



Dear Ozarks Electric Member,

As a member of Ozarks Electric, we want you to understand the decisions shaping your cooperative's future. Our responsibility is clear: to provide safe, reliable and affordable electricity today, and make the thoughtful choices necessary to keep that promise for generations.

With that commitment in mind, I am writing to share an important milestone. Ozarks Electric and Arkansas Electric Cooperative Corporation (AECC) have reached agreements that will establish a new structure for our long-standing relationship. Under this structure, Ozarks Electric will transition from a contract to purchase all of our wholesale power in Arkansas from AECC to purchasing approximately 60 percent of our power from AECC and the rest from providers in the power market.

Why make this change? Because the communities we serve are growing, energy needs are evolving, and Ozarks Electric must have the flexibility to plan specifically for our members. By developing and implementing our own long-term power supply strategy, we will be better positioned to make decisions tailored to the needs of this growing region while providing competitive pricing in the long term.

Greater flexibility will allow us to pursue new technologies, expand energy efficiency programs, explore renewable energy strategies and evaluate the right options for our cooperative. It strengthens our ability to plan, respond to change and keep member interests at the center of every power supply decision.

This is a deliberate, carefully managed transition, not an abrupt change, and there will be no impact on reliability of your service. We are building a diversified portfolio with a substantial, stable foundation and a flexible component that can be adjusted as our communities grow, technology advances and energy needs change. Ozarks Electric will continue receiving wholesale power and related services from AECC through November 2030. Over the coming years, we will complete the detailed work required for the next chapter while honoring our commitments and investments associated with AECC through 2042. The agreements have been approved by both Ozarks Electric and AECC.

As your cooperative, we are accountable to you. This step gives Ozarks Electric greater ability to shape an energy future around the people, businesses and communities we serve. It is our privilege to serve you, and we believe this transition will help build an even stronger future for every Ozarks Electric member.

Sincerely,

A handwritten signature in black ink that reads "Mitchell Johnson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Mitchell Johnson
Chief Executive Officer
Ozarks Electric Cooperative