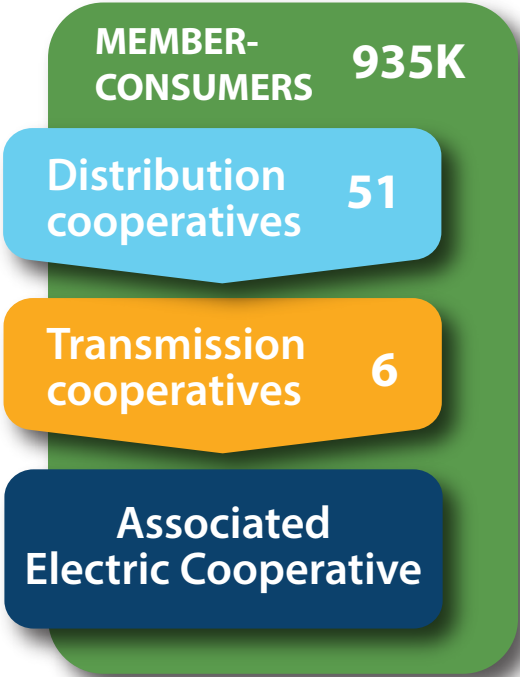


BALANCE

Reliable • Affordable • Responsible

A balanced approach to power supply supports rural life

Reliable, affordable and responsible electricity for rural America keeps homes cool during summer heatwaves, warm during winter deep freezes, entrepreneurs open for business and farms delivering the bounty of the land. Reliably and affordably supporting the way of life for rural electric cooperatives is not a luxury, it is a foundational commitment Associated Electric Cooperative makes to more than 2.1 million people in Missouri, northeast Oklahoma and southeast Iowa. Associated works every day to deliver a reliable, affordable and responsible wholesale power supply for its member-owners. In a world of extremes, Associated’s approach to generating and delivering power offers a refreshing, bold and member-focused alternative. In a word – balance.



A unique cooperative business model features specialization and accountability at each tier of the system.

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Operating revenue (dollars in millions)

Nonmembers \$554

Members \$1,019

Operating expenses (dollars in millions)

Administrative & General, Taxes & Accretion \$92

Generation Maintenance \$117

Transmission \$116

Depreciation & Amortization \$102

Power Purchased \$199

Contracted Generation \$45

Generation Operation \$820

2022 financial and operational highlights

Financial (in thousands)	2022	2021	Increase (Decrease)	% Increase (Decrease)
Operating revenue	\$1,573,263	\$1,484,439	\$88,824	6.0
Operating expenses	1,491,164	1,375,686	115,478	8.4
Interest expense on long-term debt (less interest capitalized)	60,243	59,507	736	1.2
Net nonoperating income	3,091	2,704	387	14.3
Net margin	24,947	51,950	(27,003)	(52.0)

Operational

Energy sales (MWh)				
Members	20,809,048	19,454,686	1,354,362	7.0
Nonmembers	8,853,204	8,571,278	281,926	3.3
Member revenue (MWh)	48.95	55.97	(7.0)	(12.5)
Peak hour member demand (MW)	5,899	5,549	350	6.3
Total capacity (MW)	5,626	5,584	42	0.75
Net generation (MWh)	24,554,809	22,690,024	1,864,785	8.2



In 2022, myriad challenges tested the strength of Associated Electric Cooperative and the three-tiered system. Never wavering, a balanced generation strategy delivered solid results for members.

From the president of the board and CEO and general manager

Associated Electric Cooperative continued to provide reliable and affordable power to members throughout 2022, maintaining rate discounts despite facing new and unique challenges in the energy industry and economy.

A combination of post-pandemic supply-chain shortages, economic fallout from the Russia-Ukraine conflict, volatile fuel prices, railroad system congestion, workforce shortages and competition, inflation and interest rate increases tested all areas of Associated's business.

Adding to these challenges, nature buffeted our system and members with two significant weather events resulting in a new all-time summer peak energy load, and later in the year an all-time peak energy load for any season. Ahead of the summer peak of 4,538 megawatts in July, an unplanned outage forced Thomas Hill Energy Center Unit 3 offline and the Dell Power Plant endured delays during its major planned maintenance outage.

Associated reliably served the all-time summer peak but just as waters seemed to calm, winter storm Elliott arrived in late December bringing high winds, ice, snow and temperatures plunging to 25 degrees below zero, resulting in a new all-time peak load for any season of 5,899 MW. With weather and operational challenges, as well as tight energy supplies surrounding our transmission system, Associated again successfully kept the electricity flowing for the three-tiered system.

Starting with a 2018 polar vortex, a series of hourly peak energy load increases provided motivation to recommission the 44-megawatt liquid fuel Unionville Power Station and to optimize capacity at existing gas-fired plants. Efforts to optimize the existing gas fleet capacity added 42 MW in 2022 alone. Unionville will be ready to generate power in 2023. By 2025 a total of 188 MW from these projects will further support reliability.

In early 2022, the board of directors authorized Associated to add up to 900 MW of new gas peaking capacity at two locations projected to be online starting in 2026. Associated has secured five potential sites in Missouri and Oklahoma and prior to construction will identify the two best sites from

environmental, gas pipeline and transmission perspectives.

Also in 2022, Associated and its six G&T owners began work on significant enhancements to our transmission system to strengthen reliability as utilities continue to retire generating plants adjacent to our system. One key project underway is an expansion of the capacity of the Associated – Tennessee Valley Authority interconnection by 795 MW, which will enable additional import and exports during future weather events.

Overall, Associated continued to perform well financially with margins of \$25 million during a difficult year on many fronts. Most importantly, Associated set several new safety records at its plants, which meant fewer employee injuries and better overall reliability.

Finally, Associated spearheaded an important communications campaign in 2022 to remind the industry that reliability of electricity is as important to people's lives as addressing climate change. The primary message: A successful transition to a low-carbon future will require time for transmission improvements and technology developments that result in dispatchable capacity – not only intermittent energy. We are

thankful for strong business relationships with organizations who also support an orderly energy transition: ACES Power, Association of Missouri Electric Cooperatives, Oklahoma Association of Electric Cooperatives, Iowa Association of Electric Cooperatives, America's Power, BNSF Railway, Electric Power Research Institute, G&T Managers Association, National Renewables Cooperative Organization, National Rural Electric Cooperative Association, North American Electric Reliability Corporation and Peabody Energy.

