



**PROVIDING VALUE
SUPPORTING CO-OPS
MOVING
FORWARD
TOGETHER**

2019 A YEAR IN REVIEW



A photograph of a building with a textured, stone-like facade. The building has a sign that reads "Colorado Rural Electric Association". In the background, a city skyline is visible under a cloudy sky. The foreground shows some dry, brown bushes and a gravel path.

2019

**A YEAR OF BRINGING
VALUE TO COLORADO'S
ELECTRIC CO-OPS**

POLITICAL INVOLVEMENT

**CREATING CONNECTIONS
THROUGHOUT THE INDUSTRY**

OUTREACH TO COMMUNITIES

**EDUCATION FOR DIRECTORS,
MANAGERS, EMPLOYEES**

**COMMUNICATION WITH
CONSUMER-MEMBERS**

SAFETY TRAINING

LOSS PREVENTION

**BUILDING TOMORROW'S
LEADERS**

MOVING FORWARD TOGETHER

CREA's mission is to enhance and advance the interests of Colorado's electric cooperatives through a united effort. This is the mission of every department and every employee at CREA.

The association doesn't sell any electricity; it doesn't manufacture products. It provides services to the state's electric co-ops. These services include education classes for directors and employees, safety training for employees, loss prevention information and resources, legislative representation, communications assistance, youth programs and organizational support.

In 2019, the association built on its solid foundation of programs, adding even more classes, services, peer-to-peer employee groups, communication tools, manager-board interaction and legislative support. CREA also joined its member co-ops in supporting volunteer co-op lineworkers participating in a second NRECA International program bringing electricity to another village in Guatemala.

It was a year of Colorado's electric cooperatives **moving forward together.**

CREA ENERGY INNOVATIONS SUMMIT

For the 10th year, CREA brought industry stakeholders together at its annual Energy Innovations Summit to talk about important issues in the electric industry. This conference is unique because it brings together environmental advocates; regulators; legislators; representatives from co-ops, investor-owned utilities and municipal utilities; and other stakeholders. This means a variety of points of view are represented, along with information from those working on cutting edge technology and offering new services for the cooperatives.

In 2019, 28 speakers shared their expertise. Attendees also benefited from the accompanying expo and its variety of vendors.

The CREA board has identified goals for CREA's success and the Summit is part of reaching the following three goals:

To be recognized as a trusted source of information about electric utility issues for legislators, policymakers, and co-op consumer-members

To be recognized as a trusted source of information on renewable energy issues

To explore options for improved partnerships that meet or enhance CREA's interest



352

PEOPLE
REGISTERED



28

SPEAKERS MADE
PRESENTATIONS



25

SPONSORS
CONTRIBUTED **\$19,175**

CREA SUPPORTS ITS MEMBER CO-OPS' COMMUNITIES



PEDAL THE PLAINS
BIKE TOUR OF THE
EASTERN PLAINS



RIDE THE ROCKIES
BIKE TOUR OF THE
ROCKY MOUNTAINS



STATE FAIR JUNIOR LIVESTOCK SALE

“

The Colorado State Fair has raised millions of dollars for our state's 4-H and FFA exhibitors.”

—COLORADO STATE FAIR
GENERAL MANAGER

For the last 12 years, CREA has helped make this sale possible through the member services group.

SHARING BOOKS WITH CONSUMER-MEMBERS

CREA's communications department regularly donates books to libraries in co-op territory.

“

Thank you so much for the books donated to the Walsh Public Library. New books are always welcome and will be very much appreciated.”

—WALSH LIBRARIAN





YOUTH PROGRAMS
D.C. TOUR AND LEADERSHIP CAMP



COLORADO STATE FAIR
JUNIOR LIVESTOCK SALE



4-H TRAILER



RENEWABLE ENERGY & ENERGY EFFICIENCY CONFERENCES



LIBRARY BOOK DONATIONS



AG IN THE CLASSROOM

PEDAL THE PLAINS APPRECIATION

Posted by EOC to Twitter following the electric co-ops' donation of funds raised through the Pedal the Plains bike tour...



Thank you, CREA, Colorado Country Life and everyone who rode Pedal the Plains for this gift. With winter upon us, this will help us warm many homes." —ENERGY OUTREACH COLORADO





RESPONDING TO A CREA LEGISLATIVE UPDATE

“

Thank you for sending this, it is extremely helpful. I am putting it in our board packet as a read-ahead for our meetings, and will continue to do so as an information item. Along with the PUC and Litigation Report provided at the CREA Fall Legal Seminar, this is a comprehensive approach to keeping us advised of all that is going on in the Capitol and state agencies.”

—BRYAN HANNEGAN
CEO HOLY CROSS ENERGY

BUSY YEAR FOR LEGISLATIVE TEAM

From January through May 2019, the 72nd Colorado General Assembly **passed 459 of the 598 bills** introduced. **Governor Jared Polis signed 454** of those bills into law and vetoed five. CREA Director of Government Relations Geoff Hier, along with contract lobbyists from Brandeberry McKenna Public Affairs, maintained a strong presence at the Capitol representing Colorado’s electric cooperatives.

After the legislative session ended, CREA’s team focused on monitoring interim committees, meeting with legislators and preparing for the 2020 legislative session. In August, Tim Coleman joined the statewide staff as CREA’s new government relations specialist. As the year ended, the government relations staff proactively prepared for the 2020 legislative session.

CO-OP DAY AT THE CAPITOL

CREA hosted its annual legislative reception Monday, February 11, 2019, during the CREA Annual Meeting. The event attracted 18 members of the Colorado General Assembly who talked informally with representatives of Colorado’s electric cooperative family throughout the evening.

Tuesday was Co-op Day at the Capitol. Featured speakers included Cindy DeGroen from the State Demography Office, who talked about the population and employment trends in Colorado; Senate President Leroy Garcia (D-Pueblo); Speaker of the House K.C. Becker (D-Boulder); and members of the Joint Budget Committee Bob Rankin (R-Carbondale) and Chris Hansen (D-Denver).

