



COLORADO RURAL ELECTRIC ASSOCIATION
2022 Year-In-Review



CREA BOARD TREASURER



LARRY ARCHIBEQUE

As the famous investor Warren Buffet has been quoted saying, “Price is what you pay, value is what you get.” I believe you are getting an excellent value from your investment in CREA.

CREA’s financial policy requires that 3-6 months of operating funds be on hand to pay its expenses; it is meeting that goal and ended the year with \$ 1,501,873 in cash, or 4.1 months of operating expenses. It’s been just over a year since our new accountant, Tori Ellis, took over the management of our books. Since then she has streamlined many of our internal processes, switched to a new accounting system, modernized our employee benefit tracking, and automated our accounts payable and receivable process. The accounting position is now a part-time, contract position and, with Tori’s leadership, CREA is improving our accounting operations while lowering the associated expenses.

Below is a summary of how each department ended the year. The General Administration and Safety & Loss Control departments budgeted for deficits but ended the year better than anticipated.

Department	Budgeted 2022	Actual 2022
General Administration	(\$50,427.76)	\$42,637.37
Communications	(\$290.00)	(\$11,745.77)
Safety & Loss Control	(\$120,702.00)	\$38,057.57

CREA’s financials were significantly challenged when its largest member, CORE Electric Cooperative, discontinued its membership in CREA, effective August 31, 2022. In 2022, CORE was scheduled to pay \$178,508 in dues for general administration and safety & loss control services. Instead, CREA lost the revenue planned for the fourth quarter and had to adjust its 2023 budget to mitigate the increase to the rest of the membership. Significant cuts were made in spending.

Over the past few years we have been able to hire staff members to fill in holes that we previously had paid contractors to do, which saves the organization money and builds our internal expertise. For example, Craig Johnson is serving in multiple capacities including providing legal services, legislative services, regulatory monitoring, and policy development. We have also expanded our

in-house expertise among the staff to streamline our processes and equipment to be more efficient and cost effective.

Looking at the individual departments, after 28 years of holding subscriptions to *Colorado Country Life* magazine to 37¢ a copy, the department went to a new subscription rate in 2022. Instead of a flat rate, the fee for the magazine was broken into two components. The first component was a subscription rate of 22.5¢ a copy. This flat rate covers production and employee costs. The second component of co-ops’ cost for the magazine became a separate pass-through of actual postage costs. This did lead to some increases in the cost of mailing the magazine because of escalating postage increases. These postage costs are increasing for all mailing due to U.S. Postal Service costs.

The savings in the safety & loss control department’s budget came about due to a vacancy in the director position. This position has been filled by Jenna Hirsch who is re-energizing the department in the new year.

CREA will continue to bring directors, managers and staff together to network, share ideas and build a better understanding of the industry among the membership. These education opportunities are an invaluable part of membership in CREA.

The legislative team has a broader experience at the Capitol and is monitoring the activities at the regulatory agencies that are taking greater control over electric industry policy.

Every electric co-op in Colorado is faced with challenging times; our industry is changing rapidly, our economy is uncertain and I expect more controversy from the Capitol in the coming year, but the measure of CREA is one of integrity and value, and the steps taken to manage your investment in the organization are something that you can be proud.

LARRY ARCHIBEQUE, TREASURER

BALANCE SHEET

AS OF DECEMBER 31, 2022

UNAUDITED

	2022	2021
ASSETS		
Current Assets		
Cash - General Funds	\$ 1,501,873.21	\$ 1,653,400.05
A/R General Association	183,448.13	21,966.82
Prepaid Expenses	103,496.59	54,320.55
Deposits	50.00	50.00
Total Current Assets	1,788,867.93	1,729,737.42
Fixed Assets		
Land	473,983.53	494,382.45
Property & Equipment	97,862.59	72,028.66
Vehicles	30,860.34	47,333.10
Total Fixed Assets	602,706.46	613,744.21
Other Assets: Long-Term Investments	30,211.72	30,211.72
Total Assets	\$ 2,421,786.11	\$ 2,373,693.35
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 181,276.34	\$72,157.69
Accrued Liabilities	38,381.98	168,357.04
Total Current Liabilities	219,658.32	240,514.73
Long-Term Liabilities	0.00	0.00
Total Liabilities	219,658.32	240,514.73
Net Assets		
Fund Balances	2,257,718.06	2,257,718.06
YTD Profit/(Loss)	(55,590.27)	(124,539.44)
Total Net Assets	2,202,127.79	2,133,178.62
Total Liabilities and Net Assets	\$ 2,421,786.11	\$ 2,373,693.35





