

CHOPTANK ELECTRIC  
**Cooperative Living**



**2023 COMMUNITY  
IMPACT REPORT** PAGE 18







# Dear Members,

The past twelve months have been a rewarding exercise in balancing the supply chain, keeping expenses for cooperative members as low as possible and preparing for the future with youth education and workforce training. As always, our number-one goal is reliable electric service that prioritizes the safety of our employees and community.

We celebrated the launch of our pre-apprentice powerline worker program in partnership with Wor-Wic Community College and the Virginia, Maryland & Delaware Association of Electric Cooperatives. The first class of future lineworkers graduated in December. The program offers local students hands-on training for rewarding jobs in our community. We also supported the opening of the Perdue Henson Junior Achievement Center, a program to boost financial literacy, work readiness and entrepreneurship for students throughout the Eastern Shore.

We continued our high-speed internet buildout, offering broadband to 10,000 families by the end of 2023. Choptank is building infrastructure and connecting customers faster than any other

provider on the Shore. With this technology, we hope to bring economic development to the area, along with better educational opportunities, tele-health capabilities, increased job activities and more.

Working to connect members to Choptank Fiber did not prevent us from delivering affordable, reliable and safe electricity to our members. Maintaining over 6,000 miles of electric lines across the Eastern Shore, we continue to receive a 99% reliability rating from the ASAI, and we are pleased that our long-term investments continue to pay off.

For over 85 years, Choptank Electric Cooperative has served its members and community faithfully – and we hope that we can continue to do so for many years into the foreseeable future.



Mike Malandro  
President & CEO  
Choptank Electric Cooperative



**Choptank Electric Cooperative**

A Touchstone Energy Cooperative 

**Choptank Fiber**

P.O. Box 430 | Denton, MD | 21629  
Member Service Center: 1-877-892-0001  
Automated Member Service: 1-866-999-4574  
Electric Outage Reporting: 1-800-410-4790 option 1  
Fiber Outage Reporting: 1-800-410-4790 option 2  
Use SmartHub to Manage Account,  
Track Usage and Report Outages —>



[WWW.CHOPTANKELECTRIC.COOP](http://WWW.CHOPTANKELECTRIC.COOP)





## Gary Geisel Retires After 38 Years Decades of Devoted Service to Choptank Electric Cooperative

Gary Geisel began his career at Choptank Electric Cooperative in April of 1986 as a Communications Clerk. He advanced after two

months to Storeroom Attendant Helper in June of 1986. After a year as Storeroom Attendant Helper, Gary was promoted to Storeroom Attendant in 1987 and had that position for 25 years. In 2012, Gary was promoted to Senior Storeroom Attendant and has held that position for the last 12 years. Gary was responsible for overseeing two employees, handling shipping and receiving, assisting the Supply Chain Manager with ordering materials, getting bids for tools and pulling materials for Choptank employees and contractors. His favorite part of working for the Cooperative was learning about the power industry and building relationships with his coworkers.

Mark Harris, Supply Chain Manager at Choptank Electric Cooperative, shares, "I have known Gary from my 25 years working at Choptank Electric, with 5 years as him being my supervisor and then 18 years of me supervising him. Gary has been very dedicated and takes extreme pride in his job. I have seen many employees start in the storeroom position only to move onto other opportunities within the company, and Gary has played a part in every one of them,

even if it was a small part. Gary always finds the time during his busy work schedule and daily tasks to incorporate laughter. During my years working with Gary he has helped, encouraged and motivated me to become the person I am. Gary will be missed at Choptank Electric mostly for his knowledge, work ethic, dedication and humor."

Lance Lockerman, VP of Operations at Choptank Electric Cooperative, shares, "Gary is someone who could always be relied upon for answers and actions to nearly any situation. His superior knowledge and memory have proven to be invaluable. If posed with a question that he could not answer immediately, it always seemed that he was able to retrieve an answer for you with a simple reach towards a folder he had nearby. I feel fortunate to have worked with Gary for my entire career."

Gary's last day with the Cooperative is June 7th. In his retirement, he plans to remodel his house, travel and tend to the farm he owns raising chickens for Perdue.



**Gary Geisel**

Sr. Storeroom Attendant

*"Gary is someone who could always be relied upon for answers in any situation. His superior knowledge and memory have proven to be invaluable."*

- Lance Lockerman, VP of Operations Choptank Electric Co-op



## Storm Soldiers Aid in New Hampshire Cooperation Among Cooperatives at Work

By Katie Lockett, Manager of Marketing, Communications and Education

One of the most damaging storms in New Hampshire Electric Cooperative's 85-year history hit on April 4, causing over 50,000 members to lose power. Choptank Electric Cooperative sent a crew of 12 linemen and servicemen to assist in the restoration efforts from April 4-11.