SUCCESSFULLY LOBBYING CONGRESS

The 2019 annual NRECA Legislative Conference in Washington, D.C., saw positive results. As 2019 ended, two of the four advocacy priorities for the Legislative Conference were achieved when The RURAL Act of 2019 passed both houses and was signed by the president.

During the Legislative Conference, about 50 representatives of Colorado’s electric co-ops met with Sen. Cory Gardner (R) and Reps. Jason Crow (D-CD6) and Scott Tipton (D-CD3) as well as representatives from the offices of Sen. Michael Bennett. (D), Reps. Diana DeGette (D-CD1), Joe Neguse (D-CD2), Ken Buck (R-CD4), Doug Lamborn (R-CD5) and Ed Perlmutter (D-CD7).

Colorado’s cooperative leaders explained the unintended consequences of the 2017 tax bill that could impact a co-op’s tax-exempt status and reminded the delegation of the expenses of unnecessary, but required, insurance premiums for the NRECA Retirement Security Plan. Everyone in the delegation, except Rep. DeGette, supported The RURAL Act, which solved both of these situations.

INTERIM COMMITTEES

CREA closely monitored three of the Colorado legislative interim committees during the summer. With CREA's strategic goal of being a trusted source of information to legislators in mind, CREA coordinated presentations by nine cooperative general managers in front of the three interim committees with issues important to the membership. The CREA Legislative Department also arranged for the 10-member Energy Legislation Review Interim Study Committee to tour a hydroelectric generation facility on the Western Slope.

CARE OVERVIEW

The Colorado Advocates for Rural Electrification political action committee saw an increase in CARE membership compared to 2018. Most notably, the leadership circle **increased 150%** from 11 leadership circle members in 2018 to 28 in 2019. Additionally, CARE's silent and live auctions raised \$22,500 in October exceeding the funds raised in 2018.

The CARE Committee thanks all of the cooperatives, community partners, and individuals who participated in the auction by donating or bidding on items. As we approach the 2020 election year, CARE membership support will allow the CARE Committee to endorse candidates for elected office who advocate for and strengthen the voice of Colorado's electric cooperatives.



2019 CARE MEMBERSHIP

70 ACRE only	155 ACRE Century
6 CARE only	28 ACRE Vice-President
3 CARE + Spouse	41 ACRE President
54 CARE/ACRE	28 Leadership Circle



385 Total Membership YTD

MOMENTS MATTER

“

In 2019, everyone worked very hard to help modify legislation that would have a negative impact. The effort helped and prepared us for a brighter future.”

—DEBBIE ROSE
CHAIR OF THE CREA BOARD
LEGISLATIVE COMMITTEE



2019 LEGISLATIVE KEY ISSUES

Along with Governor Jared Polis, Democrats in the Colorado General Assembly embarked on a legislative agenda filled with bold and sometimes controversial policy issues.

From the outset of the session, high priority topics including, education, transportation, healthcare, social justice issues, affordable housing, employee rights and benefits, and climate change were discussed by the legislature.

The legislature passed a **\$30.5 billion state budget**, which included \$300 million for road projects, \$175 million for full-day kindergarten, \$120 million for higher education, \$10 million for the state water plan and a 3% pay raise for all state employees.

Hearings on issues such as revising sex education standards, childhood immunization requirements and gun control lasted hours, some into the early morning of the next day. At the end of the session, many of the high priority items had passed both chambers and became law. Laws preventing employers from asking about criminal convictions or discriminating on pay based on gender passed. Several bills intended to lower health care costs passed, although some, such as allowing the importation of prescription drugs from Canada, need federal approval before they can take effect.



↓ BILLS AFFECTING CO-OP BUSINESS INCLUDE:

HB19-1261 CLIMATE ACTION PLAN TO REDUCE POLLUTION



HB 19-1261 sets a goal of reducing greenhouse gas emissions statewide from 2005 baseline levels by at least 26% by 2025, 50% by 2030 and 90% by 2050. This is in line with the criteria established by the United Nations International Panel on Climate Change. The bill grants broad rulemaking authority to the Colorado Air Quality Control Commission to achieve the statewide goals.

Electric utilities with retail sales, including electric cooperatives, may submit “clean energy plans” to the AQCC and Public Utilities Commission designed to achieve 80% reductions in greenhouse gas emissions from 2005 baseline levels by the year 2030. The AQCC may not impose additional regulatory requirements on an electric utility that has a clean energy plan on file with the PUC that is found to achieve at least 75% reduction in GHG emissions by 2030. The effect of this provision is to allow Xcel Energy to comply with the requirements of the bill by submitting its Clean Energy Plan to the AQCC for approval. The legislative department continues to monitor the implementation of HB19-1261 and its impact on our member cooperatives.

HB19-236 SUNSET PUBLIC UTILITIES OR THE “TURDUCKEN”



Two controversial energy related bills stalled in the waning days of the session.

HB19-1037 “Colorado Energy Impact Assistance Act” established a method for electric utilities to securitize the early retirement of fossil fuel generation facilities by issuing bonds to be repaid through a rate increase for consumers.

HB19-1313 “Electric Utility Plans to Further Reduce Carbon Dioxide Emissions” was a bill promoted by Xcel Energy to allow the utility to increase the amount of renewable energy resources it could own and earn a rate of return. It also limited the ability of the PUC to allocate risks between shareholders and ratepayers for the additional resources.

In a last-minute deal, major provisions of these two bills were amended into SB19-236. SB19-236 was a “must pass bill” to continue the Colorado Public Utilities Commission. Other key provisions of SB19-236 include a requirement that the PUC consider a social cost of carbon of no less than \$46/ton for all future electric resource plans and a requirement that placed Tri-State’s future resource planning processes under the jurisdiction of the PUC.