As we reflect on 2022 and look to the future, we encourage legislators, regulators and the energy industry at large to always remember reliability and how it impacts the daily lives of those they serve, both during mild, clear blue-sky days and on cold, stormy days when energy use reaches all-time highs. Livelihoods and lives, then as now, will depend on reliable power supply.



**Emery O. Geisendorfer, president
Associated Electric Cooperative
board of directors**



We value the support of our cooperative system and will continue to work every day to maintain the trust in Associated built through decades of member-focused leadership.

**David J. Tudor
CEO and general manager**

Board of directors leads Associated with member-focused strategies

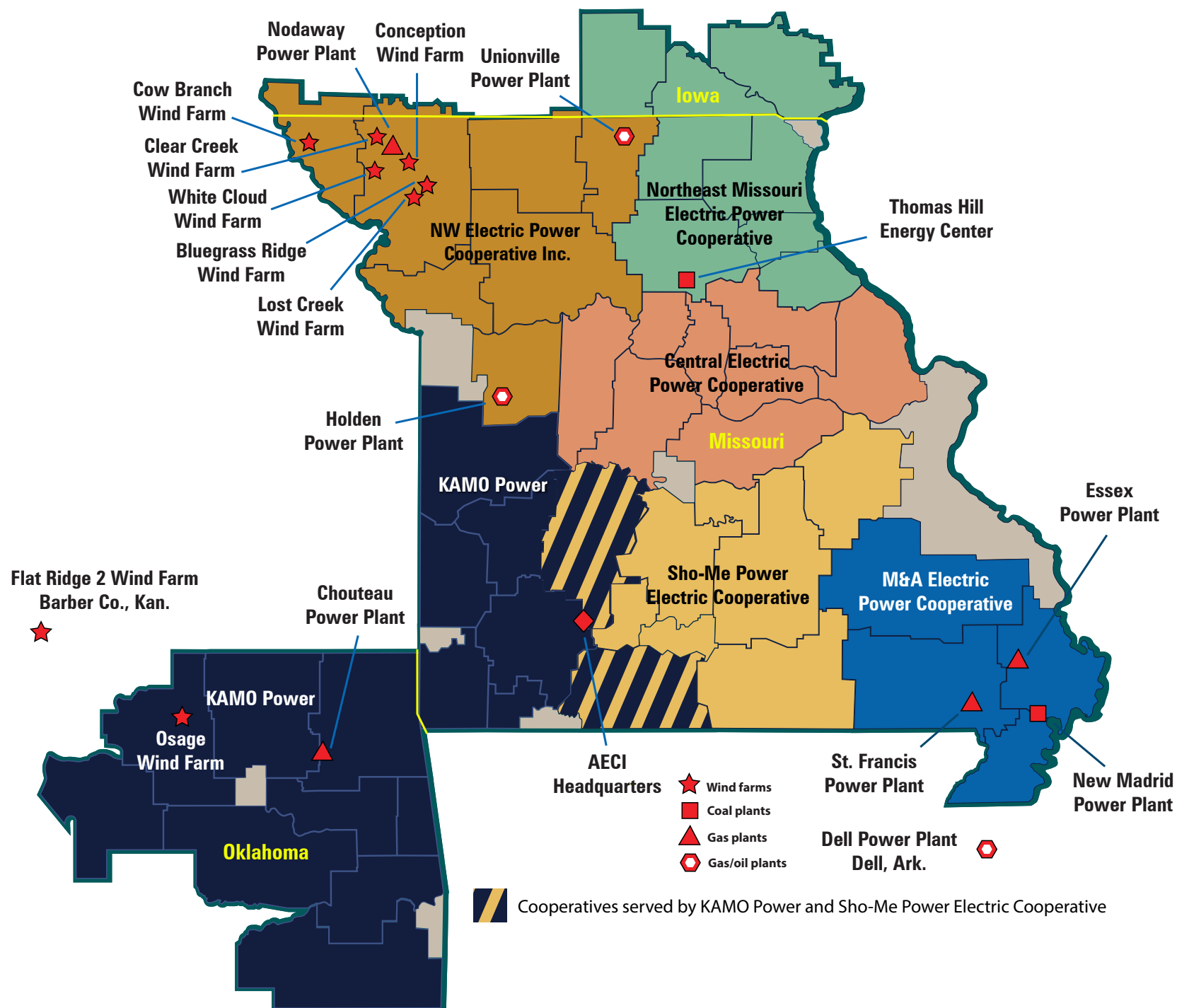
Associated's board is comprised of chief executive officers from its six member-owner G&Ts, who bring utility and cooperative experience, complemented by six directors with experience ranging from farm and business owners to general managers of local electric cooperatives.



Front row, from left: Emery O. "Buster" Geisendorfer, board president, Northeast Missouri Electric Power Cooperative; Christopher M. Turner, Central Electric Power Cooperative; Thomas W. Howard, Central Electric Power Cooperative; Theodore J. Hilmes, KAMO Power; David L. McDowell, NW Electric Power Cooperative Inc.; and John T. Richards, Sho-Me Power Electric Cooperative.

Back row, from left: Larry E. Culwell, board secretary, KAMO Power; John B. Killgore, board vice president, NW Electric Power Cooperative Inc.; Daryl R. Sorrell, M&A Electric Power Cooperative; John R. Bledsoe, board treasurer, M&A Electric Power Cooperative; Douglas H. Aeilts, Northeast Missouri Electric Power Cooperative; and Dan A. Singletary, Sho-Me Power Electric Cooperative.