According to NH Electric Co-op, the storm delivered 20 feet of heavy, wet snow in some areas that weighed on trees and wires, causing significant power outages. High winds of more than 60 mph immediately following the storm made initial restoration efforts even more difficult and caused delays to ensure the safety of lineworkers.

Many other electric cooperatives along the east coast also joined in to help NH Electric Co-op with over 400 personnel engaged, repairing more than 150 broken poles and clearing nearly 1,000 damaged areas.

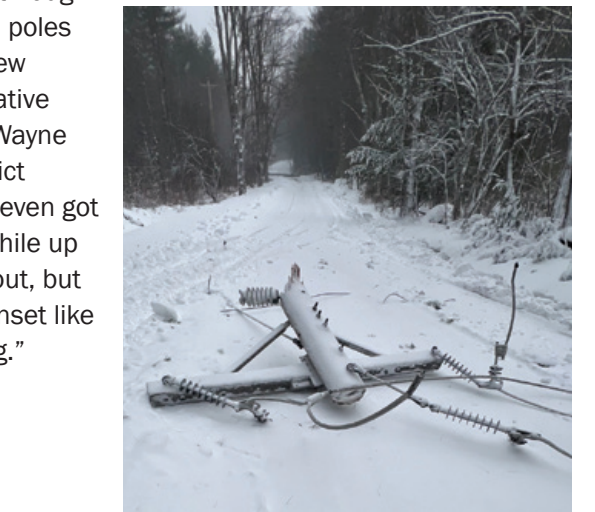
Working 16-hour days, our crew cleared blocked roads, cut through downed trees and replaced poles in soft, muddy grounds. "New Hampshire Electric Cooperative treated us very well," said Wayne Daubach, Manager of District Operations in Denton. "We even got to experience the eclipse while up there. It wasn't a full blackout, but the sky turned a greyish sunset like color while we were working."

Thank you to Choptank Electric's Paul Miles, Wayne Daubach, Josh McCafferty, Ethan Wallace, Thomas Iseman, Clint Mills, Todd Anderson, Brody Bennett, Chas Fisher, Gabe Dennis, DeShown Gayle and Alan Eginbrode for your mutual aid service and time in New Hampshire.

*The storm delivered 20 feet of heavy, wet snow in some areas that weighed on trees and wires, causing significant power outages.*



**Choptank Electric Cooperative vehicle (left) and New Hampshire Electric Cooperative vehicle (right).**





# 2023 COMMUNITY IMPACT REPORT

**A**s a member of a co-op, like yourself, we take part in a larger community. A large community, connected and working together to improve the lives of our members. You. Our members are our first partners. Your commitment to us allows us to better serve you and your community. Working together is key to improving services, bolstering local economies and dealing more effectively with social and community needs. It's one of our founding principles. In fact, it's our 6<sup>th</sup>: *Cooperation Among Cooperatives*.

We're thankful to our partners who contribute in fulfilling our mission:



ODEC Old Dominion Electric Cooperative™



## INCREASING RELIABILITY & YOUR SERVICE

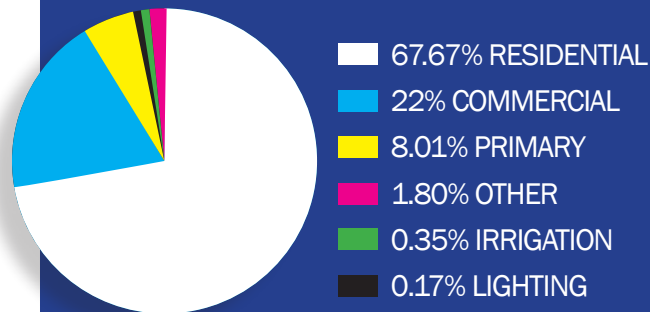
Choptank Electric continues to work hard to deliver reliable, affordable and safe electricity to you. With our highly trained operations and engineering team and state-of-the-art grid, we are keeping the lights on for our members 99.98% of the time.

Investing in capital projects and performing preventative maintenance throughout the year enables us to increase system reliability, safety and affordability. These projects include upgrading substations and overhead power lines, installing fiber optics to our substations and transformers and ensuring we have clean and accessible rights-of-way through our vegetation management program.

