



Joseph D. Martin
Board President



Jim C. Herron
Chief Executive Officer



• Powering Possibilities Since 1941 • Annual Report to MVEA Members

Your perspective is important! As a Mountain View Electric Association member, we invite you to share it with the co-op during our 81st Annual Meeting of Members on Thursday, June 2, at Limon Public Schools in Limon, Colorado. This will be MVEA's first in-person Annual Meeting of Members since June 2019, and we couldn't be more excited about the opportunity to gather again! For event details and updates, visit www.mvea.coop/annual-meeting.

In 1941, MVEA's first members formed an electric cooperative, bringing life-changing electric power to the rural areas, farms, and ranches other utilities refused to serve. Mile by mile, the co-op was proudly built through partnerships with property owners and a growing co-op community working together to power possibilities for generations to follow. Our story began with roughly 150 people and now includes more than 52,000 co-op members and nearly 62,000 meters served in portions of eight counties. Our dedication to provide safe and reliable electricity is just as strong as it was 81 years ago and is made stronger by our commitment to provide innovative services to meet the changing needs of our co-op membership.

To that end, in June 2021, recognizing that high-speed internet is an essential utility, we made the announcement that the co-op is partnering with rural fiber-optic leader Conexon Connect to build a fiber-to-the-home (FTTH) network over the existing electric distribution infrastructure which will enable fiber to be brought directly into MVEA member homes and businesses. Under the partnership, design and construction of the FTTH network (the gold standard of communications transmission) will be led by Conexon, with the network managed and operated by Connect, powered by Mountain View Electric Association. While the first phase of the buildout is in portions of Falcon, Limon, Black Forest, and Colorado Springs, it is a tremendous point of pride that when complete (in the next five to six years) this nearly 5,800-mile project will ultimately reach across 100% of MVEA's service territory—not just highly populated areas. An additional project benefit is that the fiber infrastructure will be member-owned, just like the other assets of the cooperative.

Over the last five years, MVEA has continued to experience unprecedented growth, primarily in El Paso County, between 1,500 to 2,000 new accounts each year. In addition to building new infrastructure to serve new members, we are proactive in completing system-wide infrastructure capacity upgrades and expansions to

help ensure our system is resilient and reliable. As such, we continue to rank among the top 25% of surveyed utility providers across the country who report their System Average Interruption Duration Index (SAIDI), and System Average Interruption Frequency Index (SAIFI). These ratings are based on outage indicators over the course of a year. Advances in technology, combined with continued system improvements, allow us to strive for annual reliability ratings that not only meet, but regularly exceed, industry standards.

Not only is our co-op growing, but it is growing in different ways than in previous years. As the cost of residential solar has come down, the demand for residential solar services through our net metering program has increased—and, so have our efforts to serve our members. In the last five years, our net meter accounts have grown from 700 to more than 2,300. In 2021 alone, we completed over 1,200 interconnection screens to facilitate solar installations. If MVEA members are interested in going solar, we are here to help!

2021 was the fourth year in a row (and counting) without the need for a residential rate adjustment, and another year of creating margins through fiscal stewardship. MVEA's 2021 total revenue was nearly \$127 million and our margins after expenses were more than \$10 million. As an electric co-op, returning margins to co-op members in the form of capital credits is a point of pride. In October 2021, MVEA's Board of Directors retired over \$3.9 million in capital credits back to members. In fact, we have been able to retire more than \$75.8 million in capital credits since our first retirement.

That brings us to the next big announcement, ushering in a new era for the co-op: Jim Herron, MVEA's CEO for the last 26 years, will retire in June. Jim was formally introduced to the membership during the June 1996 Annual Meeting of Members, so it is fitting that he will pass the baton to the next CEO at the same event. Please join us in celebrating Jim's tenure in serving the membership, welcoming the co-op's next CEO, electing Directors to District 3 and 5, and more during the 81st Annual Meeting of Members on June 2, at Limon Public Schools.

