



GCEA

POWERING POSSIBILITIES

JUNE 2023



MAILING ADDRESS

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



STREET ADDRESS

37250 West Highway 50
Gunnison, CO 81230



ph 970-641-3520
tf 800-726-3523
fax 970-641-7333
web gcea.coop
email gcea@gcea.coop

We want to be social with you!

Like us on Facebook and follow us on Instagram to find out about GCEA events, energy efficiency tips, safety tips and so much more.



facebook.com/
GunnisonCountyElectricAssociation



@gcea_news

GCEA OFFICE HOURS:

Monday - Friday
closed every other Friday
8 a.m. - 4:30 p.m.

PRESIDENTS MESSAGE

BY TOM CARL BOARD PRESIDENT



TOM CARL

I was proud to be your board president this year. Last year we were back to meeting in person for the annual meeting. It was good to see all of those who attended.

I appreciate the member engagement at our meetings. The promotion of renewable energy and power supply seems to be what is most important to those attending. Regarding GCEA's local renewable projects, the Sunshine Park solar array in Crested Butte is slated to be completed this summer, and the Taylor River Hydro project should be generating power by the spring of 2024. Our power supplier, Tri-State G&T has proven to be a good partner, has exceeded the renewable amounts promised, and is on track to meet the requirements of HB20-1261 that the State of Colorado has set forth, with a reliable power supply.

We continue to add electric vehicle charging stations; the newest is located at Lake Fork Marina and is one of the first DC fast chargers to be installed at a National Park Service property. This was with a partnership with the National Park Service, Colorado Energy Office, Tri-State, Rivian, Gunnison County, Adopt-a-Charger, and us.

In 2022, GCEA granted scholarships to 107 students of cooperative members through unclaimed capital credits. These capital credits were sent to members that have since moved or that we can no longer find, and after being returned to us they are used for this purpose. Congratulations to all the recipients.

This year we continued our partnership with Tri-State to support local food banks in Gunnison and Hinsdale Counties.

We completed a five-year strategic plan to help guide GCEA into the future. This will help us to provide you with safe, reliable, and responsible energy sources well into the future.

GCEA employees have also done an exceptional job keeping the lights on, fire mitigation, cybersecurity, new billing practices and looking at new and better ways to help us perform our duties to you.

Once again thank you for taking time to support your cooperative and giving me the honor of serving you, our members.



CEO MESSAGE

GCEA ended the year 2022 in a strong financial position. We added 180 new metered services during the year and sales were up about 3.8%. Weather and other factors can contribute to fluctuations from year to year, but we believe we are also starting to see growth in electric sales as more and more end uses such as vehicles and home heating are converted to electricity, both for cost savings and environmental benefits. Our local distribution grid has the capacity to accommodate substantial growth for years to come.

While we had small rate increase in 2022, it was the first in three years. Unfortunately, we were not immune to high inflation in 2022 and into 2023 and we did need to pass on another rate increase in 2023. In both years, GCEA's operating budget anticipated the rate increase on January 1, but your elected directors chose to postpone these increases until May 1 each year so that they would not impact the higher winter bills.

I wish I could report that this would be the last rate increase for a while, but two factors suggest another increase will be needed next year. First, our power supplier, Tri-State G&T has incurred substantial additional costs as a result of inflation that have not yet been passed on through a rate increase. Due to a rate agreement reached in 2021, Tri-State was not allowed to file for a rate increase when high inflation hit last year. They will be filing for a rate increase with the Federal Energy

BY MIKE MCBRIDE

Regulatory Commission later this year with a potential effective date of January 1, 2024. Second, because GCEA's rate increase in 2023 was held to the bare minimum, it's likely that inflation will be a factor with respect to our other costs as well. While we do not yet know how much of a rate increase will be needed next year. We will provide you with advance notice and a chance to comment.

Our recently adopted strategic plan reaffirmed our core priorities of safety, reliability, and business resilience. It also identifies five additional strategic priorities for the next five years. These priorities focus on our members, our community, our employees, our environment, and our cooperative.

