YOUR CO-OP'S 2025 ANNUAL REPORT

PIE&G Connected. Trusted. Reliable.

PIE&G CONNECT Reliable Fiber Internet

TO OUR MEMBER-OWNERS:

In 2025, PIE&G faced one of the greatest challenges in our cooperative's history. The historic ice storm caused unprecedented damage to our electric and fiber systems and tested the resilience of our members, employees, and communities.

In the face of that adversity, we witnessed the true strength of the cooperative spirit. Around the clock, our employees, contractors, and mutual aid partners worked tirelessly to restore power, rebuild critical infrastructure, and begin creating a stronger, more resilient electric system for the future.

Even during this historic recovery, we continued expanding PIE&G Connect, bringing reliable high-speed fiber internet to thousands of additional homes, businesses, and communities across Northeast Michigan. We also invested in new technology and online tools to make it easier for members to manage their utility and internet services.

While our recovery continues, we remain optimistic about the future. Every investment we make is focused on strengthening the communities we call home and improving the lives of our members for generations to come.

Thank you for your patience, trust, and unwavering support.

Sincerely,
Sandy Borowicz, Chairperson, Board of Directors
Allan Berg, President and CEO

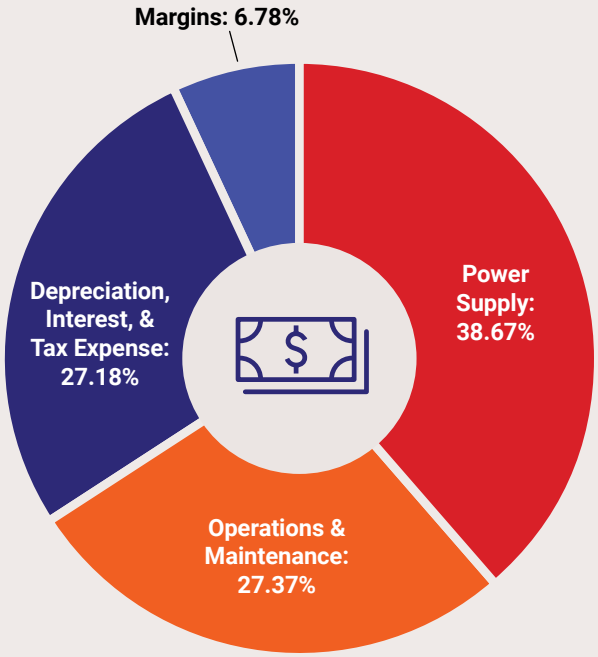


Sandy Borowicz



Allan Berg

WHERE YOUR ENERGY DOLLAR GOES:



2025 STATISTICAL SUMMARY:

	ELECTRIC	NATURAL GAS
Active Meters	35,346	13,654
Energy Sold	246,711,450 kWh	12,081,818 CCF
New Services	303	154
Miles of Line	3,791 (overhead) 1,215 (underground)	907

TREASURER'S REPORT:

STATEMENT OF OPERATIONS	2024	2025
Operating Revenues	$ 66,746,466	$ 74,482,225
Operating Expenses		
Cost of Purchased Power	28,479,172	28,805,329
Operations & Maintenance Expenses	19,020,104	20,388,568
Depreciation	7,911,332	8,580,135
Interest	7,923,369	8,586,503
Taxes	2,527,736	3,080,302
Total Operating Expenses	65,861,713	69,440,837
Net Operating Income	884,753	5,041,388
NONOPERATING MARGINS		
Capital Credits—G&T and Other	2,848,308	2,468,039
Nonoperating Margins—Other	44,563	-205,918
NET MARGINS	3,777,624	7,303,509
BALANCE SHEET		
Assets		
Total Utility Plant	284,959,521	456,470,866
Accumulated Depreciation	-99,739,477	-106,771,716
Net Utility Plant	185,220,044	349,699,150
Investments in Associated Organizations	28,965,995	31,677,441
Cash & Cash Equivalents	3,961,932	2,092,247
Accounts Receivable	8,533,804	9,632,649
Materials & Supplies	13,324,349	17,692,708
Other Assets	532,322	559,337
Deferred Debits	41,413	39,418
TOTAL ASSETS	240,579,859	411,392,950
EQUITIES & LIABILITIES		
Margins & Equities		
Patronage Capital	54,924,296	62,217,709
Other Equities	21,064	21,064
Total Margins & Equities	54,945,360	62,238,773
Liabilities		
Long-term Debt	147,399,601	150,554,953
Accounts Payable	36,029,298	197,533,639
Other Current & Accrued Liabilities	2,205,600	1,065,585
Total Liabilities	185,634,499	349,154,177
TOTAL EQUITIES & LIABILITIES	240,579,859	411,392,950



Presque Isle Electric & Gas Co-op's Statement of Operations and Balance Sheet for the years ending December 31, 2024, and 2025 is included in this annual report. While 2025 presented unprecedented challenges following the historic ice storm, our cooperative remains financially strong and continues to fulfill our commitment to providing safe, reliable electric and natural gas service. We also made significant progress expanding our Broadband business, which delivers fiber-to-the-home, bringing high-speed internet to more members throughout our service territory, while continuing to invest in the long-term reliability of our electric system.

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 privilege to serve as your treasurer this past year.

Brentt Lucas, Treasurer