

ANNUAL REPORT TO OUR MEMBERS

ROOTED *and* RESILIENT

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Leadership Team

Chief Executive Officer
Thomas Walch

Chief Administrative Officer
Derek Elder

Chief Operating Officer
Matt Williams

Chief Financial Officer
Joseph Michalewicz

Director of Marketing & Communications
Rita Sanders

Operations Manager
Bill Barlow

Information Technology Manager
Karen Allen

Board of Directors

Board President
Carolyn Sandeen-Hall

Vice President
Janie VanWinkle

Secretary-Treasurer
Jesse Mease

Director
Joe Burtard

Director
Kyle Coltrinari

Director
Gary DeYoung

Director
Don McClaskey

Director
Bill Rooks

Director
Brian Woods

COOPERATIVE MISSION & VALUES

EMPOWERING LIVES WITH HOMETOWN SERVICE

We are *rooted* in Mesa County. From the Grand Mesa to the valley floor and through the canyons that cut across the Uncompahgre Plateau, Grand Valley Power was built in 1936 by the communities we serve.

We are *resilient*. Grand Valley Power has been shaped by our members' needs and the rugged terrain that our lines traverse. We have weathered decades of change to continue providing safe, reliable, and affordable electricity to our members, and we are always looking for new and better ways to empower your life with hometown service. Thank you for giving us the opportunity to be a part of your life.

*We are committed
to the safety of our
workforce and the
general public.*

*We strive to do
the right thing,
holding true to
our values and
principles.*

*We are dedicated
to delivering
value to all we
serve.*

*We seek to find new
and better ways to
serve our members
and communities.*

Since 1936



BOARD AND ANNUAL MEETINGS

Members' comments and questions are always welcome at our monthly board meetings and the annual membership meeting.
gvp.org/board-meetings-and-agendas

Going Back to Our **ROOTS**

A MESSAGE FROM THE CHIEF EXECUTIVE OFFICER AND BOARD PRESIDENT

Toughness ... resilience ... commitment ... adaptability ... perseverance. These are all characteristics common among farmers scratching out a living in Mesa County's lower valley during the Great Depression. In addition to the crops they produced, their pioneering efforts left a legacy that benefits Grand Valley residents to this day: These farmers planted a seed that took root and grew into the organization we know as Grand Valley Power – the oldest rural electric cooperative in Colorado.

As a member-owned cooperative, Grand Valley Power often takes on the character of its members. To succeed, it has drawn on the same qualities that our forebearers relied on to survive. The pages of this report touch on some of them. In today's world it is hard to find anyone **tougher** than the linemen who brave the Western Slope's extreme terrain and weather to keep our lights on. And they do it with a top-hand safety record. They build and maintain one of the most **resilient** electric distribution systems in the country, as demonstrated with another year of strong reliability results.

Grand Valley Power's **commitment** to its members is demonstrated in our strong financial performance. Our commitment to our communities is on display in the bright and smiling faces of our scholarship recipients. GVP's commitment to doing the right thing is personified in Zeb Birch, the GVP lineman who spent weeks away from his family so he could help bring electricity to an impoverished Guatemalan village.

Adaptability is evident in our innovative Time-of-Use rates, providing an equitable way to generate revenue to run the business while reducing costs and carbon emissions that increase when more electricity is consumed during peak periods. We have adapted to calls for clean energy with a power portfolio that draws 48% of our electricity from clean, renewable resources. And chances are you have heard even more evidence of GVP's adaptability to changing circumstances with news of our decision to separate from uncertain and volatile power costs imposed by Xcel Energy and to seek a new energy future – with greater price certainty – with Guzman Energy.

Farmers know that when these characteristics are present season after season, year after year, success usually follows. That's **perseverance**. The image of that farmer comes to mind: Standing in the field, seeing the crops growing around him. Sometimes, perseverance might give way to pride in his accomplishments or to thanks for a good yield. But invariably, for that hard-working farmer, concern for the future brings him back. He knows that more hard work – more perseverance – is essential if he is to continue to succeed. As leaders of GVP, we enjoy a similar pride in the accomplishments of our cooperative. We are thankful for the efforts of all the team members who make our success possible. But we know, too, that we must return to our roots and do all the hard work that is necessary to ensure that the Grand Valley Power legacy lives on.

Thomas Walch
Chief Executive Officer

Carolyn Sandeen-Hall
Board President



Pictured left to right: Janie VanWinkle, Joe Burtard, Brian Woods, Jesse Mease, Carolyn Sandeen-Hall, Gary DeYoung, Bill Rooks, Don McClaskey, Kyle Coltrinari.

