PIE&G Connected. Trusted. Reliable.

PIE&G CONNECT Reliable Fiber Internet

Your Co-op's 2024 Annual Report

Sandy Borowicz

Allan Berg

To Our Member-Owners:

In 2024, PIE&G made substantial progress on key initiatives designed to improve service and expand access for our members. One major focus was our fiber-to-the-home internet project, where we connected 6,606 services and constructed 1,773 miles of fiber. As of July 2025, the project is 60% complete.

While the historic 2025 ice storm caused temporary delays, our crews prioritized repairs to damaged fiber infrastructure and resumed construction.

We also introduced a refreshed PIE&G Connect brand, launched a newly updated website, and added features allowing members to check fiber availability and apply for service online.

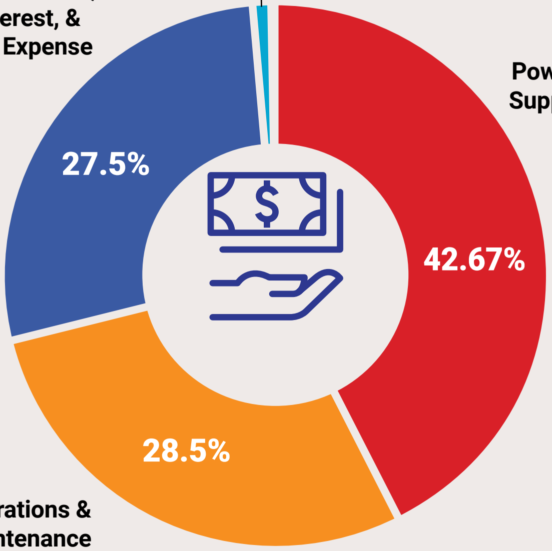
Looking ahead, we remain excited about expanding high-speed internet in Northeast Michigan and continuing the rollout of smart grid technology to strengthen reliability and performance.

We are committed to keeping service rates affordable while delivering dependable, high-quality service. Thank you for your continued trust and support.

Sincerely,

Sandy Borowicz, Chairperson
Allan Berg, President & Chief Executive Officer

Where Your Energy Dollar Goes:

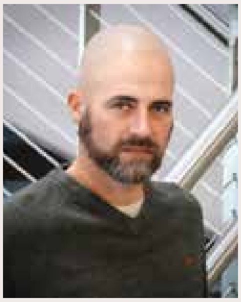


2024 Statistical Summary:

	ELECTRIC	NATURAL GAS
Active Meters	35,392	13,531
Energy Sold	246,542,701 kWh	10,265,990 CCF
New Services	362	152
Miles of Line	3,798 (overhead) 1,197 (underground)	901

Treasurer's Report

STATEMENT OF OPERATIONS	2023	2024
Operating Revenues	$ 59,381,956	$ 66,746,466
Operating Expenses		
Cost of Purchased Power	27,739,701	28,479,172
Operations & Maintenance Expenses	18,140,505	19,020,104
Depreciation	6,506,066	7,911,332
Interest	6,404,650	7,923,369
Taxes	2,102,270	2,527,736
Total Operating Expenses	60,893,192	65,861,713
Net Operating Income	(1,511,236)	884,753
NONOPERATING MARGINS		
Capital Credits—G&T and Other	2,412,791	2,848,308
Nonoperating Margins—Other	(1,099,942)	44,563
NET MARGINS	(198,387)	3,777,624
BALANCE SHEET		
Assets		
Total Utility Plant	258,801,359	284,959,521
Accumulated Depreciation	(93,963,372)	(99,739,477)
Net Utility Plant	164,837,987	185,220,044
Investments in Associated Organizations	26,621,449	28,965,995
Cash & Cash Equivalents	5,464,214	3,961,932
Accounts Receivable	6,476,997	8,533,804
Materials & Supplies	16,175,199	13,324,349
Other Assets	251,563	532,322
Deferred Debits	43,555	41,413
TOTAL ASSETS	219,870,964	240,579,859
EQUITIES & LIABILITIES		
Margins & Equities		
Patronage Capital	51,171,549	54,924,296
Other Equities	21,064	21,064
Total Margins & Equities	51,192,613	54,945,360
Liabilities		
Long-term Debt	136,558,512	147,399,601
Accounts Payable	30,769,342	36,029,298
Other Current & Accrued Liabilities	1,350,497	2,205,600
Total Liabilities	168,678,351	185,634,499
TOTAL EQUITIES & LIABILITIES	219,870,964	240,579,859



Presque Isle Electric & Gas Co-op's Statement of Operations and Balance Sheet for the years ending December 31, 2023, and 2024 are included in this annual report. As indicated by these financial reports, the cooperative continues to experience cost pressures that have affected all segments of our economy. Despite this, our electric and natural gas operations continue to provide a competitive energy alternative to our members, and our fiber-to-the-home projects continue to expand and offer many benefits to our membership.

Our independent auditing firm has confirmed that the financial statements and records presented to them accurately reflect the cooperative's financial position. The reports on the results of our operations conform to generally accepted accounting principles.

It has been my distinguished pleasure to serve as your treasurer for the past year.

Brentt Lucas, Treasurer