

Central Valley Electric
Cooperative, Inc.



2024



ANNUAL
REPORT

CENTRAL VALLEY ELECTRIC
Cooperative

MEMBER -owned, MEMBER -focused

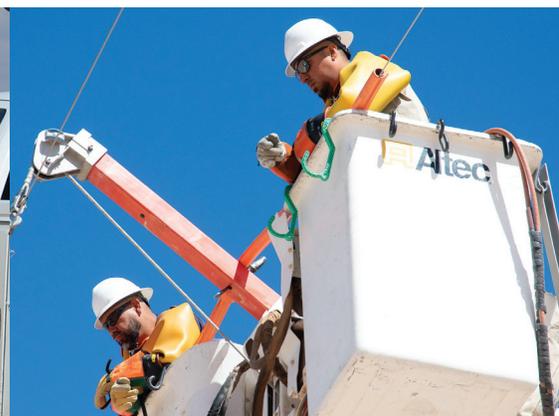
Being a Central Valley Electric Cooperative member means different things to different people. For some, it means receiving affordable power to help maintain a balanced family budget. For others, it's having reliable power to keep operations running or even having a voice in how the business is run. Whatever the reason, CVE's primary goal is to add value to your life in a reliable, safe, and affordable way.

Our business model puts you, the member, first and foremost in all we do. From the poles and wires bringing you power, to the electric meter in your yard, it's all owned by the members we serve.



MISSION *Statement*

Central Valley Electric is a member-focused electric cooperative dedicated to personalized quality service for its members and the economic vitality of our community.



CVE QUICK FACTS



\$71,887,553
total operating revenue

\$49,716,309
wholesale power cost

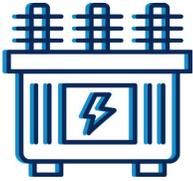
\$4,309,842
total net margins



4,143
total miles of line



89 full-time employees

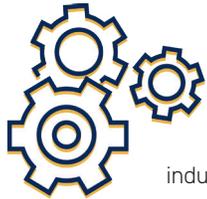


32
substations

4,536
CVE members



6,032
residential services



1,388
commercial & industrial services



2024 YOUTH TOUR

For years, Central Valley Electric Cooperative has sent high school students to our nation's capital for the Youth Tour. In 2024, CVE sent Trenton White and David Gutierrez on this all-expense paid trip of a lifetime. Go to www.cvecoop.org/youth-tour for more information on this once-in-a-lifetime trip.



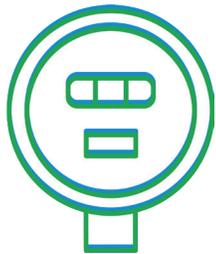
6,975
oil related services



712
irrigation services



\$2.8M
capital credits returned in 2024



15,225
meters served



108
scholarships awarded

Co-op News & Info.

 www.cvecoop.org



facebook



instagram

We are an equal opportunity provider and employer.

Somos un proveedor y empleador que ofrece igualdad de oportunidades.

To the Members of Central Valley Electric Cooperative:

Notice is hereby given that the annual meeting of the members of Central Valley Electric Cooperative, Inc. will be held on **Saturday, March 15, 2025**, at 10:00 a.m., at the Estelle Yates Auditorium (215 S. Bulldog Blvd., Artesia).

Action will be taken on the following items of business:

- Any reports covering the year 2024
- Election of three (3) members to the Board of Trustees

The nominating committee, appointed by the Board of Trustees, presents the following candidates for election to the board of trustees for one 3-year term.

DISTRICT 1
Artesia/Lakewood
Rusty Gwynne
(incumbent)

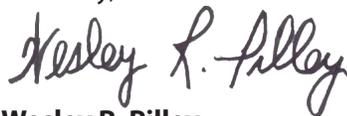
DISTRICT 2
Loco Hills
Jason Ciempa
(incumbent)

DISTRICT 5
South of Roswell
Larry Benedict
(incumbent)

Any person voting for a company or a corporation at a membership meeting of CVE must be an officer of that company or corporation or be authorized in writing by an officer to vote. No person authorized in writing to represent a corporate membership will be allowed to register and vote for more than one membership. In the case of an individual (non-corporate) membership, proxy voting is not allowed. Only the husband or wife may register and vote for the individual membership.