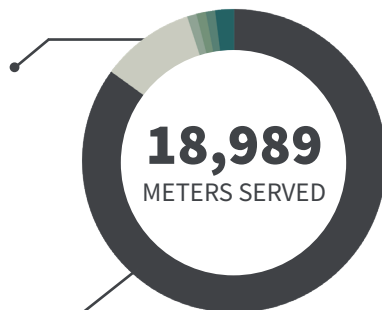
YOUR COOPERATIVE

*by the numbers**



Commercial Small Power (9%)

- Large Power (1%)
- Irrigation (1%)
- Street Lighting (1%)



Residential (88%)



1,735 MILES OF LINE

387
NEW SERVICES
CONNECTED IN 2022

4.88
MEMBER SATISFACTION
RATING IN 2022
(BASED ON A FIVE-STAR SCALE)

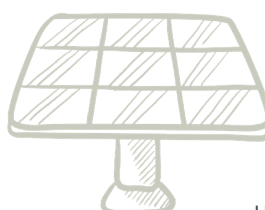
44
DEDICATED
EMPLOYEES

825
TOTAL SOLAR
INTERCONNECTIONS

10.97
METERS PER MILE

61.5
MEGAWATTS
SYSTEM PEAK DEMAND (JULY)

48.2%
POWER SUPPLIED BY
RENEWABLE SOURCES



190
NEW SOLAR
INTERCONNECTIONS

*As of December 2022.

Our lineworkers are everyday heroes. They perform a difficult, physically demanding job that requires a high degree of technical skill. Lineworkers must climb utility poles, operate complex heavy machinery, and master the intricate details necessary to build, maintain and troubleshoot our distribution grid. They may be called away from their families – in the middle of a snowstorm – on nights, weekends or holidays. This is what they do to get the lights back on for their friends and neighbors. The result of their dedication is that Grand Valley Power has one of the lowest averages of outage minutes per consumer in Colorado.

The safety aspect of their work is particularly challenging. Lineworkers must understand mountains of safety rules and make sure they use the proper equipment at all times. They work near dangerous, high-voltage electric lines and equipment at all hours of the day and night and in all kinds of inclement weather. There is often zero tolerance for any mistake or misstep. Our team members marked an important milestone in January when they completed four consecutive years without a lost-time accident. It is easily the longest stretch our cooperative has reached in the recent past, and is one of the longest current streaks among our cooperative peers in Colorado.

SAFE &

1,441

Days worked without
a lost-time accident
through Dec. 31, 2022

3,923

Miles traveled patrolling
line by snowshoes,
snowmobile, ATV or truck

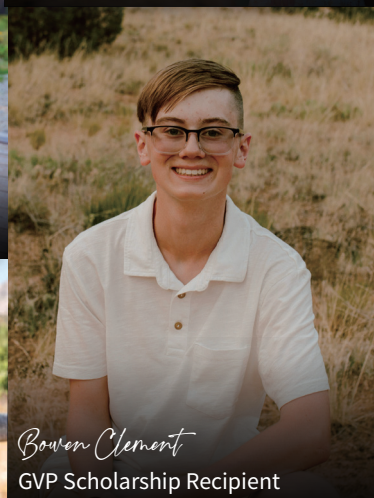
83.7

Average outage minutes
per consumer in 2022

RELIABLE

CONCERN

for Community



COMMUNITY IMPACT

From giving back to active military troops overseas to supporting local 4-H students and creating a Colorado Mesa University Endowed Scholarship, Grand Valley Power is proud to support our hometown heroes and be a part of the events that make the Grand Valley the wonderful place it is to live, work, and grow. Our employees have volunteered their time to tutor math students, pack food boxes for families, and gather necessities for soldiers overseas. Grand Valley Power's bylaws allow the cooperative to donate unclaimed Cashback Credits to nonprofits that help meet the needs of our community.

\$60,000 DONATIONS GIVEN IN 2022

YOUTH LEADERSHIP PROGRAMS

By contributing to the development of young leaders, we are ensuring that our community will have a promising future. Every year, our cooperative chooses outstanding high school students from among our membership to participate in either the Washington DC Youth Tour or the Cooperative Youth Leadership Camp. These skill-building trips help drive a lifetime of ambition fueled by integrity and compassion.