**ENERGY INNOVATIONS
SUMMIT**

OCTOBER 30, 2023
WESTIN WESTMINSTER HOTEL

**SAVE
THE
DATE**

2023 CREA ENERGY INNOVATIONS SUMMIT

Join us and hear more than two dozen experts discuss the latest industry developments.
The \$175 registration fee includes a one-day conference, expo and lunch.

PRESENTED BY COLORADO'S ELECTRIC COOPERATIVES LEADERS FOR A SUSTAINABLE FUTURE

CREA BOARD PRESIDENT



VIRGINIA BUCZEK

The CREA Board of Directors met nine times in 2022, including meetings in Poudre Valley REA's and La Plata Electric's service territories. One of the highlights for the board was that we met twice with the CEOs. During these meetings we took a deep dive into the services CREA provides to evaluate whether these services are still needed, do they need to be tweaked, or do we need to add more services. We also held a meeting focused on market developments that included a panel discussion with the state's power suppliers.

Looking forward, it is the board's intention to hold strategic discussions that take a deeper dive into power industry issues. The desire of the board to take a deeper dive into industry issues was expressed when CREA did an extensive board survey to gather feedback from every CREA director. CREA does this survey annually to make sure we are on track and addressing issues of importance to the members.

During the first five months of the year the board was active in energy policy issues being discussed at the legislature. CREA engaged on 33 pieces of legislation, staff testified on seven bills and CREA passed legislation that provides \$3.5 million in grant money for public power to build microgrid projects to improve resiliency. This grant money is being matched with federal dollars increasing available funding. CREA was also successful in amending multiple bills to remove or lessen their impacts on electric co-ops including work done to amend legislation focused on building hiking trails under power lines, the ratio of apprentice lineworkers to journeymen, renewable energy credits, broadband and severe weather notifications. The board has also spent a good deal of time discussing resource adequacy. This will be another key issue for CREA in the 2023 session.

The board was disappointed when we received notice from CORE Electric Cooperative that it was leaving the CREA membership. The board and staff will continue to reach out to CORE in an effort to bring it back into the statewide.

The board also focused on the Education and Communications Committee activities and continues to support the education programs CREA and the Colorado Electric Educational Institute offer to directors, employees and the youth in our service territories. The board has taken an active interest in the work done by the communications team and appreciates Mona Neeley's leadership. On behalf of the board, I want to thank Mona for her nearly 30 years of service to CREA/CCL. She has done an excellent job producing award-winning magazines.

The board was pleased that the job training and safety instructors kept the safety and loss control department moving forward until Jenna Hirsch, the new director of safety and loss control, could join the staff. The team was able to complete the RESAP audits, hold a successful Loss Control Seminar and keep communications open with the membership until that position was filled.

Finally, I'm happy to introduce the Executive Committee to you. We lost two members of the committee in 2022, so your new officers are: Joe Redetzke of SDCEA, vice president; Stephen Valdez of San Luis Valley REC, secretary; and Larry Archibeque, recently elected to join the committee as treasurer. Jim Lueck from Highline Electric is returning to fill the past president position. We look forward to another successful year.

A handwritten signature in dark ink that reads "Virginia A. Buczek". The script is fluid and cursive.

VIRGINIA "GINNY" BUCZEK, BOARD PRESIDENT

CREA EXECUTIVE DIRECTOR



KENT SINGER

Our annual meeting always provides a good opportunity to reflect on the past year's performance of CREA. While we experienced a couple of bumps in the road (more on that later), I believe CREA had an excellent year in 2022.

