

2024 ANNUAL REPORT

LIGHTING THE WAY FORWARD

KEEPING YOUR POWER
AFFORDABLE, RELIABLE,
SAFE, AND CLEAN



Dear Members and Friends,

As we reflect on another outstanding year at Holy Cross Energy, we're thrilled to present you with our 2024 Annual Report. Now more than ever, HCE is ***Lighting The Way Forward*** with innovative thinking, strategic planning, and delivering on the priorities rooted in our mission statement: ***keeping your power affordable, reliable, safe, and clean.***

At HCE, affordability, reliability, safety, and clean energy aren't trade-offs—they are co-equal priorities. You shouldn't have to choose one over another, and we take pride in having delivered on all four in 2024:

- **Affordability:** Our residential rate continued to rank in the bottom third of all Colorado electric utilities—and it's 33% lower than the national average.
- **Reliability:** We continued a strong 10-year downward trend in outage hours, thanks to long-term planning, system upgrades, and the dedication of our hardworking operations and engineering crews.
- **Safety:** We expanded upon our already strong safety culture, including expanded wildfire mitigation efforts and enhanced cybersecurity grid protections.
- **Clean Energy:** Our investment in fixed, low-cost, newly built clean energy projects provided members with a record average of 75% clean energy in 2024—a remarkable increase from 50% in 2023.

Any one of those stats is impressive enough on its own. But being able to achieve all four at the same time? That shows the true strength of your cooperative.



On behalf of the Board of Directors, I want to congratulate our dedicated and talented staff for such outstanding achievements, and I want to thank you for being a member. It is an honor to serve you.

Dave Munk, 2024-2025 Board Chair



OUR MISSION

Holy Cross Energy provides safe, reliable, affordable, and sustainable energy and services that improve the quality of life for our members and their communities.

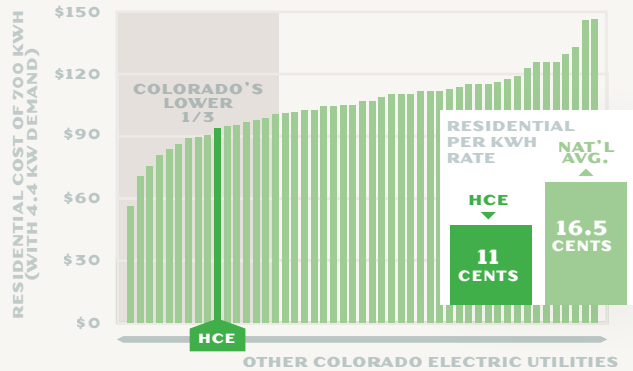
OUR VISION

Holy Cross Energy is leading the responsible transition to a clean energy future.

LIGHTING THE WAY FORWARD—KEEPING YOUR POWER...

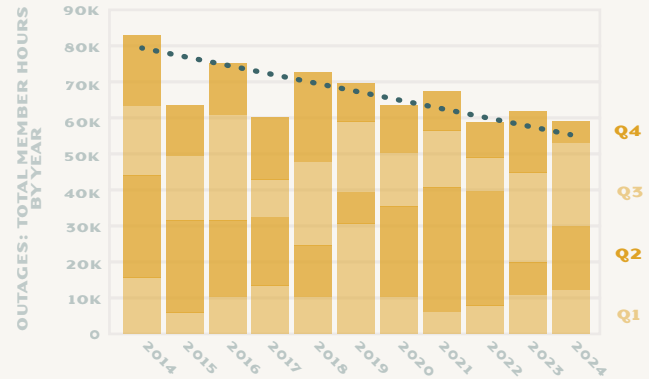
AFFORDABLE

Our 2024 Small Residential Rate (which applies to 99% of our residential members) remained in the lower third of all Colorado utilities—and was 33% lower than the national average.



