

COPPER BASIN JOURNEYMAN LINEMAN - RYAN LUITEN  
VALDEZ LINE FOREMAN - TIM STRADINGER  
ANNUAL HURT MAN RESCUE TRAINING 2025



# CVEA ANNUAL REPORT 2025

# MESSAGE TO THE MEMBERSHIP

Dear Co-op Members,

As your CEO, I want to thank you for trusting us to power your homes and businesses. Our mission is to deliver safe, reliable, and cost-effective electric service and programs. We fulfill this mission by pursuing the short and long-term objectives set out in our Strategic Plan. Looking back at 2025, we achieved a great deal, and I deeply appreciate the dedication and hard work that made CVEA's accomplishments possible.

## **Be the Employer of Choice**

Our members and staff are CVEA's greatest strengths. We exist to serve our members, and having a strong utility staff allows us to better serve the membership. In 2025, we reinforced our commitment to workplace safety by recording another year with no lost-time accidents, ensuring every employee and contractor returns home safely each day. We continue to invest in training and a purpose driven workplace that attracts, retains, and develops top talent through competitive wages, meaningful career growth, strong leadership, and a culture of well-being. I am proud of our team for their hard work.



**JOURNEYMAN LINEMAN  
JUSTIN MONCRIEF &  
VALDEZ LINE FOREMAN  
TIM STRADINGER**

## **Build Financial Strength**

Despite economic uncertainty, CVEA achieved strong financial results and met all objectives in the Cooperative's Financial Plan. We completed the third year of the rate study implementation to fund critical upgrades to aging infrastructure. In 2025, kWh sales increased, hydroelectric generation remained steady at 66% of the Co-op's needs, and fuel costs declined, together producing rates 2% lower than the prior year. CVEA also secured \$338,954 in grant funding, reducing the Cooperative's borrowing requirements.

## **Maintain and Improve System Reliability**

System reliability, measured by outage hours, reached its lowest level in over 15 years. We attribute this improvement to a range of maintenance efforts across the Operations and Power Generation departments and an aggressive Right-of-Way Clearing Program. In 2025, CVEA cleared 65 miles of distribution line and 12 miles of transmission line utilizing both in-house and contractor crews. A significant milestone was completing two major system improvements in Valdez: the Duck Flats and Dayville Road Projects. Power plant work remained a priority, including a major overhaul of a Glennallen diesel unit, upgrades to Valdez diesel plant pressure monitoring systems, and testing of all 12 generators. While diesel supplies roughly 10% of our energy needs, it remains essential for keeping the lights on.



**PLANT OPERATOR GAVIN BLOOD  
VALDEZ GAGING AT  
SOLOMON LAKE**

## **Reduce Dependence on Diesel Fuel**

During the summer, CVEA meets most of its demand with hydropower, but winter generation remains challenging, with 70% of winter needs met by fuel. Reducing reliance on diesel is therefore a strategic priority. CVEA has progressed on a power-exchange project with Alyeska Pipeline Service Company at the Valdez Marine Terminal. Power was successfully exchanged with one unit in late 2025, and the commissioning of the remaining two units is scheduled for late spring, reducing future winter diesel use. The Solomon Gulch Pool Raise Project costs have been updated, and the project has been placed in the State of Alaska funding queue. We also provided an update on several alternative technologies within our service area.



**2025 DUCK FLATS POLE & LINE  
REPLACEMENT PROJECT**

**Be an Advocate for Members**

Advocating for members means promoting their interests through legislative engagement, community support, and transparency. In 2025, CVEA met with officials in Juneau and Washington, D.C., to brief legislators and agencies on the Cooperative and to highlight CVEA’s biggest issues such as regulatory burdens, high fuel costs, and aging infrastructure. Community commitment is a core cooperative principle and central to CVEA’s mission. CVEA completed its member survey, hosted numerous engagement events, and supported local communities through scholarships and donations to nonprofits via the CVEA Community Foundation.

As a member, your voice matters. Please join our Annual Meeting of Members, vote in Board of Directors elections, and stay connected through our newsletters, website, and social media. Your involvement keeps the Cooperative strong and accountable.

I look forward to reflecting on our 2025 accomplishments, updating you on current issues, and sharing our priorities for 2026 at the Annual Meeting of Members on May 5, in Valdez, and May 7, in the Copper Basin.



**2025 CVEA MEMBER TOUR**



**2025 CVEA SAFETY DAY**



**Jaime Matthews**  
**Chief Executive Officer**

*Jaime Matthews*

# 2025 BOARD OF DIRECTORS



**Lon Rake**  
President



**Yvette Delaquito**  
Vice President



**Dan Stowe**  
Secretary



**Jan Maslen**  
Treasurer



**Andrew Hess**  
Director



**Will Stark**  
Director



**Jeff Saxe**  
Director



**Catherine Vereline**  
Director

## 2025 ACCOMPLISHMENTS

### Power Supply and Buildings

- Continued to work with Alyeska Pipeline Service Company at the Valdez Marine Terminal and successfully exchanged power during commissioning of 1 of their 3 steam turbines
- Completed the Alternative Generation Update on various technologies
- Completed the 4-year generator testing on all 12 generators
- Glennallen Diesel Plant: Power pack replacements on unit 9 and major overhaul on unit 8
- Valdez Diesel Plant: Commissioned a pressure monitoring and diagnostic system on unit 5 and upgraded the power control system for redundancy
- Solomon Gulch Hydro: Slip ring resurfacing and collector ring overhaul and vibration analysis performed on both turbines and generators
- Completed a comprehensive network security upgrade for the Glennallen & Valdez Diesel Plants