\$22,000

SCHOLARSHIPS AWARDED IN 2022



HOMEGROWN SCHOLARS

It's important to us that we help the youth of our cooperative families reach their goals. Since 1996, Grand Valley Power has awarded more than \$277,000 in scholarships for postsecondary trade and academic instruction. It is our pleasure to provide scholarship opportunities that enable students to continue on their path of learning and achievement.

“The Cooperative Youth Leadership Camp gave my daughter the experience of a lifetime and inspired her to explore a career as an electric lineworker. Thank you, GVP!”

- Parent of 2022 Cooperative Youth Leadership Camp Participant

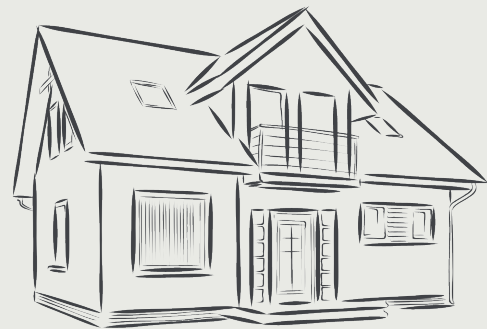
MY CHOICE, MY SAVINGS!

SHIFT YOUR ELECTRICITY USAGE TO OFF-PEAK HOURS AND SAVE ON ENERGY COSTS

If you asked us just 18 months ago, “How can I save money on my electricity bill?”, we would have suggested that you consider making home efficiency improvements and using less electricity. Now, you have even more power to control your energy costs with our Time-of-Use Rates.

With Time-of-Use, WHEN you use electricity is just as important as HOW MUCH.

Grand Valley Power implemented Time-of-Use Rates in March 2022 to create an equitable rate structure. The board decided that to be fair, people who use power when it costs more should have to pay the additional cost. Power costs more during times of peak use – such as when folks return home after work and fire up their cooling systems, wash a load of laundry, and cook dinner – because more demand is placed on the grid by more people, requiring more electricity to be transmitted across lines and pulled from more sources of generation. Shifting power use away from peak periods saves money and is good for the environment.



The average residential member uses:

OFF-PEAK

19.5

KILOWATT-HOURS (KWH)

of electricity each
day during
off-peak hours at a
cost of **\$1.75***

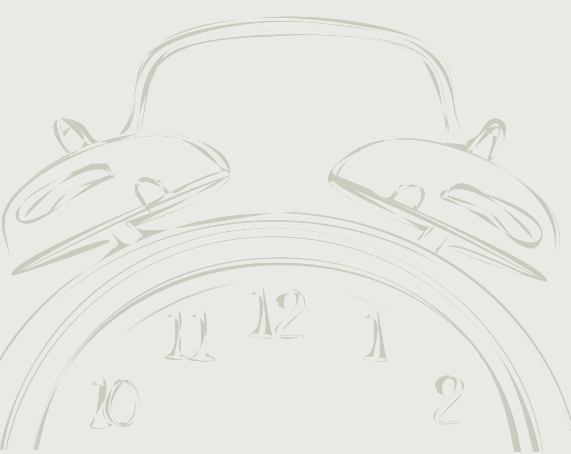
ON-PEAK

7.2

KILOWATT-HOURS (KWH)

of electricity each
day during
on-peak hours at a
cost of **\$1.31***

**Cost of energy only; does not include grid charges, fees and power cost adjustments. Based on 2022 residential usage and rates.*



REDUCE 4-9 P.M.

Shift your electricity use to off-peak
hours to save even more!

GVP.ORG/TOU

Financial Highlights

\$1 M

CASHBACK CREDITS
RETIRED IN 2022

800 kWh

AVERAGE MONTHLY USAGE
PER RESIDENTIAL MEMBER

\$129.80

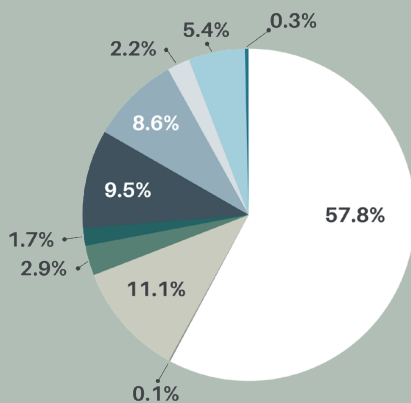
AVERAGE MONTHLY
RESIDENTIAL MEMBER BILL

**Includes all fees and charges*

Balance Sheet

Assets	2022	2021
Total Utility Plant	\$110,807,223	\$108,398,457
Less: Accumulated Depreciation	(35,013,605)	(32,547,624)
Net Utility Plant	75,793,618	75,850,833
Investments	2,250,945	2,081,977
Total Current Assets	11,875,495	8,591,813
Deferred Charges	1,026,497	1,713,773
Total Assets	\$90,946,555	\$88,238,396
Equities and Liabilities		
Total Equity	\$33,875,091	\$32,563,763
Total Long-Term Debt	46,102,014	45,468,928
Other Liabilities	347,165	473,205
Current Liabilities	10,622,285	9,732,500
Total Equities and Liabilities	\$90,946,555	\$88,238,396