The purpose of this Annual Report is not only to provide a financial statement of accountability to our members, but to provide answers to member questions about co-op growth, rates, infrastructure, and reliability. Due to fiscal stewardship and strategic planning, MVEA continues to maintain a strong financial position to meet the future needs of the co-op membership. **We encourage you to take a moment to review the information in the following pages to learn more about MVEA and for a more detailed 2021 financial report.**

2021 MVEA Highlights



MVEA Partners with Conexon Connect to Close the Digital Divide

In June 2021, MVEA announced a partnership with Conexon Connect to bring gigabit-speed internet access to 100% of MVEA's co-op members. With the cooperative building and owning the fiber infrastructure (encompassing nearly 5,800 miles of fiber), and Conexon Connect serving as the internet service provider, the project is currently one of the largest rural fiber deployments in Colorado! To learn more, visit www.mvea.coop/broadband.

MVEA Board of Directors

- 2021 marked the fourth year in a row without a residential rate adjustment (and, none planned for 2022). Fiscal stewardship by MVEA's Board allows the co-op to be resilient in balancing power costs with rate stability during an era of large-scale energy generation changes within an evolving energy landscape.
- In June 2021, MVEA hosted its first Telephone Town Hall Annual Meeting of Members and Mail-In Ballot Director Election due to the COVID-19 pandemic. More than 5,400 MVEA members took an active role in their co-op and mailed in their completed 2021 Director Election ballot.
- In October 2021, MVEA's Board of Directors retired over \$3.9 million in capital credits, and more than 37,800 MVEA co-op members were issued checks in December. Dedication to fiscally responsible planning and business practices has enabled MVEA to retire more than \$75.8 million in total capital credits.

System Infrastructure & Reliability

MVEA's system, including more than 6,200 miles of energized line and 24 substations, regularly receives scheduled upgrades and maintenance as part of our focused effort 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:

- Completed construction planning on MVEA's 25th substation, Vollmer Substation, to serve members in the growing Sterling Ranch subdivision and surrounding areas. Construction started in early 2022.
- Completed the full-deployment phase of a system-wide digital meter and infrastructure upgrade.
- Processed more than 1,900 applications for new services that range from single-family homes to large commercial projects.
- Continued system-wide infrastructure capacity upgrades and expansions, including transformers, lightning arrestors, circuit breakers, relays, and related equipment.
- Added over 26 miles of energized line.
- Upgraded more than 62 miles of overhead line and completed nearly 4 miles of underground cable replacement.
- Patrolled 883 miles of line throughout MVEA's service territory.
- Canvassed 479 miles for tree trimming efforts to increase system safety and reliability.

Member & Community Support

- Pennies add up to great things at MVEA! Through the generosity of members who round up their electric bill to the nearest dollar, Operation Round Up[®] was able to distribute more than \$142,433 in 2021. In total, the program has distributed over \$3.5 million back into the community

since its inception in 1999. Operation Round Up[®] was formed to assist the co-op members and communities that we serve.

- Awarded \$23,000 in scholarships to 22 recipients. The program has expanded in recent years to include a Power Lineman Scholarship for a student pursuing a career through a lineman training program, as well as a Power Engineer Scholarship for a current college student pursuing a power engineering career.

Energy Efficiency & Renewable Energy Programs

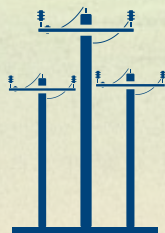
- Tri-State Generation and Transmission, MVEA's power supplier, partners with us to offer a Beneficial Electrification & Energy Efficiency Rebate program to promote the smart use of fuels and conservation of resources. From appliances to LED bulbs, and electric mowers to electric vehicle charging equipment, there is a rebate to fit the needs of nearly every member who wants to save money and energy. In 2021, MVEA processed more than 4,300 commercial and residential rebates and issued over \$160,000 back to co-op members.
- MVEA regularly works with co-op members and contractors to transition to solar or wind power through our net metering program. In fact, we currently have more than 2,300 (and counting) net metered accounts spread throughout our service territory! In 2021, MVEA assisted more than 550 members transition to solar power in their home or business.

2001-2021: TWENTY YEARS OF CO-OP GROWTH

2021 # Services: 61,855

2001 # Services: 32,359

91% Increase in 20 Years



2021 Net Utility Plant: \$256,430,477

2001 Net Utility Plant: \$108,661,422

136% Increase in 20 Years



2021 kWh Sales: 928,239,073

2001 kWh Sales: 505,096,234

84% Increase in 20 Years



MVEA Board of Directors & District Map

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 to assure that its plans and programs are in keeping with accepted industry standards of sound business practices. In these matters, and other business of the organization, each Director represents the interests of the electric co-op membership.

