

Powering the Future Requires the Right Mix

The smart solution to providing the power we need is to do what's right for the environment and the people we serve by using a balanced combination of generation resources. With the right mix, reliable, affordable power will always be a reality in Arkansas. The goal of Mississippi County Electric Cooperative, Inc., and its wholesale energy provider, Arkansas Electric Cooperative Corporation (AECC), is to stay ahead of Arkansas' energy needs and to lead the way for a balanced approach to providing reliable, affordable power. The wholesale power provided to the member cooperatives is generated from wind, water, natural gas and the cleanest coal technology available.

We Power Our Members

Electric cooperative members depend on Mississippi County Electric Cooperative, Inc., for reliable electricity to power their homes, businesses and farms. With employees who live and work in these communities, the cooperatives care for their fellow Arkansans. The 17 distribution cooperatives depend on the reliable and affordable power supply provided by AECC.

AECC, a generation and transmission cooperative, was formed in 1949 and now has assets of more than \$1.5 billion and annual energy sales exceeding \$653 million. It provides wholesale electricity to the state's electric distribution cooperatives. The member cooperatives and approximately 500,000 members rely on AECC to provide dependable, safe and reasonably priced power.

AECC's diverse generation assets include four coal-based plants, three hydropower plants, three natural gas/oil-based plants and four natural gas-based-only plants. This generation mix, now totaling about 3,418 megawatts, enables AECC to deliver dependable wholesale electricity. The end result of the power assortment is a dependable, affordable energy source for electric cooperative members in Arkansas.

Future Power Needs

Mississippi County Electric Cooperative, Inc., and AECC are planning now for the power needs of future generations of cooperative members. AECC continues to search for innovative methods to provide members with environmentally sound power resources by maximizing the value of existing generation resources, investing in new technologies and developing renewable energy resources.

Affordable Rates

Sound business practices and effective long-range planning enable Mississippi County Electric Cooperative, Inc., to

provide electricity at an affordable rate. These efforts allow your cooperative to keep rates stable and affordable, which in turn helps to promote growth in local communities. Cooperatives are industry leaders in implementing technology for electric distribution systems. In addition to the employment of technology, Mississippi County Electric Cooperative, Inc., maintains a local presence to provide members with a high level of member service. Proposed state and federal regulations continue to be a concern and as a consumer advocate, your local electric cooperative will monitor the development of legislation that would not be beneficial to cooperative members.

Energy Efficiency

Mississippi County Electric Cooperative, Inc., and AECC are committed to promoting the efficient use of electricity to meet the growing energy requirements of members. Educating members about the efficient use of energy resources helps members manage energy costs and helps protect natural resources. The electric cooperatives across Arkansas deploy a wide array of efforts from home energy audits to an energy efficiency home makeover contest to educate members on the topic of energy efficiency. A comprehensive resource list is available at: www.smartenergytips.org.

Enhancing Members' Quality of Life

Mississippi County Electric Cooperative, Inc., is much more than just the "local electric company." The cooperative business model centers around seven principles: voluntary and open membership; democratic member control; members' economic participation; autonomy and independence; education, training and information; cooperation among cooperatives; and concern for community. These principles guide Mississippi County Electric Cooperative, Inc., and the state's other electric cooperatives. Your local electric cooperative provides reliable, reasonably priced electricity. As a not-for-profit business, we are motivated by service to local members, not stockholders.

The Cooperative Difference

Communities across Arkansas depend on the support of their local electric cooperative. Mississippi County Electric Cooperative, Inc., is committed to keeping you informed about issues that impact your electric bill through channels like Arkansas Living magazine. Be assured, your local electric cooperative will continue to work diligently for our members. Our employees have a true passion to help our communities and neighbors. Mississippi County Electric Cooperative, Inc., is owned by its members, operated by Arkansans to serve Arkansans.

Your Board of Directors and Officers

Robert Earl Davis

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Mississippi County Electric Cooperative, Inc.

Your Local Energy Partner

WWW.MCECI.COM

A Touchstone Energy® Cooperative 

Authorized provider of
WildBlue Satellite Speed Internet Service

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Blytheville, Arkansas 72316
870-763-4563 or 800-439-4563



2012 ANNUAL REPORT



the mix matters



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Condensed Operating Statement