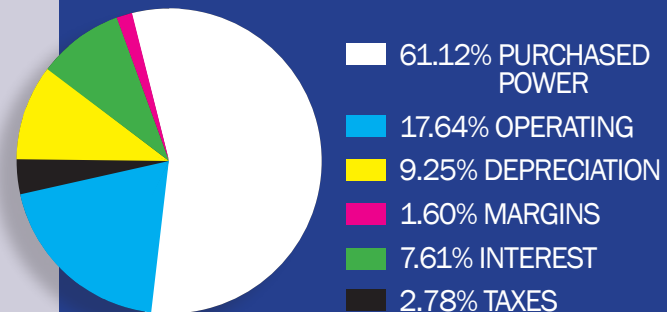
## CHOPTANK ELECTRIC COOPERATIVE BY THE NUMBERS

### HOW YOUR COOPERATIVE DOLLAR WAS SPENT

#### WHERE IT CAME FROM



#### HOW IT WAS SPENT



- 6,391**  
MILES OF LINE
- 8.86**  
METERS PER MILE
- 170**  
FULL-TIME EMPLOYEES
- 93%**  
MEMBERS ENROLLED IN OPERATION ROUND UP
- 99.98%**  
AVERAGE SYSTEM RELIABILITY \*\*
- MEMBER ACCOUNTS**  
**56,609 - 2023**  
**56,142 - 2022**  
**55,599 - 2021**
- 140**  
AVERAGE DAILY CALLS TO CALL CENTER
- 111.2**  
AVERAGE TIME OF INTERRUPTION IN MINUTES\*
- 1.25\***  
NUMBER OF OUTAGES PER MEMBER

\*Data includes the whole year with no major storms. It also includes DPL transmission drops. \*\*Reliability rating from the Average System Availability Index.





## Strength in the Cooperative Way

# \$338,172 WAS GRANTED IN 2023

One of the Seven Cooperative Principles is Concern for Community. As a Co-op, the quality of life for our members and the community has always been at the center of what we do. Based on that cooperative principle, Choptank Electric Cooperative adopted Operation Round Up® as our community assistance program in 2004.

Operated as the nonprofit Choptank Electric Trust Inc., Operation Round Up® is a simple and rewarding way to enable members to contribute funds for local charities, needy individuals and service organizations. The Choptank Electric Trust is governed by its own Board of Directors representing all nine counties on the Eastern Shore. Members who participate in this program “round up” their monthly electric bills to the nearest dollar and donate the difference to

our program, distributing the money in our local communities. In 2023, 93% of Choptank Electric Cooperative members were enrolled in Operation Round Up®.

The Choptank Electric Trust also authorizes donations to support community programs and historical efforts. **A total of \$338,172 was granted by the Trust in 2023 to support our community** with food, clothing, shelter, equipment, medical and educational needs.

Choptank Trust partnered with Perdue Farms in March of 2023 to donate \$35,000 to install a new entrance and deck to the Blind Industries & Services of Maryland in Salisbury. The entranceway into their training facility had become unsafe and was beyond repair, so Trust board member Ed Henry of

Wicomico County stepped up to help with this important need through the Choptank Trust.

The Trust also donated to Betterton Methodist Church over a three-year period, totaling \$11,500 toward church renovations. Completing all renovations in 2023, the church is now energy efficient and a safe place for the community to gather.

### CHOPTANK'S CONCERN FOR COMMUNITY



#### WINTER

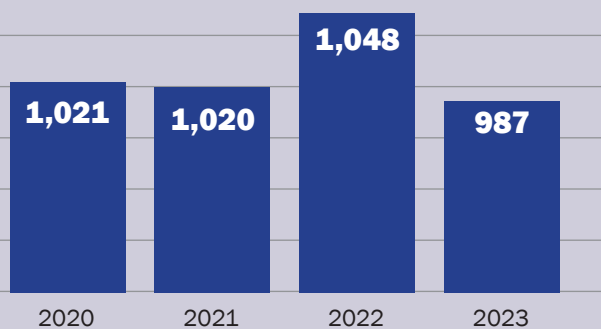
February 4, 2023, at 8 a.m. with 246,673 kW.

#### SYSTEM ENERGY PEAKS

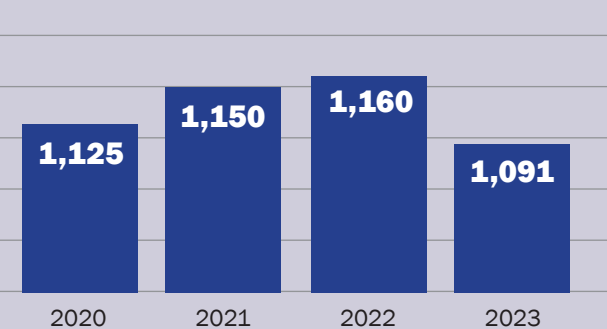
#### SUMMER

July 28, 2023, at 7 p.m. with 257,080 kW.