THE COOPERATIVE *Advantage*
Local | Trusted | Serving You

2022 Annual Meeting of Members

You are cordially invited to join your electric co-op at the Mountain View Electric Association, Inc. 81st Annual Meeting of Members.

..... Thursday • June 2, 2022

Limon Public Schools
912 Badger Way • Limon, CO 80828
4:30 p.m. Registration & Dinner
6:30 p.m. Co-op Business Meeting
Board of Directors Election
Cash & Door Prizes!

Notice of the 2022 Annual Meeting

A meeting of the membership will be held annually for the purpose of electing Directors, passing upon reports covering the previous fiscal year, and transacting such other business as may properly come before the meeting or any adjournment or adjournments thereof. The Mountain View Electric Association, Inc. 2022 Annual Meeting of Members will be held at Limon Public Schools, 912 Badger Way, Limon, CO, 80828, on Thursday, June 2, 2022, commencing at 6:30 p.m.

For more information, please visit www.mvea.coop/annual-meeting.



Joseph D. Martin
President
District 1



Barry R. Springer
Vice President
District 6



Kevin L. Paddock
Secretary/Treasurer
District 5



Errol Hertneky
Assistant Secretary
District 3



Rick L. Gordon
District 2

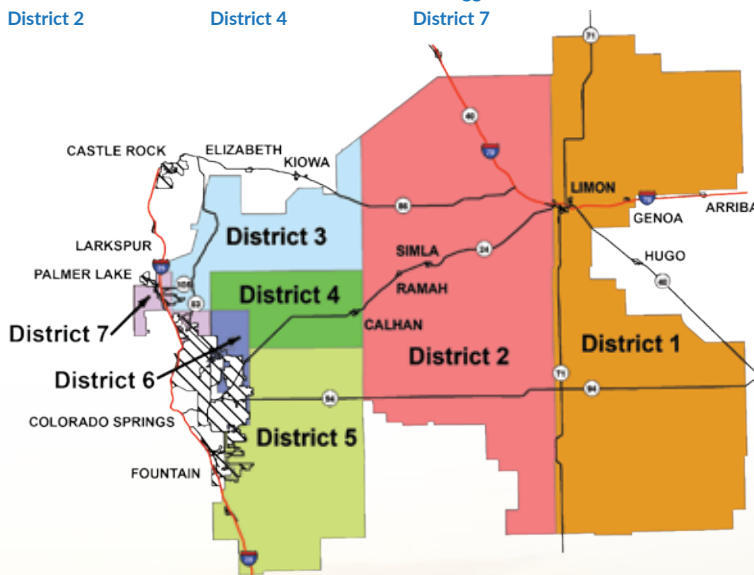


Milton L. Mathis
District 4



Jim Riggins
District 7

See MVEA's district map below to locate where each district and its corresponding Director are located.



The Seven Cooperative Principles

Cooperatives are special because we are owned by the members we serve and are guided by a set of principles that reflect the best interests of our members.

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

Cooperative Principles In Action: Concern For Community + Education, Training, and Information. MVEA is proud to sponsor community organizations and charity events in support of the communities we serve. While community outreach efforts looked different in 2020 and part of 2021, the importance of supporting the co-op community, and our dedication to the cooperative principles, remained the same.



2021 MVEA Financial Report

STATEMENT OF OPERATIONS	2021 (unaudited)	2020 (audited)	+/- Percent
Total Revenue	\$126,941,242	\$122,819,445	+3.36%
Less Operating Deductions of:			
Cost of Purchased Power	\$77,735,594	\$76,540,587	+1.56%
Operating Expenses	\$23,963,690	\$22,854,604	+4.85%
Depreciation Expense	\$11,820,064	\$11,190,346	+5.63%
Interest & Other Expenses	\$6,440,397	\$6,569,379	-1.96%
Electric Operating Margins	\$6,981,497	\$5,664,529	+23.25%
Nonelectric Operating Margins and G&T Capital Credits Allocation	\$3,105,529	\$2,822,663	+10.02%
TOTAL MARGINS	\$10,087,026	\$8,487,192	+18.85%

