

2023 ANNUAL REPORT

Published May 2024

Committed to Safety, Reliability, and Affordability



Ruth Marks
 Chief Executive Officer

Building on the strong foundations created through 83 years of fiscally responsible leadership and sound business practices, in 2023 we focused on six strategic priorities: safety; reliability and resiliency; affordability; member engagement; employee relations; and technology and innovation.

A few of the unique milestones related to these priorities include receiving three federal grants to support our wildfire mitigation efforts, broadband expansion, and electric vehicle charging capabilities. We also started the process to implement a series of exciting programs that include the transition to an Advanced Distribution Management System (ADMS) that supports automated outage detection and restoration, load management, system mapping, meter management, and much more.



Joseph D. Martin
 Board President

In addition, we will be expanding our wildfire mitigation efforts with a proactive plan that includes the use of advanced satellite and lidar image technology as well as increased inspections, vegetation management, and infrastructure replacements.

There is a lot of excitement around our fiber broadband expansion and a lot of Mountain View Electric Association members who look forward to having access to high-speed fiber internet options. While we are behind on the initial project schedule, we made progress in 2023 to get back on track and worked with Conexon to provide a more accurate service availability time frame to members.

MVEA remains one of the fastest growing electric cooperatives in Colorado, adding between 1,500 and 2,000 new accounts a year. Last year, over 1,500 new members were welcomed to MVEA – growing our membership to more than 55,500. Our kilowatt-hour sales grew by 0.84% from 947,482,023 kWh in 2022 to 955,445,909 in 2023.

While we do talk about the co-op's growth and sales, it's important to note that MVEA's rates and

fees are set to generate revenue to cover operating costs, pay debts on construction loans, and provide an emergency financial reserve – not to create profits.

To that end, rate changes are a hard but necessary part of running a not-for-profit business that relies on innovation and technology to provide a safe and reliable service. While we announced a rate change in 2023, the first in seven years, we hired an independent rate consultant to develop a cost-of-service study, to ensure the impact to our members was minimal while ensuring the financial health of the co-op remained strong. The overall impact to residential members averages out to a 6.9% increase per month.

How do MVEA's new rates compare to other utilities in the state? According to the Colorado Association of Municipal Utilities' survey of Colorado's electric rates, we are right in the middle when compared to other electric utilities (including electric cooperatives, municipalities, and investor-owned utilities). Learn more about our rates at www.mvea.coop/rates.

The most important milestone of the year came directly from you, our co-op members. In September, Mountain View Electric Association completed a member survey through the National Rural Electric Cooperative Association to measure our American Customer Satisfaction Index Score. We are proud to share that we increased our overall satisfaction score from 79 to 85 since our last survey in 2017. This is a great accomplishment, ranking us with the likes of Chick-fil-A®, and is a direct result of our dedicated employees and mission-driven business practices. It truly is an honor to serve MVEA's membership.

In closing, we invite you to join us as we recap MVEA's accomplishments and business growth during the co-op's 83rd Annual Meeting of Members on Thursday, June 6, at the El Paso County Fairgrounds. In addition to the business meeting, we will have food trucks and activities for the entire family to enjoy!

MVEA Strategy Map Priorities



The CO-OP ADVANTAGE



Your Piece of the Co-op Pie

\$2.25 Million

in Capital Credits Retired Back to Over 32,150 MVEA Members in 2023

\$82 Million

Total Capital Credits Retired



Going Solar? We Can Help!

600 New Solar

Interconnections in 2023

3,450 Total

Interconnected Solar Accounts

19 Megawatts

of Solar Power Generated (Yearly Power for 3,000 Homes)



Upgrade & Save! Energy Efficiency Rebate Program

\$298,400

Rebate Funds Issued Back to MVEA Members in 2023

System Infrastructure & Reliability

Building a More Resilient & Responsive System for Our Growing Co-op

MVEA's system, including more than 6,450 miles of energized line and 25 substations, regularly receives scheduled upgrades and maintenance to continue to improve service quality and reliability as the electric co-op continues to grow. Significant growth continues within El Paso County, and electric infrastructure is being built to accommodate the growth. A snapshot of system infrastructure and reliability efforts includes:

- Processed nearly 1,600 applications for new services that range from single-family homes to large commercial projects.
- Upgraded 44 miles of overhead line. Completed construction on over three miles of underground main feeder lines.
- Added over 67 miles of overhead line and more than 173 miles of underground line—adding over 241 miles of energized line to MVEA's system.
- Patrolled 1,886 miles of line within MVEA's service territory.
- Created a comprehensive Wildfire Mitigation Plan that includes upgrades to our system to reduce wildfire risk in our service area. The plan adopts an expanded approach to vegetation management to ensure our infrastructure is clear of trees and shrubs. It also incorporates infrastructure replacements, routine inspections, and targeted maintenance of the electric system.
- Inspected over 90 miles of line within MVEA's easement for tree trimming and brush removal to increase system safety and reliability.
- MVEA ranks in the top 25% of surveyed utility providers across the country who report their System Average Interruption Duration Index (SAIDI). SAIDI shows how long an average customer goes without power during a year. The most recently published U.S. average was 232.16 minutes without power. MVEA's 2023 average was 35.13 minutes.

