



2019
Annual Report

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HIGH WEST ENERGY, INC.

6270 CR 21
 PO Box 519
 Pine Bluffs, WY 82082-0519
 Laramie County (307) 245-3261
 Toll-Free (888) 834-1657

CHEYENNE SERVICE CENTER

3302 I-80 Service Road
 Cheyenne, WY 82009

F. E. WARREN AIR FORCE BASE

1890 Mule Deer Bldg 848
 PO Box 9567
 Cheyenne, WY 82005

POTTER SERVICE CENTER

900 Sherman
 PO Box 84
 Potter, NE 69156

LEADERSHIP TEAM

Brian Heithoff
 CEO/General Manager

Dave Crouse
 Chief Information Officer & HWDS Manager

Jim East
 Communications & Marketing Manager

Lindsay Forepaugh
 Chief Financial Officer

David Golden
 Engineering Manager

Ken Haas
 Operations Manager

Konnie Keehnen
 Member Services Manager

Carol Macy
 Employee Relations Manager

Marv Powell
 WAFB Operations & HWW Manager

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-  facebook.com/highwestenergy
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LEARN MORE ABOUT US

- highwestenergy.coop
- highwestwiring.com
- hwds.com



Ed Prosser
President



Brian Heithoff
CEO/General Manager

Dear Members

This annual report focuses on our 2019 successes and our ongoing commitment to deliver the quality of service you expect and deserve. We should begin, however, by addressing the situation we currently face in 2020. The High West Energy communities, and indeed the entire world, are very different from when we spoke to you a year ago.

We have all endured significant changes and challenges as a result of the COVID-19 outbreak, and this has impacted how the High West family of companies does business in countless ways. Our responsibility to deliver affordable and outstanding services has not changed, but the way we deliver those services has. Our goal throughout our response to the virus has been to protect you and the health of our workforce while, at the same time, ensuring we provide the essential services needed to power your homes, farms, and businesses.

In most annual reports, we extend an invitation for all members to come to the annual meeting. This year, out of concern for the safety of our members and employees, the 83rd Annual Meeting of High West Energy, Inc. will take place online on Thursday, June 18. While it is indeed unfortunate that we can't meet in person, we sincerely hope you participate by watching a livestream broadcast of the proceedings.

Turning our focus now to 2019, High West Energy employees worked efficiently and diligently to help your cooperative continue to prosper and prepare for an exciting future. The energy industry is changing, and we are focused on anticipating and adapting to those changes in ways that benefit you and your fellow members.

When we closed the books on 2019, High West had operating revenues of \$50.2 million – the strongest number we've ever posted in our 83 years – and margins of \$3.36 million.

This sustained success wouldn't be possible without our current and former members, so it's only right that all of you share in the co-op's prosperity. In 2019, our Board of Directors voted

to retire more than \$1.4 million in patronage dividends. These dividends are one of the many benefits of being a member of High West Energy, and this was the 34th consecutive year our members received this benefit.

High West continued to make progress on our 4-year, \$35 million plan to enhance the High West electric system. In 2019, we invested \$5.7 million in additions and upgrades to our distribution and transmission systems. This enduring commitment ensures the quality of our infrastructure and reliable service for you.

The High West family of companies also continued to expand the range of services we offer members. High West Wiring began offering certified installation and service of backup generators in 2019. Our electricians worked hard to train and get certified for this service, and we've seen strong member interest in 2019, which has carried forward into 2020.

High West Digital Solutions launched Mobile Gadget Gurus in 2019, a new venture committed to helping members get the most out of your essential portable devices. Members can bring their smartphones and tablets in for affordable repairs, touchscreen replacements and new batteries to extend the life of these devices, and they can purchase insurance plans to minimize the expense of future maintenance.

On behalf of all cooperative employees, we thank you and look forward to a successful 2020 and beyond.


