

# MVEC

## 2024 Annual REPORT



*Since 1937, MVEC has been delivering electricity and building strong connections with our member-owners in local communities. Lineman Apprentice Simon and Engineering Coordinator Chris enjoyed a cool but sunny day handing out kids' hard hats at last year's Community Expo in Waconia.*

More than just electricity

# We Deliver the Power of MVEC membership

The nine directors on MVEC's Board, including me, are member-owners like you. This is what makes a cooperative so unique — we are owned and governed by our local members, not outside investors. It's a business model built to serve our communities and deliver more.

Here's how **MVEC Delivers More** for you:

- **Affordable, Reliable Power:** By partnering with trusted wholesale energy providers and maintaining a diverse energy mix, we balance affordability, reliability, and sustainability for today and tomorrow.
- **The Power of Membership:** MVEC operates at cost, returning excess revenue to our member-owners as Capital Credits—over \$33 million since 1959.
- **Community Connections:** We support local economic development, energy-efficient projects, scholarships, youth programs, and community initiatives like Operation Round Up to strengthen the communities we serve.

• **Options to Personalize Your Account:** From convenient traditional and alternative payment options to energy-efficient Energy Wise programs that offer reduced rates, you can tailor your MVEC electric account to suit your budget, lifestyle, and power needs.

• **A Brighter Future:** Innovation and our commitment to care drive us forward, ensuring we safely and reliably meet your energy needs while building a stronger community.

Reliable, affordable, and sustainable electricity matters more than ever, and MVEC is here to **Deliver More**. Thank you for being a member-owner of our cooperative.

*Cooperatively yours,*

*Deborah Erickson  
MVEC Board President*



# 2024 by the numbers



**100**  
Team Members

**580**  
collective training hours to equip  
our team with skills and  
techniques to work safely



MVEC is a  
different type of  
electric utility.  
We are a  
cooperative.  
You are not  
a customer.  
You are a  
member-owner!



**27,879**

members participate in  
Operation Round Up

**135**

organizations received

**\$165,598**

funds distributed  
to local communities



**\$2.62M** since 1995



**85 on a 100-point scale**  
the score MVEC received from  
the American Customer  
Satisfaction Index (ACSI)\*

Google Reviews:

**4.4**



**\$27,000**

in high school scholarships awarded



**\$177,000**

funded by unclaimed  
Capital Credits since our  
scholarship program began!

**4 mutual aid assists**

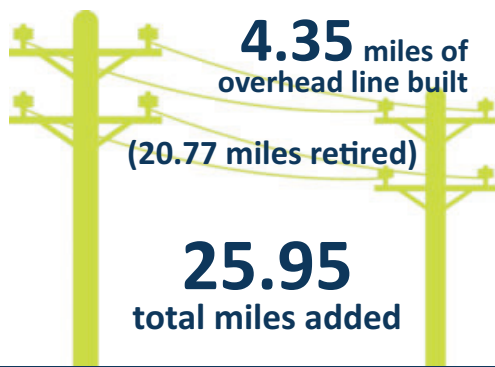
In addition to helping 2 Minnesota cooperatives, MVEC  
linemen traveled to help in Guatemala and South Carolina

**124,909**

Facebook post views followed our linemen's work  
journey to repair Hurricane Helene damage

**72** community events to  
connect with member-owners

\*Compared to publicly measured energy utilities in the ACSI® survey of customers rating their own energy utility. Results based on data provided by MVEC, collected over a one-week span in March 2024. ACSI® did not regulate the survey administration or sample size. ACSI® and its logo are registered trademarks of the American Customer Satisfaction Index LLC. For more about the ACSI, visit [www.theacsi.org](http://www.theacsi.org).



**42.38** miles underground installed

**\$16M**

Construction Work Plan was  
achieved at budget, completing

**98**

projects to expand MVEC's  
electric grid and enhance  
reliability for our  
member-owners



**19,297**  
member-owners participate  
in one or more money-saving  
Energy Wise programs  
with average savings of

**\$233**



**74**

new member-owned  
solar installations



**833**  
miles of line  
inspected by drone out  
of MVEC's total

**1,948.6**  
miles of overhead line



**853**  
new services  
for a total 47,634

MVEC has grown  
**40%** since 2003  
*when there were 28,675 services*

**84,900**  
gallons of fuel  
used to travel

**1,016,042**  
miles across the  
968-square-mile  
service area



*Equal to 41 times  
around the world!*



# Audited Financial Report

Summary of revenue, investments and expenses

## Balance Sheet

2024

2023

### Assets - What MVEC Owns

Net Plant Investment (poles, wires, etc)	\$182,044,000	\$170,517,000
Investment/Patronage In Other Organizations	\$56,122,000	\$54,024,000
Current Assets		
Cash in Bank Accounts and Investments	\$11,748,000	\$7,319,000
Receivables Owed to MVEC	\$9,515,000	\$8,190,000
Materials, Supplies and Prepayments	\$9,376,000	\$10,054,000
Other Assets	\$0	\$19,000

**Total Assets - What MVEC Owns: \$268,805,000 \$250,123,000**

### Liabilities - What MVEC Owes

Current and Accrued Liabilities	\$38,874,000	\$33,639,000
Long-Term Obligations	\$133,673,000	\$128,872,000
Deferred Credits	\$3,939,000	\$1,870,000
Margin Stabilization Plan	\$3,829,000	\$380,000
Total Liabilities	\$180,315,000	\$164,761,000
Total Equity - MVEC Members' Ownership	\$88,490,000	\$85,362,000

**Total Liabilities/Equity - What MVEC Owes: \$268,805,000 \$250,123,000**

No

rate increase in 2024

**\$1.4M**

Capital Credits returned

**\$10.1M**

savings on wholesale power costs through residential Energy Wise and commercial/ industrial load management programs

**882,920,839**

total kWh sold

Average MVEC home uses

**1,000 kWh/month**

Total Miles of Line:

**4,291**

Members per Mile:

**11**

Substations:

**30**

Plant Investment:

**\$251M**

Property Taxes:

**\$1.5M**

**MVEC**

MINNESOTA VALLEY ELECTRIC COOPERATIVE

A Touchstone Energy® Cooperative

Wholesale Power Cost

Other

Distribution - 10%

Member Accounts/Services - 2.5%

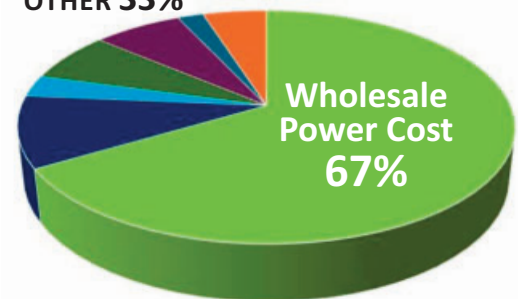
Administrative - 7%

Depreciation - 6.5%

Taxes/Other Deductions - 2%

Interest - 5%

OTHER 33%



## Comparative Operating Statement

2024

2023

Operating Revenues and Patronage	\$104,855,000	\$104,217,000
Less: Cost of Purchasing Power	\$69,326,000	\$71,919,000
Gross Margin	\$35,529,000	\$32,298,000
Less: Departmental Operating Expenses	\$20,627,000	\$19,080,000
Less: Depreciation, Interest and Taxes	\$13,646,000	\$12,660,000
Operating Margins	\$1,256,000	\$558,000
Plus: Other Income	\$495,000	\$1,015,000
Plus: Capital Credit Allocations	\$2,935,000	\$3,879,000

**Net Margins**

**\$4,686,000**

**\$5,452,000**