Three-tiered system serves members' power supply needs



Associated serves six G&Ts that provide power to 51 distribution co-ops in three states

Central Electric Power Cooperative – Jefferson City, Missouri

• Founded in 1949 • 34 counties served

- Boone Electric Cooperative – Columbia, Missouri
- Callaway Electric Cooperative – Fulton, Missouri
- Central Missouri Electric Cooperative Inc. – Sedalia, Missouri
- Co-Mo Electric Cooperative Inc. – Tipton, Missouri
- Consolidated Electric Cooperative Inc. – Mexico, Missouri
- Cuivre River Electric Cooperative Inc. – Troy, Missouri
- Howard Electric Cooperative – Fayette, Missouri
- Three Rivers Electric Cooperative – Linn, Missouri

Northeast Missouri Electric Power Cooperative – Palmyra, Missouri

• Founded in 1948 • 33 counties served

- Access Energy Cooperative – Mt. Pleasant, Iowa
- Chariton Valley Electric Cooperative Inc. – Albia, Iowa
- Lewis County Rural Electric Cooperative – Lewistown, Missouri
- Macon Electric Cooperative – Macon, Missouri
- Missouri Rural Electric Cooperative – Palmyra, Missouri
- Ralls County Electric Cooperative – New London, Missouri
- Southern Iowa Electric Cooperative Inc. – Bloomfield, Iowa
- Tri-County Electric Cooperative Association – Lancaster, Missouri

KAMO Power – Vinita, Oklahoma

• Founded in 1941 • 51 counties served

- Barry Electric Cooperative – Cassville, Missouri
- Barton County Electric Cooperative Inc. – Lamar, Missouri
- Central Electric Cooperative – Stillwater, Oklahoma
- Cookson Hills Electric Cooperative Inc. – Stigler, Oklahoma
- East Central Oklahoma Electric Cooperative Inc. – Okmulgee, Oklahoma
- Indian Electric Cooperative Inc. – Cleveland, Oklahoma
- Kiamichi Electric Cooperative Inc. – Wilburton, Oklahoma
- Lake Region Electric Cooperative Inc. – Hulbert, Oklahoma
- New-Mac Electric Cooperative Inc. – Neosho, Missouri
- Northeast Oklahoma Electric Cooperative Inc. – Vinita, Oklahoma
- Osage Valley Electric Cooperative Association – Butler, Missouri
- Ozark Electric Cooperative – Mt. Vernon, Missouri
- Ozarks Electric Cooperative Corp. – Fayetteville, Arkansas
- Sac Osage Electric Cooperative Inc. – El Dorado Springs, Missouri
- Southwest Electric Cooperative – Bolivar, Missouri
- Verdigris Valley Electric Cooperative Inc. – Collinsville, Oklahoma
- White River Valley Electric Cooperative Inc. – Branson, Missouri

NW Electric Power Cooperative Inc. – Cameron, Missouri

• Founded in 1949 • 32 counties served

- Atchison-Holt Electric Cooperative – Rock Port, Missouri
- Farmers' Electric Cooperative Inc. – Chillicothe, Missouri
- Grundy Electric Cooperative Inc. – Trenton, Missouri
- North Central Missouri Electric Cooperative Inc. – Milan, Missouri
- Platte-Clay Electric Cooperative Inc. – Kearney, Missouri
- United Electric Cooperative Inc. – Savannah, Missouri
- West Central Electric Cooperative Inc. – Higginsville, Missouri

Sho-Me Power Electric Cooperative – Marshfield, Missouri

• Founded in 1941 • 26 counties served

- Crawford Electric Cooperative Inc. – Bourbon, Missouri
- Gascosage Electric Cooperative – Dixon, Missouri
- Howell-Oregon Electric Cooperative Inc. – West Plains, Missouri
- Intercounty Electric Cooperative Association – Licking, Missouri
- Laclede Electric Cooperative – Lebanon, Missouri
- Se-Ma-No Electric Cooperative – Mansfield, Missouri
- Southwest Electric Cooperative – Bolivar, Missouri
- Webster Electric Cooperative – Marshfield, Missouri
- White River Valley Electric Cooperative Inc. – Branson, Missouri

• Founded in 1948 • 18 counties served

- Black River Electric Cooperative – Fredericktown, Missouri
- Ozark Border Electric Cooperative – Poplar Bluff, Missouri
- Pemiscot-Dunklin Electric Cooperative – Hayti, Missouri
- SEMO Electric Cooperative – Sikeston, Missouri

Leadership team delivers results for Associated's member-owned system

Management rooted in foundational rural electric cooperative principles yields meaningful results for members year after year.



Front row, from left: David J. Tudor, CEO and general manager; and senior vice presidents Shawn P. Calhoun, chief human resources officer; Meredith T. Roberts, chief financial officer and Brian A. Prestwood, general counsel and chief compliance officer.

Back row, from left: Senior vice presidents Kenneth S. Wilmot, chief operations officer; Brent W. Bossi, chief information officer; Roger S. Clark, chief commercial officer; Scott E. Thompson, chief risk officer and Joseph E. Wilkinson, chief member relations officer.

RELIABLE



"Our reliability is not for sale."

- David Tudor, CEO & general manager



Learn why technology, transmission and time are critical to reliability.

All-time coal fleet performance records set in 2022

New Madrid Power Plant

Thomas Hill Energy Center

Overall

#2 Recordable incident rate

#2 Availability factor

#5 Capacity factor

#6 Net generation

#10 Net heat rate

Unit 1

#2 Availability factor

#6 Capacity factor

#8 Net generation

Unit 2

#6 Capacity factor

#7 Availability factor

#9 Net heat rate

Overall

#3 Net heat rate

#10 Derate factor

Unit 1

#6 Net unit heat rate

#8 Capacity factor

Unit 2

#1 Availability factor

#1 Unplanned outage factor

#2 Capacity factor

#6 Net unit heat rate

#9 Net generation

Unit 3

#1 Net unit heat rate (tie)

#1 Derate factor

Power balance meets members' desire for dependable electricity

A balanced generation portfolio – coal, natural gas, wind and hydropower – enables Associated to provide reliable power to members, no matter the season. With challenges on multiple fronts, maintaining reliability for rural members requires vigilance and action by Associated to protect its members and their livelihoods.



Associated employees braved triple-digit heat during the new summer peak July 5.



Chouteau 2 switchyard during Winter Storm Elliott Dec. 22-23.

