



JUNE 2022

**MAILING ADDRESS**

P.O. Box 180  
Gunnison, CO 81230-0180

**STREET ADDRESS**

37250 West Highway 50  
Gunnison, CO 81230



**ph** 970-641-3520

**web** gcea.coop

**email** gcea@gcea.coop



**▲ GCEA Board of Directors.** Back row, left to right: Mark Daily, District 7; Bart Laemmel, District 3; Tom Carl, Board President, District 5.

Front row, left to right: Morgan Weinberg, District 2; Greg Wiggins, District 1; Polly Oberosler, District 6; and Michelle Lehmann, District 4.

## 2021 Annual Report – President's message

BY TOM CARL, PRESIDENT



TOM CARL

As your board president, I have the privilege to talk to you about what your electric cooperative has been doing this past year.

**RENEWABLE ENERGY**

We are getting closer to generating electricity at Taylor Reservoir. It takes a while to get all the pieces in place, but by 2025 the hydropower project is expected to be operational. Crested Butte's Sunshine Park solar project does have final approval, so our new local electric generation assets are moving forward. There are still other projects we are working on that might be added to our portfolio.

We added to our Green Power Program this year after a 2021 survey of our members supported more efforts toward climate action. This led to the creation of our PowerWise Pledge™. This opt-out program puts a minimum of \$1 per month per consumer meter into a fund to help purchase and support renewable energy and other beneficial programs. You can also opt up to add an additional amount.

**ELECTRIC VEHICLE CHARGERS**

The electric vehicle charger program is still growing along with additions of new chargers on our system, including the new DC fast charger being installed at Lake Fork Marina. We are offering rebates on home chargers to consumers with electric vehicles, and through a pilot program, we are monitoring usage to plan for our future growth. With our energy-efficient homes — LED lighting, Energy Star appliances, and better insulated homes built today — we need to promote future electric growth with new ideas.

**CYBERSECURITY**

Cybersecurity remains very important, not only to protect our networks, but also to protect against the threats of attacking and controlling the electrical system that we all depend on every day. We hired another

employee for the IT department to support our security.

**WILDFIRE RISK**

We purchased additional liability insurance for our electric lines and hired an outside contractor to remove large dead trees that we thought were a threat. With the beetle kill trees everywhere, we are concerned that a fire could create serious challenges for your cooperative and community.

**WORKFORCE HOUSING**

The staff and board are looking at employee housing options. With the cost of new homes and high-cost, limited rental units, it is increasingly difficult to attract new line personnel and other staff to locate to Gunnison to work. This is not just a problem for the cooperative, but for our whole area.

**SCHOLARSHIPS**

We awarded 84 scholarships to students in 2021 to further their educations. GCEA uses unclaimed capital credits to fund these scholarships at no cost to our members. Directors and staff also contribute to a separate fund that their dependents may apply for.

**COMMUNITY SUPPORT**

GCEA is pleased to support Western Colorado University's Gunnison Valley Promise Scholarship with a \$30,000 donation to help Gunnison Watershed students attend our local university. GCEA and our power supplier, Tri-State Generation and Transmission, also made contributions to the local food banks.

Finally, I want to thank GCEA staff and employees for making GCEA a professional, trusted, local business that is only a phone call away, and that we are all very proud of.

# GENERAL MANAGER'S REPORT

BY MIKE MCBRIDE GENERAL MANAGER



MIKE MCBRIDE

**G**CEA ended the year 2021 in a strong financial position. We added 172 new metered services during the year, and sales were up about 1.5%. Weather and other factors can contribute to fluctuations from year to year, but we do anticipate that we will start seeing growth in electric sales as more and more vehicles and home heating systems are converted to electricity, both for cost savings and environmental benefits. Our local distribution grid has the capacity to accommodate this growth.

I am also happy to report that we were able to provide reliable electric service in 2021 without a retail rate increase. Our 2022 budget includes a small 2% rate increase, but your elected directors chose to postpone this year's increase until May 1 so that it would not impact the higher winter bills. This is the first retail rate increase in three years.

We are excited to get back together for an in-person annual meeting! At this time, we are planning a traditional meeting for June 21. We will continue to monitor public health guidelines, but we are hopeful that we

will be able to proceed as planned and hope to see you there.

It has been almost two-and-a-half years since Tri-State announced its Responsible Energy Plan, including the closure of all coal plants in Colorado and New Mexico. Since that time, Tri-State has retired the 253-megawatt Escalante coal plant and added two wind projects totaling 204 megawatts. Six solar projects totaling 735 megawatts are scheduled for completion next year. By 2024, 50% of the power we receive from Tri-State will come from renewable resources. With these changes, Tri-State is on track to reduce its carbon emissions 80% relative to 2005 levels by 2030, with interim reductions of 26% by 2025, 36% by 2026 and 46% by 2027.

Tri-State is also working to reduce its costs and GCEA's rates have been reduced by 2% in each of the past two years. While this certainly helps GCEA keep its costs down, wholesale power is only about half of GCEA's total costs. As you might expect, we are seeing large increases elsewhere.