Expenses



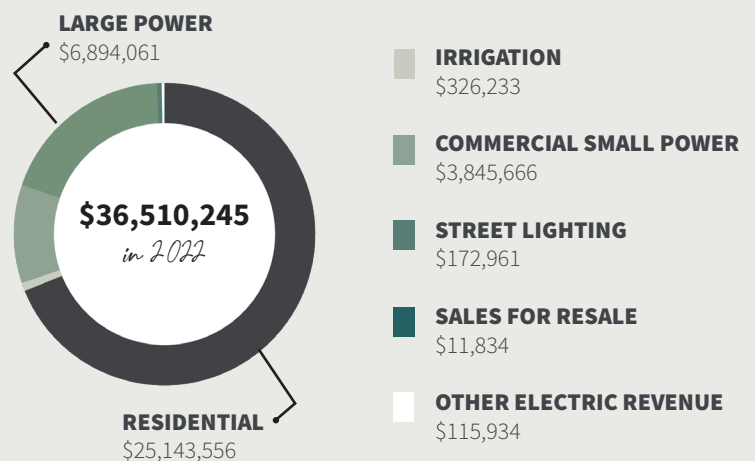
TOTAL EXPENSES: \$34,793,560

COST OF POWER \$20,135,648	ADMINISTRATIVE & GENERAL \$3,337,821
TRANSMISSION \$47,270	DEPRECIATION & AMORTIZATION \$3,005,134
DISTRIBUTION OPERATIONS & MAINTENANCE \$3,873,753	TAXES \$767,437
CONSUMER ACCOUNTS \$1,014,892	INTEREST ON LONG-TERM DEBT \$1,910,736
CUSTOMER SERVICE & INFORMATION \$597,582	OTHER DEDUCTIONS & EXPENSES \$103,287

Statement of Operations

	2022	2021
Operating Revenue	\$36,510,245	\$33,328,381
Operating Expenses		
Cost of Power	20,135,648	18,177,644
Transmission	47,270	43,287
Distribution - Operations	2,616,491	2,627,254
Distribution - Maintenance	1,257,262	1,365,830
Consumer Accounts	1,014,892	1,005,559
Customer Service and Information	597,582	487,609
Administrative and General	3,337,821	2,804,370
Depreciation and Amortization	3,005,134	2,946,794
Taxes	767,437	846,614
Other Deductions	102,863	60,023
Total Operating Expenses	32,882,400	30,364,984
Electric Operating Margin	\$3,627,845	\$2,963,397
Fixed Charges		
Interest on Long-Term Debt	1,910,736	1,809,477
Other Interest	424	466
Total Fixed Charges	\$1,911,160	\$1,809,943
Non-Operating Margin	425,519	1,406,062
Patronage Capital at Beginning of Year	\$30,890,521	\$29,860,981
Net Margins for Period	2,142,204	2,559,516
Subtotal	\$33,032,725	\$32,420,497
Retirement of Capital Credits	(1,026,810)	(1,529,976)
Patronage Capital at End of Year	\$32,005,915	\$30,890,521

Revenue Sources





> GVP lineman Zeb Birch pulls in overhead wire and sets poles near the rural Guatemalan village La Montanita de la Virgen.

Lineman Brings Light to Guatemalan Village

Electric cooperatives have a longstanding tradition of bringing lights where there are none. Eight decades ago, cooperatives brought power to rural America. Today, cooperatives like Grand Valley Power continue to show concern for international communities that still lack what we consider a basic necessity.

Last year, 16 volunteer linemen, including GVP's Zeb Birch, traveled more than 2,500 miles to bring electricity to La Montanita de la Virgen, a small village east of Guatemala City in Central America. Participants of the Colorado and Oklahoma Energy Trails Foundation project worked three weeks to set 77 poles, pull 5.5 miles of wire and install six transformers. They ran electrical wiring and installed four lightbulbs, two light switches and two electrical outlets in every home. Without the assistance of bucket trucks and heavy equipment, the crews relied on pure strength and techniques born in the 1930s to accomplish this mission.

