

# Current Communicator



MEMBER NEWSLETTER  
OF CENTRAL VIRGINIA  
ELECTRIC COOPERATIVE

Annual Report 2022 VOL. 31, NUM. 2

## Know Your Director Nominee

### Members Nominated for Election

## A Look Back

### CVEC Celebrates 85 Years

## The Final Countdown

### Rural Broadband Project Nears Completion

## A Letter from the President

Central Virginia Electric Cooperative pushed through to the finish line in 2021, overcoming challenges presented by the pandemic and landing in good shape to begin a new year. The cooperative ended the year in sound financial condition and members received capital credit refunds for the twelfth straight year.

The positive trend in reliability continued and CVEC provided safe, reliable, and affordable electricity in 2021. **CVEC received its highest member satisfaction score on record and members ranked us in the Top 10 among cooperatives.** The rural broadband project resulted in over 10,000 members connected to high speed internet via Firefly Fiber Broadband<sup>SM</sup>, CVEC's wholly-owned subsidiary. Plans continued for expanding our renewable resources with the addition of two new solar arrays.

Material shortages and supply chain issues did not affect the work of the cooperative last year. **As material shortages press on into 2022, CVEC is beginning to feel the impact.** For example, due to a nationwide paper shortage, this Annual Report and your election ballot could not be sent as a self-mailer. Therefore, we have enclosed a self-addressed, postage-paid envelope for members to return their election ballots. We will search to find new resources for materials and new ways of getting the job done in order to continue electric maintenance, upgrades and offer new services.

Winter Storm Frida brought destruction to our area and frigid temperatures for extended periods led to high bills for our members. We welcome warmer temperatures and our focus will remain on reliability, affordable rates, member satisfaction, and increased wholesale power costs for CVEC. **Improving electric infrastructure through our work plan will ensure reliable service for our members.** The rural broadband project will conclude a full year ahead of schedule, offering high speed internet to all CVEC members. By year-end, a new solar array will be commissioned in Fluvanna County.

**CVEC was one of the last Virginia utilities to resume disconnects for nonpayment this spring.** We recognize that many of our members have been impacted by the pandemic and past due balances are reaching historic levels. These unpaid amounts will impact the entire membership, so residential accounts at risk for being disconnected were put on the Cooperative Safeguard Plan to keep the power on for our members while they catch up on their past due balance. More information can be found at [www.mycvec.com](http://www.mycvec.com).

**This year, we are eager to return to some normal practices.** Office personnel trickled back to working in-person, we are attending and holding gatherings and meetings, and we are excited to return to the Nelson County High School to host our Annual Meeting and Director Election. We do hope you will join us as we come together to celebrate CVEC's 85<sup>th</sup> anniversary and the many milestones that have been achieved since our formation in September 1937. We are grateful for our members and look forward to serving you for the next 85 years!

**Gary Wood**  
President & CEO

# Know Your Director Nominee:

Introducing the CVEC Board of Directors nominated for re-election at the Annual Meeting on June 22, 2022.



## Henry Chiles

*West District: Representing the Counties of Augusta, Albemarle, Greene, and Nelson*

**Henry Chiles** has served as a Director for Central Virginia Electric Cooperative since 1977 and has served as Board Treasurer. He has been active in community and trade organizations for many years.

Mr. Chiles is the owner of Crown Orchard in Batesville, as well as Chiles Peach Orchard and Carter Mountain Orchard. He is recognized nationally as a business leader among fruit growers, including being selected as America's Apple Packer of the Year in 2014 by the U.S. Apple Association. He is presently involved with the Ruritan Club and attends Tabor Presbyterian Church. Mr. Chiles has spent his entire life in Batesville and resides there. He has two daughters, a son, and three grandchildren.



