



**DSO ELECTRIC
COOPERATIVE, INC.**

DSO
ELECTRIC COOPERATIVE

HEADLINER

BOARD OF DIRECTORS

David Mueller Tampa, President	James Christopher Falun , Director
Sheila Hummel Hope, Vice President	Randy Cooper Gypsum, Director
Bruce Spare Assaria, Secretary	Ken Hedberg Marquette, Director
Kenneth Berry Minneapolis, Director	Mike Richards Solomon, Director
David Butler Junction City, Director	

STAFF

Timothy J. Power CEO	Marla Marshall CFO
Nick Peterson Operations Manager	Derrick Rutherford Communications Manager

OFFICE HOURS

8 a.m.-4 p.m., Monday-Friday

PAYMENT LOCATIONS

**CENTRAL NATIONAL BANK IN
WALMART SUPERCENTER**
521 E. Chestnut St., Junction City, KS 66441
FARMERS STATE BANK
447 Harrison, Lindsborg, KS 67456

OUTAGE INFORMATION

**IN CASE OF AN OUTAGE, CALL
800-376-3533.** After-hours calls will be answered by dispatch and forwarded to standby personnel.

FIND OUT MORE

 facebook.com/DSOElectricCooperative

 @DSOElectricCoop

BOARD PRESIDENT'S AND CEO'S REPORT

Highlights From 2025

COMMUNITY EVENTS

Every year DSO gives back to the communities it serves by participating in various community events and donating to various DSO member causes.

IN 2025, DSO PARTICIPATED IN THE FOLLOWING COMMUNITY EVENTS:

- ▶ Hildebrand Dairy Festival
- ▶ Hope Parade
- ▶ Lindsborg Parade
- ▶ Solomon Festival
- ▶ Tampa Trail Fest

IN ADDITION, DSO PROVIDED DONATIONS TO THE FOLLOWING:

- ▶ Bennington PRCA Rodeo
- ▶ Chapman Trap Team
- ▶ Smoky Valley Athletic Foundation
- ▶ Wild Bill Hickok Rodeo

BATTERY POWER

DSO's largest expense each year is its power cost. And the biggest part of the power cost expense for DSO is the peak demand, which occurs during the summer months. By not using grid power during the peak demand windows in the summer, DSO avoids paying millions more in power costs.

Last year, DSO worked with a third party to lease two batteries during July and August to help lower the peak demand costs. The project proved

successful and helped DSO keep its peak demand costs down. After the lease period, DSO agreed to purchase the two batteries at a favorable price. Going forward, DSO will be able to keep peak demand costs lower by deploying the batteries from June through September.



David Mueller
Board President



Tim Power
CEO

RATE INCREASE

Since COVID-19 shut down the world economy, inflation has taken off. DSO experienced massive price increases for nearly everything it uses on a daily basis, including nuts and bolts, utility poles and wire, and vehicles and equipment. Eventually, these increased costs began to affect the viability of the cooperative.

While the DSO board considers rate increases as a last resort to ensure financial stability, it recognized DSO could not absorb more inflation pressure, and a rate increase was needed. So, in late 2025, DSO announced a 7% rate increase on energy charges for all rates. The new rates took effect in March 2026.

Financial Report

The annual kilowatt-hour (kWh) sales for 2025 totaled \$139 million, which was \$5 million kWh more than in 2024. Revenue was \$800,000 more than in 2024.

Cost of power for 2025 was less than in 2024. The wholesale power cost was DSO's single largest expense accounting for 52% of all expenses.

Depreciation and operations and maintenance increased significantly in 2025 due to inflation-driven increases in the cost of construction equipment and materials.

DSO had an operating margin of \$1.4 million and a total margin of \$1.8 million in 2025. Total margin includes equity allocations from organizations we are associated with, shown in the Operating Statement as G&T and other capital credits.

The DSO balance sheet finished the year with \$76 million in assets and \$49 million in liabilities, which left \$27 million in equity.