GOVERNMENT RELATIONS

On the legislative front, the 2022 session of the Colorado General Assembly was the first session for our reconstituted government relations team. That team consists of Craig Johnson, director of government relations and general counsel, and Tim Coleman, manager of legislative affairs.

Tim has done a great job handling our day-to-day lobbying at the Capitol and Craig and I support that work with legislative and legal analysis and strategic advice. Along with the support of our contract lobbying firm (Brandeberry McKenna Public Affairs), we have a formidable team of government relations experts who are strong advocates for Colorado's electric co-ops.

Here are a few highlights of the 2022 legislative session:

- **HB22-1013 – Microgrids for Community Resilience Grant Program:** CREA sponsored and passed a bill that created a \$3.5 million grant program to fund microgrid projects in rural communities.
- **HB22-1104 – Powerline Trails:** CREA staff was successful in negotiating an amendment to exclude Colorado's distribution cooperatives from the bill.
- **HB22-1346 – Electrician Plumber Licensing Apprentice Ratio:** CREA in conjunction with other business groups opposing the bill was successful in negotiating amendments that removed the reduction in the supervisor to apprentice ratio.
- **SB22-083 – Broadband Provider's Use of Rights-of-way:** Working with our members, CREA was successful in negotiating an amendment that prohibited CDOT from entering exclusive arrangements with broadband providers that preclude co-ops from using public rights of way.

CREA TOWN HALLS

In 2022, we implemented a new Town Hall program where our senior staff traveled to several co-op headquarters to provide a "soup-to-nuts" overview of CREA's core services and our value proposition. These sessions are a spinoff of our annual new director orientation sessions, and they included a lot of Q&A from co-op staff and directors about how CREA supports our members. We also heard ideas and suggestions for how we can continue to improve our services.

We appreciate the hospitality shown to us by our members and we'll continue this program until we've visited every co-op in the state.

GUATEMALA ELECTRIFICATION PROJECT

We supported another electrification project in Guatemala in 2022, sending four Colorado co-op linemen on a life-changing trip that will improve the lives of hundreds of rural villagers for decades to come. We have a great partnership with our colleagues from Oklahoma who we have partnered with on three trips. While we don't have a trip planned in 2023, we hope to return to Guatemala in 2024.

These trips are an opportunity to not only support folks in need, but they also provide teambuilding and life experiences for Colorado linemen that will sustain their work back home.

ROCKY MOUNTAIN UTILITY EXCHANGE

Due to the great work of Liz Fiddes and Julie Baker, CREA acquired the rights to the Rocky Mountain Utility Exchange, a highly regarded conference for utility program managers. The RMUE is an annual conference that is attended by many Colorado co-op employees (as well as other utilities) who work on energy efficiency, renewable energy, beneficial electrification and other programs at their utilities. This conference will be one more event in our education calendar that will provide great value to CREA members.

CREA EXECUTIVE DIRECTOR

CONTINUED

SAFETY AND LOSS CONTROL

The CREA safety team continued to perform at a high level and deliver value to our co-op members in 2022. The team completed eight scheduled RESAP audits (with 27 volunteers from 13 different co-ops) and continued to support our members with safety training programs.

The department also hosted a very successful two-day loss control seminar that was attended by 46 co-op safety professionals and linemen.

In November, I was pleased to announce that we hired Jenna Hirsch as the new director of the department. Jenna has hit the ground running to continue the excellent service provided by our team.

COMMUNICATIONS

On the communications front, Mona Neeley and her team continue to publish an excellent statewide magazine, *Colorado Country Life*, that is delivered to 14 of our 21 members. If your co-op is not a subscriber to CCL, I strongly encourage you to consider signing up. CCL continues to be the best tool for our member co-ops to communicate with their consumer-members. Surveys show that the magazine is highly valued and relied on by co-op consumer-members statewide.