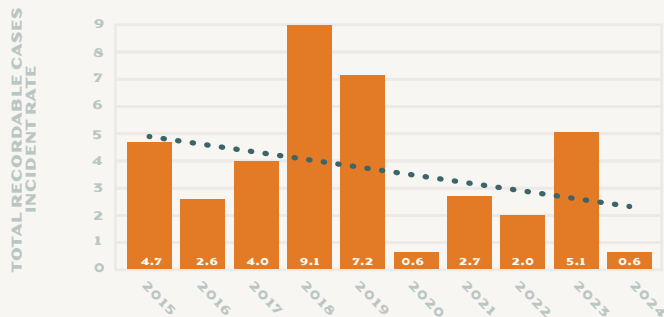
RELIABLE

Our 2024 total member hours of outages continued on a strong 10+ year downward trend.



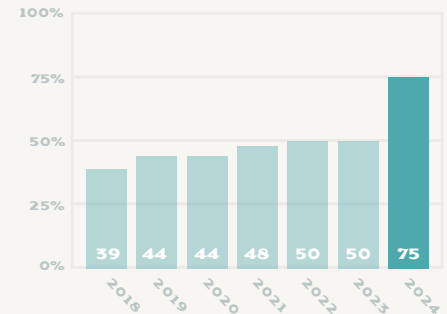
SAFE

Our 2024 number of work-related safety incidents continued on a solid 10-year downward trend.



SUSTAINABLE

Our recent investments in clean energy projects started to take shape in 2024—with the average percentage of clean energy provided to members increasing to 75%!



2024 STRATEGIC PLAN UPDATES

GOAL 1 —

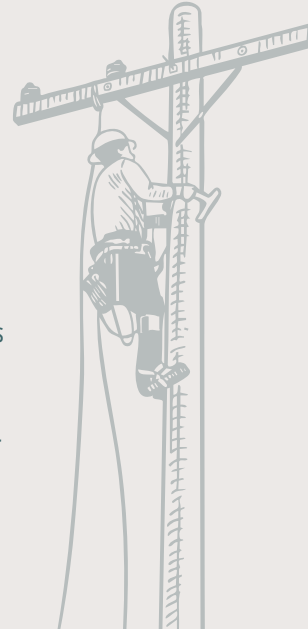
Provide clean electricity to our members.

- **75% Clean!** We provided a record-high percentage of clean energy for the year for our members.
- We achieved this number thanks to our first full year of receiving power from two new clean energy projects: **Bronco Plains II Wind Project** (Kit Carson County) and **Hunter Solar** (Arapahoe County).
- Work continued on two important local solar and battery energy storage projects: **High Mesa Solar+Storage** and **Mamm Creek Solar+Storage**, both in western Garfield County.
- Our Power Supply team offset the unexpected closing of the Gypsum Biomass Facility with **less expensive clean energy** from our wholesale power providers.
- Our **investment into fixed, low-cost clean energy projects helped keep our rates low in 2024** and balance out inflationary pressures felt in other areas of our business.



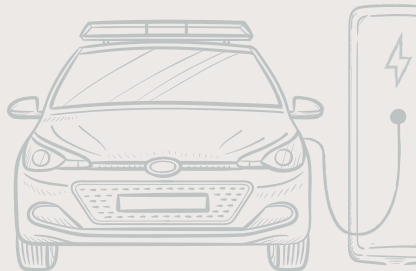
GOAL 2 — *Operate a safe, modern, reliable, resilient, and secure electric distribution system.*

- We continued our **proactive and forward-looking fire mitigation** efforts through high-tech satellite, infrared, and multispectral image inspections of our remote power lines.
- We continued work on our system fiber network to **enhance grid connectivity and bolster reliability**.
- Our operations crews received **national recognition for our commitment to safety** from the Rural Electric Safety Achievement program.
- **57.9 minutes** = the average total time an HCE member experienced an outage for the entire year, 35% lower than the national average of 90 minutes. (*System Average Interruption Duration Index, or SAIDI*)
- **1.25** = the average number of times that a member experienced an outage during the year (*System Average Interruption Frequency Index, or SAIFI*)
- **99.988%** = the percentage of time power was available for our members (the ratio of the total number of member hours that service was available to the total number of member hours demanded, *Average Service Availability Index, or ASAI*).