## Frank Baber

*South District: Representing the Counties of Amherst, Appomattox, Buckingham, Campbell, Cumberland, Goochland, and Prince Edward*

**Frank Baber** has served as a Director for Central Virginia Electric Cooperative since August 2013 and has served as Board Secretary. He currently holds the Director Gold Certification from the National Rural Electric Cooperative Association (NRECA).

Mr. Baber is a lifelong resident of central Virginia, having spent the majority of his adult life engaged in agricultural enterprises and community service. He began his career after receiving a B.S. degree in Poultry and Animal Science from Virginia Polytechnic Institute & State University in 1975. Currently, Mr. Baber is the statewide Assistant Director of Agribusiness Operations, managing farms in Wise, Bland, Augusta, Buckingham, Culpeper and White Post. Other responsibilities include managing the 2,300-agribusiness beef cattle herd, working with the VA Tech Vet Science Department and Sky Meadow State Park cattle operations.

He is a member of the Cartersville Ruritan Club and has served on the Peter Francisco Soil & Water Conservation District Board of Directors. Mr. Baber lives in Cartersville with his wife, Kathy. They have four children and eight grandchildren.



## Roberta Harlowe

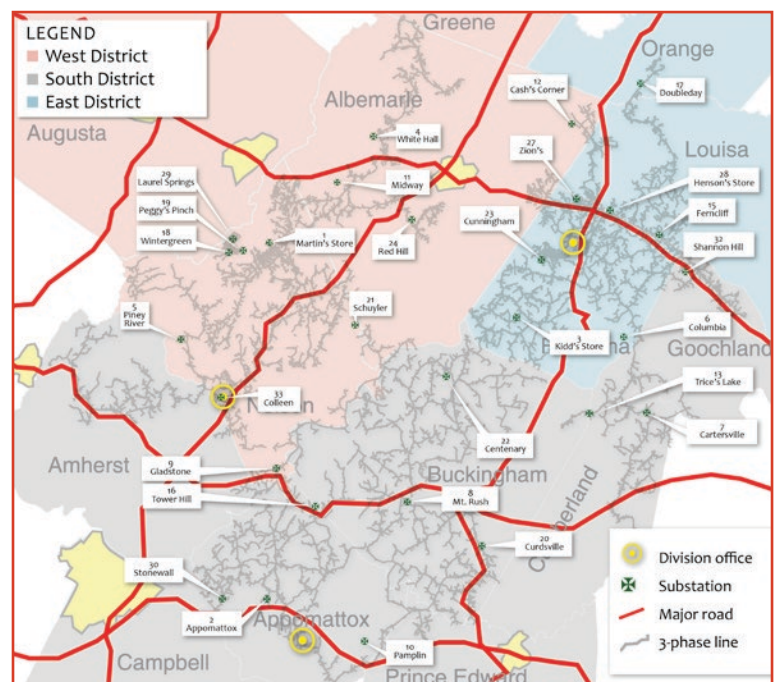
*East District: Representing the Counties of Fluvanna, Louisa, and Orange*

**Roberta Harlowe** has served as a CVEC Director since August 1983. Mrs. Harlowe has served as Chair, Vice Chair, Secretary and Treasurer, as well as on several committees of the Board during her tenure.

Mrs. Harlowe attended Madison College in a business program prior to working as an executive secretary. She is a lifelong resident of Albemarle and Fluvanna Counties, where she is active in numerous community and church activities. She and her husband, Bill, formed, operated and retired from Harlowe-Powell Auction Ltd., after forty plus years. Mrs. Harlowe and her husband live in the NW corner of Fluvanna County. They have two children, who have also made homes in Fluvanna County, and four grandchildren.

She currently holds a number of certificates from the NRECA, including Director Gold Certification. She has served as chair on the Virginia, Maryland & Delaware Association of Electric Cooperatives Educational Services Committee and Educational Scholarship Foundation Board. In 2018, Mrs. Harlowe was honored to receive the Leadership Award from the Association for her work.