In witness whereof, this notice has been issued by the Secretary/Treasurer of Central Valley Electric Cooperative, Inc., dated this 5th day of March 2025.

Sincerely,



Wesley R. Pilley
CVE Board of Trustees
Secretary/Treasurer





Para los miembros de Central Valley Electric Cooperative, Inc.:

Se avisa por este medio que se llevara a cabo la junta anual para los miembros de Central Valley Electric Cooperative, Inc. el **sábado 15 de marzo del 2025**, a la 10:00 a.m., en el Auditorio de la Estelle Yates, localizado en la calle (215 S. Bulldog Blvd.), Artesia, NM.

Se tomará acción en los siguientes temas:

- Reportes que cubren el año 2024, incluyendo informes de la junta directiva.
- Elección de tres miembros a la Junta Directiva.

El Comité de nominaciones, designado por la Junta Directiva, les presenta a los siguientes candidatos elegidos para la Junta Directiva, por un plazo de 3 años.

DISTRITO 1
Artesia/Lakewood
Rusty Gwynne
(candidato)

DISTRITO 2
Loco Hills
Jason Ciempa
(candidato)

DISTRITO 5
South of Roswell
Larry Benedict
(candidato)

Cualquier persona que vota a favor de una empresa o una corporación en una junta de miembros de la cooperativa debe ser funcionario de esa empresa o corporación, o autorizados por escrito por un oficial, para votar. Ninguna persona autorizada por escrito para representar una membresía corporativa podrá registrarse y votar por más de una membresía. En el caso de la membresía individual (no corporativos), no se permite la votación por delegación. Solo el marido y la esposa pueden registrarse y votar como una membresía individual.

En fe de lo cual, este aviso ha sido emitido por el Secretario y Tesorero de La Cooperativa, Central Valley Electric, este día 5 de marzo del 2025.

Sinceramente,

A handwritten signature in black ink that reads "Wesley R. Pilley".

Wesley R. Pilley
Secretario/Tesorero

EXECUTIVE



Wade Nelson

General Manager &
Executive Vice President

As the new General Manager of Central Valley Electric Cooperative, I am pleased to present the executive report for 2024. I assumed the role of General Manager on January 4, 2025, after 27 years of dedicated service to the co-op. CVE stands at the cusp of significant opportunities and challenges, and I am committed to leading the cooperative forward while maintaining our commitment to providing safe, reliable, and affordable power to our members.

I succeeded Chuck Pinson as General Manager, and I am deeply grateful for Chuck's outstanding leadership and dedication to CVE and its members. Under his guidance, CVE has achieved the lowest wholesale power costs within the Western Farmers Electric Cooperative family. This directly translates to lower energy rates for our valued members.

CVE experienced a robust growth in energy sales for 2024, reaching 912,381,375 kilowatt-hours (kWh). This represents a significant increase of 53,204,116 kWh or 6.19 percent compared to 2023. Our operating revenue also showed a positive trend, increasing by \$3,489,457, or 5.10 percent over 2023. While energy sales and operating revenue both increased, our margins experienced a decrease of \$1,215,831, which is a 22 percent decrease from 2023. A primary factor in this reduction was a decrease in the non-operating margins of \$1,256,090, which affected overall margins. We are actively analyzing these factors and implementing strategies to improve our financial performance.

The co-op continues its commitment to system improvements and upgrades to ensure the delivery of safe, reliable power. We are focused on strategic investments to meet future energy demands. We are also actively working on capacity issues on Xcel Energy's transmission system and are encouraged by the progress of two major transmission line projects designed to enhance capacity throughout our service territory.

The supply chain of materials has seen great improvement post-COVID, however delivery of certain materials still remain challenging. But please know we are proactively managing our inventory to mitigate potential delays or disruptions to projects.



VE REPORT

CVE has some large projects on the horizon. These projects will require diligent planning, execution, and financial stewardship. I am dedicated to continuing Chuck Pinson's leadership and will work tirelessly to keep our members' rates low. By strategically investing in our infrastructure, optimizing our operations, and proactively managing challenges, CVE will continue to serve as a reliable and trusted energy provider for our communities. I am confident that if we work together, we can navigate any challenges ahead and build a bright future for Central Valley Electric Cooperative.