Ed Prosser
 President


Brian Heithoff
 CEO/General Manager

2019 Annual Meeting

Minutes

High West Energy, Inc.
2019 Annual Meeting Minutes
Pine Bluffs, WY | June 20, 2019

The 82nd Annual Meeting of the members of High West Energy, Inc. was held at High West Energy's headquarters in Pine Bluffs, WY at 6:30 p.m., Thursday, June 20, 2019. Following registration, dinner, and a vendor show, the meeting was called to order by President Ed Prosser.

The invocation was given by High West Energy employee Dave Crouse.

The reading of the 2019 Notice of Annual Meeting was given by Hank Bailey, Attorney at Law and General Counsel for High West Energy, Inc., whose firm has represented the cooperative for 41 years. It was determined that a quorum was present and that the business of the meeting could move forward. It was moved, seconded, and unanimously approved to dispense with the reading of the 2018 annual meeting minutes.

ELECTIONS

Hank Bailey presided over the election. The business of the meeting was to take action upon the following matter:

- A. The Nominating Committee submitted the names of Jerry Burnett from District 14, Director Fowler from District 16, and Kevin Thomas from District 17 as nominees for three-year terms. Because there were no additional candidates for the Board of Directors, these three members were automatically elected to the board in accordance with High West bylaws, Article II, Section V and Article III, Section 3.
- B. Bylaw review and changes supported by the Board of Directors were presented for a vote.

PRESIDENT'S REPORT

President Prosser welcomed everyone in attendance and recognized current and retired board members and employees, veterans, special guests, and invited speakers. He discussed the team effort it took to bring this co-op to fruition and employee eagerness to invest time and money in their communities. He stressed the importance of the board election and member participation.

President Prosser explained High West Energy is locally owned and operated, and we are in this together. In closing, he thanked the members for trusting us and exercising their right to vote.

CEO'S REPORT

CEO/General Manager Brian Heithoff spoke about new technology, automation, and the challenges presented to be proactive in becoming proficient in technology. He reported on the integrated grid, decentralizing, strategic planning, the transition of the grid to the new model, and the future state of grid modernization. Consistent communication with members continues to be a goal including rate review and structures; always acting upon reliability, security, and keeping affordability in mind. Maintenance and upgrading are the focus on the aging system including modernization on substations and meters for a linked network. Looking towards the future, High West will invest in a drone project to inspect the system from the air. He reviewed the financial year for the High West Companies and reported all are doing quite well. He reported the demand for services for all companies continues to grow.

YOUTH TOURS

2019-20 scholarship winners were recognized and introduced. It was reported that the University of Wyoming will offer a class on the co-op business model for the first time.

GUEST SPEAKERS

Barry Ingold, Senior Vice President of Generation with Tri-State Generation & Transmission Association, provided a history on Tri-State, a co-op founded 65 years ago with members banding together to provide load growth. They have acquired additional members added throughout the years and they currently operate in four states. Jerry Burnett serves on the Tri-State board representing High West Energy. Barry discussed the return of capital credits to their members and their goal of supplying reliable and affordable energy. They are becoming cleaner in power generation and are adding renewable solar projects.

Kim Christensen, General Manager of NREA, discussed three things: continuity, community and change. Continuity involves our many interactions of electricity throughout the day and our reliance on it. For community she referred to scholarship recipients and employee charity work. Finally, she discussed how the world of electricity is changing the grid, but members can be confident knowing High West will continue to keep the lights on safely and reliably. She closed by proclaiming that NREA is proud to support High West Energy, Kevin Thomas, who serves on both boards, and Brian Heithoff, CEO/General Manager. She thanked High

West for asking her to speak today, declaring it a privilege and honor to be in attendance.

ELECTION RESULTS

The election committee counted all ballots cast for bylaw changes. Hank Bailey announced that all proposed bylaw changes passed overwhelmingly in the affirmative.

UNFINISHED BUSINESS

There was no unfinished business.