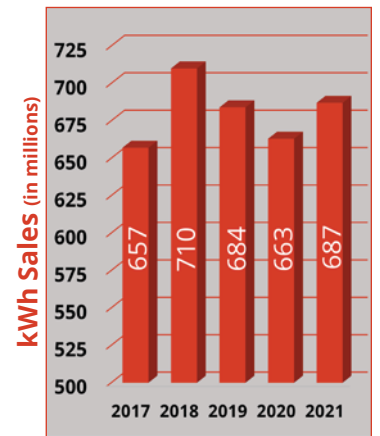
MEET YOUR CVEC REPRESENTATIVES!



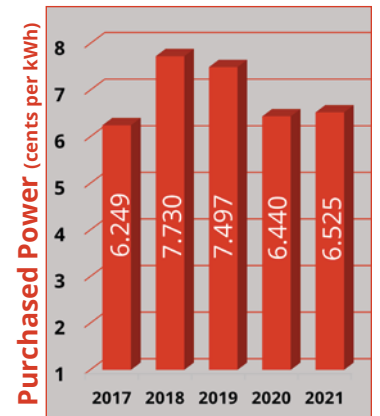
# Financial Statements: as of December 31, 2021 & 2020

## Balance Sheet

ASSETS (What we own)	2021	2020
Total Value of Our Plant:	\$317,887,503	\$315,504,207
Accumulated Depreciation:	\$82,640,972	\$79,686,891
<b>Net Value of Our Utility Plant:</b>	<b>\$235,246,531</b>	<b>\$235,817,316</b>
Cash in the Bank:	\$16,942,436	\$8,192,983
Value of Our Investments:	\$3,035,590	\$2,832,014
Notes & Accounts Due Us:	\$13,435,738	\$14,741,476
Value of Materials Stock & Supplies:	\$7,594,263	\$6,238,066
Net Non-utility Property:	\$113,170,119	\$57,758,853
Value of Prepayments & Miscellaneous Assets:	\$2,589,707	\$2,434,157
<b>TOTAL ASSETS</b>	<b>\$392,014,384</b>	<b>\$328,014,865</b>
LIABILITIES (What we owe)	2021	2020
Owed to RUS & FFB:	\$199,404,771	\$177,144,204
Owed to CFC & Others:	\$68,578,119	\$35,070,593
Other Liabilities:	\$48,614,131	\$45,619,670
Members' Equity in Co-op:	\$75,417,363	\$70,180,398
<b>TOTAL LIABILITIES &amp; CAPITAL</b>	<b>\$392,014,384</b>	<b>\$328,014,865</b>

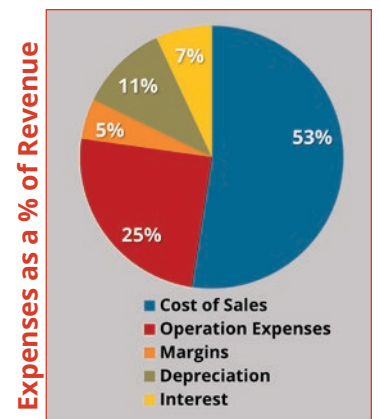


(not including Rate Schedule LPM)



## Statement of Operations

OUR INCOME	2021	2020
Operations Revenue:	\$108,515,734	\$98,572,940
Investment Income (net):	\$539,746	\$377,425
<b>TOTAL INCOME</b>	<b>\$109,055,480</b>	<b>\$98,950,365</b>
OUR EXPENSES	2021	2020
Cost of Sales:	\$57,336,025	\$52,024,791
Expense of Operating & Maintaining System:	\$27,589,646	\$23,324,185
Annual Depreciation of System:	\$11,715,495	\$9,385,770
Interest Expense:	\$7,290,428	\$6,028,935
<b>TOTAL EXPENSES</b>	<b>\$103,931,594</b>	<b>\$90,763,681</b>
<b>MARGINS AND PATRONS' CAPITAL</b>	<b>\$5,123,886</b>	<b>\$8,186,684</b>



Financial statements are audited annually by an independent certified public accounting firm. Our financial statements present fairly, in all material respects, the Cooperative at December 31, 2021, and the results of the year conform with generally accepted accounting principles. Copies of our financial statements are available upon request.