CREA FACILITATES OPPORTUNITIES TO CONNECT WITH LAWMAKERS



SB19-107 BROADBAND INFRASTRUCTURE INSTALLATION



This bill establishes a process for broadband service providers, including affiliates of electric cooperatives, to use distribution cooperative electric easements and rights-of-ways for providing commercial broadband service in rural areas. The bill prohibits electric cooperatives from cross subsidizing broadband affiliates and requires all pole attachment rates to be non-discriminatory. The CREA board voted to support SB 19-107 in its final form.



BOARD SPEAKERS

Rep. Chris Hansen (D-Dist. 6) speaks with the CREA board about energy issues.



PRESIDENT OF THE SENATE

Sen. Leroy Garcia (D-Dist. 3) reviews legislative issues with the CREA membership.



PROMOTING THE PLAINS

Colorado's electric co-ops join Gov. Jared Polis (D) in promoting eastern Colorado during Pedal the Plains.



D.C. CONNECTIONS

United Power board members Beth Martin, Susan Petrocco and Ginny Buczek chat with U.S. Rep. Jason Crow (D-CD 7) during meetings in D.C.



RECEPTION CONVERSATIONS

La Plata Electric board member Tim Wheeler and Manager of Engineering and Member Relations Ron Meier talk issues with Rep. Barbara McLachlan (D-Dist.59).



“
I enjoyed our visits with members of Congress very much. All of them were very personable and listened. They not only listened but cared. They wanted to learn and hear our opinions and thoughts. At the same time, I loved hearing and learning from them.”

— WASHINGTON D.C. YOUTH TOUR ATTENDEE



“
It's a leadership camp, but I feel like you get a lot more than just leadership out of it.”

— COLORADO YOUTH LEADERSHIP CAMP ATTENDEE



“
I always enjoy going to the HR Conference. The networking with other HR professionals is priceless.”

— HR CONFERENCE ATTENDEE

“
Always informative; good way to gain perspective from other people.”

— MECHANICS CONFERENCE ATTENDEE



“
This was an excellent class, the best I have attended.”

— SUPERVISORY SOLUTIONS CLASS ATTENDEE

“
Great class for anybody involved in linework! Great instructor!”

— LINE DESIGN & STAKING #1 CLASS ATTENDEE

EDUCATION TO HELP CO-OPS MOVE FORWARD TOGETHER

When you think about CREA's education programs, think about more than just a classroom setting. **CREA offers:**



COLLABORATION
with others doing
similar jobs



INTERACTIONS
with other industry
stakeholders



OPPORTUNITIES
to hear different points
of view from industry
experts



LEARNING
from multiple
opportunities



SAVINGS
in the registration fees

For directors, CREA held seven education courses, five were NRECA director courses that saved Colorado's co-ops \$84,445 in registration fees in 2019.

For managers, CREA held four manager meetings, organized a retirement party for three managers, and coordinated with the local co-op on two tours of local hydroelectric facilities.

For directors, managers and staff, CREA organized an annual meeting and the Energy Innovations Summit and Fall Meeting. There were 486 participants at those meetings.

For co-op employees, CREA offered 38 employee courses and 10 webinars. Instructors taught 481 employees at 15 locations around the state.

For co-op youth, staff took 59 students and chaperones to Washington, D.C. A total of 101 students and counselors attended the Youth Leadership Camp.

To offset the costs of CREA's education activities, **CREA raised \$122,519 to benefit employee education, youth programs and the international program. Sponsorships raised \$23,399 for CREA's annual and fall meetings.** CREA also **saved \$25,725** by negotiating better food and audio visual costs with the hotel used for the fall meeting. When these savings are added to the savings from the director education courses and divided among CREA's 23 members, that's a **savings to each electric co-op of over \$10,000.**

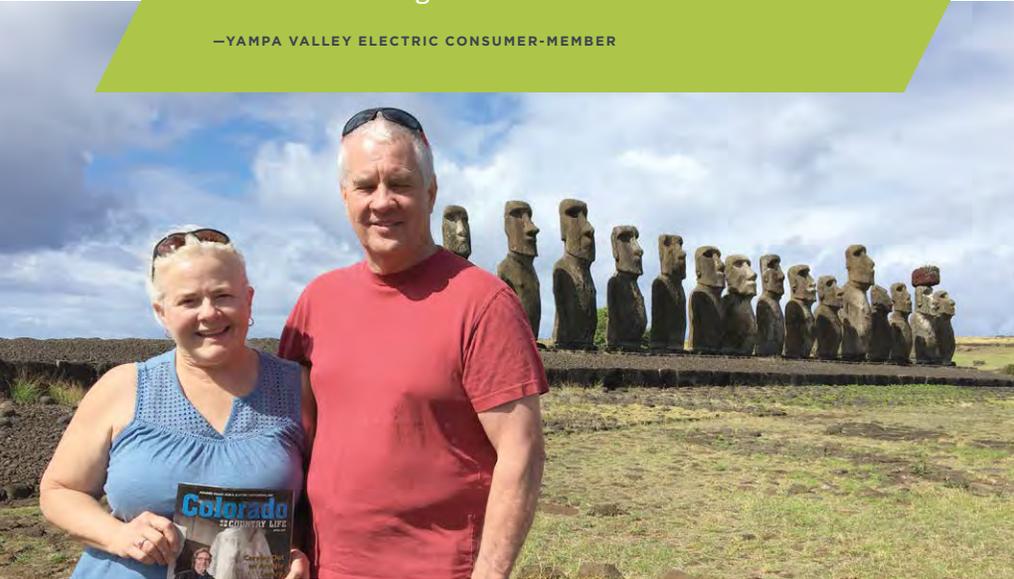
CREA FACILITATES GROWTH

In total, CREA brought in 215 speakers for board and managers meetings, director and employee education classes, and the CREA annual and fall meetings, as well as for Youth Leadership Camp and Washington DC Youth Tour.