#### kWh SALES (IN MILLIONS)



#### AVERAGE kWh RESIDENTIAL (MONTHLY)



> The full **2023 ANNUAL REPORT** can be found at our Headquarters office in Denton, Regional Service Center in Salisbury or online > [www.choptankelectric.coop/financial-information](http://www.choptankelectric.coop/financial-information)



< or by scanning this QR code

# 9,978

Number of homes passed

# \$52,700,000

Amount of Grants awarded since inception

# 12

Completed expansion and infrastructure grants

# 1,581

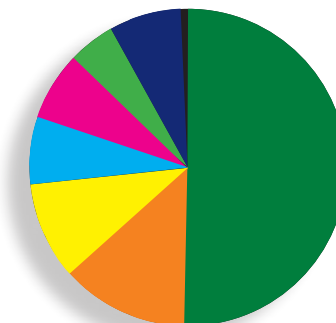
Miles of distribution fiber

# 8 of 9

Counties Connected

## FIBER ACTIVE CUSTOMERS BY COUNTY

- Caroline - 1,755
- Somerset - 472
- Worcester - 322
- Dorchester - 289
- Queen Anne's - 313
  - Talbot - 1
- Wicomico - 166
- Cecil - 211



Shore as we take a step to solve the broadband problem.

This is the cooperative model of rural residents joining together to provide a much-needed service. It is being used across the country as many co-ops have begun to offer broadband service to members. Our financial model allows longer payback on investment than a for-profit company. On the electric side, we finance projects over 30 years. On the broadband side, if we plan a 10-year infrastructure development program, that is an acceptable term for us and for our banks.





## MEMBERS' NOTES

Our members are the reason Choptank Electric Cooperative exists. Whether on social media, by phone or through handwritten letters, we appreciate when members let us know that we are doing a good job! **Thank you, all!**

*"I am always impressed by the quick, efficient response we always receive when there is an outage. I am very thankful for this impressive service."*

*-Marilyn Burr*

## 2023 CAPITAL CREDIT ALLOCATION

As a nonprofit member-owned utility, any margins (profits) above the cost of service are allocated back to our member-owners based on how much electricity each member purchased during the year.

The 2023 capital credit allocation was processed after the 2023 financial statements were reviewed and audited. The 2023 capital credit allocation notice for active members will show on their June 2024 electric bill in the left message area above the bill stub. Inactive members with 2023 electricity billings will be mailed a separate allocation notice.

The capital credits allocated to members' accounts for 2023 total \$2,966,562. This is allocated between Choptank Electric (Co-op), which totals \$1,693,682 and

Old Dominion Electric Cooperative, Choptank's energy supplier, which totals \$1,272,880.

The Choptank Electric Board of Directors reviews the Co-op portion of capital credits each year and decides how and when to repay the amounts allocated. Their decision is based on a variety of factors including the overall financial condition of the Cooperative. Any decision to repay the ODEC portion of capital credits would be entirely contingent upon refunds received from Choptank's energy supplier.

If you have questions about your capital credits, please contact our Member Service Center at 1-877-892-0001 and have your account number available.



**Choptank Electric Cooperative**

A Touchstone Energy Cooperative

### Choptank Electric Cooperative, Inc.

Choptank Electric, a Touchstone Energy Cooperative, is a not-for-profit, member-owned, electric distribution co-op serving approximately 56,000 residential, commercial and industrial members in all nine counties on Maryland's Eastern Shore.

#### President & CEO

Micheal E. Malandro

#### Board of Directors

Douglas D. Scott  
Chairman, Dorchester Co.

Robert E. Arnold  
Vice Chairman, Queen Anne's Co.

John J. Burke Jr.  
Treasurer, Cecil Co.

Matthew R. Holloway  
Secretary, Wicomico Co.

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Caroline Co.

Craig N. Mathies Sr.  
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Kristen E. Nickerson  
Kent Co.

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Talbot Co.

Robert B. Thompson  
Ocean Pines District

Donna R. West  
Worcester Co.

**Choptank Fiber**

#### Choptank Fiber, LLC

Choptank Fiber, LLC, is a wholly owned broadband subsidiary of Choptank Electric Cooperative. Choptank Fiber's goal is to install true gigabit broadband with no data caps one community at a time until we serve all of our unserved members on the Eastern Shore.