



MILESTONE FOR \$100 MILLION GRANT

Funds will support a more reliable, affordable, and resilient power supply future.

MPE executed a letter of commitment with the United States Department of Agriculture (USDA) Rural Utilities Services on Tuesday, Jan. 14, 2025, for the Empowering Rural America (New ERA) program obligating a grant award in the amount of \$100,321,532 over the next 20 years.

This milestone came after MPE staff devoted significant time and resources to secure this funding that will support a reliable, affordable, and resilient power supply future.

For MPE, the New ERA investment will help to procure more than 300,000 megawatt hours of dependable, affordable energy through power purchase agreements in rural areas of Colorado. It presents a significant opportunity for the cooperative to maintain sustainable rates while effectively managing expenses to ensure long-term operations and reliability.

The New ERA funding requires an impactful Community Benefit Plan (CBP). MPE was notified on Jan. 29 by the USDA that the CBP plan MPE submitted had been approved. It included advancing and promoting scholarships and apprenticeship programs, expanding support of attainable housing and services for lower-income households, and stabilizing costs to rural cooperative members.

"MPE is eager to support innovative energy solutions for our rural communities," said MPE General Manager Virginia Harman. "We deeply appreciate

this 'once in a lifetime' funding opportunity and I am honored to be part of the team that will bring these benefits back to our membership."

Over the past several years, electric cooperatives like MPE have faced rising energy costs driven by inflation, supply chain disruptions, aging infrastructure, and other regulatory challenges. The USDA's New ERA program offers an essential solution to address these challenges.

The electric cooperative sector is currently in the process of finalizing underwriting for \$9.7 billion investment in the New ERA program. This program will advance bread-and-butter infrastructure that will keep America's electric sector strong, resilient, reliable and sustainable.

Some aspects of the IRA may be subject to spending cuts under the new federal administration. However, it is important to note that the USDA's New ERA program is a continuation of a nearly 100-year-old financing partnership between the Rural Utility Service and its predecessors. This program remains critical for advancing both reliability and affordability of America's energy supply, ensuring that rural communities are not left behind as electricity demand grows with the fast pace of economic development. The team at MPE is focused on retaining this obligated funding for the benefit of our rural communities.

MPE WELL SUITED FOR EVOLVING INDUSTRY

GENERAL MANAGER'S COLUMN



Virginia Harman

The electric industry has been and will continue to change rapidly. Our team at Mountain Parks Electric monitors the news and latest developments to be sure MPE is in the know and on the forefront of important developments. To stay current, we must maintain industry contacts and attend meetings and regional and national conferences.

Personally, I am grateful to call Grand County my home. I enjoy family vacations, but I generally prefer to be in the MPE offices working closely with my colleagues during the week. On weekends, my time is best spent exploring all that Grand and Jackson counties have to offer. That said, I have been fortunate to be invited to meetings and to participate in industry groups that help our co-op stay at the forefront of industry happenings.

I was honored to be asked to participate in a meeting of the Western Power Players for the first time in 2024. That group includes industry experts from large cooperatives, investor-owned utilities, municipalities, and the renewable sector, as well as elected officials, regulators, and labor groups. The group is met again at the end of January. I enjoyed representing our co-op and our members while also learning from the leadership of much larger organizations, as well as policy and law makers.

Earlier in January, I attended the National Rural Electric Cooperative Association's CEO Close Up. While there, I was a part of a small group meeting with one of MPE's financial partners, CoBank. Overall, it was an excellent opportunity to meet many of our key partners and benefit from the conference sessions. They ranged from 2025 national energy policy preview to creative rate design to new labor laws impacting our industry and best practices for member engagement and change management. My favorite sessions, however, focused on the role of technology in our industry and the potential uses for AI, both today and into the future, in areas such as grid optimization, data processing, employee optimization, and asset management. My other favorite topic was on cooperative governance and the working relationship between general managers and their boards.

Just as the industry has seen rapid changes, so too has MPE. Our employees prioritize industry awareness while ensuring we effectively communicate with you, our co-op members. We want to share the direction of the industry, challenges and opportunities, and how we are involved in those efforts here at MPE.