### NONDISCRIMINATION STATEMENT:

This institution is an equal opportunity provider and employer. To view our statement of nondiscrimination, visit <https://www.mycvec.com/about-us/careers>.



# Happy 85<sup>th</sup> CVEC!

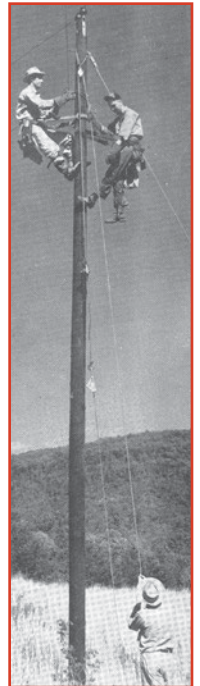
In 2022, CVEC celebrates 85 years of providing safe, reliable electric service while looking out for our members' best interests!

In 1937, only about 10% of central Virginia's citizens in rural areas had electric service. In order to meet the need for rural access to electricity, a group of citizens in the Rockfish Valley area of Nelson County decided to explore the possibilities of forming an electric cooperative. They borrowed funds from the newly established Rural Electrification Administration (REA) to construct their own electric service system. Strong interest and rapid growth resulted in the formation of a county-wide organization. The application for a cooperative charter was executed at a well-attended meeting on September 20, 1937, at Lovington High School, and Central Virginia Electric Cooperative was formed on September 22, 1937 when the charter was granted.

The directors of the new cooperative held their first board meeting on October 28, 1937, where they adopted the first bylaws and authorized the signing of a contract to buy power from the Virginia Farm Power Board, Inc. Also at this meeting, the board members signed applications for service and paid their \$5 membership fees, thus becoming the first applicants for service from the Cooperative. Construction began in 1938 and contractors set poles and strung lines along 129 miles in Albemarle, Amherst, Appomattox, Nelson and Rockbridge counties. On September 16, 1938, CVEC energized its first lines from Afton to H.L. Foster's store on Route 151.

Many customers were nervous to have power in their homes for the first time and asked the linemen to flip the switch for them. Access to electricity in homes and on farms transformed rural lives and allowed industries to locate in rural areas. Construction continued for years, weathering the Great Depression and war.

Today, CVEC serves over 38,000 accounts and has 4,600 miles of line across 14 counties in central Virginia. Similar to the 1930s, CVEC members found themselves without access to high-speed internet for decades while their urban cousins nudged ahead in business, education, and entertainment. Broadband internet access has become an essential utility, like water and power. The cooperative has led the charge to bring broadband to the most rural areas, using its existing electric infrastructure to deliver high speed internet to all members who wish to subscribe.



# The Final Countdown to Rural Broadband Project Completion

CVEC is wrapping up the construction on the 3,600-mile fiber network this year and all members will have access to affordable, reliable high-speed internet for the first time!



**26,000**  
homes passed



**12,000**  
connected  
accounts



**2,800 of 3,600**  
miles of fiber  
constructed

Fiber construction will conclude this summer and connections will continue until the end of fall. The rural broadband project began in 2018 and the original five-year timeline for completion was shortened to four years after the area was hit by the pandemic. Connections are complete in 16 substations and almost 13,000 members have subscribed to Firefly Fiber Broadband<sup>SM</sup>. Connections are underway at Ferncliff, Shannon Hill, and Cunningham. Finally, fiber construction is in full swing at Doubleday, Centenary, Piney River, White Hall, Red Hill, and Schuyler with connections this summer and fall. As always, CVEC will mail updates for connection status in your area!