I am deeply grateful for the unwavering support from the co-op's Board of Trustees, the dedicated staff and my administrative assistant. CVE is fortunate to have a team of great employees who embody our Cooperative values. Their hard work, dedication and commitment to CVE are invaluable to our success, and I am truly thankful for all their support, as well as the support of the co-op membership.

Thank You



INCOME STATEMENT

as of December 31, 2024

Operating Revenues	2022	2023	2024
Electric & Other Revenue	\$89,056,615	\$68,398,096	\$71,887,553
Operating Expenses			
Purchased Power	\$67,838,366	\$46,754,312	\$49,716,309
Operations & Maintenance	\$11,651,200	\$12,372,970	\$12,451,122
Depreciation	\$ 6,287,970	\$ 6,429,417	\$ 6,564,986
Interest	\$ 2,004,108	\$ 1,885,602	\$ 1,869,263
Other Deductions	\$ -7,891	\$ 92,943	\$ 138,678
Total Operating Expenses	\$87,773,753	\$67,535,244	\$70,740,358
Net Margins			
Operating Margins	\$ 1,282,862	\$ 862,852	\$ 1,147,195
G & T Capital Credits	\$ 0	\$ 2,733,848	\$ 2,451,661
Non-Operating Margins	\$ -885,062	\$ 1,928,972	\$ 710,986
Total Net Margins	\$ 397,800	\$ 5,525,672	\$ 4,309,842



BALANCE SHEET

ASSETS

Utility Plant

Total Utility Plant in Service	\$ 223,146,147
Construction Work in Progress	<u>-2,393,616</u>
Total Utility Plant	<u>220,752,531</u>
Less Accumulated Depreciation	<u>45,674,778</u>
Net Utility Plant in Service	\$ 175,077,753

Other Assests & Investments

Invest. in assoc. org. (patro capital)	\$ 1,902,338
Invest. in assoc. org. (general funds)	22,498,426
Other Investments	<u>3,798</u>
Total Other Assets & Investments	\$ <u>24,404,562</u>

Current Assets

Cash-General Funds	\$ 7,581,457
Temporary Investments	4,712,077
Notes Receivable	226,229
Accounts Receivable-Sale of Energy	3,152,592
Accounts Receivable-Other	688,409
Materials, Supplies, Electric & Other	11,009,097
Prepayments	425,770
Other Current & Accrued Assets	<u>469,333</u>
Total current and accrued assets	\$ <u>28,264,964</u>
Other Deferred Debits	<u>149,993</u>

Total Assets \$ 227,897,272

LIABILITIES

Equities

Patronage Capital	\$ 98,789,820
Operating Margins Prior Years	288,272
Operating Margins Current Year	3,871,672
Non-Operating Margins	22,251,695
Other Margins & Equities	<u>723,813</u>
Total Margins & Equities	\$ <u>125,925,271</u>

Long-Term Debt

Long Term Debt - RUS	\$ 65,049,656
RUS Payments Unapplied	0
Long Term Debt Other	<u>7,815,447</u>
Total Long Term Debt	\$ <u>72,865,103</u>

Accumulated Operating Provisions

Total Other Non-Current Liabilities	\$ <u>235,609</u>
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Current Liabilities

Accounts Payable	\$ 5,271,677
Consumers Deposits	282,080
Other Current & Accrued Liabilities	<u>2,788,681</u>
Total Current & Accrued Liabilities	\$ <u>8,342,438</u>
Other Deferred Credits	\$ <u>20,528,851</u>