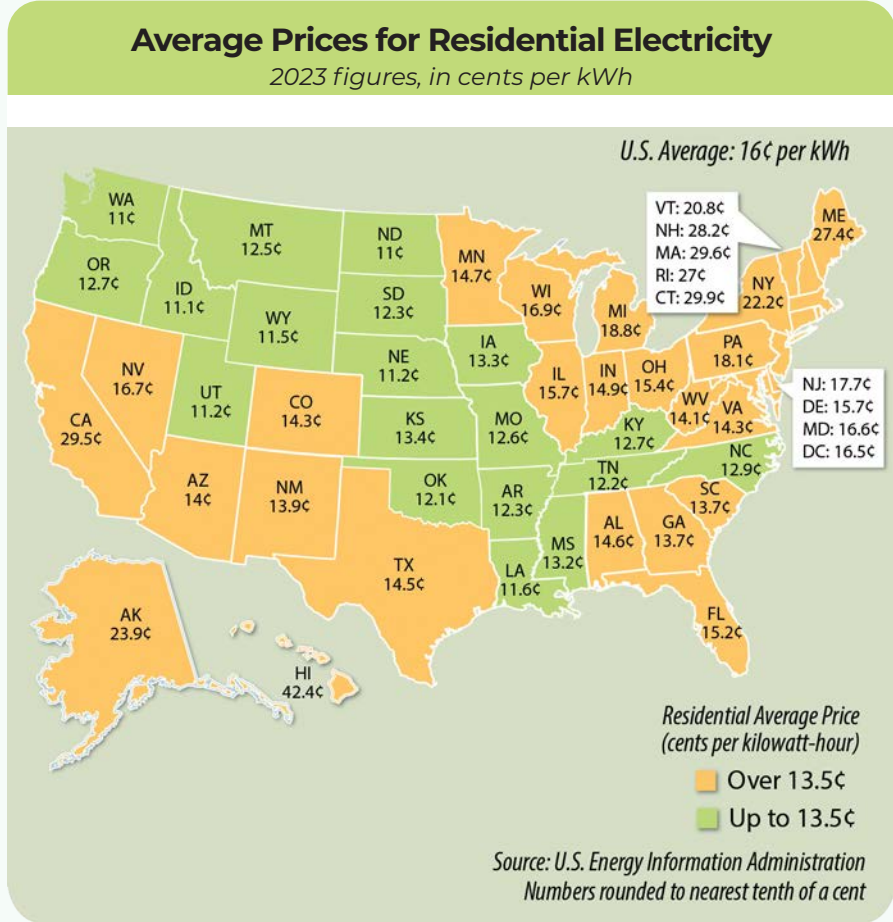
Much of our recent communication pieces have detailed the transition to Guzman Energy, effective February 1, 2025 (see www.MPEI.com/Power-Transition for more info). This move began before I came to MPE, but I am incredibly proud to have been a part of the team that completed all the work to see it through to fruition. As I said at the January Board Meeting, "This is a small team at our co-op, and they have done an outstanding job."

"As a cooperative, we are member-owned, not-for-profit, and serve our members' best interests in our day-to-day activities as well as in long-term strategic initiatives."

I am thankful for the direction and feedback from our Board. At last month's meeting, Board President Liz McIntyre recognized a long list of achievements by our co-op over the past year (see the January edition of the Board Bulletin at www.MPEI.com/Bulletin), which included the power supply agreement with Guzman. It also highlighted all the work that went into being awarded \$100 million from New ERA and the other state and federal grants to support our local communities. These funds will not only supplement our power supply purchase over the next 20 years, they will also continue to make our electric system more reliable and resilient.

As a cooperative, we are member-owned, not-for-profit, and serve our members' best interests in our day-to-day activities as well as in long-term strategic initiatives. Affordable electricity is top of mind for our members, as it is for our Board and employees. The cost of service studies we had completed by industry experts, leading into 2024 and into 2025, were vital so that members would only be charged what it costs to serve their homes and businesses with electricity. Both cost of service studies showed we had to raise rates to ensure they are fair, equitable, and financially adequate. However, MPE's rates for 2025 still fall below the average rates in our state and from across the U.S. from 2024.

