

# 2023 ANNUAL REPORT

PUBLISHED SEPTEMBER 2024



**PRESIDENT  
EDWARD RAY GARCIA**



**GENERAL MANAGER  
RYAN ELARTON**

Serving you, our member-owners, is our top priority at San Isabel Electric. This service mindset includes providing reliable electricity, sustaining affordability, and enhancing your member experience. We continue to face increased costs of materials, supplies, and labor to maintain a qualified workforce. And in 2023, higher interest rates across the economy increased costs of doing business in all aspects of our operations.

A few of the unique milestones related to these priorities include the completion of several grid hardening and modernization projects that have decreased outage frequency and lengths. In 2023, SIEA's annual System Average Interruption Duration Index (SAIDI) was 85 minutes. That means the members across our service territory experienced an average of an hour and a half of outage time. Several years ago, the cooperative's SAIDI was more than two hours per member per year. The investments we've made to our electric grid infrastructure to improve our outage times and system reliability for our members have paid off. Today, we are in maintenance mode, installing new equipment to protect our system from Mother Nature, especially from wildfires caused by trees falling into power lines and lightning.

It's important to note that San Isabel Electric's rates and fees are designed to cover maintenance and operating costs, pay debts, and wholesale power supply. We do not set rates to create profits. While we have had to raise our access charge to cover the cost of doing business the last few years, the energy charge — the cost for electricity usage — has remained unchanged over the past several years.

As the demand for electricity continues to grow, our time-of-day rate structure and our Empower program make it more affordable to use electricity. Our Empower program provides energy efficient water heating,

home heating and cooling systems, insulation, back-up generators, solar arrays, and more. And, members eligible for the time-of-day rate benefit by paying nearly half the regular rate for all electricity used during off-peak times.

Our most important milestone from 2023 came directly from you, our co-op members. On a quarterly basis, San Isabel Electric conducts a member survey to measure member satisfaction. We are proud to share that the score has improved from 76, when we began doing these quarterly surveys in 2018, to 84 in 2023.

We attribute the increase in the overall satisfaction score to our team's focus on serving you, our member-owners. You've told us to:

1. Provide affordable electricity with as few interruptions as possible,
2. Make it easy to do business with us,
3. Better communicate the status of power outages,
4. Teach you how manage your energy use.

Our Board of Directors is a dedicated group of individuals who care about serving you. Our dedicated team of employees cares about serving you. We listened, and we will continue to create solutions to meet your needs. It truly is an honor to serve you.

Please join us as we celebrate San Isabel Electric during the 86th Annual Meeting on Saturday, September 21, at 10 a.m. at the new Walsenburg Jr. Sr. High School. In addition to the business meeting, the Annual Meeting will continue the traditions of BINGO, door prizes, snacks, lunch, exhibits, and just a good ol' time visiting with friends, neighbors, fellow co-op members, the San Isabel Electric Board of Directors, and our team of employees. For the third year in a row, our grand prize will be a year of free electricity, up to \$1,500. We hope to see you there.

*Safe.*

*Reliable.*

*Affordable.*

*Service.*

## The CO-OP ADVANTAGE



*Local Governance*  
**You Have a Voice in the Co-op**



*Your Piece*  
**of the Co-op Pie**

**\$1.4 million**

in capital credits retired

**21,000 checks**

were mailed in 2023



*Upgrade & Save!*  
**Energy Efficiency Rebate Program**

**\$118,716**

Rebate funds issued in 2023



*Solar Questions?*  
**We Can Help!**

**1,284 total solar**

connections

**7.4 MW of solar**

power generated

## System Infrastructure & Reliability

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

San Isabel Electric's system, including more than 4,600 miles of energized line and 27 substations, receives regular scheduled upgrades and maintenance to continue to improve service quality and reliability as the electric co-op continues to grow. System infrastructure and reliability efforts include:

- SIEA processed nearly 600 applications for new services that range from single-family homes to large commercial projects.
- Patrolled more than 900 miles of overhead line within SIEA's service territory.
- Inspected roughly 20% of lines within SIEA's easement for tree trimming and brush removal to increase system safety and reliability.
- SIEA ranks better than average compared to 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 333 minutes without power. In 2023, SIEA's average was 85.7 minutes.