GCEA continues to work toward its goal of developing cost-effective local renewable

projects to supply 7% of our members' needs. Our goal is to have our Taylor Dam hydropower project and Crested Butte solar projects completed by the end of 2023. These projects will supply about 5% of our local needs, and in conjunction with power from Tri-State, we will be well over 50% renewable.

We are also actively engaged at the Federal Energy Regulatory Commission on your behalf in an effort to prevent two other Tri-State member cooperatives from terminating their Tri-State contracts with an artificially low payment that could shift costs and raise rates for the other Tri-State member cooperatives. This will be a long process, but we are determined to do all we can to prevent a negative result for GCEA and our members.

Thank you for being a part of GCEA and for allowing us to serve you. We will continue striving to make good things happen in the coming year.

2022 ANNUAL MEETING

# ⚡ RECHARGE ⚡

06 . 21 . 22 ⚡ 6 P.M.

GCEA HEADQUARTERS ⚡ 37250 W. HIGHWAY 50, GUNNISON

5 P.M. - BBQ DINNER ⚡ 6 P.M. - BUSINESS MEETING



**GCEA**  
POWERING POSSIBILITIES

\*2021 ANNUAL MEETING MINUTES ARE AVAILABLE AT [WWW.GCEA.COOP](http://WWW.GCEA.COOP) OR BY CALLING 970-641-3520.

\*Due to uncertainty of the pandemic, GCEA could limit attendance or change the meeting format.



# GCEA FINANCIAL & STATISTICAL INFORMATION

## Balance Sheet

	as of 12/31/2021	as of 12/31/2020
<b>Assets:</b>		
Utility Plant - Net	\$ 29,225,624	\$ 29,010,857
Long Term Investments	11,386,135	11,518,308
Cash & Short Term Investments	3,857,053	4,490,580
Receivables	1,615,513	1,482,507
Materials & Supplies	1,337,466	953,171
Other Current & Deferred Assets	3,070,490	3,145,987
<b>Total</b>	<b>\$ 50,492,281</b>	<b>\$ 50,601,410</b>
<b>Equity and Liabilities:</b>		
Margins & Equities	\$ 30,134,799	\$ 29,155,630
Long-Term Debt	12,245,979	13,999,427
Other Non-Current Liab.	12,897	-
Current Mat. Long-Term Debt	798,268	847,141
Payables	2,046,045	1,596,970
Consumer Deposits	707,093	696,425
Other Current & Deferred Liab.	4,547,200	4,305,817
<b>Total</b>	<b>\$ 50,492,281</b>	<b>\$ 50,601,410</b>

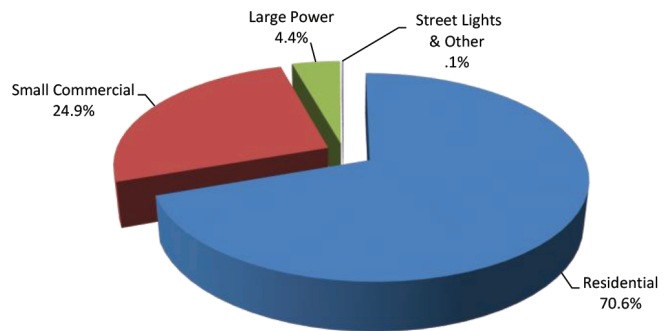
## Statement of Operations

	For Year 2021	For Year 2020
<b>Revenue:</b>		
<b>Operating Revenue</b>	<b>\$ 19,511,528</b>	<b>\$ 19,236,167</b>
<b>Expenses:</b>		
Cost of Power	\$ 9,957,458	\$ 10,075,752
Operations & Maintenance	3,465,317	3,287,365
Consumer Accts. & Consumer Info.	1,504,451	1,451,325
Administrative & General	1,962,035	1,821,893
Depreciation	1,546,231	1,482,036
Interest	587,898	539,983
<b>Total Cost of Electric Service</b>	<b>\$ 19,023,390</b>	<b>\$ 18,658,354</b>
<b>Operating Margins</b>	<b>\$ 488,138</b>	<b>\$ 577,813</b>
Interest Income	\$ 35,518	\$ 58,510
Income (Loss) from Equity Invest.	\$ (101)	\$ -
Non-Operating Margins Other	\$ 48,418	\$ 17,691
G&T & Other Capital Credits	\$ 361,558	\$ 327,252
Extraordinary Item	\$ 963,511	\$ -
<b>Non-Operating Margins</b>	<b>\$ 1,408,904</b>	<b>\$ 403,453</b>
<b>Total Margins</b>	<b>\$ 1,897,042</b>	<b>\$ 981,266</b>