GOAL 3 — *Promote, enable, and accelerate electrification, energy efficiency, and member distributed energy resources.*

- 916 residential members earned rebates for their investments into ***energy efficiency and smart electrification projects.***
- 209 members plugged into our ***electric vehicle charger rebates*** through *Charge at Home.*
- 3,624 members participated in *Peak Time Payback* and received ***\$91,500 in bill credits*** for voluntarily reducing their consumption during peak demand—by a total of 1.2 megawatts!
- 67 new *Power+* participants added 840 kW of dischargeable battery capacity to ***help lower costs for all members.***
- We also launched ***several exciting new test pilot programs:*** *On-Bill Repayments for Heat Pumps, Charge at Home for Multifamily Housing, Charge at Work* for commercial and workplace EV charging, and *Power+FLEX*, a more flexible version of our residential battery energy storage program.



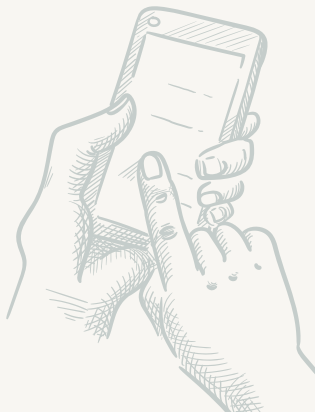
GOAL 4 — *Enable long run financial sustainability by obtaining sufficient revenue, containing cost increases, and maintaining a strong balance sheet.*

- Our Small Residential rate of \$0.11 per kilowatt-hour, which applies to 99% of our residential members, ***falls 33% below the national average*** of \$0.165.
- Our Small Residential rate continues to be in the ***lower 1/3 of all Colorado electric utilities.***
- While we implemented an increase to our Customer Charge in 2024, this fixed monthly charge remained the lowest among all Colorado electric cooperatives for residential service.
- We implemented a ***negative Electric Cost Adjustment*** for 7 of the 12 months of the year, lowering our posted rate by up to a half-cent.
- With 2024's negative Electric Cost Adjustments, many members paid the same effective kWh rate in 2024 as they did in 2017!



GOAL 5 — *Provide outstanding and equitable service and value to our members and communities.*

- Our **member satisfaction score increased to 86 out of 100**, landing well above the national average of 78 for other electric cooperatives, and 74 for investor-owned utilities.
- We launched a new website with enhanced features to help members more easily find information, including site-wide Spanish translation and a new (*real human!*) web chat feature.
- We met with over 4,000 members at community events.
- We donated over **\$394,000 to local non-profits**.
- Our *Community Energy Systems* program provided over **\$354,000 in in-kind support** to local energy-related projects providing substantial community benefit.
- Our Member Services team had over 51,000 interactions with members over the phone.
- Over 5,000 **members donated \$145,000** to community members in need by “Rounding-Up” their bills for the *HCE Round-Up Foundation*.
- We **returned over \$4.6 Million** in Member Equity back to members.



GOAL 6 —

Be an exceptional employer of choice in our region.

- We exceeded our goal for our annual Employee Satisfaction Survey result, with a score of 4.48 out of 5.
- We hosted all-employee trainings on physical security, cybersecurity, and workplace inclusivity.
- We awarded scholarships to 11 area graduating high school seniors to promote local workforce development opportunities.
- We continued our focus on supporting employees with a competitive benefit package, including new paid family medical leave, parental leave and short-term disability leave programs.
- Workplace safety remained a top focus, with our recordable incident rate continuing on its strong 10-year downward trend.