In addition to publishing the magazine, Mona and her team lend support to member co-ops in many other areas such as social media, annual meeting reports, and other communication tools.

The 2023 CREA annual meeting will be the last one for Mona as she will be retiring from CREA at the end of March. I can't begin to tell you how much Mona has meant to CREA and CCL since she came to work in 1994. She will be greatly missed, but we have a deep bench on the communications team and Cassi Gloe and Kylee Coleman will do a great job maintaining the high standards that Mona set.

EDUCATION

CREA's education program also continues to perform at a high level. Liz and Julie work tirelessly to plan and deliver valuable and informative board meetings, manager meetings, webinars, conferences and video calls to keep our co-op directors and staff updated on the many changes in this dynamic industry.

Our 13th annual Energy Innovations Summit last fall was once again our benchmark conference in 2022, but it was only one of dozens of meetings that CREA facilitates over the course of the

year. CREA's efforts in this area not only provide opportunities for co-op directors and staff to learn about industry trends, but they also enable co-op directors to save a lot of money while earning credits toward their credential levels.

Of course, 2022 wasn't perfect. With the departure of CORE as a member of CREA, we had to regroup and think about how best to fill that revenue gap. After taking a hard look at our budget and making cuts that will not dilute our key functions, and with the support of the CREA board and managers, we were able to develop a budget for 2023 that will allow us to continue to provide top-notch support for our members.

"AND THERE WAS LIGHT"

As many of you know, I'm a big American history buff, particularly of the years leading up to and including the Civil War. Of course, the single most important figure of this period was Abraham Lincoln, our 16th president. While I have read numerous Lincoln biographies (although just a small fraction of the hundreds that have been written), I was happy to dig into famed historian Jon Meacham's recent book entitled "And There Was Light."

While the "light" mentioned in the title of Meacham's Lincoln biography is taken from scripture (and in this context refers to Lincoln's moral opposition to slavery), the phrase "And There Was Light" is also an apt description of the electric co-op program.

CREA's members literally bring light to hundreds of communities across Colorado; that's a special calling and it's our privilege to support that work to the best of our ability.



KENT SINGER, EXECUTIVE DIRECTOR

"And There Was Light"



THE VALUE OF COOPERATION AMONG COOPERATIVES

The sixth cooperative principle, "Cooperation Among Cooperatives," is the essence of CREA. By working together through CREA, Colorado's electric cooperatives benefit from their statewide association.

CREA BRINGS VALUE TO ITS MEMBER CO-OPS

The CREA staff works hard every day on behalf of Colorado's electric cooperatives and their consumer-members, providing a variety of services that directly and indirectly benefit the co-ops.



FACILITATING LEARNING

Colorado's electric co-ops have year-round access to educational programming at discounted rates through CREA. More than 830 directors and employees participated in one of the 41 courses sponsored by CREA at low or no cost.

VALUE TO CREA'S MEMBERSHIP: DIRECTORS ATTENDING 2022'S SIX CLASSES IN COLORADO SAVED THEIR CO-OPS \$75,212

CREA's annual meeting, Energy Innovations Summit and multiple employee group meetings and seminars created several forums for information sharing and provided opportunities for collaboration among individuals and co-ops.

VALUE TO CREA'S MEMBERSHIP: EXPOSURE TO INFORMATION FROM 56 SPEAKERS AT THE ANNUAL MEETING AND THE ENERGY INNOVATIONS SUMMIT ALONE



CREATING CONNECTIONS

CREA facilitates the exchange of ideas to make connections across Colorado's electric co-op community and between electric co-ops and their consumer-members. The co-ops' magazine, *Colorado Country Life*, was delivered to more than 205,000 co-op members each month in 2022. And, according to the most recent survey, it was read by more than 81% of those receiving the magazine. And, almost half said they prefer to receive their co-op news through *Colorado Country Life*.