Balance Sheet as of December 31, 2021

ASSETS (WHAT WE OWN)	2021 (unaudited)	2020 (audited)	+/- Percent
Net Utility Plant	\$256,430,477	\$252,621,182	+1.51%
Investments in Associated Organizations	\$71,804,400	\$74,629,248	-3.79%
Cash & Temporary Investments	\$37,308,512	\$7,772,582	+380.00%
Notes & Accounts Receivable	\$6,307,050	\$6,825,096	-7.59%
Inventory, Supplies, Accruals, Other Assets	\$16,398,521	\$12,216,821	+34.23%
Deferred Debits	\$2,634,641	\$3,473,885	-24.16%
TOTAL ASSETS	\$390,883,601	\$357,538,814	+9.33%

Balance Sheet as of December 31, 2021

LIABILITIES (WHAT WE OWE)	2021 (unaudited)	2020 (audited)	+/- Percent
Total Margins & Equities	\$142,767,716	\$136,034,239	+4.95%
Long-Term Debt	\$218,724,181	\$189,577,229	+15.37%
Accumulated Operating Provisions	\$926,091	\$1,197,371	-22.66%
Notes & Accounts Payable	\$7,875,863	\$8,134,503	-3.18%
Consumer Deposits	\$3,591,379	\$3,749,245	-4.21%
Other Current & Accrued Liabilities	\$12,012,373	\$11,472,801	+4.70%
Deferred Credits	\$4,985,998	\$7,373,426	-32.38%
TOTAL LIABILITIES	\$390,883,601	\$357,538,814	+9.33%



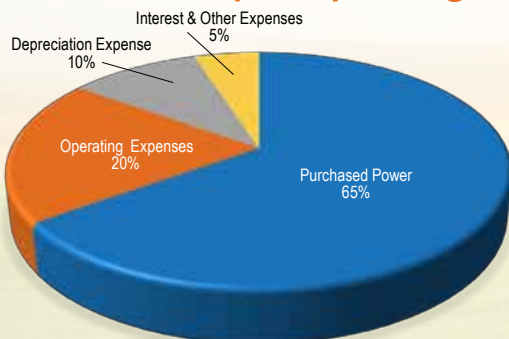
Mission: To provide our members safe, reliable, responsible, and affordable electric service and access to broadband service consistent with sound business and engineering practices.

Vision: To be conscientious stewards of our resources and adopters of beneficial new ideas and technologies, with clear and open communications, meeting competitive, political, and technological challenges of our industry.

Counties Served: Arapahoe, Crowley, Douglas, Elbert, El Paso, Lincoln, Pueblo and Washington

- Service Territory: 5,000 square miles
- # of Services: 61,855
- # of Members: over 52,400
- # of Employees: 156
- Meters Per Mile: 9.53
- Energized Line: 6,236
- Power Source: Tri-State Generation & Transmission Association
- Year Incorporated: 1941

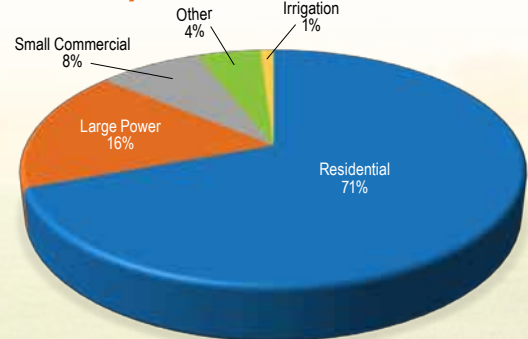
2021 Summary of Operating Costs



Summary of Operating Costs

Purchased Power	\$77,735,594	65%
Operating Expenses	\$23,963,690	20%
Depreciation Expense	\$11,820,064	10%
Interest & Other Expenses	\$6,440,397	5%
Total	\$119,959,745	100%

2021 Summary of Electric Revenue Sources



Summary of Electric Revenue Sources

Residential	\$87,059,894	71%
Large Power	\$19,755,948	16%
Small Commercial	\$9,944,905	8%
Other	\$5,248,685	4%
Irrigation	\$687,338	1%
Total	\$122,696,770	100%