Through our execution of the strategic plan, we will strive to increase member engagement, maintain a high level of member satisfaction, and increase our involvement in the community. We will also complete local renewable energy projects totaling 7% of our power supply and reduce greenhouse gas emissions by 90% by 2030 through an ever-cleaner resource mix from our wholesale power supplier and the promotion of beneficial electrification within our community. Tri-State continues progress toward its commitment to reduce its carbon emissions 80% relative to 2005 levels by 2030, and to reach 50% renewable energy sometime in 2024.

Our hydro project at the Taylor Dam is expected to provide us with power at a cost



MIKE MCBRIDE

savings, but our solar projects are coming in at bid prices higher than our energy rate with Tri-State. Key partners in the community have stepped up to cover the additional cost of the solar array we expect to build in the Crested Butte area this summer so that the added cost will not be borne by GCEA members.

Another way we are respecting our members is through the creation of the PowerWise Pledge™ program. In 2021, we conducted a random survey of our members wherein 63% told us they wanted us to be involved in climate action and were willing to pay more for it. A voluntary \$1 per month charge added to the bill on an opt-out basis was the best way to respect the majority's desire and collect on their expressed commitment while also respecting the rest of our members with an easy option to decline participation. Through this program, we are getting nearly \$125,000 per year to fund larger rebates for all members and to subsidize solar and other projects where necessary.

Thank you for being a part of GCEA and for allowing us to serve you! We will continue striving to make good things happen for you in the coming year. We hope you will join us for our upcoming annual meeting and other events throughout the year.





GCEA'S EV LOANER PROGRAM

To help members learn how an electric vehicle might fit into their lifestyle, GCEA offers weeklong test drives in a Chevy Bolt and 30-minute guided test drives in a Tesla Model 3.

Hundreds of members have taken advantage of this innovative program, the first of its kind in the nation among rural electric cooperatives. To schedule your EV test drive, please call 970-641-3520 or visit www.gcea.coop.

EV Rebates

To help make the transition to an EV affordable, GCEA added a rebate in 2022 as part of the PowerWise Pledge™ program. Purchases of used battery electric vehicles qualify for 25% of the vehicle cost, up to \$1000 and \$500 for used plug-in hybrid vehicles.

GCEA continues to offer rebates of 50% of the equipment and installation costs, up to \$1,250 on Level 2 EV charging stations. Please visit www.gcea.coop for all rebate details.



GCEA Continues to Lead the Way in Installing Charging Infrastructure

GCEA and the National Park Service worked alongside EV manufacturer and automotive technology company Rivian to install one dual port 11.5 kW Rivian Waypoints Level 2 electric vehicle charger and a single port 62.5 kW ChargePoint brand direct current fast charger at the Lake Fork Campground in the Curecanti National Recreational Area. The chargers became operational in October 2022 on the east side of the campground.

GCEA and Rivian also partnered with the Town of Mt. Crested Butte in June 2022 to install two 11.5 kW Level 2 charging stations at the TC-1 Lot near Crested Butte Mountain Resort.

PowerWise Pledge Program

GCEA's PowerWise Pledge™ Program was a huge success in 2022. GCEA had 86% member participation in the program. Each member who participated contributed \$1 or more per month through their monthly electric bill for a combined total contribution of \$106,172.50. The amount collected provided enhanced support to GCEA's rebate program in 2022, and \$11,685.90 was given out in rebates to 126 members for 155 qualifying energy efficient products. PowerWise Pledge funds also helped support the development of a strategically-placed, new electric vehicle DC fast charging station near the Blue Mesa dam. Approximately \$80,000 in PowerWise Pledge funds were carried over to 2023 and we estimate collecting approximately \$124,000 in member contributions this year. These funds will be used to help support more energy efficiency rebates, to support the subscription of an upcoming the community solar garden project, and to fund future beneficial electrification and renewable energy efforts in 2024 and beyond.



POWER WITH PURPOSE

ANNUAL MEETING 2023

Come connect with us at the Gunnison headquarters for a barbecue, displays, door prizes, and more!