NEW BUSINESS & GENERAL DISCUSSION

As there was no other business brought before the membership, President Prosser called for adjournment. There was a motion and a second. All were in favor. Meeting adjourned at 7:18 p.m.

MISCELLANEOUS

Prizes were drawn and announced.

The member's name that was drawn randomly for the progressive jackpot was not in attendance so the amount in 2020 will be \$1,300.

DATED this 20th day of June 2019.

Dan Acheson
Former Board Secretary





2020 Annual Meeting

Official Meeting Notice

Notice of annual meeting of the members of High West Energy, Inc.

This annual meeting of the members of High West Energy, Inc. will be held as an online only event beginning at noon on Thursday, June 18, 2020 to take action upon the following matters:

- 01 The reports of officers, directors, and committees.
- 02 To count and officially report the ballots for the District 15 Director.
- 03 All other business which may come before the meeting, or any adjournment or adjournments thereof.

The annual meeting will be held online as a safety precaution due to the COVID-19 virus, however, all members will have the opportunity to attend and participate digitally. In connection with the election of two directors scheduled for this meeting, the following members have been nominated by the Nominating Committee, which is appointed by the Board of Directors of the corporation, pursuant to the bylaws:

DISTRICT 12:
Gary Smith

DISTRICT 15:
Dennis Armstrong and Damon Birkhofer

Because there are no additional candidates for District 12, Gary Smith will be automatically elected to the board in accordance with Article II, Section V and Article III, Section 3.

DATED this 30th day of April 2020.

Michael Lerwick
Board Secretary

83rd Annual Meeting Agenda

Thursday • June 18 • 2020

Noon to 1:00 p.m.