VALUE TO CREA'S MEMBERSHIP: 59.67%* BETTER READERSHIP THROUGH COLORADO COUNTRY LIFE

CREA provides monthly digital communication to keep the electric co-op community up to date on changes in the industry, current on legislative changes that could affect individual co-ops and aware of other co-ops' projects. CREA also provides Colorado's electric co-op community with a virtual presence online through social media and other avenues.



VALUE TO CREA'S MEMBERSHIP: \$46,000 INVESTED IN COMMUNICATIONS TO THE CO-OPS AND \$18,000 FOR A STATEWIDE SOCIAL MEDIA PRESENCE

*21.33% average email open rate, Mailchimp marketing statistics 2022.

THE VALUE OF COOPERATION AMONG COOPERATIVES



WORKING TOGETHER ON LEGISLATION

CREA represents the interests of Colorado's electric co-ops at the state legislature. In 2022, that work included sponsoring HB22-1013, which created a grant program to fund microgrid projects in rural Colorado.

VALUE TO CREA'S MEMBERSHIP: \$3.50 MILLION GRANT PROGRAM

CREA wrote a white paper on resource adequacy in Colorado. The document provided an overview of the state's resources, looked at current challenges and the effect of current legislation on whether the state will have enough electricity in the future.

VALUE TO CREA'S MEMBERSHIP: PROVIDING A LOOK INTO THE FUTURE OF ELECTRIC RESOURCES



EMPOWERING SAFE WORK ENVIRONMENTS

By promoting a culture of safety and supporting each electric co-op's safety program, CREA works with its member co-ops to create a comprehensive safety program throughout the state. CREA provides on-site safety training, crew observations, workshops, conferences, emergency mutual aid assistance and accident investigations.

VALUE TO CREA'S MEMBERSHIP: CREWS THAT GO HOME AT THE END OF EACH DAY

Partnering with NRECA, CREA provides RESAP for its member co-ops. RESAP, with its every-three-year review, creates a framework for continuous improvement in safety performance and culture at each of Colorado's electric co-ops.

VALUE TO CREA'S MEMBERSHIP: REGULAR INSPECTIONS FOR THE CO-OPS TO KEEP THEIR SAFETY PROGRAMS ON TRACK AND OSHA COMPLIANT



SUPPORTING COLORADO'S ELECTRIC COOPERATIVES

CREA member co-ops receive a wide variety of services including legislative and regulatory representation, education programs, communications, safety support and training, youth programs and more.

VALUE TO CREA'S MEMBERS: PRICELESS

LEADERS FOR A SUSTAINABLE FUTURE

COLORADO'S ELECTRIC COOPERATIVES



Visit crea.coop/sustainable-future to learn more.

COLORADO'S ELECTRIC COOPERATIVES

Leaders for a Sustainable Future

A close-up photograph of a modern electric meter. The meter is white with a black display screen showing the number "6100171161" and the unit "kWh". Below the screen, there is a "WATTHOUR-METER" label and a small graphic of a meter. The meter is mounted on a dark, possibly metal, surface.

Maintaining Reliability & Affordability

WE ARE MAINTAINING A DEPENDABLE GRID AND KEEPING COSTS REASONABLE WHILE WORKING TO DECARBONIZE ENERGY RESOURCES.

A landscape photograph showing a field of solar panels in the foreground, with several wind turbines in the middle ground. In the background, a city skyline is visible under a hazy, orange-tinted sky, suggesting a sunset or sunrise.

Advancing Innovative Solutions

WE WILL CONTINUE TO SUPPORT LOCAL PROJECTS THAT EMPLOY NEW TECHNOLOGIES TO MEET THE SPECIFIC NEEDS OF INDIVIDUAL CO-OPS.

A photograph of three women of different ethnicities smiling and embracing each other. The woman on the left has short grey hair, the woman in the middle has dark hair and is wearing a purple shirt, and the woman on the right has short grey hair and is wearing glasses and a red shirt.

Enhancing Community Resilience

WE SUPPORT ENERGY SOLUTIONS THAT STRENGTHEN COMMUNITIES NOW AND INTO THE FUTURE.