“

I've been a faithful reader of [*Colorado Country Life*] since it first arrived in my mailbox, which says a lot since I'm a busy mother of two in my 40s with a full-time job. I don't have time for friends, TV, social media...but somehow I always manage to read your magazine. I think of *Colorado Country Life* as a "sleeper," meaning, "Who knew that my electric company would provide me with useful and interesting information?!"

—YAMPA VALLEY ELECTRIC CONSUMER-MEMBER



“

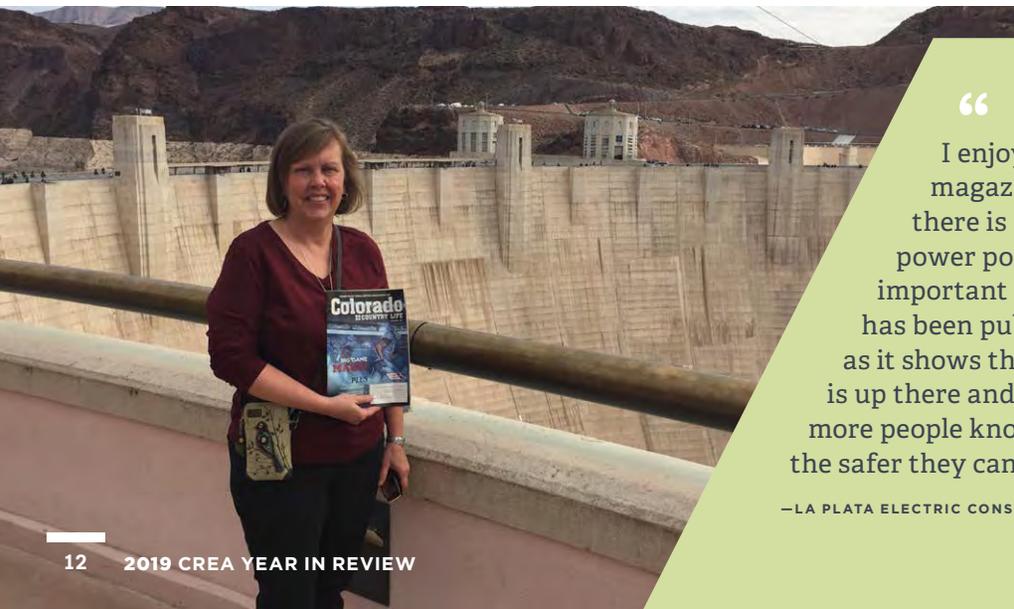
I just wanted to take a moment and thank you for the job you all do on *Colorado Country Life*. I enjoy the magazine more than I realize. I quite often read out loud to other family members some of the helpful tips and interesting stories, as well as cut out quite a few of the yummy recipes. You should know it is a nice magazine and I appreciate the effort put into getting it to us.”

—EMPIRE ELECTRIC CONSUMER-MEMBER

“

I enjoy reading *Colorado Country Life* magazine and in the October issue there is a diagram of what is on a power pole. I think this is the most important piece of information that has been published in the magazine as it shows the readers exactly what is up there and what it does. The more people know about electricity, the safer they can be.”

—LA PLATA ELECTRIC CONSUMER-MEMBER



MOVING FORWARD IN COMMUNICATIONS

COLORADO COUNTRY LIFE MAGAZINE

Sixteen of Colorado's electric cooperatives use CREA's communications department and its flagship magazine, *Colorado Country Life*, to communicate with their consumer-members. And it continues to save them money while making sure that the co-op message reaches their consumers.

The magazine is read by nearly 81% of those receiving the magazine and 58.9% of those consumer-members spend a minimum of 30 minutes reading the magazine. And, the co-ops get this monthly connection with their members for only 37¢ an issue, which is, on average, about 50¢ an issue less than what it would cost the co-op to mail a simple four-page newsletter to their members.

Colorado Country Life saves its subscribing co-ops an average of \$7,183 each a month for a monthly total savings of \$114,934 and an annual savings to the combined subscribing co-ops of \$1,379,208.

BENEFITS OF CO-OP COMMUNICATIONS

CREA's communications department benefits all of the association's member co-ops in a variety of ways:

- ▶ The CREA Legislative Directory and its app create a positive image for all electric co-ops at the state Capitol.
- ▶ The Energy Innovations newsletter shares information on co-op innovations and leadership with opinion leaders throughout the state.
- ▶ The monthly Colorado Co-op Report keeps electric co-op board members, managers, employees and affiliate organizations informed.
- ▶ New, free safety videos are available to co-op operations departments through the cooperation of CREA's communications and safety and loss control departments.
- ▶ The annual CREA Directory and its app are provided to co-ops at no cost.
- ▶ A registration-free annual training seminar for co-op member services employees is provided by CREA's communications and education departments.
- ▶ Graphic and editorial support is provided to all CREA departments for meetings, classes and other projects.
- ▶ CREA's website and social media channels are regularly updated.
- ▶ At the end of 2019, \$77,895 in communications department margins went to CREA's bottom line.

COMMUNICATIONS DEPARTMENT STATS

229,868

magazines mailed each month (average)

2,995,265

magazines mailed

1,429,011

magazines were read an average of 36.7 minutes

Subscribers spent

714,505

(est.) hours reading the co-op magazine

Completed

75

graphic and communication projects for other CREA departments



“
The speakers were all knowledgeable with good presentations. They kept it light and interesting. Really liked the panel of volunteers who went to Guatemala.”

—LOSS CONTROL SEMINAR ATTENDEE

“
Best part of this class is the discussions generated when covering the material. It was an excellent class.”