**Welcome Remarks and
Call to Order**
Ed Prosser, Board President

Invocation

Pledge of Allegiance

Reading of the 2019 Notice
Henry F. Bailey, Attorney

**Minutes of the 2019
Annual Meeting**

President's Report
Ed Prosser

**CEO/General
Manager's Report**
Brian Heithoff

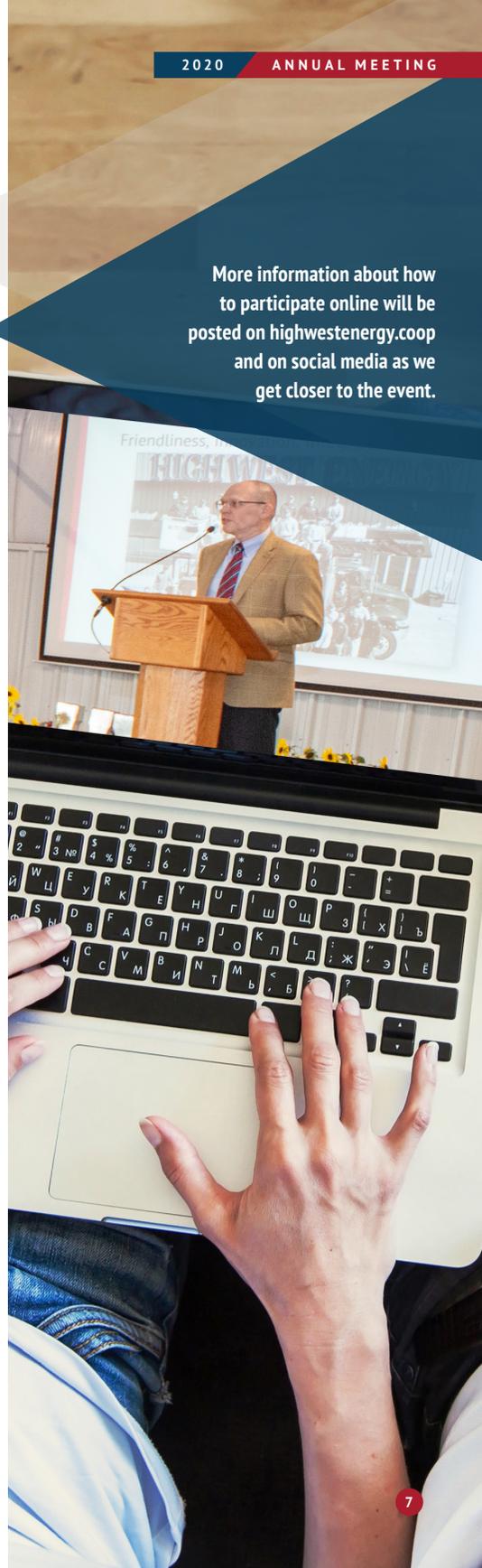
Election of Directors

Adjournment

ADDITIONAL MEETING INFORMATION

- 01 When you register online, please include your billing address or account number so we can confirm you are a member.
- 02 Members who register **and** attend the online meeting will receive a \$10 bill credit.
- 03 Members who register **and** attend the online meeting will be eligible to win door prizes.

We understand many of you will have questions as to how an online annual meeting will work, and we encourage you to contact us at jeast@highwestenergy.com or (307) 245-3261 so we can explain the process and help you be an active participant. We have tried to make the process as simple as possible.



More information about how to participate online will be posted on highwestenergy.coop and on social media as we get closer to the event.

Our Vision

The vision of the High West companies is to be the trusted partner in the solutions we provide.

Our Mission

The mission of the High West companies is to serve our members and communities by providing safe, reliable and competitively priced energy and services.