GCEA Headquarters
37250 W. US Highway 50
Gunnison, CO 81230



Tuesday, June 20, 2023, 5 p.m.

VOTE

VOTE EARLY, VOTE ONCE

This year there is a contested election for District 1, and all GCEA members are encouraged to vote. Scan the QR code to the right to learn more about the candidates and voting instructions.



GCEA Financial & Statistical Information

Balance Sheet

	as of 12/31/2022	as of 12/31/2021
Assets:		
Utility Plant - Net	\$ 28,919,181	\$ 29,225,624
Long Term Investments	11,743,746	11,386,135
Cash & Short Term Investments	4,698,530	3,857,053
Receivables	1,600,728	1,615,513
Materials & Supplies	1,547,999	1,337,466
Other Current & Deferred Assets	2,653,688	3,070,490
Total	\$ 51,163,872	\$ 50,492,281
Equity and Liabilities:		
Margins & Equities	\$ 30,308,232	\$ 30,134,799
Long-Term Debt	13,502,407	12,245,979
Other Non-Current Liab.	8,825	12,897
Current Mat. Long-Term Debt	732,234	798,268
Payables	1,494,969	2,046,045
Consumer Deposits	671,296	707,093
Other Current & Deferred Liab.	4,445,909	4,547,200
Total	\$ 51,163,872	\$ 50,492,281

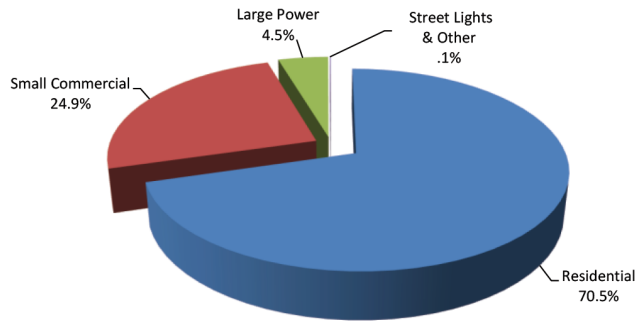
GCEA System Statistics

	2022	2021	2020
Meters Served	11,496	11,353	11,205
Miles of Line	1,099	1,098	1,096
Total kWh Purchased	137,302,734	132,771,146	131,191,597
Average Residential Monthly Use - kWh's	697	670	683
Average Residential Monthly Bill	\$ 122.01	\$ 115.55	\$ 117.19
GCEA System Coincident Peak	27,737	29,519	29,376
Month of High Peak	January	December	December
Full-Time Employees	42	42	41
Wholesale Power Costs/kWh	\$ 0.07357	\$ 0.07500	\$ 0.07680
Retail Power Costs/kWh	\$ 0.12918	\$ 0.12918	\$ 0.12918
Availability of Service Charge	\$ 32.00	\$ 29.00	\$ 29.00

Statement of Operations

	For Year 2022	For Year 2021
Revenue:		
Operating Revenue	\$ 20,563,641	\$ 19,511,528
Expenses:		
Cost of Power	\$ 10,101,164	\$ 9,957,458
Operations & Maintenance	3,797,453	3,465,317
Consumer Accts. & Consumer Info.	1,679,973	1,504,451
Administrative & General	2,314,121	1,962,035
Depreciation	1,577,558	1,546,231
Interest	457,174	587,898
Total Cost of Electric Service	\$ 19,927,443	\$ 19,023,390
Operating Margins	\$ 636,198	\$ 488,138
Interest Income	\$ 56,939	\$ 35,518
Income (Loss) from Equity Invest.	\$ (5,299)	\$ (101)
Non-Operating Margins Other	\$ 18,288	\$ 48,418
G&T & Other Capital Credits	\$ 132,612	\$ 361,558
Extraordinary Item	\$ -	\$ 963,511
Non-Operating Margins	\$ 202,540	\$ 1,408,904
Total Margins	\$ 838,738	\$ 1,897,042

2022 GCEA Operating Revenues*



*Excludes Revenue Deferral

2022 GCEA Operating Expenses