Concern for Community

Operation Round Up® | Scholarship Program | Community Sponsorships

At MVEA, we truly care about the communities we serve! In fact, concern for community is one of the seven cooperative principles that guide us. From scholarships and youth leadership programs that inspire the co-op leaders of tomorrow, to community sponsorships which help our co-op community thrive, MVEA is proud to be more than "just" a utility provider. In addition to these programs, through the generosity of members who round up their electric bill to the nearest dollar, Operation Round Up® was able to distribute more than \$205,000 to community organizations and members facing catastrophic need in 2023.

\$205,000

Grants Awarded through Operation Round Up

\$40,000

Community Sponsorships

\$28,000

2023 Scholarships were Awarded to 27 Students

TWENTY YEARS OF CO-OP GROWTH: 2003-2023

2023 # Services: 65,779
2003 # Services: 34,713

89% INCREASE



2023 Net Utility Plant: \$334,231,381

2003 Net Utility Plant: \$133,676,753

150% INCREASE



2023 kWh Sales: 955,445,909

2003 kWh Sales: 554,255,604

72% INCREASE



Closing the Digital Divide

Connect, Powered by Mountain View Electric Association



In June 2021, MVEA announced a partnership with Conexon Connect to bring gigabit-speed internet access to 100% of MVEA's co-op members. Since the announcement, we have celebrated milestones that include over 1,000 members connected and more than 600 miles of fiber network built. Significant progress was made in 2023 to get back on track after construction delays in the first 18 months of the project. In fact, more than 10,000

co-op members in the Black Forest, Falcon, and Limon areas are forecast to have access to high-speed internet service through Connect, powered by Mountain View Electric Association by the early summer.

Visit www.ConexonConnect.com to look at available service options, sign up, and check for availability in your area.

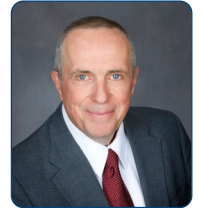
Local Governance

MVEA Board of Directors

MVEA is governed by a Board of Directors elected by its co-op members. Directors are your neighbors and fellow co-op members elected at-large to serve three-year terms. The Board establishes MVEA's policies and monitors the financial position and management of the cooperative. Learn more about MVEA's Board of Directors at www.mvea.coop/board-of-directors.



Joseph D. Martin
President
District 1



Barry R. Springer
Vice President
District 6



Kevin L. Paddock
Secretary/Treasurer
District 5



Jim Riggins
Assistant Secretary
District 7



Rick L. Gordon
District 2



Errol Hertneky
District 3



Milton L. Mathis
District 4

The 7 Cooperative Principles

1. Voluntary and Open Membership
2. Democratic Member Control
3. Members' Economic Participation
4. Autonomy and Independence
5. Education, Training, and Information
6. Cooperation Among Cooperatives
7. Concern for Community

Join the Fun!

Food Trucks & Family Fun • No RSVP Required • Free Event

Thursday, June 6, 2024

El Paso County Fairgrounds • 366 10th Street • Calhan, CO 80808

Bucket
Truck
Rides

High
Voltage
Demos



MVEA

Annual Meeting

YOUR ELECTRIC COOPERATIVE

Door
Prizes

\$10
Bill Credits

5:00 p.m. | Registration & Dinner

6:30 p.m. | Co-op Business Meeting & Door Prizes

Two Last Chance \$1,000 Scholarship Drawings

www.mvea.coop/annual-meeting

Notice of the 2024 Annual Meeting

The Mountain View Electric Association, Inc. 2024 Annual Meeting of the Membership will be held at the El Paso County Fairgrounds, 366 10th Street, Calhan, CO 80808, on Thursday, June 6, 2024, commencing at 6:30 p.m. for the purposes of electing Directors, reporting on the previous fiscal year, and transacting such other business as may properly come before the meeting or any adjournment or adjournments thereof.