Our Values



HARD-WORKING



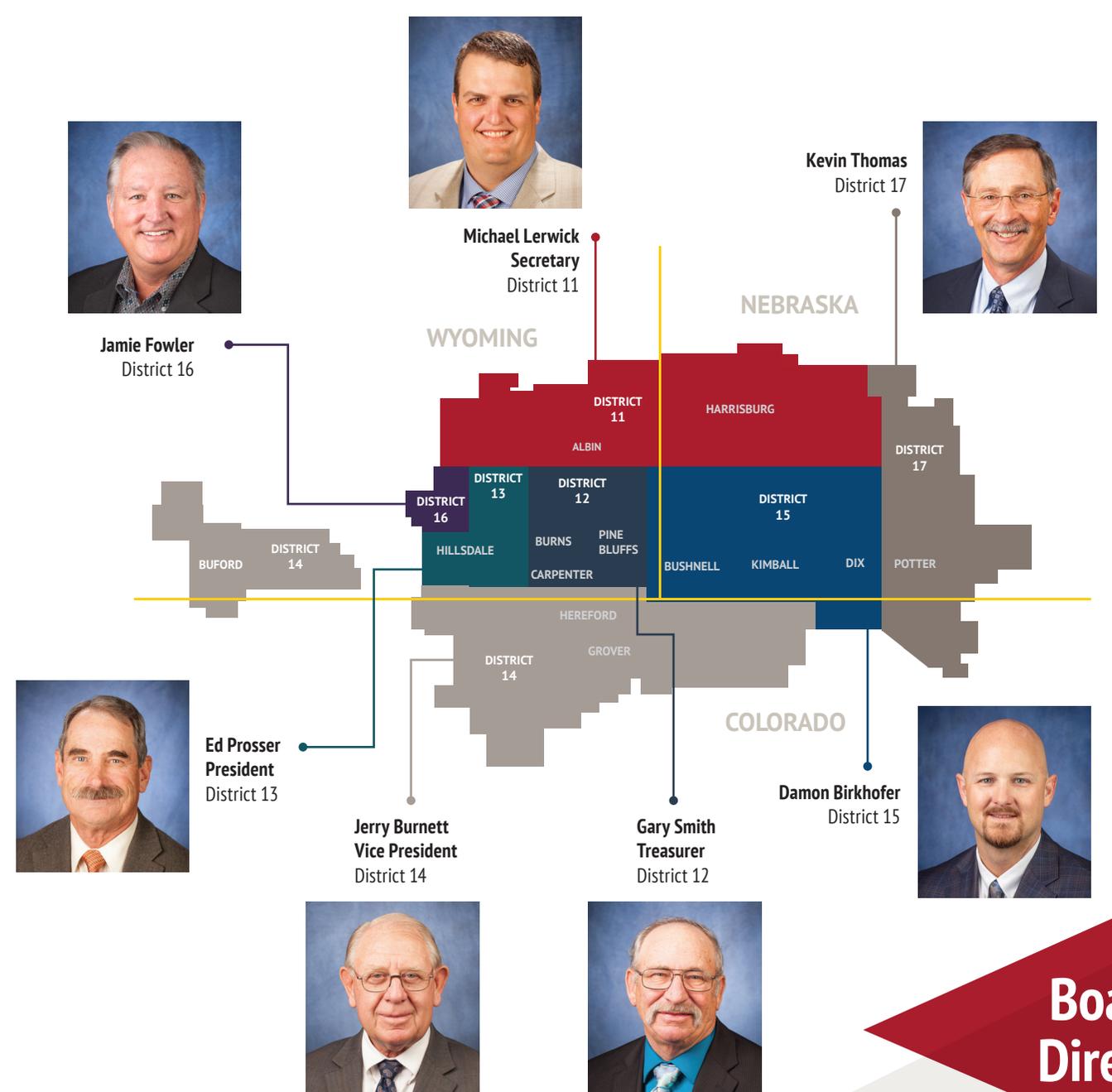
INNOVATIVE



FRIENDLY



INTEGRITY



Jamie Fowler
District 16



Michael Lerwick
Secretary
District 11



Kevin Thomas
District 17



Ed Prosser
President
District 13



Jerry Burnett
Vice President
District 14



Gary Smith
Treasurer
District 12



Damon Birkhofer
District 15

Board of Directors

2018 & 2019 Financials

TOTAL MARGINS

2018

\$2,553,169

TOTAL MARGINS

2019

\$3,363,537

Revenue & Expenses	2018	2019
TOTAL OPERATING REVENUES	\$47,903,381	\$50,193,266
Operating Expenses		
Purchased Power	\$32,037,702	\$31,826,121
Operation & Maintenance Expense	\$4,707,398	\$5,823,684
Customer & Collection Expense	\$939,145	\$899,145
General & Administrative Expense	\$3,476,176	\$3,771,392
Taxes	\$469,650	\$489,426
Depreciation & Amortization Expense	\$3,241,209	\$3,660,885
TOTAL OPERATING EXPENSES	\$44,871,280	\$46,470,653
Margins from Operations		
Net Electric Operating Revenue	\$3,032,101	\$3,722,613
Less: Interest on Long Term Debt	\$2,201,804	\$2,223,772
Interest Expense Short Term	\$12,503	\$47,238
Other Expenses	\$12,870	\$93,010
TOTAL MARGINS FROM OPERATIONS	\$804,924	\$1,358,593
Other Margins		
Non-operating Margins Interest	\$62,029	\$178,793
Other Investments, Margins & Capital Credit	\$527,596	\$667,632
Tri-State Generation & Transmission	\$1,158,620	\$1,158,519
TOTAL OTHER MARGINS	\$1,748,245	\$2,004,944