## Concern for Community

### Scholarship Program | Community Sponsorships | Youth Education

At San Isabel Electric, we truly care about the communities we serve. In fact, concern for community is one of the seven cooperative principles that guide us. SIEA is proud to be more than "just" your electricity provider. We offer scholarships and youth leadership programs that inspire the co-op leaders of tomorrow, and community sponsorships that help our co-op community thrive. In addition to these programs, San Isabel Electric educates hundreds of elementary school students each year about how electricity is generated and transmitted, electrical hazards around the home, and how to stay safe around electricity.

**\$171,122**

given back to SIEA member-owners through donations to community projects and events in 2023.

**\$46,000**

in scholarships awarded to 39 students in 2023.

## SIEA Board of Directors Election

SIEA's Board of Directors election is uncontested for Districts 3 and 5. As a result, there were no director election ballots mailed for these districts.

There is a contested election for District 7. Members in District 7 received a ballot in the mail; ballots were sent August 19. Voting closes on September 19 at 5 p.m. Members in District 7 may vote either by mail, online, in SmartHub, or in person at the Annual Meeting on September 21. Voting instructions were included with the ballot mailed on August 19. Listed below are the candidates.

### Uncontested

District 3  
Gardner, Trinidad East, and Vicinity  
Ray Garcia

District 5  
Town of Walsenburg  
Jacque Sikes

### Contested

District 7  
Aguilar, Trinidad West, and Vicinity

### Candidates

- Gregory Costa
- Felix Lopez

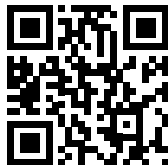
# EMPOWER – Energy Saving Products & Services

SIEA’s Empower program can help you bundle upgrades and meet all of your energy goals in one package. Invest in your home, in your comfort, and begin generating energy savings from day one. Make the energy-saving home improvements you need now without paying any interest.

### Products and projects that can be financed:

- Water heaters: standard and heat pump
- Insulation
- Whole house and attic fans
- Garage heaters
- Electric thermal storage (ETS) heaters
- High-efficiency A/C and furnace upgrades
- Generators
- High-volume low-speed (HVLS) fans
- Solar photovoltaic (PV) systems
- Battery storage systems

To learn more about our Empower program and to sign up for a free energy assessment, [visit siea.com/Empower](http://visit.siea.com/Empower) or scan this QR code.



# Local Governance

## SIEA Board of Directors

SIEA is governed by a Board of Directors elected by its co-op members. Directors are your neighbors and fellow co-op members elected to serve three-year terms. The board establishes SIEA’s policies and monitors the financial position and management of the cooperative. Learn more about SIEA’s Board of Directors at [siea.com/board](http://siea.com/board).



**PRESIDENT**  
EDWARD RAY GARCIA  
DISTRICT 3



**VICE PRESIDENT**  
JACQUE SIKES  
DISTRICT 5



**SECRETARY**  
DORIS MORGAN  
DISTRICT 8



**TREASURER**  
DEBBIE ROSE  
DISTRICT 1



**DENNIS MARONEY**  
DISTRICT 2



**DON KEAIRNS**  
DISTRICT 6



**DON TOKAR**  
DISTRICT 7

**You're Invited!**

**San Isabel Electric**  
**Annual Meeting**  
**September 21**  
**Walsenburg**  
**Junior/Senior High School**

**10 a.m. – Doors Open**  
**10 a.m. – 12:45 p.m. – Registration**  
**10:30 a.m. – BINGO**  
**11:30 a.m. – Lunch Buffet**  
**1 p.m. – Business Meeting**

- One lucky member will win a free year of electricity up to \$1,500\*
- 20 members will win \$50 in cash door prizes.\*
- Get a free gift that includes a locally hand-crafted bowl. Only one per member.\*\*
- Free lunch, coffee, cotton candy, popcorn, snow cones, donuts, and more refreshments
- Check out electric vehicles
- Sign up for a free energy audit
- Learn how you can finance the replacement of your water heater, heating and cooling equipment, insulation, generators, and more right on your electric bill for 0% interest and no money down!