—OSHA CLASS ATTENDEE



“
Dale [Kishbaugh] has excellent knowledge and delivery of topics making engagement with linemen easy. Linemen respond to his way of teaching.”

—OSHA CLASS ATTENDEE

“
I appreciate CREA and all you do. I feel everybody is looking out for our safety and trying to help improve our local safety cultures.”

—LOSS CONTROL SEMINAR ATTENDEE



“
The defensive driving presentation was great, as was the networking. That was valuable, as always.”

—LOSS CONTROL SEMINAR ATTENDEE



MOVING OUR SAFETY CULTURE FORWARD TOGETHER

Supporting its mission to assist the cooperatives in preventing injuries, saving lives and complying with governmental regulations, the CREA safety and loss control department added additional services, classes and resources for the co-ops.

In 2019, the department expanded to three job training and safety instructors. Before one of the instructors left, the new schedule allowed the co-ops to get more time and assistance from CREA staff. It also allowed the staff time to access training classes and conferences to keep them current on certifications and what is new in the industry.

2019 LOSS CONTROL SEMINAR

The CREA Safety & Loss Control Seminar had **record attendance** with employees from all 22 cooperatives participating. Speakers focused on information from Federated Insurance, safeguarding workspaces, forklift safety, RESAP, cranes and derricks, Colorado Department of Transportation inspections, a substation app and more.

S.A.F.E. TALKS INTRODUCED

In the spring, the department **launched S.A.F.E. Talks videos**. Not training replacements, these videos are short, concise conversation starters to be used by the co-ops during regular safety meetings. They are designed to present a topic that, along with the provided printouts, help the on-site coordinator review standard operating procedures and discuss safety requirements.

Videos are scheduled for release twice a month and are provided to the co-ops at no additional cost. It is anticipated that other entities (contractors, municipals) will subscribe to these videos and provide a revenue stream for the safety and loss control department. They are produced in cooperation with CREA's communications department.

During the year, department **staff members taught four OSHA 30-hour classes to co-op employees and four OSHA 10-hour classes**, provided RESAP training for co-op employees, created safety videos available at no cost to the co-ops and sponsored the annual Loss Control Seminar along with all of the usual training and safety instruction.

JT&S Instructor Curt Graham completed his Certified Loss Control Professional certification.

REPORTING CLOSE CALLS/ NEAR MISSES

The safety and loss control department continues to monitor the Close Call/Near Miss reports filed by co-op employees through the CREA website. Established by the department in 2018, this reporting mechanism allows staff members to watch for trends and adapt training and information provided to the co-ops so that specific areas can be reviewed before close calls become actual incidents. As part of the co-ops' "Commitment to Zero Contacts," this **has proven to be a good tool to help co-op personnel stay safe.**

RESAP BENEFITS COLORADO CO-OPS

In 2019, 21 co-ops participated in RESAP, the Rural Electric Safety Achievement Program, with seven co-ops having their every-three-year inspection. This was the **first year that CREA headquarters underwent a RESAP inspection.**

RESAP inspections were also conducted for:

HIGHLINE ELECTRIC ASSOCIATION, HOLYOKE
POUDRE VALLEY RURAL ELECTRIC ASSOCIATION, FORT COLLINS
SANGRE DE CRISTO ELECTRIC ASSOCIATION, BUENA VISTA
MORGAN COUNTY RURAL ELECTRIC ASSOCIATION, FORT MORGAN
MOUNTAIN PARKS ELECTRIC INC., GRANBY
K.C. ELECTRIC ASSOCIATION, HUGO
SAN LUIS VALLEY RURAL ELECTRIC COOPERATIVE, INC., MONTE VISTA

The following co-ops provided assistance on RESAP observations in 2019:

- 2 DELTA-MONTROSE ELECTRIC ASSOCIATION
- 2 FEDERATED RURAL ELECTRIC INSURANCE EXCHANGE
- 1 HIGHLINE ELECTRIC ASSOCIATION
- 3 HOLY CROSS ENERGY
- 1 K.C. ELECTRIC ASSOCIATION
- 2 MORGAN COUNTY RURAL ELECTRIC ASSOCIATION
- 1 MOUNTAIN PARKS ELECTRIC, INC.
- 1 MOUNTAIN VIEW ELECTRIC ASSOCIATION, INC.
- 4 POUDRE VALLEY RURAL ELECTRIC ASSOCIATION
- 2 SAN ISABEL ELECTRIC ASSOCIATION
- 1 SAN LUIS VALLEY RURAL ELECTRIC COOPERATIVE, INC.
- 1 SAN MIGUEL POWER ASSOCIATION
- 1 SANGRE DE CRISTO ELECTRIC ASSOCIATION
- 2 SOUTHEAST COLORADO POWER ASSOCIATION
- 2 UNITED POWER
- 2 Y-W ELECTRIC ASSOCIATION
- 1 YAMPA VALLEY ELECTRIC ASSOCIATION

RESAP training was provided by the department at three co-ops — Poudre Valley REA, Southeast Colorado Power, Morgan County REA — during the year. **A total of 101 co-op employees were trained.**

These trained employees are now available to assist with RESAP observations. Each of these employees also have a more comprehensive view of safety requirements and regulations, which is valuable to their local co-op. Having more trained employees raises the level of safety consciousness throughout the co-op network.

SAFETY AND LOSS CONTROL TRAINING SAVES CO-OPS MONEY

OSHA Training

A total of 191 cooperative employees participated in the OSHA 10-hour class in 2019 and 35 took the OSHA 30-hour class. **This saved the co-ops \$25,510 as follows:**

Avg. cost per person 10hr = \$95
**saving our cooperatives
over \$16,235**

Avg. cost per person 30hr = \$285
**saving our cooperatives
over \$9,275**

CREA BOARD OF DIRECTORS

In 2019, the CREA Board of Directors kept up on policy issues during nine board meetings and 18 committee meetings.