Balance Sheet	2018	2019
Assets		
Utility Plant		
Total Utility Plant	\$113,832,057	\$118,359,793
Depreciation	-\$38,705,647	-\$39,851,626
TOTAL DEPRECIATED VALUE	\$75,126,410	\$78,508,167
Current Assets		
Cash	\$3,052,186	\$5,594,595
Receivables	\$5,405,962	\$5,233,595
Materials	\$3,199,523	\$3,178,912
Prepayments	\$295,637	\$330,003
Other	\$0	\$0
TOTAL CURRENT ASSETS	\$11,953,308	\$14,337,105
Other Assets		
Deferred Debits	\$139,506	\$6,145,487
Investments	\$25,762,703	\$26,631,485
Deferred Revenue	\$2,000,000	\$2,000,000
TOTAL OTHER ASSETS	\$27,902,209	\$34,776,972
Liabilities & Capital		
Equity		
Patronage Capital	\$34,386,528	\$35,993,578
Memberships	\$0	\$0
Other Equities	\$2,874,761	\$3,049,511
TOTAL DEPRECIATED VALUE	\$37,261,289	\$39,043,089
LONG-TERM DEBT	\$63,885,676	\$68,047,430
Current Liabilities		
Accounts Payable	\$3,619,059	\$4,133,945
Notes Payable	\$0	\$4,000,000
Other Liabilities	\$3,344,879	\$3,635,702
Customer Deposits	\$115,455	\$87,741
TOTAL CURRENT LIABILITIES	\$7,079,393	\$11,857,388
Other Liabilities		
Regulatory Liabilities	\$2,000,000	\$2,000,000
Deferred Credits	\$4,755,569	\$6,674,337
TOTAL OTHER LIABILITIES	\$6,755,569	\$8,674,337

TOTAL ASSETS

2018

\$114,981,927

TOTAL ASSETS

2019

\$127,622,244

TOTAL LIABILITIES
& CREDITS

2018

\$114,981,927

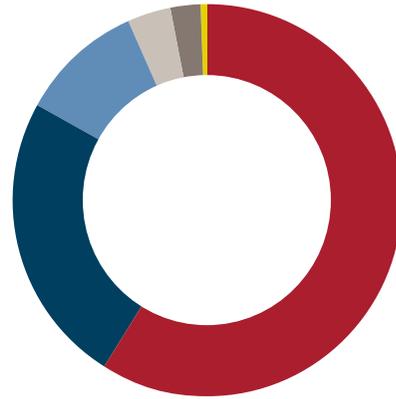
TOTAL LIABILITIES
& CREDITS

2019

\$127,622,244

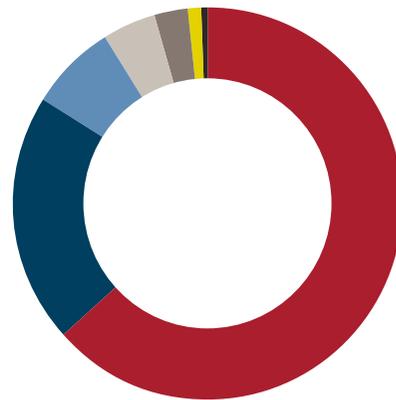
Tracking High West Dollars

Where It Came From



- Commercial 59.31%
- Residential 24.31%
- Irrigation 10.15%
- US Air Force 3.60%
- Other 2.51%
- Lighting 0.13%

Where It Was Spent



- Purchased Power 63.65%
- Operations & Administration 20.66%
- Depreciation 7.29%
- Interest 4.52%
- Net Margins 2.71%
- Taxes 0.98%
- Other 0.19%

2020 Scholarship Winners

High West Energy would like to congratulate the 16 students (and their parents) who have earned college scholarships for the 2020-2021 school year.

These young men and women worked hard throughout their high school careers and then finished the last few months in an unusual way as the national response to COVID-19 prompted all students to complete the year from home. Regardless, this year's class of scholarship winners distinguished themselves among a competitive field with their achievements in the classroom, in athletics, and through their commitment to the community. High West would also like to offer our sincere thanks to the three-judge panel of local educators who graciously donated their time to review each application.