## GCEA System Statistics

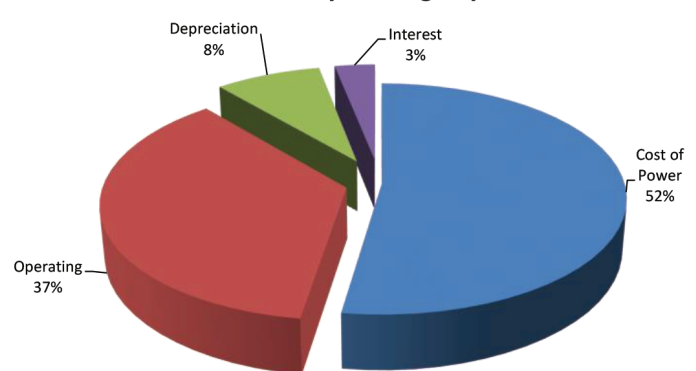
	2021	2020	2019
Meters Served	11,353	11,205	11,062
Miles of Line	1,098	1,096	1,094
Total kWh Purchased	132,771,146	131,191,597	133,340,326
Average Residential Monthly Use - kWh's	670	683	685
Average Residential Monthly Bill	\$ 115.55	\$ 117.19	\$ 117.45
GCEA System Coincident Peak	29,519	29,376	30,052
Month of High Peak	December	December	December
Full-Time Employees	42	41	40
Wholesale Power Costs/kWh	\$ 0.07500	\$ 0.07680	\$ 0.07719
Retail Power Costs/kWh	\$ 0.12918	\$ 0.12918	\$ 0.12918
Availability of Service Charge	\$ 29.00	\$ 29.00	\$ 29.00

## 2021 GCEA Operating Revenues\*

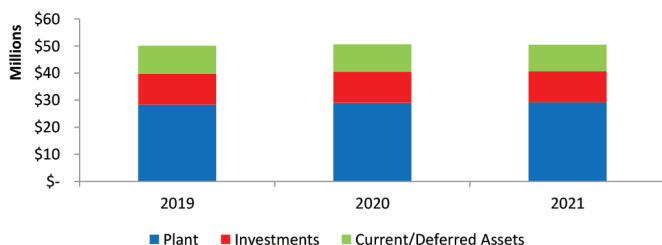


\*Excludes Revenue Deferral

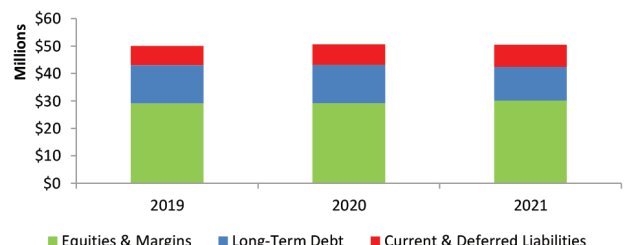
## 2021 GCEA Operating Expenses



## Total Assets



## Total Liabilities & Equities





# 2021 HIGHLIGHTS

## EV CHARGING STATIONS



A 2021 EV highlight was the installation of GCEA's lucky #13 EV charging station in CB South, which gave us a reason to celebrate! GCEA staff hosted a well-attended event at the new station on July 15, 2021 with great conversation amongst community leaders and neighborhood friends about all the positive aspects of EV driving and charging. GCEA also secured grant funding towards a DC fast charger and Level 2 charger project at Lake Fork Marina as well as funding towards two dual port Level 2 charging stations at the public Rasta Lot in Mt. Crested Butte by Crested Butte Mountain Resort. GCEA will be partnering with a third party electric vehicle manufacturer to install these stations, which will be completed by summer 2022.



## ENERGY EFFICIENCY REBATES

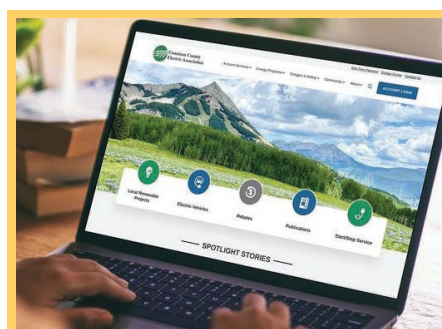
262 members participated in GCEA and Tri-State's Beneficial Electrification Rebate Program in 2021 and received rebates totaling \$83,180.64 (GCEA contribution = \$22,348.73; Tri-State contribution = \$60,831.91)

- 189 appliance rebates
- 122 outdoor power equipment rebates
- 42 residential LED rebates for 1,276 LEDs
- 31 commercial LED rebates for 1,741 LEDs
- 15 EV charger rebates
- 29 home weatherization rebates



## EVENTS

**Brats & Kilowatts**—The event gave GCEA and Tri-State representatives the opportunity to talk with the community about beneficial electrification to reduce emissions by using electric power tools, EVs and electric bikes as well as the rebates GCEA offers.



## NEW WEBSITE

**Launched a new and improved website in August 2021**

## SCHOLARSHIPS AWARDED: 84



## ELECTRIC VEHICLE PROGRAM

Despite a few disruptions in scheduling, due to COVID-19 restrictions and a battery recall on the Bolt, GCEA's electric vehicles were out on the road in 2021, educating members about all the great features of driving all-electric. GCEA staff hosted several EV pop up events throughout the summer in Lake City, Gunnison, and Crested Butte and participated in the Gunnison Car Show. Several members took the Bolt home for a week-long test drive to see how they could incorporate an EV into their budget and lifestyle.



## CLIMATE ACTION SURVEY

63% of the 300 surveyed said it is important to our members that GCEA should get involved in climate action goals and initiatives.