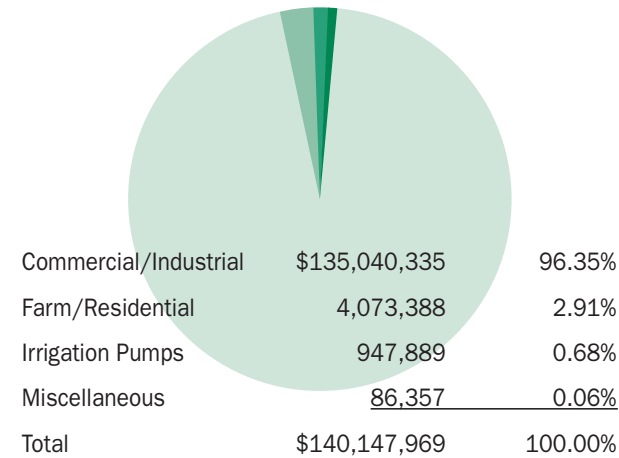
	<u>2012</u>	<u>2011</u>
Operating Revenues	\$140,174,214	\$144,254,357
Power Cost	\$132,237,579	\$136,981,510
Operations and Maintenance	3,551,625	3,285,894
Depreciation	1,270,051	1,175,908
Interest and Other Deductions	692,374	738,333
Total Operating Expenses	\$137,751,629	\$142,181,645
Margins from Operations	\$2,422,585	\$2,072,712
Non-Operating Margins	5,292,661	4,859,837
Net Margins	\$7,715,246	\$6,932,549

Condensed Balance Sheet

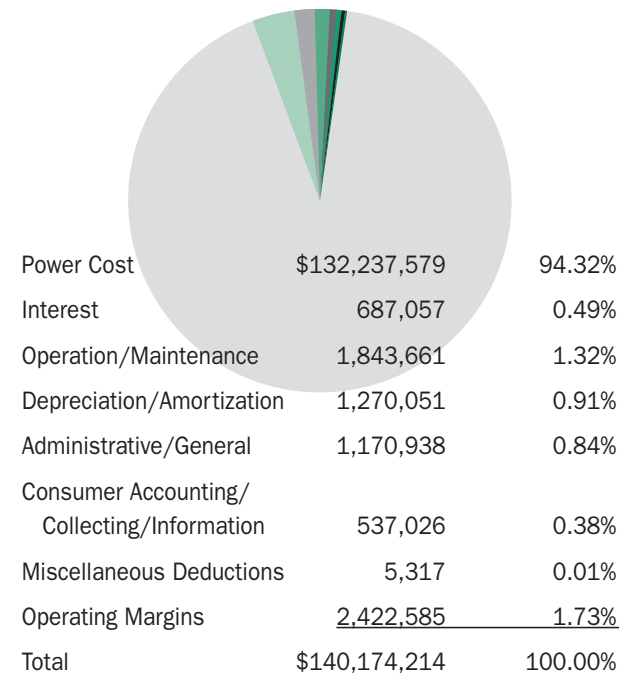
Assets	<u>2012</u>	<u>2011</u>
Electric Plant	\$43,007,004	\$40,246,855
Less Accumulated Depreciation	8,618,547	7,928,623
Net Utility Plant	\$34,388,457	\$32,318,232
Current Assets	17,829,528	18,418,008
Other Assets	40,380,900	36,569,858
Total Assets	\$92,598,885	\$87,306,098
Liabilities and Members' Equity		
Members' Equity	\$64,635,825	\$58,623,134
Long-Term Debt	13,672,431	14,161,605
Current Liabilities	12,249,446	12,899,627
Other Liabilities	2,041,183	1,621,732
Total Liabilities and Members' Equity	\$92,598,885	\$87,306,098

Revenue Dollar 2012

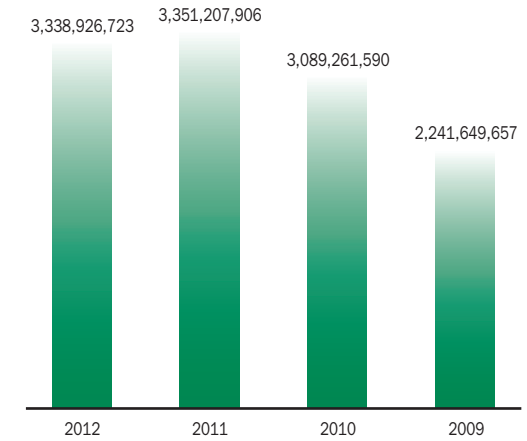
How It Was Earned



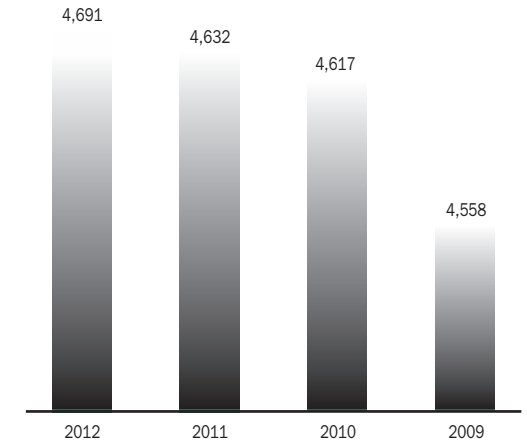
How It Was Used



Total kWh Bought by Cooperative Members



Average Number of Meters Billed Per Period



Average Residential Rate Per kWh (¢)