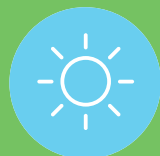
Generating member confidence during weather extremes

With the midsection of the country sweltering during a persistent heatwave, a new all-time summer peak of 4,538 megawatts on July 5 surpassed the previous summertime high by 221 MW. Associated's balanced generation strategy kept the power flowing to members throughout a time of tight regional power supplies.

Then, when the system hit a new all-time member peak demand of 5,899 MW during Winter Storm Elliott on Dec. 23, eclipsing the prior all-time peak of 5,549 MW set during February 2021's Winter Storm Uri by 350 MW, the three-tiered system kept its collective promise of reliable power when it was needed most. With utility systems around Associated's footprint struggling to keep pace with demand, Associated and its member-owners delivered reliable power during historically low wind chills of 25 degrees below zero.



Associated's CEO and General Manager David Tudor reinforced the cooperative's commitment to reliability in a presentation before the National Rural Electric Cooperative Association in February 2022.



4,538 MW
all-time summer
peak July 5

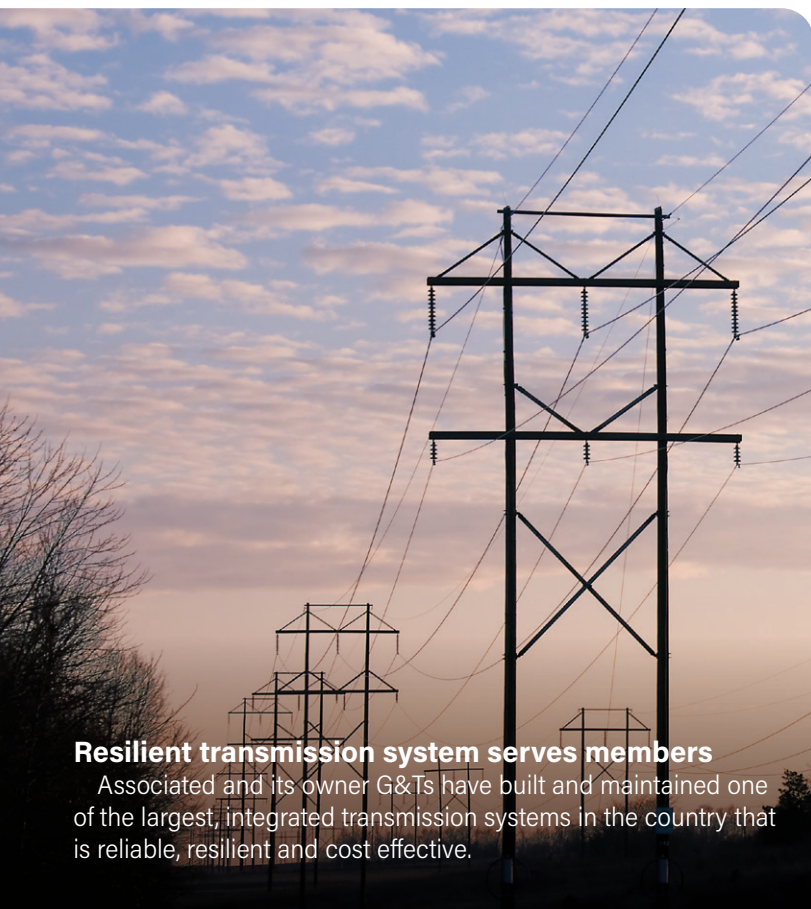
Successfully delivering peak power
In less than a six-month span in 2022, the system set two new all-time peaks.



5,899 MW
all-time system
peak Dec. 23

A reliable foundation: Coal, natural gas and transmission

Associated's coal and natural gas generating fleet provides a foundation for member reliability unmatched by intermittent generation technologies. Dispatchable, base load coal power operates when members need it 24/7/365, while quick-start natural gas plants provide base load and peak power. Working together for members, the coal and natural gas fleet generated record output during 2022, delivered across an extensive and resilient transmission system.



Resilient transmission system serves members

Associated and its owner G&Ts have built and maintained one of the largest, integrated transmission systems in the country that is reliable, resilient and cost effective.

Transmission system investments strengthen electricity superhighway

Challenged by increasing influxes of intermittent power that appear on the system and disappear just as quickly, the transmission assets of Associated and its six member-owner transmission cooperatives have maintained exceptional reliability. Transmission investments of \$420 million are planned to renew, upgrade and add to the 10,000-plus mile network of high-voltage infrastructure. The reliability and resiliency of the system will remain a strength and focus as surrounding systems retire assets and new renewable generation projects go online.

The impact of accelerated base load generation retirements in the regional transmission organizations surrounding Associated and their replacement with intermittent renewables continue to create serious reliability concerns.



Generation kept afloat during river lows

During record low Mississippi River water levels in fall 2022, Associated used floating barge pumps to provide sufficient water flow for New Madrid Power Plant.



\$420 million
transmission system
investment



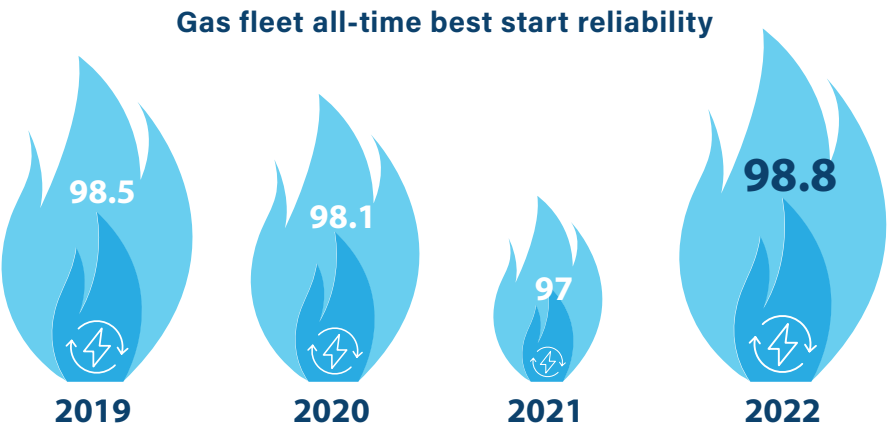
24,554,809 MWh
coal and gas
net generation

Natural gas fleet sets performance records

Associated's natural gas fleet provides essential intermediate and peaking power generation that works in concert with the rest of the generating fleet to ensure reliable electricity. To deliver power, natural gas units first must successfully start when called upon. In 2022, the natural gas fleet achieved its all-time best for this reliability measure, successfully starting 98.8% of the time – 1,620 out of 1,640 possible starts.