### Communications and Community Foundation

- Executed the 2025 Annual Meeting, Electricity in Schools Program, and Member Tour
- Executed Co-op Month Pick-Your-Own Pumpkin Patch events in each district, raising \$11,145 to support 16 nonprofit organizations and food donations for local food banks
- CVEA Community Foundation awarded roughly \$11,000 in scholarships, over \$30,000 in local nonprofit contributions, and provided over \$7,000 to support senior citizens in our communities through the Senior Holiday Giving and meal distribution programs
- CVEA Youth Rally student selected to represent Alaska on the Youth Leadership Council
- Finalized data collection and member input from 2025 Member Satisfaction Survey

## Administration, Finance, and Human Resources

- Completed successful audit - the 2024 audit had no exceptions noted
- Paid \$805,000 in patronage capital to members in December 2025
- Received \$338,954 in grants related to power generation projects
- Received approval of a 10-year Capital Work Plan to address aging infrastructure
- Completed year three of the 5-year rate adjustment plan, a result of the 2022 Rate Study
- Increased company-wide cyber security measures
- Recruited new employees and promoted two current employees; two of the positions were planned retirements, one Lineman Apprentice promoted to Journeyman Lineman, and one Operator Trainee promoted to full Operator
- Tariff updates to reinstate the net metering credit and simplify past due language

## Operations and Engineering

- Completed Dayville Road and Duck Flats Rebuild Projects in Valdez
- Replaced two transmission structures
- Completed Phase I of the underground line replacement in the Silver Springs Subdivision in the Copper Basin
- Completed construction of the Operations Department storage buildings project
- Installed over 33 new services
- Right-of-Way (ROW) Management:
  - Cleared 65 miles of distribution line and 12 miles of transmission line

## Safety and Regulatory

- Executed a company-wide employee Safety Week event to include Valdez Fire Department training and facility tour
- Maintained zero lost time injuries in 2025
- Received First Place in the Northwest Public Power Association Safety Award in the 70,001 - 100,000 hours of exposure category
- Featured the Alaska Power Association (APA) Safety Trailer
- Submitted Solomon Gulch Relicensing Final Study Report and draft license application
- Received Federal Energy Regulatory Commission (FERC) approval on T-Line amendment for 108.16 miles of transmission line and 462.2 acres of federally managed land, reducing the Solomon Gulch Project's annual charges by \$23,725
- Successful FERC Dam Safety Inspection with no follow-up actions required
- Completed Solomon Gulch Access Road rockery wall construction



2025 ALASKA POWER  
ASSOCIATION (APA)  
ANNUAL MEETING:

RECEIVING THE  
CERTIFICATE OF  
SAFETY ACHIEVEMENT

# CRITICAL MAINTENANCE OF DIESEL GENERATORS

To support CVEA's strategic priority of maintaining and enhancing system reliability, the Cooperative conducts maintenance on both a regular schedule and as-needed basis.

Following nearly a year of planning, CVEA completed a scheduled major overhaul of the Glennallen Diesel Plant Engine 8 (3516B Caterpillar Diesel Generator rated at 1.2MW) in spring 2025 to maintain reliability and efficiency, based on manufacturer recommendations.

This complete overhaul took 2.5 weeks of hands-on work completed by NC Machinery and CVEA Operators, Eli Hansen, Alex Gearhart, and Josh Geldersma, and Diesel Chief Plant Operator, Jason Shiell.

This proactive work helps reduce the risk of unexpected outages and costly emergency repairs while ensuring dependability for our members.

Here are some of the project highlights:

- Complete overhauls are required every 32,000 operating hours, which is the equivalent to about every 12-15 years
- The last major overhaul was completed in 2013
- This specific generator has produced power since 1998 and has used over 3.2 million gallons of diesel in its lifetime



GLENNALLEN PLANT OPERATOR -  
ELI HANSEN



GLENNALLEN DIESEL PLANT  
ENGINE 8 OVERHAUL

## COMMUNITY SUPPORT



- FROM LEFT TO RIGHT:
- COPPER BASIN 4<sup>TH</sup> OF JULY PARADE
  - CO-OP MONTH PICK-YOUR-OWN PUMPKIN PATCH
  - MEMBER TOUR
  - VALDEZ SENIOR HOLIDAY PARTY



