

Kodiak Electric Association, Inc.

2025 Annual Report

By Chairman Michael C. Brechan and President/CEO Dan Menth

Another year has flown by. Kodiak Electric Association, Inc. (KEA) remains committed to our members by providing safe, reliable energy and a high level of service excellence to enhance the quality of life of our members and of the community. In 2025, our system experienced limited power outages, even with winds exceeding 122 miles per hour!

KEA remained financially stable, ending the year with a modified debt service coverage of 1.47 and a times interest earned ratio of 2.78. Last year, we were able to pay down over eight million dollars of debt. This aggressive schedule towards debt repayment will come to fruition in 2033 by reducing our overall debt payments to allow KEA to finance large scale projects. A snippet of the audited financials of the cooperative can be found on the following page.

Over one million dollars (\$1,103,058.23 to be exact) was returned to the membership in 2025 through capital credit retirements. Being a member of a cooperative means that margins get credited to our members, not paid out to investors. A goal of our Board of Directors is to reduce the payback time on outlying capital credits.

99.77 percent of the electricity that we generated was through renewable resources. That being said, there are some large projects potentially coming in the near future that would increase our loads. This may have an impact on our renewable portfolio. To prepare for this, we are in the process of repowering the three oldest wind turbines which will extend their lifespan by another ten years.

KEA continues to work with the United States Coast Guard Base Kodiak (USCG) towards improving their energy efficiency through a Utility Energy Services Contract (UESC). Due to multiple government shutdowns, this project has been delayed from its original schedule; however, we are expecting it to move forward sometime during 2026.

Safety of our staff and of our members remains our top priority. We want to thank the staff for their efforts this past year, doing diligent work to provide power to our community. Once again, we have gone another year without a lost-time incident!

Finally, we want to thank the community for all of your support in the past and as we move forward with our new challenges and opportunities. Having the trust of our members has been a key factor to our continued success.



2025-2026 Board of Directors

Chairman Michael Brechan, Vice Chairman Ron Acarregui,
Secretary/Treasurer Stosh Anderson, Cliff Davidson,
Linda Freed, Meghan Kelly, Tyler Kornelis, Ben Millstein,
Matthew Moir, and USCG Liaison CDR Michael Manuel

*Vision Statement: “Endeavor to maintain 98% of energy sales
with cost effective renewable power solutions for the
future of our members and the community.”*

Balance Sheet (December 31, 2025 and 2024)

	2025	2024
Assets	\$175,022,503	\$179,099,839
Net Utility Plant	157,946,587	162,023,398
Investment in Associated Organizations	3,624,493	3,420,209
Cash	4,092,466	4,134,172
Restricted Cash and Investments	1,880,655	2,068,262
Accounts Receivable	2,067,408	2,150,537
Inventories	3,477,367	3,654,178
Other Current/Accrued Assets	304,509	300,964
Deferred Debits	1,629,018	1,348,119
Equities & Liabilities	\$175,022,503	\$179,099,839
Patronage Capital	78,786,210	74,420,649
Other Equities	1,689,809	1,562,561
Long-Term Debt	88,488,523	96,908,196
<i>Less Current Maturities</i>	-8,528,781	-8,419,672
<i>Less Advanced Payments</i>	0	0
Current/Accrued Liabilities	11,442,348	11,558,357
Deferred Credits	3,144,394	3,069,748

2025 Expenses

Power Generation	\$5,243,084
Transmission & Distribution	\$4,009,003
Admin & Member Services	\$3,015,286
Depreciation	\$8,612,061
Interest & Taxes	\$3,183,283

*Financial statements are presented for
convenience and information purposes
only, and while reasonable efforts
have been made to ensure the integrity
of such information, they should not
be relied on. A copy of the completed
financial statements is available at
KEA Headquarters.*