Natural gas plant work adds affordable megawatts for members

System all-time peaks in 2021 and again in 2022 validate the importance of Associated's ongoing efforts to optimize capacity at existing natural gas units, the least expensive way to add valuable capacity to the system when it is most needed. Even before 2021's Winter Storm Uri, 44 MW of natural gas capacity was added with an additional 42 MW in 2022.



2022 NATURAL GAS FLEET TOP 10 ALL-TIME PERFORMANCE

2022 NATURAL GAS FLEET TOP 10 ALL-TIME PERFORMANCE			
Natural gas fleet	Chouteau Power Plant	Dell Power Plant	St. Francis Power Plant
#3 • Capacity factor	#1 • Heat rate	#1 • 131 days continuous operation	#1 • Capacity factor
#3 • Net generation		#1 • Heat rate	
		#3 • Capacity factor	

Power plant recommissioning will deliver affordable capacity

Associated's recommissioning of its Unionville Power Plant, a 44-MW liquid fuel peaking facility in layup status since 2014, will add capacity and also enhance fuel diversity. The ability to run on liquid fuel is valuable for generating electricity when natural gas is either expensive or undeliverable. The plant will be available starting in late 2023.



System speeds restoration of major transmission line

In December 2021, tornadoes brought down almost five miles of Associated's West New Madrid-to-Dell 500-kilovolt line in southeast Missouri. Seventeen structures were destroyed with 10 of those towers suffering foundation damage. Six more towers sustained damage at conductor attachment points. Working together with M&A Electric Power Cooperative, one of Associated's six member-owners, the transmission structures and line went back in service June 1, 2022 – 30 days ahead of schedule. Construction included replacement of 17 towers, 45 linear miles of conductor and 10 miles of steel static wire at a cost of \$10 million. Disaster declaration reimbursements of 90% from the Federal Emergency Management Agency and up to 10% from the state of Missouri will cover much of the cost.



Take flight during the 500-kV line restoration.

AFFORDABLE



“Associated is one of the highest rated C&ETs in the country by credit rating agencies. We were well-positioned to get through a challenging last two years.”

– **Meredith Roberts**, senior vice president & chief financial officer



Learn how Associated generates reliable, affordable power.

Affordability under pressure in 2022



\$59.5 million

increase in fuel and
plant operations costs



\$17 million

increase in generation
fleet maintenance costs



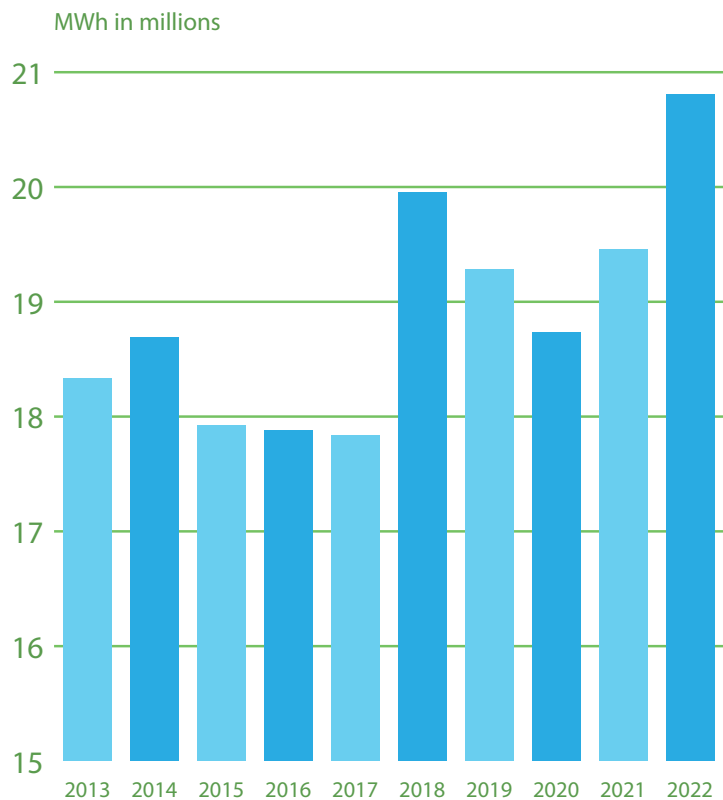
\$11.5 million

increase in
transmission costs

Protecting the bottom line for members

Associated has never forgotten the value of a hard-earned dollar. The need for affordable electricity in the rural Midwest is what sparked the cooperative's founding more than 60 years ago. Today, Associated's vision to be among the lowest-cost wholesale power providers for members-owners continues to drive the cooperative.

Member energy sales



Navigating a challenging year for energy affordability

2022 presented real challenges to energy affordability. Surging inflation, skyrocketing fuel costs, policy changes, an unexpected base load unit outage and global supply chain shortages kept pressure on affordability. All this during a year the Associated system set a record for member energy sales while selling power to our cooperative owners at competitive rates. Despite the challenges, Associated leveraged its financial strength and flexibility to find solutions, absorb costs and keep rates affordable for members.



Affordable energy has been a priority since Associated's founding. The cooperative never forgets who they serve and how it benefits rural communities in three states.