2023 MVEA FINANCIAL REPORT

STATEMENT OF OPERATIONS	2023 (unaudited)	2022 (audited)	+/- Percent
Total Revenue	\$127,067,929	\$126,046,072	+0.81%
Less Operating Deductions of:			
Cost of Purchased Power	\$77,475,335	\$78,467,539	-1.26%
Operating Expenses	\$28,280,902	\$26,271,510	+7.65%
Depreciation Expense	\$10,558,443	\$9,347,521	+12.95%
Interest & Other Expenses	\$8,813,394	\$7,184,345	+22.67%
Electric Operating Margins	\$1,939,855	\$4,775,157	-59.38%
Nonelectric Operating Margins and G&T Capital Credits Allocation	\$4,132,032	\$1,994,881	+107.13%
TOTAL MARGINS	\$6,071,887	\$6,770,038	-10.31%

Balance Sheet as of December 31, 2023

ASSETS (WHAT WE OWN)	2023 (unaudited)	2022 (audited)	+/- Percent
Net Utility Plant	\$334,231,381	\$293,154,846	+14.01%
Investments in Associated Organizations	\$73,443,925	\$72,071,623	+1.90%
Cash & Temporary Investments	\$7,207,975	\$9,303,517	-22.52%
Notes & Accounts Receivable	\$7,078,898	\$6,305,447	+12.27%
Inventory, Supplies, Accruals, Other Assets	\$32,058,053	\$30,542,429	+4.96%
Deferred Debits	\$1,324,662	\$1,795,913	-26.24%
TOTAL ASSETS	\$455,344,894	\$413,173,775	+10.21%

Balance Sheet as of December 31, 2023

LIABILITIES (WHAT WE OWE)	2023 (unaudited)	2022 (audited)	+/- Percent
Total Margins & Equities	\$150,740,275	\$146,222,310	+3.09%
Long-Term Debt	\$269,669,589	\$225,418,704	+19.63%
Accumulated Operating Provisions	\$682,154	\$646,478	+5.52%
Notes & Accounts Payable	\$13,002,314	\$18,623,345	-30.18%
Consumer Deposits	\$3,613,732	\$3,447,054	+4.84%
Other Current & Accrued Liabilities	\$11,722,780	\$12,786,785	-8.32%
Deferred Credits	\$5,914,050	\$6,029,099	-1.91%
TOTAL LIABILITIES	\$455,344,894	\$413,173,775	+10.21%

Mission

To provide our members safe, reliable, affordable, and responsible electric service and access to broadband services.

Vision

To be conscientious stewards of our resources and adopters of beneficial ideas and technologies.

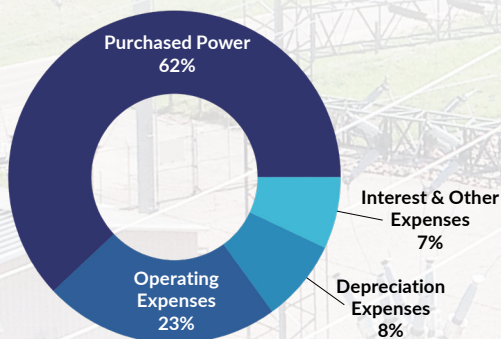
Values

- Integrity
- Safety
- Reliability
- Affordability
- Service
- Community
- Accountability

- **Counties Served:** Arapahoe, Crowley, Douglas, Elbert, El Paso, Lincoln, Pueblo, and Washington
- **Service Territory:** 5,000 square miles
- **# of Services:** 65,779
- **# of Members:** 55,594
- **# of Employees:** 170
- **Meters Per Mile:** 10.15
- **Energized Line:** 6,480
- **Power Source:** Tri-State Generation & Transmission Association
- **Year Incorporated:** 1941

View our service territory map with Board Districts at www.mvea.coop/territory-map.

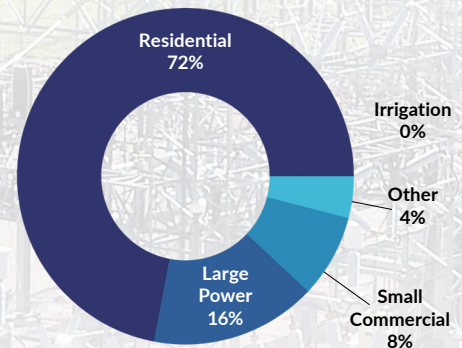
2023 SUMMARY OF OPERATING COSTS



Summary of Operating Costs

Purchased Power	\$77,475,335	62%
Operating Expenses	\$28,280,902	23%
Depreciation Expense	\$10,558,443	8%
Interest & Other Expenses	\$8,813,394	7%
TOTAL	\$125,128,074	100%

2023 SUMMARY OF ELECTRIC REVENUE SOURCES



Summary of Electric Revenue Sources

Residential	\$91,014,964	72%
Large Power	\$19,917,450	16%
Small Commercial	\$9,770,742	8%
Other	\$5,334,997	4%
Irrigation	\$524,362	0%
TOTAL	\$126,562,515	100%