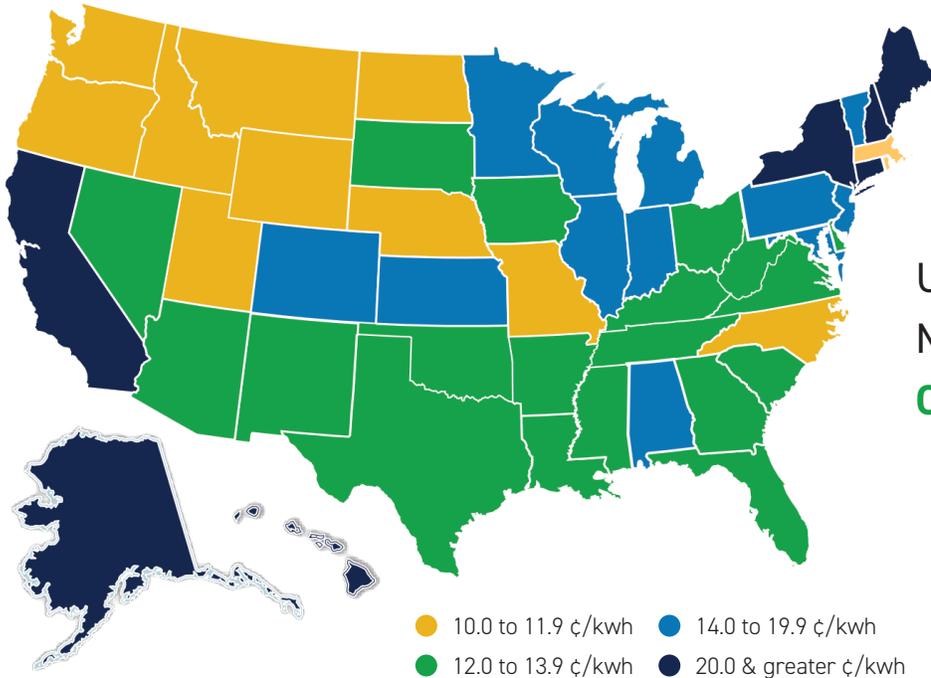
Total Liab. & Other Credits \$ 227,897,272



FACTS & FIGURES

AVERAGE COSTS

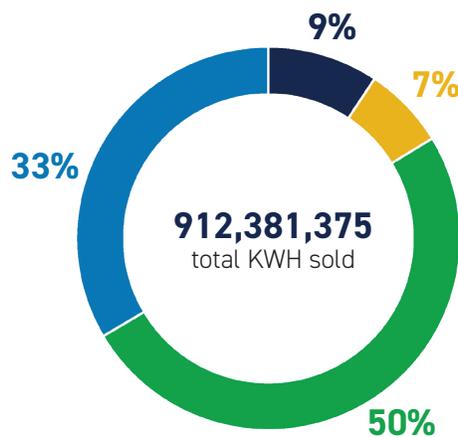
Residential Retail Cost of Electricity (2023 figures; CENTS/KWH)



U.S. Average: 16¢ per KWH
 NM Average: 13.9¢ per KWH
CVE Average: 8.6¢ per KWH

SOURCE: U.S. Energy Information Administration

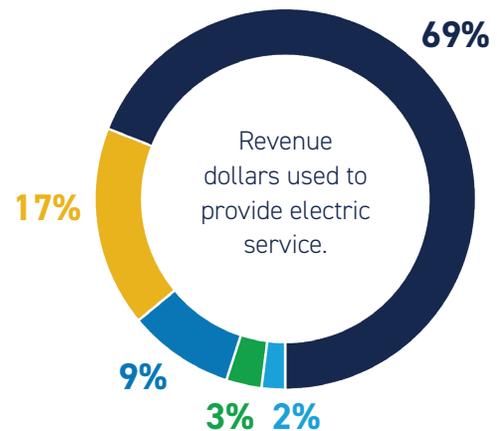
2024 ENERGY SOLD



- Oil Related Services: 456,817,975 KWH
- Commercial/Industrial: 305,015,933 KWH
- Residential: 84,903,968 KWH
- Irrigation: 63,145,240 KWH

OTHER: Lighting (street & yard) & CVE Office: 2,498,259 KWH

2024 REVENUE DOLLARS



- Purchased Power
- Operations & Maintenance
- Depreciation
- Interest & Other Expenses
- Margins Allocated

BOARD OF TRUSTEES

DISTRICT 1

Artesia/Lakewood



Rusty Gwynne

DISTRICT 2

Loco Hills



Jason Ciempa

DISTRICT 3

Cottonwood/Lake Arthur



Steve Spence

Central Valley Electric
Cooperative, Inc.



DISTRICT 4

Dexter/Hagerman



Secretary/Treasurer

Wesley Pilley

DISTRICT 5

South of Roswell



Larry Benedict

DISTRICT 6

North of Roswell



President

Chuck Wagner

DISTRICT 7

Hope



Vice President

Michael Bennett

THANK YOU to Mr. Jason Ciempa for 15 years of service to the CVE Board of Trustees.