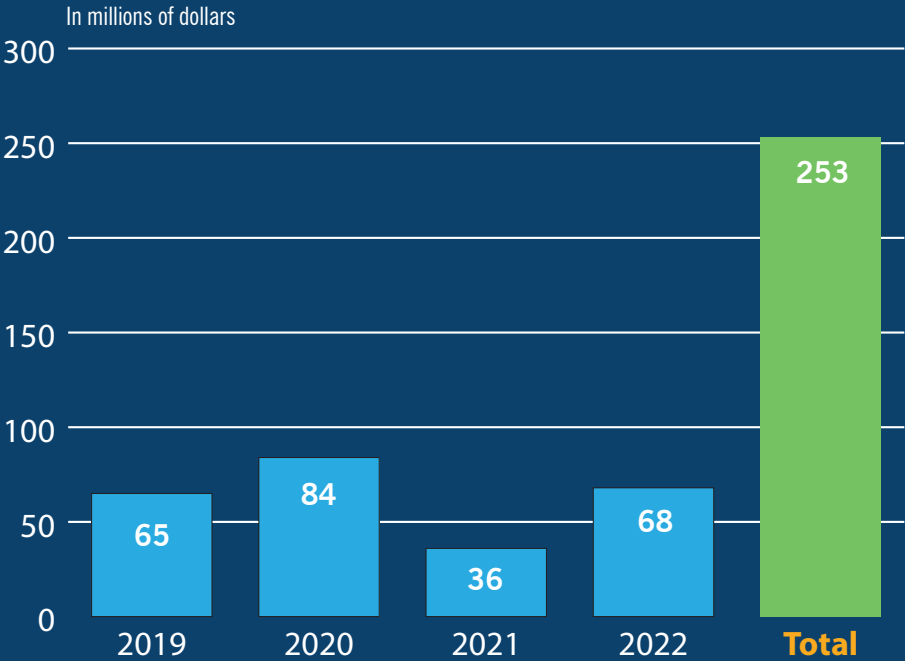


20.8 million MWh
all-time record member energy sales

Extending discounts for members

For the fourth consecutive year, Associated provided discounts for members that have totaled \$253 million. While historic inflation impacted every other aspect of daily life, Associated’s members could count on the stability of affordable electricity. To help mitigate the impact of rising costs and a needed rate increase in 2023 – the cooperative’s first since 2017 – the Associated board extended demand discounts through March 31, 2023.

Member rate discounts



Incentivizing energy efficiency

Take Control & Save, a suite of energy efficiency services and rebates funded by Associated and its member systems, provides significant financial incentives for member-consumers to save energy. In a win-win for Associated and its member systems, Take Control & Save offers 15 rebates to improve energy efficiency across the system, helping families save money on heating and cooling equipment, smart thermometers, weatherization improvements, residential energy audits and more. Associated benefits by generating less energy than it otherwise would during periods of peak use.



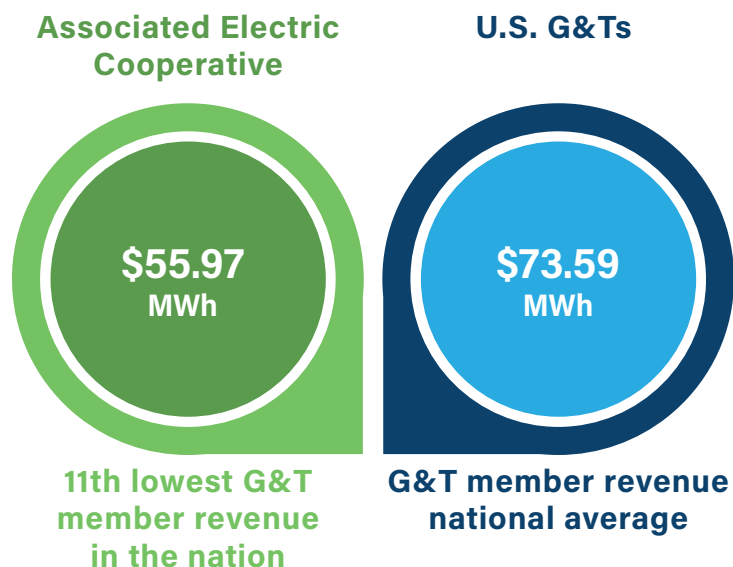
\$68 million
in member rate
discounts in 2022



\$253 million
in total member rate
discounts since 2019

Diverse generation and financial strength help keep rates competitive

Associated's balanced generation strategy pays off for members and helps keep rates among the most affordable of any G&T in the country. As fuel costs and other variables change, Associated dispatches its lower-cost generation resources first to maximize value to members. A strong, stable and flexible financial position benefits members across the three-tiered system.



Source: G&T Accounting and Finance Association's June 2022 directory

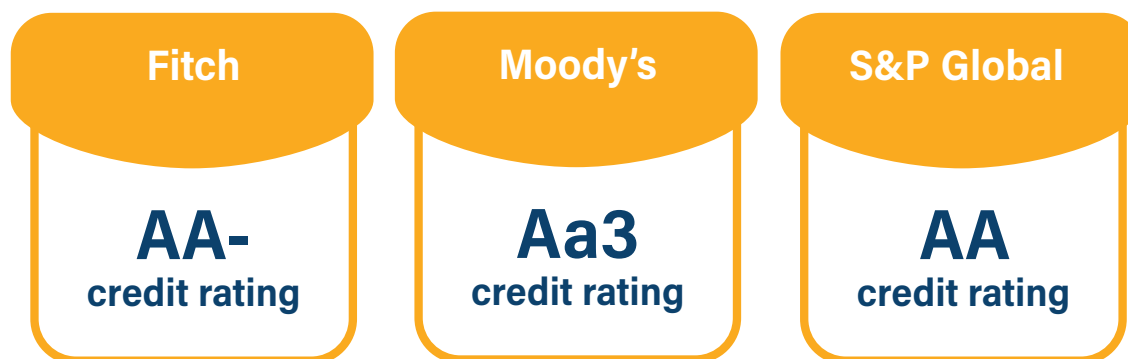
"By having a diverse generation mix, it gives us the flexibility to move between the lowest-cost fuel sources as prices change to keep our rates affordable."

– **Roger Clark**, senior vice president & chief commercial officer

Financial strength affirmed

Critical to ensuring affordability is the cooperative's annual credit rating review process. Strong credit ratings are key to Associated's ability to access the lowest cost loans and for its work with counterparties, in turn keeping rates affordable for members.

Following meetings with S&P Global Ratings, Fitch Ratings and Moody's Investors Service in 2022, all three agencies affirmed Associated Electric Cooperative's strong credit rating, once again ranking Associated among the highest-rated G&Ts in the nation.