The board held its May meeting at San Isabel Electric in Pueblo West and saw how SIEA is serving the marijuana growers in its service area. The board also held two joint board and manager meetings to discuss policy issues.

**Serving on
the board
at the end of
2019 were:**

President Jim Lueck
Highline Electric, Holyoke

Vice President Jeff Hauck
Mountain Parks Electric, Granby

Secretary Ginny Buczek
United Power, Brighton

Treasurer Joe Redetzke
Sangre de Cristo Electric, Buena Vista

Past President Jack Schneider
Poudre Valley REA, Fort Collins

Damon Lockhart
Delta-Montrose Electric, Montrose

John Porter
Empire Electric, Cortez

Rod Martinez
Grand Valley Power, Grand Junction

Tom Carl
Gunnison County Electric, Gunnison

Megan Gilman
Holy Cross Eenergy, Glenwood Springs

Tim White
Intermountain REA, Sedalia

Danny Mills
K.C. Electric, Hugo

Jack Turner
La Plata Electric, Durango

David Arndt
Morgan County REA, Fort Morgan

Donna Andersen-Van Ness
Mountain View Electric, Limon

Debbie Rose
San Isabel Electric, Pueblo West

Steve Valdez
San Luis Valley REC, Monte Vista

Debbie Cokes
San Miguel Power, Ridgway

Kevin Karney
Southeast Colorado Power, La Junta

Bob Bledsoe
Tri-State G&T, Westminster

Bill Jordan
White River Electric, Meeker

Stuart Travis
Y-W Electric, Akron

Scott McGill
Yampa Valley Electric, Steamboat Springs

Alan Michalewicz
White River Electric, general manager

John Parker
United Power, CEO

Bryan Hannegan
Holy Cross Energy, president and CEO

CREA Staff Serving Colorado's Electric Cooperatives



Kent Singer
Executive Director



Corine Archuleta
Loss Control
Administrative Assistant



Kylee Coleman
Editorial/Administrative
Assistant



Tim Coleman
Government Relations
Specialist



Chelsea Eichhorn
Event and Administrative
Coordinator



Liz Fiddes
Director of Member
Services and Education



Cassi Gloe
Designer/Production
Manager



Curt Graham
Job Training and
Safety Instructor



Geoff Hier
Director of Government
Relations



Dale Kishbaugh
Director of Safety
and Loss Control



Mona Neeley
Director of
Communications/Publisher



Gloria Smeaton
Director of
HR/Controller



Dan Whitesides
Job Training and
Safety Instructor



CREA SUPPORTS INTERNATIONAL TEAM

CREA joined the Oklahoma Association of Electric Cooperatives to sponsor a joint international team in Sillab, Guatemala, under the auspices of NRECA International.

Liz Fiddes, CREA director of member services and education, and Dale Kishbaugh, CREA director of safety and loss control, traveled on the planning trip with their Oklahoma counterparts. Dale also returned in August with the linemen. Mona Neeley, CREA director of communications, worked behind the scenes to publicize the project and share information with the public while the team was in Guatemala.

Twenty linemen, 10 from Colorado and 10 from Oklahoma, spent two weeks working in the jungle heat and rain to bring electricity to Sillab, a small, primitive village in the northeastern part of the country. They built 6.5 miles of line that included more than 40 poles and four transformers. They also wired 42 homes with electricity along with the school and the local churches.

With the village homes built on the sides of the mountainous jungle terrain, the job was a challenge. The line was strung across ravines and

valleys, up and down throughout the hilly terrain. But the people were appreciative and many of the men and children worked alongside the team.

Colorado's 10 team members included CREA Director of Safety and Loss Control Dale Kishbaugh, Jerid Bruna and Jace Noe of Southeast Colorado Power, KJ Johnson of San Miguel Power, Austin Maier of Poudre Valley REA, Jason Matzke and Kenneth Murray of Mountain View Electric, Rod Sherman of Holy Cross Energy, Kelly Snow of United Power and Chris Stanworth of White River Electric.

Due to political upheaval in Guatemala, the Colorado inauguration team, which included CREA Vice President Jeff Hauck, San Miguel Power CEO Brad Zaporski, CEEI Vice President Rod Martinez and Mona Neeley, was unable to travel to Guatemala to participate in the final lighting ceremony. That didn't stop the people of Sillab from celebrating with the team when the lights came on.



CREA NONPROFIT RAISES MONEY FOR GUATEMALA

As part of the 2019 international project, CREA's nonprofit Colorado Electric Educational Institute raised funds to purchase water filters for all of the villagers living in Sillab and 125 backpacks filled with school supplies for the children of the village.

CEEI raised \$15,247.84 thanks to contributions from electric co-op employees, the co-ops themselves and readers of *Colorado Country Life* magazine.

The Colorado and Oklahoma linemen handed out the water filters and backpacks as they celebrated completion of the project with the villagers.



CREA: SEVENTY-FIVE YEARS MOVING FORWARD TOGETHER

BY KENT SINGER EXECUTIVE DIRECTOR

EXECUTIVE
DIRECTOR

KENT SINGER



This year marks the 75th anniversary of the founding of the Colorado Rural Electric Association in 1945. Although the original articles of incorporation of the “Colorado State Association of Cooperatives” were filed in June of 1945, the mission of the association was not defined until October 1948 when the first annual meeting of the association was held in Denver.

As set forth during that initial meeting, the key functions of the association were described as “the promotion of state legislation fair to the co-ops; the collection from and distribution to the member co-ops of information on operating and purchasing practices and on power sources and wholesale power costs; and the establishment of a statewide job training and safety program for employees of the cooperatives.”

For 75 years, CREA has served our electric co-op members as directed by our founders. We work hard to promote fair legislation, to communicate with and educate our members about the constantly-changing electric industry, and to provide job training and safety programs to all of our members.

