley Williams of Soper. These eighth-graders will represent CEC at

Energy Camp in Hinton, May 26-28. Students will have summertime fun while developing leadership skills and learning about one of America's most important industries—rural electrification. Congratulations!

Please save the date for

Choctaw Electric Cooperative's 2026 Annual Meeting

September 26 - 8 a.m. - Hugo Agriplex, Hugo

More details to come.

Please join us for
Choctaw Electric
Cooperative's
Spring Blood Drive

Thursday, June 18
9 a.m. to 2 p.m.
CEC's Hugo office

Visit obi.org to make
an appointment.



Operations update: increasing capacity and reliability

CEC crews are currently working on a project, spanning from Hochatown to Creekside RV in Broken Bow. The project will provide a circuit upgrade to increase capacity and reliability along an approximately 7 mile stretch of line.



A small visit brings big smiles

A fun moment unfolded at Choctaw Electric Cooperative's Idabel office when Joetta Grusendorf stopped by to pay her bill with her grandchildren in tow. They posed with Willie Wirehand and each took home a bag of popcorn, bringing smiles all around.