One of the key reasons for transitioning to Guzman Energy as our wholesale power provider was to achieve long-term rate stabilization. With our fixed-rate, 20-year power supply agreement, we will avoid fluctuating or unexpected energy rate increases, which will help provide more stable rates for the cooperative as a whole. Additionally, the New ERA funding, secured through the dedicated efforts of our team, will further support our goals of delivering affordable power while enhancing community support. It's important to note that MPE's eligibility for this transformative grant funding was made possible by our departure from Tri-State and our partnership with Guzman Energy. The team at Guzman Energy played a pivotal role throughout the complex grant process and shares in our excitement about what this milestone will mean for our members' future.



MPE's 2025 kWh rate of \$0.12690 falls below the 2023 rates averages for Colorado (\$0.143) and the U.S. average (\$0.16).

A few of...
MPE's Accomplishments from 2024
www.MPEI.com/BoardBulletin

- MPE celebrated another year without a lost-time incident.
- Lighting of the fiber to MPE's substations and devices.
- The agreement with Conexon to take fiber to the home across MPE's service territory.
- The 10- and 20-year financial forecasts, the cost of service study, and the co-op's strong financials.
- Multiple successful grant applications.
- Unprecedented amount of construction.
- The Annual Meeting was well received, as were the Member Appreciation and Coffee with MPE events.

CLEAN POWER PROGRAM EXPANDS MISSION

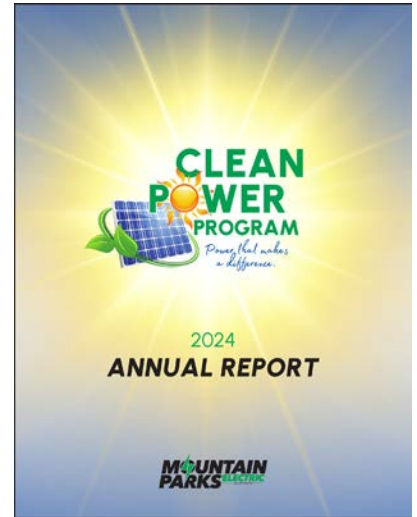
Member-funded program to add support for efficiency and electrification.

www.MPEI.com/CPP

In 2024, the member-funded Clean Power Program awarded a total \$14,000 in rebates, resulting in funding to offset 26 local residential solar projects.

The mission of this program expanded in 2024 to include supporting large scale energy efficiency and electrification projects in our territory. The use of these funds to assist in energy efficiency and electrification benefits all our members as these projects help stabilize energy costs and benefit the environment. MPE is currently developing the process and parameters for project eligibility under this increased scope. The program will continue to offset the cost of renewable energy installations for our members, as it has from its inception 14 years ago.

Also in 2024, the Clean Power Committee voted to change its role and scope from an official committee to that of an advisory group. A very special thanks for the efforts and contributions of the former Clean Power Committee – Todd Budin, Alisha Jones, Liz McIntyre, Seth Portner, Barbara Vasquez, and Amy Wolf.



Find the 2024 CPP Annual Report and more at www.MPEI.com/CPP.

WEATHERIZATION WORKSHOP

Learn how to have a warmer, more comfortable home and lower your energy bills.

FEBRUARY 22

10 - 11 A.M.

COUNTRY ACE HARDWARE, GRANBY

FREE ADMISSION, REFRESHMENTS & PRIZES



ALSO LEARN MORE ABOUT HEAT TAPE TIMERS, SMART THERMOSTATS, AND INSULATION WITH MPE'S 2025 REBATES.



WAYS TO \$AVE

LINDSAY McCANN
MEMBER SERVICE SPECIALIST

SAVE WHEN NOT IN USE

- ⏻ When away, keep window coverings closed.
- ⏻ Don't leave the TV on.
- 🔌 Unplug cell phone chargers.
- ⏻ Turn off computers and laptops.
- 🔌 Unplug nonessential appliances.