While the essential nature of CREA’s mission was defined early, the way we carry out that mission has changed dramatically over the years. From our humble origins as an organization with no full-time employees and a nearly non-existent budget, CREA has evolved into a professional trade association that has the capacity and expertise to provide comprehensive services to our 23 electric co-op members. We do this with a staff of 14 individuals dedicated to the proposition that electric co-ops are essential to the welfare of rural Colorado.

We provide these services using tools that our founders could not have imagined in 1945.

Instead of typewriters and letters, we communicate instantaneously with our members via emails, text messages and social media. In addition to face-to-face meetings, we share information via webinars, video chats and Skype. When we want information about a particular topic, we skip the encyclopedia and “Google” it: All the world’s data is just a few keystrokes away on our smart devices.

Similarly, the way electricity is generated, while in many ways the same as the 1940s, is changing rapidly. Yes, today most electrons are still created by a coil of wire rotating in a magnetic field, but the means of generating the power to spin the turbines relies less and less on fossil fuels and more on renewable sources of power in the 21st century. And, in many cases, electricity is created directly by the use of photovoltaic solar cells, a technology that has grown exponentially in the last decade.

Colorado’s electric co-ops are at the forefront of the changing industry. Our distribution co-ops have been rapidly adding renewable sources of generation into their power supply mix. They have also been incorporating the latest in automated metering technology, battery storage systems and other innovations to serve the needs of their consumer-members. Just within the last few weeks, Tri-State announced that it will be closing its Colorado coal-fired generating stations and replacing that capacity with electricity from wind and solar plants. This is a dramatic pivot for Tri-State and while it will significantly reduce carbon emissions, it will also impact hundreds of Tri-State employees.

Yes, many things have changed over the last 75 years and Colorado’s electric co-ops have adapted

accordingly. At CREA, we never forget that despite all these changes our success as a trade association boils down to a few fundamental values. Commitment. Competence. Credibility.

Commitment to our members means doing whatever it takes to provide top-shelf services in the areas of communication, education, lobbying and safety training. It means thinking about new ways to deliver value and execute our core mission.

Competence means we are always striving to understand complicated issues and convey our knowledge to our members and the general public. We must have the highest level of competence across all our disciplines to earn your trust.

And most importantly: Credibility. We are an outward-facing organization. We communicate with our co-op members, with the Colorado General Assembly, and with many other partners and stakeholders. Everyone who interacts with CREA has to know that CREA will always be truthful and provide full and complete information at all times.

We have faced many battles and threats to the co-op way of doing business over the years and we will continue to be challenged as the electric industry evolves. In the recent past, the co-ops have faced retail choice, distributed generation, battery storage and more, but Colorado’s electric co-ops succeed because they focus on the key co-op difference: We exist to serve the electric co-op consumer-members who own the co-op.

The Colorado Rural Electric Association, in turn, exists to serve those co-ops and we will strive to provide that service in an exemplary way for another 75 years.

“ Commitment to our members means doing whatever it takes to provide top-shelf services in the areas of communication, education, lobbying and safety training. It means thinking about new ways to deliver value and execute our core mission.”

MOVING FORWARD TOGETHER IN A CHANGING ENVIRONMENT

BY JIM LUECK PRESIDENT

Celebrating anniversaries is a popular custom and a good reason for a party. Anniversaries mark milestones in our lives and provide an opportunity to look back to see what we've accomplished and set goals for the future. I'm happy to be serving as CREA's president as we celebrate CREA's 75th year serving its members.

I think it would be fair to say that we have seen more change in the last 15 years in the electric industry than we saw in the previous 60 years. There are many disrupters that are changing our industry and prompting us to think in new ways. Long term, strategic thinking is paramount in positioning the co-ops for the future.

The co-op advantage is our local nature; we provide value to the communities we serve. We are seen as being ethical, practical, and principled. The cooperative principles are as true today as they were when they were initially adopted in 1844. These principles have gone through updates and have adapted to a more modern time, but the ideals still apply: (1) voluntary and open membership, (2) democratic member control, (3) member economic participation, (4) autonomy and independence, (5) education, training and information, (6) cooperation among cooperatives, and (7) concern for community.

As we look to the future, the disrupters to our business are becoming our new partners. Together, our fortunes are tied to each co-op's success and ability to adapt to a changing industry. Our commitment to be forward looking is creating shared successes.

One key to the local co-op's success is our consumer-members. We must always serve in an

honest, ethical manner so our consumer-members rely on our co-ops and a third party doesn't come between us. I read an alarming statistic recently. Fewer than 12% of the companies included in the 1955 Fortune 500 are still on the list, and 88% of the companies from 1955 have either gone bankrupt, merged or were acquired by another firm, or they still exist but have fallen from the top Fortune 500 companies.

However, so far, electric co-ops are still here, serving our consumer-members. But, we cannot just protect our current business practice. We must reinvent, rethink and rework our business practices and how we provide value to our consumer-members. We must transition, much as Tri-State is.

CREA, as your statewide trade association, continues to be here to support and assist your co-op through this ever changing environment. Our legislative team is on the ground, working year-round with lawmakers, policymakers, and industry partners who are molding the state's energy future. Our education team continues to bring training to directors and employees to keep abreast of industry trends and changes. They also work with our youth to help them better understand the co-op business model.

Our communications team works to keep your members informed on what's happening locally as well as in the industry. They connect with your members and make electricity interesting. And our safety team is giving your employees the tools they need to work safely and perform their duties within the scope of the law.

As your co-op adapts to a changing industry so

“ One key to the local co-op's success is our consumer-members. We must always serve in an honest, ethical manner.”