**POP CORN**

**BINGO**

*\*must be registered and in attendance during drawing.  
\*\*must attend the meeting to receive your free gift.*

# 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

# 2023 SIEA FINANCIAL REPORT

OPERATING STATEMENT	2022	2023
<b>Revenues</b>		
Sale of Electricity	57,973,035	58,649,668
Other Revenues*	<u>1,595,570</u>	<u>2,397,102</u>
<b>Total Revenue</b>	<b>\$59,568,605</b>	<b>\$61,046,770</b>
<b>Expenses</b>		
Cost of Purchased Power	34,397,838	33,574,855
Operations	3,236,937	2,977,349
Maintenance	2,362,456	2,596,576
Member Account Services	2,629,766	2,934,361
Administrative and General	4,013,622	4,278,595
Depreciation and Amortization	7,333,149	8,013,775
Interest	3,649,843	4,480,121
Other Deductions	<u>146,443</u>	<u>176,976</u>
<b>Total Expenses</b>	<b>\$57,770,054</b>	<b>\$59,032,608</b>

STATISTICAL INFORMATION	2022	2023
Kilowatt-hours Purchased	458,895,227	456,767,442
kWh Sales	421,310,085	433,199,894
Percentage Losses	7.3%	4.4%
Purchased Power / MWh	\$74.96	\$73.51
Number of Meters	25,622	25,872
Electric Revenue / MWh	\$140.63	\$135.39
Cost of Service / MWh	\$137.12	\$136.27
Debt Service Coverage	1.44	1.65
Times Interest Earned Ratio	1.46	1.56
Gross Plant	\$264,742,166	\$269,230,924
Net Plant	\$153,453,215	\$158,373,335
Total Debt	\$102,680,997	\$111,280,690
Percentage of Debt to Plant	38.8%	41.3%
Property Taxes	\$1,443,603	\$1,416,083
Current Ratio	0.96	1.09
Annual Load Factor	71.3%	74.2%

## BALANCE SHEET 2022 2023

### ASSETS

#### Utility Plant

Electric Plant in Service	\$223,149,801	\$238,447,976
Construction in Progress	<u>41,592,365</u>	<u>30,782,949</u>
Gross Utility Plant	264,742,166	269,230,924
Less: Accum. Depreciation	<u>(111,288,951)</u>	<u>(110,857,590)</u>
<b>Net Utility Plant</b>	<b>\$153,453,215</b>	<b>\$158,373,335</b>

<b>Investments</b>	<b>\$47,114,261</b>	<b>\$48,336,315</b>
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#### Current and Accrued Assets

Cash and Cash Equivalents	397,198	446,864
Accounts Receivable - Net	7,834,707	7,088,245
Materials and Supplies	3,514,428	3,497,102
Other Current Assets	<u>412,939</u>	<u>816,587</u>
<b>Total Current and Accrued Assets</b>	<b>\$12,159,272</b>	<b>\$11,848,798</b>

<b>Total Assets</b>	<b>\$212,726,748</b>	<b>\$218,558,448</b>
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### LIABILITIES AND MEMBERS' EQUITY

<b>Long Term Debt</b>	<b>\$102,680,997</b>	<b>\$111,280,690</b>
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#### Current and Accrued Liabilities

Current Maturities of Long Term Debt	5,409,000	6,071,000
Accounts Payable	5,299,341	5,334,182
Consumer Deposits	6,104,897	5,762,043
Accrued Taxes, Interest, Other Liabilities	<u>15,107,831</u>	<u>11,568,759</u>
<b>Total Current and Accrued Liabilities</b>	<b>\$31,921,069</b>	<b>\$28,735,984</b>

<b>Deferred Credits</b>	<b>\$3,959,878</b>	<b>\$3,503,235</b>
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<b>Total Liabilities</b>	<b>\$138,561,944</b>	<b>\$143,519,909</b>
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#### Members' Equity

Patronage Capital	56,869,068	56,350,156
Other Equities	<u>17,295,736</u>	<u>18,688,383</u>

<b>Total Members' Equity</b>	<b>\$74,164,804</b>	<b>\$75,038,539</b>
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<b>Total Liabilities and Members' Equity</b>	<b>\$212,726,748</b>	<b>\$218,558,448</b>
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## HIGHLIGHTS SAN ISABEL ELECTRIC ASSOCIATION

# WE SERVE 6,600 MILES ACROSS 7 COUNTIES

That's more area than Delaware and Connecticut combined



**HEADQUARTERS**  
Pueblo West, CO



## SAN ISABEL GIVES BACK



**\$120,000**

returned to the community through co-op giving program since Aug. 2023

**\$40,000**

awarded in scholarships annually



**86 YRS**  
in service



**81,000**  
distribution poles



**4,600**  
miles of line



**27**  
substations