While the project requires that participants be highly skilled journey linemen, it's the big hearts of these individuals that drive them to participate. "My daughter was my biggest inspiration," Birch explained. "One of her favorite things to do is turn the lights on and off. The overwhelming joy this action brings her encouraged me to apply for the program."

In the village, Zeb contemplated the difference he would make in the villagers' lives. "I saw women carrying 50-pound bags of rice on their heads, children running with no shoes, and homes without power," Birch said. "The days were long and exhausting, but everyone was excited to better the lives of the villagers and their community."

20 years

MIKE GARDNER
DISTRIBUTION
DESIGN
SUPERVISOR



15 years

SARAH WHEELER
CONTROLLER & BENEFITS
ADMINISTRATOR

TREVOR LETTMAN
FOREMAN

DAN REID
WAREHOUSE MANAGER

10 years

PRESTON DILLINGHAM
GVP LINEMAN

5 years

JENNIFER BARELA
MEMBER SUPPORT
REPRESENTATIVE

JIMMY WEBER
IT TECHNICIAN

HUNTER HENDERSON
APPRENTICE LINEMAN

EMPOWERING EMPLOYEES



Carefully cut along the dotted lines. Mail the RSVP card to attend and place the save the date card on your fridge.

Notice of Annual Meeting of Members

By order of the Board of Directors of Grand Valley Rural Power Lines, Inc., notice is hereby given that the annual meeting of the organization's shareholders will be held at Colorado Mesa University Center Meyer Ballroom, Grand Junction, County of Mesa, Colorado on Thursday, Aug. 3, 2023, for the purpose of electing a Board of Directors as provided by the bylaws and the transaction of all business that may be properly brought before the annual meeting.

Registration opens at 5:30 p.m. in the Meyer Ballroom of the University Center of Colorado Mesa University.

The map inset shows the parking garage closest to the event location. Access to the garage is off 12th Street near Kennedy Avenue. Suggested travel is south on 12th Street to the garage entrance. FFA students will be on hand to assist with parking and meeting questions.

Program and Agenda

5:30 p.m. - 6:30 p.m.	Registration and Dinner
6:30 p.m. - 8:00 p.m.	Business Meeting

Order of Business

1. Quorum and shareholder attendance
2. Notice of meeting and proof of publication
3. Approval of 2022 annual meeting minutes
4. Election
5. CEO and President report
6. Unfinished business
7. New business
8. Adjournment

3 WAYS TO RSVP: ONLINE BY PHONE CUT OUT & MAIL THE CARD

GRAND VALLEY POWER ANNUAL MEETING

Thursday, August 3
5:30 p.m. - 8:00 p.m.

Colorado Mesa University
1100 North Avenue
Grand Junction, CO 81501

RSVP ONLINE BY JULY 25
GVP.ORG/ROOTS

OR CALL (970) 242-0040



NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY MAIL

FIRST-CLASS MAIL PERMIT NO. 1 GRAND JUNCTION, CO

POSTAGE WILL BE PAID BY ADDRESSEE

GRAND VALLEY POWER
845 22 Road
Grand Junction, CO 81505-9729



EXCLUSIVE GIVEAWAY FOR ONLINE REGISTRANTS!

Submit your RSVP online at gvp.org/roots. Members who RSVP online for the 2023 Annual Meeting will be entered into an exclusive drawing for a \$150 bill credit.

register online & win!

**FREE
DINNER
& GIFT**

**RSVP ONLINE, BY PHONE
OR MAIL BY JULY 25**

(970) 242-0040

attend & win!

4 Colorado Avalanche tickets

10 solar panel credits for a year

20 lbs. of locally processed beef

\$250 GVP bill credit

and more!

www.gvp.org/Roots

ADULTS ONLY - DINNER IS FREE

Yes!

We plan to attend the Annual Meeting
at **Colorado Mesa University** on
Thursday, August 3.

Please reserve ☐ 1 ☐ 2 dinners for
NAME _____
ADDRESS _____
PHONE _____
EMAIL _____

Vegetarian and Gluten-Free meals will be available.

NOTE: Please DO NOT return the card if you ARE NOT attending the meeting.

- ☐ MAIL this card by **July 25** if you ARE attending.
- ☐ Call and cancel by **July 31** if you have returned the card but find you are unable to attend.



GRAND VALLEY POWER ANNUAL MEETING

YOU'RE
Invited

**Cut out this
reminder for
your fridge!**