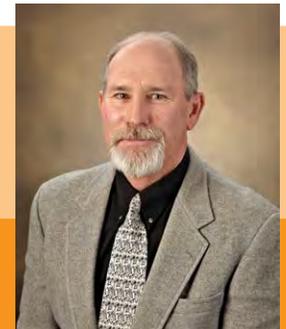
must CREA. In the years I have served on the board I have seen a great deal of change. The board members are a reflection of their consumer-members. Some are more conservative, others more progressive; some represent large co-ops, others represent smaller systems. We all have our own challenges and the CREA board has done an excellent job moving forward together while understanding and accommodating each other's differences.

Long gone are the days when every decision was a unanimous decision. I've had the opportunity to preside over many thoughtful conversations on policy issues during my time as board president. I especially want to thank the board for its collective commitment to CREA and everyone's willingness to keep an open mind.

As we reflect over CREA's history and where we are today, we see a strong organization, an organization that matters at the legislature, an organization that honorably represents its members, a staff that believes in customer service, an organization that you can be proud to be a member of. Thank you for the opportunity to serve.

PRESIDENT

JIM
LUECK



CREA TREASURER'S REPORT

BY JOSEPH REDETZKE TREASURER

TREASURER

JOSEPH
REDETZKE



I'm happy to report that your statewide trade association is on solid financial footing. Margins for year-end by department are as follows:

DEPARTMENTS	BUDGETED MARGINS	YEAR-END MARGIN
General Administration	(\$176,101)	(\$122,276)
Communications	\$60,622	\$77,895
Safety & Loss Control	(\$134,811)	(\$82,798)
TOTAL	(\$250,290)	(\$127,179)

Margins are only one part of CREA's financial outlook. The budget and finance committee and the full board of directors had extensive conversations about CREA's budget and how much cash CREA should have on hand. By policy, CREA is required to have three months cash in reserve. For 2020 that is \$1,125,462, and it increases to \$1,217,300 by 2022. We finished the year with \$1,902,163 in unrestricted funds, which significantly exceeds our policy requirements. However, when reviewing cash projections we see that as soon as 2022, we will have a shortfall in cash of \$313,049.

Because of CREA's strong cash position we did not have a dues increase in the general administration department in 2017, 2018 or 2019. However, our expenses continued to increase over those three years. The board and committee were concerned that, if we have a large budget shortfall in 2022, the increased dues for the department would create "sticker shock," so we made the glide path

more palatable by adopting a 7% increase for the general administration's 2020 budget and project a 4% increase in the 2021 and 2022 budgets.

CREA's budget is driven by multiple factors, but the employee costs are the largest expense. CREA has 13 full-time employees and one 3/4-time employee. The employees participate in cost sharing for their health insurance and that amount increases from year-to-year as plan costs increase. CREA also participates in the RS retirement plan offered by NRECA. In 2013, the board approved a \$622,121 payment to the retirement plan with the promise of discounted rates in the future. CREA has enjoyed savings every year since making the prepayment. In 2019, that savings totaled \$78,390. Since 2013, the savings totalled \$485,564.

The cooperatives in Region 7 that participate in the NRECA benefits plan are required to be audited every four years. The auditor found no exceptions during the CREA audit.

The safety and loss control department's budget for 2020 includes a dues increase because the part-time administrative assistant position was moved to full time. Although the department budgeted for a loss of \$134,811, it ended the year with a loss of \$82,798 mainly because the department has been short staffed for several months due to the loss of a JT&S instructor. CREA refunded dues paid by the co-ops who did not receive the department's services for the last quarter of 2019.

When the safety and loss control department and the communications department generate margins, those margins are included in CREA's cash. CREA's cash position today is attributable in part to the margins that have been generated by these two departments.

CREA continues to charge the subscribing co-ops 37¢ per copy for a subscription to *Colorado Country Life* magazine. The balance of the cost of producing and mailing the magazine is covered by revenue from advertising sales. But the department does much more than produce the magazine, and the margins generated from projects such as the CREA Directory benefit the entire membership.

The budget and finance committee was tasked by the board to develop a cash management policy. The committee will be developing guidelines to address CREA's cash before the next budget process. In the meantime, you can be assured that CREA's finances are strong.

COLORADO RURAL ELECTRIC ASSOCIATION

BALANCE SHEET

AS OF DECEMBER 31, 2019

UNAUDITED

ASSETS

Current Assets

Cash - General Funds	\$ 2,011,812.74	\$ 2,121,207.22
A/R General Association	11,943.79	17,102.88
A/R Communications	47,411.94	49,968.13
Reserve Doubtful Accts - Communications	(12,268.85)	(12,268.85)
Prepaid Expenses	66,409.14	26,331.73
Total Current Assets	2,125,308.76	2,202,341.11

Fixed Assets

Land	288,884.00	288,884.00
Property & Equipment, net of accumulated depreciation	366,648.66	353,801.77

Total Fixed Assets	655,532.66	642,685.77
Other Assets: Long-Term Investments	30,477.72	28,807.72

Total Assets	\$ 2,811,319.14	\$ 2,873,834.60
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LIABILITIES

Current Liabilities

Accounts Payable	\$ 130,220.34	\$ 88,805.03
Accrued Liabilities	142,178.69	119,211.04
Deferred Revenue	835.00	0.00

Total Current Liabilities	273,234.03	208,016.07
Long-Term Liabilities	0.00	0.00

Total Liabilities	273,234.03	208,016.07
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Net Assets

Fund Balances - G/A	(142,141.42)	(63,611.35)
Fund Balances - Safety and Loss Control	813,822.34	782,403.97
Fund Balances - Communications	1,993,577.66	1,836,145.60
YTD Profit/(Loss)	(127,173.47)	110,880.31

Total Net Assets	2,538,085.11	2,665,818.53
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Total Liabilities and Net Assets	\$ 2,811,319.14	\$ 2,873,834.60
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CURRENT YEAR

PRIOR YEAR



LOOKING BACK AT 2019 TO INFORM DECISIONS FOR 2020.

COLORADO RURAL ELECTRIC ASSOCIATION

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