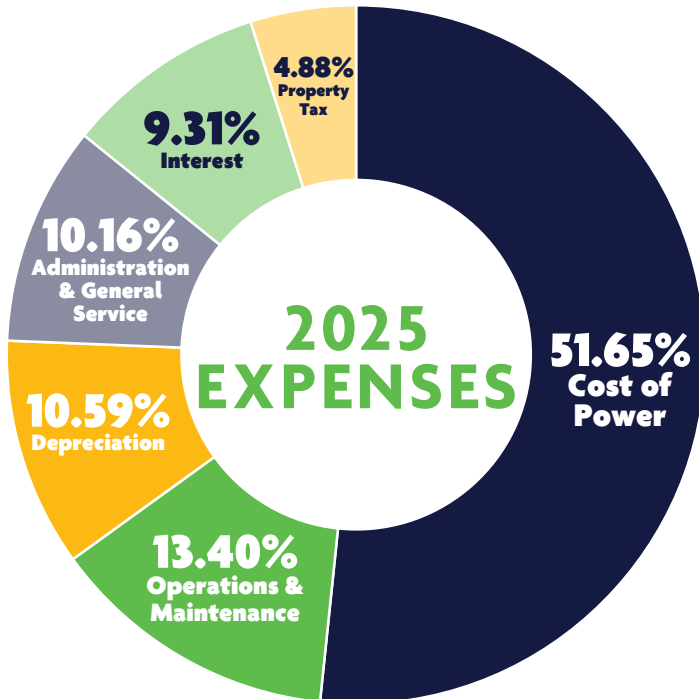
Service availability was very high at just under 100%. DSO cannot guarantee that there will never be interruptions in power — no one can — but our crews work diligently to maintain the lines to minimize those outages.

In December 2025, DSO retired over \$1 million in capital credits. This money was distributed to members as bill credits or checks.

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The DSO Board of Directors chooses an auditor each year to evaluate the cooperative's finances. The auditing firm Kelso and Lynch, gave DSO a clean audit report for 2025.

If you have questions, please contact the DSO office at 800-376-3533.



OPERATING STATEMENT		
	2024	2025
Electric Revenue	\$22,078,000	\$22,872,000
Cost of Power	\$11,200,000	\$11,081,000
Operations & Maintenance	\$2,431,000	\$2,874,000
Administration & General Service	\$2,199,000	\$2,180,000
Depreciation	\$2,180,000	\$2,273,000
Interest	\$1,979,000	\$1,998,000
Property Tax	\$1,041,000	\$1,048,000
Operating Margins	\$1,048,000	\$1,418,000
Non-Operating Margins	\$76,000	\$100,000
G&T Capital Credits	\$72,000	\$128,000
Other Capital Credits	\$101,000	\$116,000
Extraordinary Items	\$0	\$0
TOTAL MARGINS	\$1,297,000	\$1,762,000

BALANCE SHEET	
WHAT WE OWN	
Total Fixed Assets	\$61,636,000
Total Current & Other Assets	\$14,334,000
Total Assets	\$75,970,000
WHAT WE OWE	
Total Liabilities	\$48,662,000
OUR NET WORTH	
Memberships & Equity	\$27,308,000
TOTAL LIABILITIES & EQUITY	\$75,970,000

GROW YOUR SAVINGS

Landscaping That Cuts Energy Costs

When most people think about saving energy, they picture insulation upgrades, efficient windows and appliance swaps. But your yard can play a major role, too. According to the U.S. Department of Energy, a well-planned landscape can reduce air-conditioning costs by up to 25% and pay for itself in less than eight years.

Because landscaping results vary by region, keep in mind that the U.S. has plant hardiness climate zones ranging from zone 1 (coldest) to zone 13 (warmest). In Kansas alone, you will find four different plant hardiness zones. Find your zone at www.planthardiness.ars.usda.gov and plant strategically for your zone.

CHOOSE THE RIGHT TREES: DECIDUOUS OR EVERGREEN

- ▶ Deciduous trees (those that lose their leaves in the winter) block sunlight in the summer and allow light in during the colder months, helping to regulate indoor temperatures year-round.
- ▶ Evergreen trees provide consistent shade and can serve as windbreaks, which is especially helpful in cool climates.