# 2025 FINANCIAL STATEMENTS (unaudited)

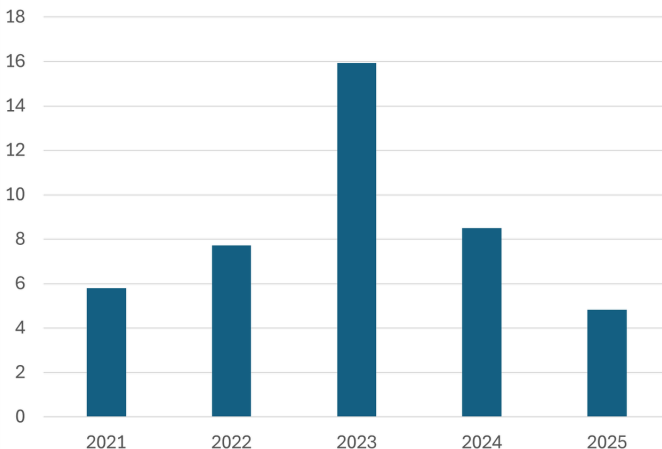
## Balance Sheets

|                                       | 2025                | 2024                |
|---------------------------------------|---------------------|---------------------|
| Net Utility Plant                     | \$71,779,469        | \$70,367,947        |
| Investments                           | 1,615,047           | 1,580,489           |
| Current Assets                        | 14,460,369          | 14,478,223          |
| <b>Total Assets</b>                   | <b>87,854,885</b>   | <b>86,426,659</b>   |
| Member Equity                         | 23,903,726          | 24,028,067          |
| R&R Fund                              | 4,720,102           | 4,920,477           |
| Long-term Debt                        | 48,104,667          | 46,368,036          |
| Other & Current Liabilities           | 11,126,390          | 11,110,079          |
| <b>Total Liabilities &amp; Equity</b> | <b>\$87,854,885</b> | <b>\$86,426,659</b> |

## Statements of Income

|  | 2025              | 2024              |
|--|-------------------|-------------------|
| Energy Revenue                             | \$7,241,252       | \$7,104,716       |
| Fuel / G&T / Cost of Power Revenue         | 18,112,856        | 18,507,231        |
| Heat Revenue                               | 2,488,479         | 2,615,843         |
| Fuel Credits                               | (1,990,783)       | (2,092,675)       |
| Grant Revenue                              | 338,954           | 906,879           |
| Non-Operating Margins                      | 290,752           | 967,442           |
| <b>Total Revenues</b>                      | <b>26,481,511</b> | <b>28,009,437</b> |
| Fuel                                       | 7,119,445         | 8,152,822         |
| Power Generation & Transmission            | 7,180,745         | 8,515,841         |
| Operations & Maintenance                   | 2,671,152         | 2,703,952         |
| Administrative, General & Customer Service | 3,608,482         | 3,415,023         |
| Depreciation                               | 3,049,419         | 2,755,483         |
| Interest                                   | 2,099,500         | 1,769,453         |
| Taxes                                      | 43,211            | 41,860            |
| <b>Total Expenses</b>                      | <b>25,771,954</b> | <b>27,354,433</b> |
| <b>Margins</b>                             | <b>\$709,557</b>  | <b>\$655,004</b>  |

5 Year Average Outage Hours per Consumer



- In 2025, the average outage hours per consumer was at its lowest over 15 years; the graph to the left shows data from the last 5 years
- An aggressive Right-of-Way Clearing Program and improved system coordination to add fuses has led to decreased large outages and has helped CVEA produce a better quality of power, while isolating outages to smaller areas

# 2026 ANNUAL MEETING NOTICE TO MEMBERS



Mission of CVEA: To provide exceptional service through safe, reliable, cost-effective electric service and programs

Copper Valley Electric Association, Inc., invites you to the 2026 Annual Meeting of Members. The Annual Meeting will be held on Tuesday, May 5, 2026, in the Valdez District at the Valdez Civic Center, and on Thursday, May 7, 2026, in the Copper Basin District at the Glennallen Community Center. Registration begins at 5:30 p.m. and the business meeting begins at 6 p.m. Register by 6 p.m. to be eligible for attendance gifts and door prizes.

The purpose of the meeting shall be to hear reports, ask questions about your electric cooperative, accept director election results, and to transact any other business that may come before the membership.

- Caused to be published by Secretary Stowe

## 2026 Annual Meeting Agenda

- |  |   |
|--|---|
| 1. Call to Order                       | President Rake                          |
| 2. Reports                             |   |
| o Report of Quorum                     | Secretary Stowe                         |
| o Notice of Meeting                    | Secretary Stowe                         |
| o Reading and Approval of 2025 Minutes | Secretary Stowe                         |
| o Financial Report                     | Treasurer Maslen                        |
| o Election Results                     | Credentials & Elections Committee Chair |
| o Foundation Report                    | CEO Matthews                            |
| o CEO Report                           | CEO Matthews                            |
| o Questions on Reports                 | CEO Matthews                            |
| 3. Acceptance of Reports               | President Rake                          |
| 4. Old Business                        | President Rake                          |
| 5. New Business                        | President Rake                          |
| 6. Special Recognition                 | CEO Matthews                            |
| 7. Door Prizes                         |   |
| 8. Adjournment                         | President Rake                          |

Copper Valley Electric Association

Glennallen 907-822-3211 \* Valdez 907-835-4301 \* [www.cvea.org](http://www.cvea.org)