## Harvesting Locally Sourced Energy

Two new solar arrays still in the works, increasing renewable energy source for CVEC members.

Plans are still underway to build two new solar arrays that will feed directly into CVEC's distribution lines, increasing the output of clean, renewable energy for consumption by CVEC members. Construction has been slowed by material shortages; however, work will begin soon on the 5 MW installation near the Cunningham substation in Fluvanna County. The Cunningham site is presently scheduled to be in operation in November 2022. Additionally, an 8 MW installation is planned for Albemarle County near the Midway substation and will feature a 4 MW battery storage system on site. The Midway solar and battery project schedule has been extended into 2024 due to supply chain limitations.



*The 5 MW Palmer Solar Center is located in Troy, VA.*



### Water & Electricity Don't Mix

Summer is right around the corner. While it is tempting to jump in a pool or grab a garden hose to cool off, remember that electricity and water don't mix! Keep your family safe this summer by following these tips:

- Do not use electronic devices around water.
- Never touch anything electrical with wet hands.
- Never spray power lines or electrical boxes with hoses or water guns.
- Do not swim during a thunderstorm.

*Source: ESFi.org*



# Annual Meeting Instructions

As COVID-19 restrictions have eased, CVEC is planning to have an almost-normal gathering for our Annual Meeting this year.

Join us on June 22 as we return to Nelson County High School for CVEC's 85<sup>th</sup> Annual Meeting. Registration will begin at 6pm and the business portion will begin at 7pm.

We will offer light, prepackaged refreshments during registration and a limited number of prizes.

We ask that members who attend please keep the following in mind:

- Registration will open at 6pm. **Please do not arrive before 6pm to register for the Annual Meeting.**
- Bring the back panel of your newsletter with you for contactless registration.
- Attendees are advised to maintain six feet distance between themselves and other guests, employees, and directors at all times.
- Face masks will not be required, but members may choose to wear them.
- **RSVP is encouraged to help our team with planning and setup. If you plan to attend, please email [comm@mycvec.com](mailto:comm@mycvec.com) with your name, account number, and best call back number.**

*CVEC is not limiting the number of attendees this year. However, we will still offer a live stream option for those who are unable or prefer not to gather in person.*



## Disconnections for Nonpayment Resumed in April

CVEC has not disconnected services for nonpayment since the pandemic began in March 2020. Recognizing that the pandemic has impacted many of its member-owners, CVEC offered payment plans to help members keep their accounts current. Residential members with past due amounts who are eligible for the Safeguard Payment Plan received a letter with the particulars of the payment plan. For more information about the Safeguard Payment Plan, please visit our website: [www.mycvec.com](http://www.mycvec.com).

### Energy Saving Tip:

In warm weather, about 76% of sunlight that falls on standard double-pane windows enters to become heat. Keep window coverings closed to reduce heat gain. For natural light, only open the window coverings that don't get direct sunlight.

Source: [energy.gov](http://energy.gov)



## How To Vote:

If you do not attend the Annual Meeting in person, you may vote by proxy ballot. If you come to the meeting you are entitled to vote during the meeting. If you mail a proxy ballot but attend the meeting, your proxy ballot will be canceled.

### Proxy:

If there is doubt whether you can attend the Annual Meeting, please execute and return the proxy ballot promptly so a member may be designated as your proxy. The proxy will act on your behalf for business matters and will ensure a quorum for the business meeting. The named person should be someone you expect to attend the meeting. Only a fellow member or CVEC Director may be designated by you as your proxy.

You may also leave the space blank and the CVEC Board will appoint someone to act for you.

### Please date and sign the proxy ballot.

Return it to CVEC by folding the ballot and placing in the enclosed self-addressed, postage-paid envelope and placing in the mail. By returning the proxy ballot, you are registered for proxy prizes.

*Tear at perforation, fold & mail using the enclosed envelope.*

## VIRTUAL ANNUAL MEETING

CVEC will simulcast and record the Annual Meeting for members who are unable to attend. Visit [www.mycvec.com](http://www.mycvec.com) for a link to view the broadcast.