Sarah Davis
Peetz, Colo. (Peetz)
\$1,000



Virginia Herboldsheimer
Potter, Neb. (Potter-Dix)
\$1,000



Jessica Malm
Albin, Wyo. (Burns)
\$1,000



Erin Ellis
Carpenter, Wyo. (Pawnee)
\$1,000



Michaela Rotert
Potter, Neb. (Potter-Dix)
\$1,000



Maddie Fornstrom
Pine Bluffs, Wyo. (Pine Bluffs)
\$1,000



Danette Whitney
Cheyenne, Wyo. (East)
\$1,000



Nicole Delaplane
Kimball, Neb. (Kimball)
\$1,000



Sydnie Fornstrom
Pine Bluffs, Wyo. (Pine Bluffs)
\$1,000



Sarah Pollock
Burns, Wyo. (Burns)
\$500



Matthew Davis
Peetz, Colo. (Peetz)
\$500



Ben Bashতোবি
Sidney, Neb. (Sidney)
\$500



Piper Perez
Cheyenne, Wyo. (Burns)
\$500



Sydney Bell
Cheyenne, Wyo. (East)
\$500



Emily Keiter
Hillsdale, Wyo. (Burns)
\$500

GRACIE MAE KEITER Hillsdale, Wyo. (Burns) \$1,000

Our People



Brian Heithoff
CEO/General Manager



Susan McGaugh
Executive Assistant



Leanne Debruyn
Payroll & Benefits
Coordinator



Jessica Klaurens
Safety Coordinator



Carol Macy
Employee Services Manager



Chad Schaefer
Staking Engineer



Timothy Theobald
Staking Engineer



Rachel VanDeMark
Mapping Specialist



Brandon Wheeler
Substation Technician



Karl Zerck
Substation Technician



Timothy Cline
Warehouseman



Jim Darden
Accounts Payable/Accountant



Valerie Eastman
Inventory Supervisor



Lindsay Forepaugh
CFO



Rachel Manley
Work Order Accountant



Sally Brelsford
MSR/Collections



Kimberly Gotfrey
Member Services Rep/
Patronage Coordinator



Konstance Keehnen
Member Services Manager



Kristine Rodekohr
Member Services Rep



Amy Zitek
Cashier/Receptionist



Joni McCluskey
Controller



Kerry Steele
Project Coordinator/
Accountant



Donald Wood
Warehouseman



JoAnn Edwards
Engineering & Operations
Assistant



David Golden
Design & Engineering
Manager



Colt Alexander
Lineman



Leif Anderson
Apprentice



Brandon Arnold
Lineman



Nathan Begger
Lead Lineman



Phillip Childers
Apprentice



Lucas Lang
Engineering Aide



Timothy Lang
Staking Engineer



W Bert Macy
Substation & Scada
Technician



Joy Manning
Energy Services Advisor



John Ott
Dispatcher



Dalton Clark
Lineman



Bryan Ferguson
Lineman



Jeremy Fryda
Lead Lineman



Brandon Fullmer
Apprentice



Tyler Gabel
Lineman



Kenneth Haas
Operations Manager



Cody Hawkins
Apprentice



Jacob Hemstrom
Apprentice



Tanner Hinton
Lineman



Trevan Hinton
Lineman



Jim East
Communications &
Marketing Manager



Michael Candiracci
Information Systems
Network Administrator



David Crouse
Chief Information Officer
and Manager of HWDS



Christopher Jackson
Information Systems
Specialist



Kelby Konig
Information Systems
Support Specialist



Cortney Lewis
Buildings & Grounds
Coordinator



William Longly
Lineman



Dean McCluskey
Lead Lineman



Jordan Powell
Lineman



Marvin Powell
Manager, High West Wiring &
Warren AFB Operations



Ian Lanning
Information Systems
Support Specialist



Terry Steege
Senior Technology Engineer



Bret Steger
Information Systems
Technician/Developer



Christopher Zitek
Meter/Ami Technician



Troy Burke
Apprentice Electrician