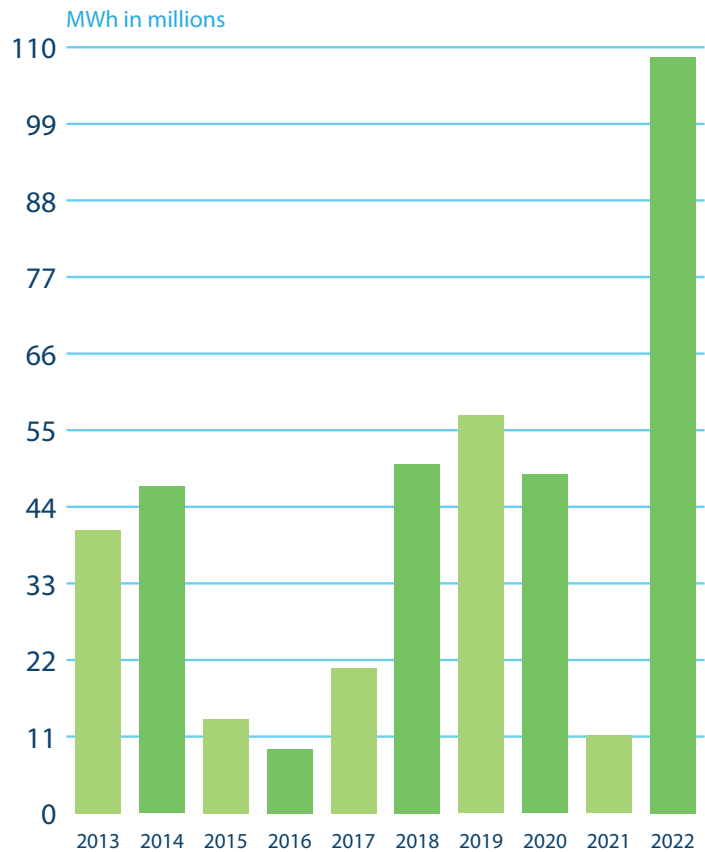
"S&P, Fitch and Moody's affirming the strength of our ratings is a testament to the overall health of our business, as well as our board and leadership."

– **Barb Economon**, vice president, finance

Hot market, nonmember sales create record opportunity

When member load is served and market conditions are right, Associated sells excess generation into the marketplace. Benefiting from low-cost generation, central geographical location and numerous interconnections with neighboring entities, the cooperative takes advantage of pricing spreads to generate nonmember sales that help keep member rates as low as possible.

Nonmember margins



Capitalizing on volatility

In 2022, a volatile energy market presented many opportunities for the cooperative to cash-in for members, generating nonmember sales margins of \$109 million and shattering records in the process.

Dedicated to driving value

Associated employees know the “why” behind their work. “At the end of the day, our group in marketing has bought into Associated’s mission. We take it seriously, what we do and what we do for members,” said Michael Denning, managing director, energy marketing. “It’s fun to watch my team keep an eye on the prize and not get too distracted by things around us. We take pride in how well we do it.”



Taylor Robertson, associate energy management specialist, works in power marketing. As the recipient of the 2022 Excel Rising Star Award, she advanced the use of Power BI to track and aggregate large data sets to capture value from Associated’s generating fleet on behalf of members.



\$109 million

Associated generated all-time record nonmember margins in 2022



255 interconnections

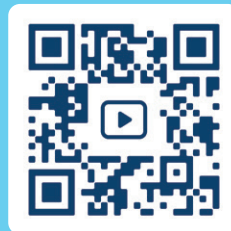
transport power throughout the system and to neighboring markets

RESPONSIBLE



*“Our members expect us to act in a responsible way.
Top-notch folks with good values work here and
our members expect that from us.”*

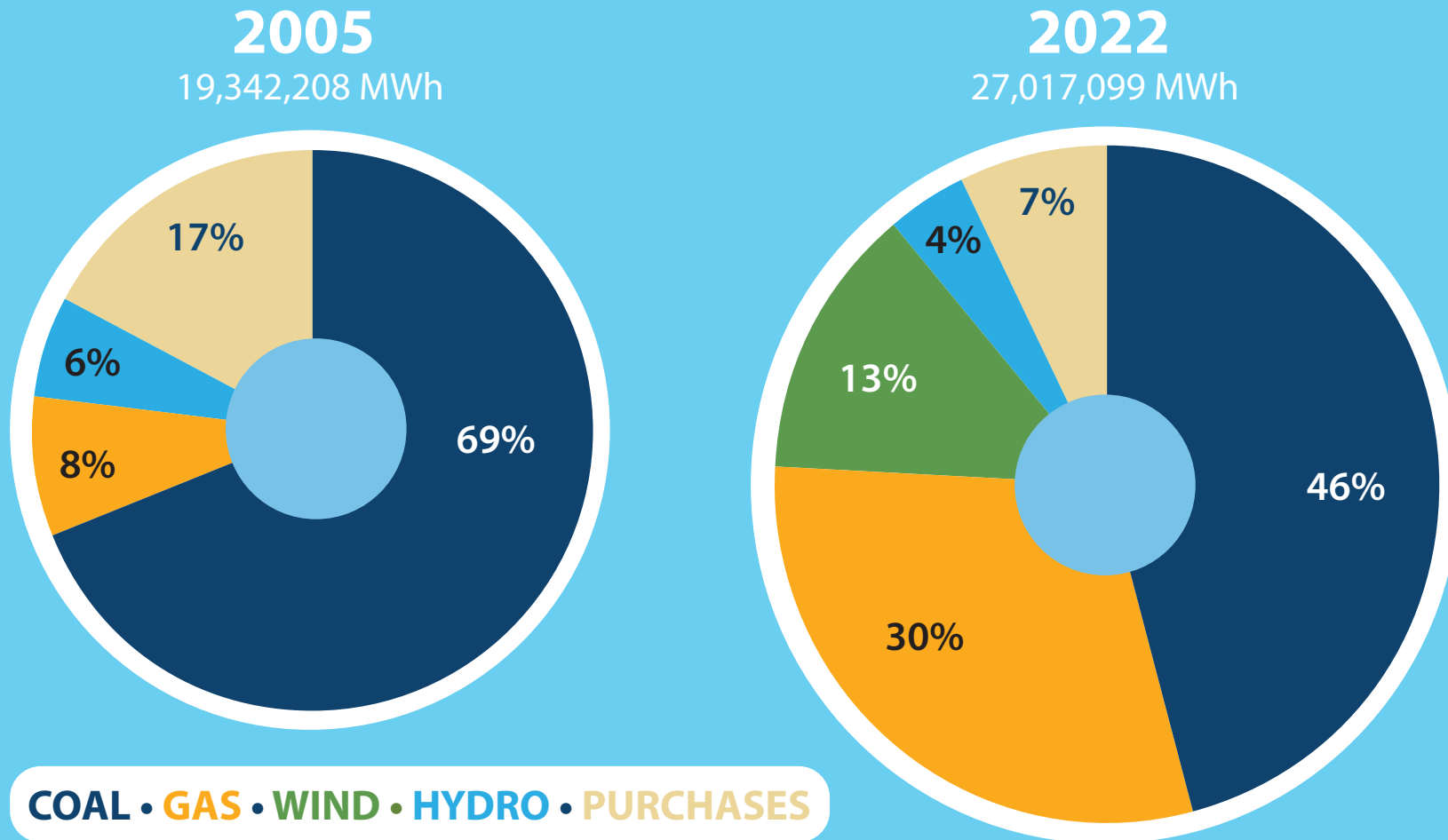
– **Brent Ross**, managing director, environmental, health and safety