TIP: In hot climates, choose native or drought-tolerant species. They require less water and are typically more resilient. Avoid native eastern red cedars, as they aggressively spread into grasslands, where they serve as fire fuel.

PLACEMENT MATTERS

- ▶ **WEST AND NORTHWEST SIDES:** Plant trees to block strong mid- to late-afternoon sun.
- ▶ **EAST AND WEST WINDOWS:** Use deciduous

trees to block summer sun but still allow winter light.

- ▶ **SOUTH SIDE:** Tall trees planted at a distance equal to two to five times their mature height can shade your home without blocking winter sun.
- ▶ **WEST SIDE:** Shorter trees and shrubs help shield against intense, low-angle afternoon sun.
- ▶ **PATIOS AND DRIVEWAYS:** Shade these areas to reduce reflected heat.
- ▶ **HOME PERIMETER:** Bushes can absorb sunlight and reduce heat transfer, but avoid dense plantings in humid climates, where airflow is important to prevent excess moisture.

TIP: Be mindful near solar panels. Avoid planting tall trees on the south side of panels to prevent shade during peak sun hours.

PLAN FOR A TREE'S MATURE HEIGHT

- ▶ Avoid planting trees that will grow taller than 15 feet near power lines.
- ▶ For taller species, plant at least 20 feet away — 45 feet is even better — to prevent safety hazards and avoid future pruning.

CALL BEFORE YOU DIG!

- ▶ Before you plant anything, call 811 to check for underground utilities. This free service marks public lines, like electricity, water and gas, so you avoid costly and dangerous mistakes. Call several business days before you plan to dig.

ENERGY EFFICIENCY TIP OF THE MONTH

Set your ceiling fan rotation according to outside temperature. In winter months (when your home heating system is running), fan blades should rotate clockwise, which produces an updraft that pushes warm air down. In summer months (when your home cooling system is running), blades should rotate counterclockwise, which produces a downdraft or windchill effect that makes you feel cooler. When used correctly, ceiling fans can boost comfort and allow you to adjust the thermostat a few degrees for energy savings. SOURCE: ENERGY.GOV



TIPS TO AVOID UTILITY SCAMS



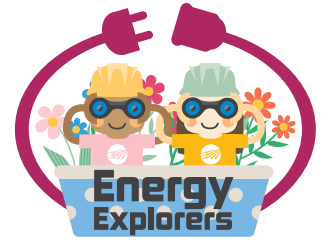
Scammers and cyber criminals look for weak points to exploit before software companies can fix them. Update software programs on your computer, tablet and mobile phone as soon as possible when a newer version becomes available. Software updates often contain critical patches and protections against security threats. Turn on automatic updates to ensure your security software, internet browser, operating system and mobile apps stay current.

SOURCE: WWW.CONSUMER.FTC.GOV



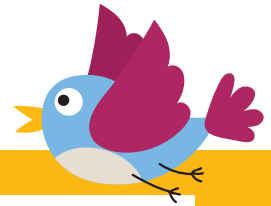
Spring Savings Word Search

Are you ready to spring into energy savings? When we actively try to reduce our energy use at home, we save on bills and help our community. Read the efficiency tips below, then search for (and circle) the bolded words in the puzzle.



SPRING ENERGY TIPS:

- ▶ **UNPLUG** chargers, gaming systems and other devices. Electronics can consume **ENERGY** when they're plugged in, even if you're not using them.
- ▶ Open curtains and blinds during the day to use **NATURAL LIGHT** instead of lamps and other home lighting.
- ▶ Dress for the weather. When it's chilly, grab a **JACKET** instead of turning up the **THERMOSTAT**. When it's warm, instead of turning on the A/C, open **WINDOWS** or turn on fans to circulate air.
- ▶ Turn off **LIGHTS** when you're leaving the room for more than five minutes.



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C	L	W	Q	Z	L	N	X	G	D	P	L	B	B	V