Jesse Robbins
Lineman



Michael Rotert
Lineman



Craig Schuessler
Lead Lineman



Robert Sonnie
Lineman



Jeremy Tucker
Lineman



Lynn DeFair
High West Wiring
Scheduler/Coordinator



Cole Dubs
Apprentice Electrician



Blayne Gilbert
Journeyman Electrician



Leslie Lewis
Electrical Contractor



Timothy Lynch
Journeyman Electrician



Derek Walls
Collections/Locator



Bryan Warden
Lineman



Mark Warden
Lineman



Bart Wilshusen
Lead Lineman



Garrett Zwiebel
Apprentice



John Marsh
Master Electrician

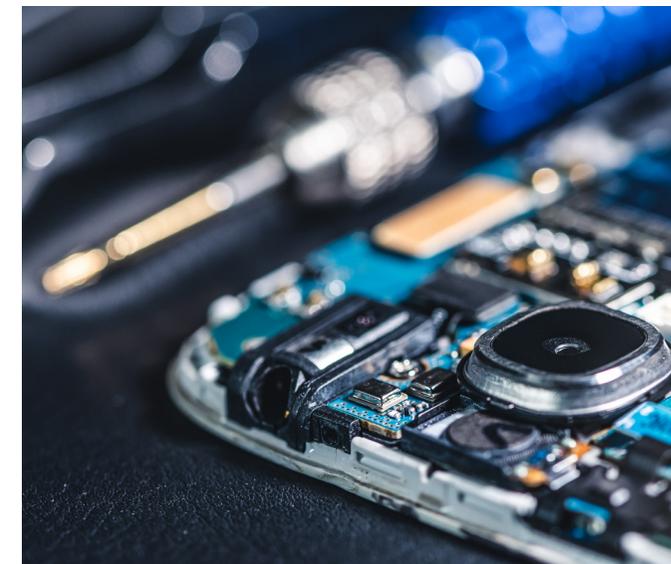


Joshua Murkin
Apprentice Electrician



Samuel Trujillo
Apprentice Electrician

Our Services



Our goal, for more than 80 years, continues to be delivering safe, reliable and affordable electric service to the homes, farms, and businesses of our members. This is your cooperative; we work for you. In addition, we continue to study emerging trends and technology throughout the power industry to see how we can make this cooperative stronger in the future.

SERVICES:

- High-efficiency water heaters
- Rebates on everyday purchases
- Surge-protection services
- Efficient home heating solutions
- Security lighting
- Professional energy audits

Today's technological breakthrough could be tomorrow's faded memory. In an exciting, fast-changing world, you can trust the local experts at High West Digital Solutions to help you identify the right computer, the right software, and the right network for your home, farm, or business.

SERVICES:

- Computer sales
- Computer troubleshooting & repair
- Software troubleshooting
- Network design
- Network troubleshooting
- Security camera installation
- Computer system administration
- Cloud storage
- Custom database development
- Cybersecurity consulting

Looking for a good, reliable company when you need an electrician? Work with the same trained professionals High West Energy relies on when we need electrician services. The friendly, local electricians at High West Wiring can offer you a free estimate on any project, big or small.

SERVICES:

- 24/7 Electrician services
- Certified generator installations
- Electric panel maintenance
- Circuit breaker replacements
- Water heater installations
- Lighting upgrades
- Safety enhancements
(smoke detectors, carbon monoxide detectors, GFCI outlets)

Save money and time with the peace of mind provided by Mobile Gadget Gurus. Our experts can quickly repair the damaged touchscreen on your phone or tablet, often in less than 24 hours. We can replace your failing phone battery, and we also offer individual and family insurance plans on your devices to save money the next time you need help.

SERVICES:

- Money-saving insurance plans for phones and tablets
- Replace cracked touchscreens on Apple and Samsung phones
- Replace cracked touchscreens on iPad tablets
- Replace batteries in mobile devices
- Computer repairs



2020 Virtual Annual Meeting

Thursday, June 18, 2020

Find more information about the meeting
in Sparks, on our website and
on social media.



highwestenergy.coop | highwestwiring.com | hwds.com