EMPLOYEE

Aaron Horner



35 YEARS
Line Superintendent

Art Ortega



30 YEARS
Serviceman

Denise Gonzales



30 YEARS
Billing Supervisor

Justin Marker



15 YEARS
Serviceman

Stephen Carrera



10 YEARS
Journeyman/Lineman

Shane Hellekson



10 YEARS
Engineering Tech

Jerry Quiroga



10 YEARS
Electrical Eng. Tech

Caleb Smith



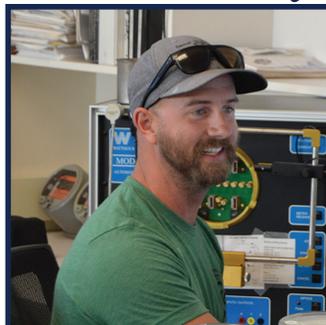
10 YEARS
Information Technology

Ben Valenzuela



10 YEARS
Journeyman/Lineman

Mike Widing



10 YEARS
Meter Tech

Kevin Gaines



5 YEARS
Serviceman

Adam Jorren



5 YEARS
Engineering Tech

RECOGNITION

Long Rope Safety Award

Luke Davis



Congratulations to Luke Davis, CVE Serviceman, for being recognized by his peers with the Long Rope Safety Award. Luke has worked for the co-op for 16 years.

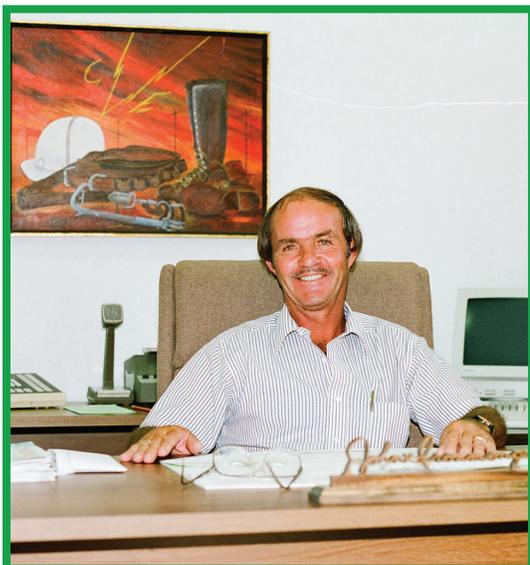
His peers describe him as dependable and willing to help his fellow coworkers on or off the clock. A colleague stated, "Luke always thinks of safety first and is a great leader. He has a positive attitude and is willing to keep learning and improving."

The Long Rope Award is presented to an individual with a positive attitude toward training, communication, and safe work habits and who demonstrate a culture of safety in a challenging industry.

Congratulations Luke, and thank you for being a leader in safety.

In Remembrance

John Ironmonger



1943-2024

Mr. Johnny Ironmonger, 81, passed away on February 16, 2024. Ironmonger began working as a lineman for Central Valley Electric in 1967. He retired from the co-op in 2003 as the Line Superintendent.

He served his country in the U.S. Army and was a Golden Gloves Boxing Champion. He was a talented drummer, and enjoyed playing golf and spending time with his family.

CVE would like to express our heartfelt sympathy to the Ironmonger family.

COMMUNITY SUPPORT



THE PEOPLE BEHIND YOUR POWER



People depend on power every day, but few consider how electricity gets to their homes. Before you switch on the lights, CVE employees have already put up poles, connected miles of wire, and flipped more than a few switches of their own, all to ensure your life is always powered.

CVE employees are committed to helping members weather the elements. Before, during, and after any storm, whether it be rain, sleet, ice, snow, or wind, the human element is still the most powerful. The employees of CVE are the **PEOPLE BEHIND YOUR POWER.**



Central Valley Electric Cooperative, Inc.

PO Box 230

Artesia, NM 88211-0230

(575) 746-3571 • www.CVECOOP.org

ANNUAL *Meeting*

Saturday, March 15

Estelle Yates Auditorium
215 Bulldog Blvd, Artesia

REGISTRATION → **9:00 AM**

MEETING → **10:00 AM**



\$50 gift card

for the first 200 registered members

Great Door Prizes & Giveaways

MUST BE PRESENT TO WIN DOOR PRIZES. To be eligible to win, you must be registered, be an active member of CVE receiving service at least 14 days prior to the meeting, must meet all rules stipulated in the Notice of Annual Meeting and attend the business meeting.