



## Annual Report – 2020

The Covid-19 pandemic has changed many things in the last few months. We appreciate your patience and flexibility as we've navigated through these unprecedented times. One thing that has not changed is the commitment Cuivre River Electric Cooperative (CREC) makes to its members.

In the past year, the board and senior management of CREC developed a new mission statement for your cooperative: **“Be a progressive leader in the energy industry, empowering employees to serve our members using innovative energy solutions, while safely providing reliable service at the lowest possible cost.”**

This mission drives what we do, and we are fulfilling it in the following ways:

- We recently opened our new state-of-the-art headquarters facility. This facility provides much needed space to meet our continued growth and the needs of a growing membership in the future. Maintenance costs will be lower, energy efficiency gains are significant, and the additional space helps us serve you better. This facility will be one that our members and employees can be proud of for years to come!
- We are most proud of the fact that the construction of this facility was completed with no increase in rates or any change in the retirement of capital credits. In fact, your rates have risen only once in the last 11 years, even as the co-op's cost of power has increased. We work hard to keep your rates stable and our costs low. As many of the costs to provide electricity rise, we look for ways to offset those costs. A recent benchmark study showed that our controllable expenses are amid the very lowest in the nation for electric cooperatives. Providing electric service to you at the lowest cost possible is part of our mission and something we'll always take seriously.
- Our return of capital to you through capital credit retirements remains one of the most robust in the country. Just this year, the board announced an early distribution of \$6.7 million to CREC members to offer assistance to those impacted by Covid-19. Since 1976, over \$100 million has been returned. We are now refunding higher amounts than ever before. In just the past four years, your co-op has given back nearly \$30 million to members, including checks and a special bill credit in 2018.
- Our reliability numbers continue to be outstanding. With nearly 6,000 miles of electric line on our system, it takes planning, maintenance, and a lot of work to make sure the power keeps flowing. Not only storms cause outages; it can be equipment failure, car accidents, or other circumstances. Last year, our ratio for the “Average Service Availability Index” was 99.96%. That represents the percentage of time that the power

was on for all of our members. We know reliability is important to you and work hard to “keep the lights on.”

During the past year, the board and senior management team also created a vision statement: **“To be a trusted energy partner that is prepared to embrace opportunities in a changing utility industry while providing our members maximum value and improving our communities.”**

The vision statement describes what we aspire to do and become. During the past year we’ve fulfilled our vision statement in the following ways:

- Our generation mix of energy from our power supplier for the past year included 21% from hydro and wind power. Two additional wind farms are scheduled to go online in 2020, increasing contracted wind energy to 1,240 megawatts.
- Our Cuivre Cares employee teams participated in multiple service projects during the past year. These projects, which included work for Emmaus Homes and Habitat for Humanity, are a tangible way your co-op gives back to the community. Once again, CREC’s right-of-way department employees honored our veterans by participating in the “Saluting Branches” program, working to keep Jefferson Barracks National Cemetery looking nice. Our employees also participated in fund raisers for The Key Youth Center and sent valentines to residents in local nursing homes. Operation Round Up surpassed the \$6 million mark for donations back to the community this year. We’re always striving to make a difference in the communities in which we live.

CREC’s mission and vision statements are more than just words on paper. They drive our decisions and set our course for the future. Our future continues to be one of opportunities and challenges. We will meet them head on while always keeping our focus on our commitment to you. We thank you for being our members. It is truly our pleasure to serve you.

*Diane Saale, Board President*  
*Doug Tracy, General Manager/CEO*