A brief Q&A will follow the presentation. Please email questions to [information@mycvec.com](mailto:information@mycvec.com) no later than noon on June 21.



Supply chain issues have impacted many industries, including our paper suppliers. As a result, the CVEC Director Election ballot **IS NOT** a self-mailer this year.

Therefore, we have enclosed a self-addressed, postage-paid envelope for you to mail your ballot in.

Simply fill the ballot out, sign, and return to CVEC using the enclosed, self-addressed envelope. Postage is pre-paid, so no stamps are required.

## HOW TO WIN

# \$500

- » We will pick 11 proxy ballots from all received by 5 PM, Monday, June 20.
- » 10 winners will receive a \$100 credit toward their electric bill.
- » **ONE GRAND PRIZE WINNER WILL RECEIVE A \$500 CHECK!**
- » Your proxy will not be valid if you attend the meeting.

Fold here





## Central Virginia Electric Cooperative

CORRESPONDENCE: P.O. Box 247 | Lovingsston, VA 22949

PAYMENTS: Dept. 1340 | P.O. Box 2153 | Birmingham, AL 35287-1341

(800) FOR-CVEC | [www.mycvec.com](http://www.mycvec.com)

### YOU'RE INVITED!

CVEC's 85<sup>th</sup> Annual Meeting  
**June 22, 2022**

Nelson County High School

6:00 PM Registration

7:00 PM Business Meeting &  
Director Election

Let us know you are coming by emailing  
[comm@mycvec.com](mailto:comm@mycvec.com)!

## OFFICIAL 2022 CVEC PROXY BALLOT

The Board of Directors of Central Virginia Electric Cooperative solicits your Voting Instructions for the Annual Meeting, 6 PM, June 22, 2022.

### 1. Designate Your Proxy (Optional)

(A member attending the Meeting to vote on your behalf. This is optional. If left blank, the Board of Directors will appoint someone as your Proxy.)

PROXY NAME: \_\_\_\_\_

**2. Voting Instructions:** Check only one box in each district.  
(If left blank, your Proxy will choose on your behalf.)

West District	<input type="checkbox"/>	Henry Chiles (3 yr. term)
	<input type="checkbox"/>	Abstain
South District	<input type="checkbox"/>	Frank Baber (3 yr. term)
	<input type="checkbox"/>	Abstain
East District	<input type="checkbox"/>	Roberta Harlowe (3 yr. term)
	<input type="checkbox"/>	Abstain

#### NOTE:

**YOU MAY VOTE FOR ONE (1) IN EACH DISTRICT**

This proxy ballot must be signed by the Member or by his attorney-in-fact, guardian or conservator. If the person signing is attorney-in-fact, guardian or conservator for the Member, or the Member is an organization such as a church, corporation, partnership, association, estate or trust, then the person signing on behalf of the Member must also list his title on the second line.

I acknowledge receipt of the Notice of Annual Meeting and Proxy Designation. In the event of my absence, I hereby designate a Proxy to vote on my behalf at the Annual Meeting.

This Proxy Ballot, when returned properly executed, will be voted as directed. If this Proxy Ballot is returned signed with no Voting Instructions, my Proxy will choose on my behalf. The Board of Directors will appoint my Proxy if I do not designate someone.

### 3. Sign here to validate Proxy Ballot

X \_\_\_\_\_ / \_\_\_\_\_, 2022  
Member Signature Date

TITLE: \_\_\_\_\_

Required for the person signing on behalf of an organization such as a church, corporation, partnership, association, estate or trust, or as an attorney-in-fact, guardian or conservator.

E-MAIL ADDRESS: \_\_\_\_\_

PHONE #: \_\_\_\_\_

**4. Mail Proxy Ballot: Must be received by 5 PM, June 20, 2022**