Check out an online version of our Annual Report at
HOLYCROSS.COM/ANNUAL-REPORT

OUR FINANCIAL HEALTH

We have a strong commitment to maintaining the financial integrity and strength of our rural electric cooperative, in a way that balances affordable rates, reliable and safe electric service, and the transition to clean energy.

SYSTEM STATS

Total kWh Purchased	1,558,870,893 kWh
System Peak (December 2024)	281,398 kW
Average Residential Energy Use per Month	1,178 kWh
Average Residential Bill	\$138

MEMBER EQUITY

Returned Since 1963	\$178.5 Million
Returned Capital Credits in 2024	\$4.6 Million

STATEMENT OF OPERATIONS

OPERATING REVENUE —	\$
Residential Sales	83,039,099
Commercial Sales	58,835,954
Public Lighting	115,917
Other Electric Revenue	16,099,690
TOTAL OPERATING REVENUE	\$158,090,660

OPERATING EXPENSES —	\$
Power Supply	77,129,004
Transmission	3,385,811
Distribution	19,436,481
Member Service	6,289,569
Administrative	17,203,252
Depreciation & Interest	24,477,118
TOTAL OPERATING EXPENSES	\$147,921,235

MARGINS —	\$
Net Operating Margins	10,169,425
Other Margins	1,277,723
TOTAL MARGINS	\$11,447,148

YOUR 2024-2025 BOARD OF DIRECTORS



Kristen Bertuglia
Hometown: Edwards
Term: 2021-2025



Adam Quinton
Hometown: Edwards
Term: 2022-2026

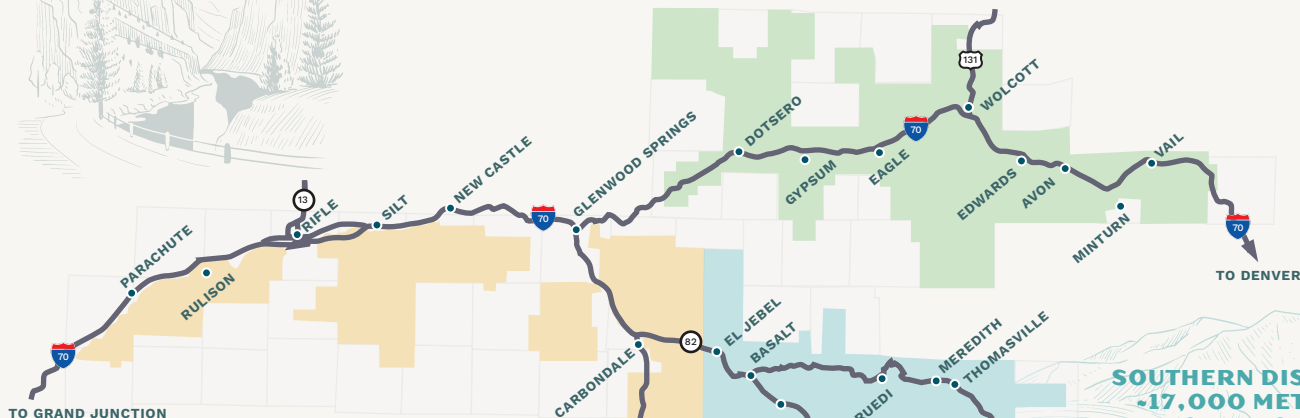


VICE CHAIR
Linn Brooks
Hometown: Avon
Term: 2023-2027



Keith Klesner
Hometown: Eagle
Term: 2024-2028

NORTHERN DISTRICT
~35,000 METERS
FOUR DIRECTORS



SOUTHERN DISTRICT
~17,000 METERS
TWO DIRECTORS



TREASURER
Alex DeGolia
Hometown: Carbondale
Term: 2023-2027

WESTERN DISTRICT
~9,000 METERS
ONE DIRECTOR



SECRETARY
Robert Gardner
Hometown: Basalt
Term: 2021-2025



CHAIR
Dave Munk
Hometown: Carbondale
Term: 2022-2026