Tour Associated's contracted wind farms and award-winning mine reclamation.

Associated's evolving resource mix

TOTAL GENERATION



The diversity of wind and hydropower adds optionality, fixed prices

Associated's long-term purchase agreements brought the first utility-scale wind farm to Missouri in 2007. Today, Associated buys all the output from eight wind farms located in Missouri, Kansas and Oklahoma – with a combined nameplate capacity total of 1,240 MW. The least expensive resource is 478 MW of hydropower from federal dams in Missouri, Oklahoma and Arkansas.

Responsibly generating power is a way of life for our cooperative

Associated's long-term focus on environmental stewardship is a cornerstone of the cooperative's commitment to responsible value and accountability to its member-owners. Stewardship of the air, land and water on which rural communities depend remained a focus in 2022 as it has in the cooperative's more than 60 years of generating power.



Year round, 24/7, the emergency response teams stand ready at a moment's notice. These teams at New Madrid Power Plant and Thomas Hill Energy Center put their lives on the line to safeguard the people, plant operations and communities they call home.

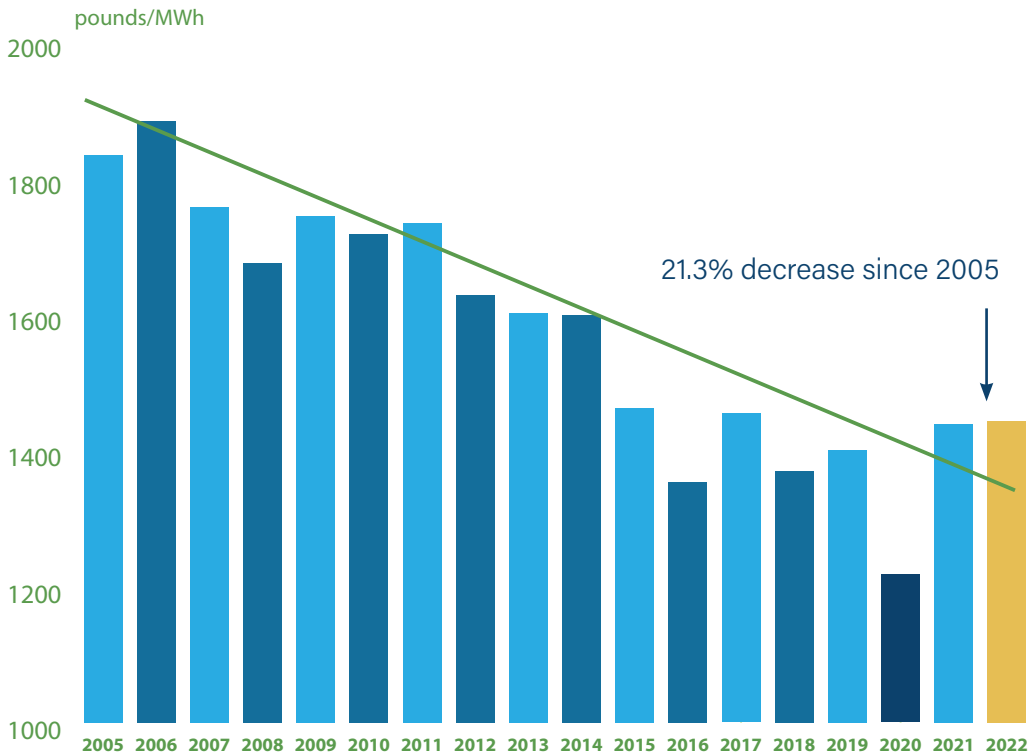
Protecting water and air resources

Associated and its members have invested more than \$100 million since 2015 to meet Coal Combustion Residuals and Effluent Limitation Guidelines issued by U.S. Environmental Protection Agency, funding coal ash and water quality projects, including pond closures, water systems and groundwater quality monitoring. It's all part of serving our members with commitment to environmental stewardship.

Declining emissions rate

Overall, Associated's carbon emissions rate has declined through diversification of generation resources and improved power plant efficiencies.

2005-2022 carbon emissions rate declines



1.18 RIR

second-lowest OSHA recordable incident rate of all-time in 2022



\$100 million

since 2015 to meet CCR and ELG environmental guidelines

Responsibility to members is paramount

Associated generates electricity for 935,000 members, representing a total of 2.1 million people, who have a voice and a vote in how the three-tiered system operates. Every year, the Associated annual meeting brings together cooperative boards and staffs to learn about generation strategies, current issues and challenges, hear reports from the board president and CEO and general manager, and appoint directors through its business meeting.



Joe Wilkinson, senior vice president and chief member relations officer, addresses members at the 2022 annual meeting in Branson, Missouri.

Members tour their generation assets

Associated is dedicated to the care and maintenance of members' generating fleet. Throughout the year, member systems tour our plants to get a first-hand look at how Associated safely and efficiently provides wholesale power to the three-tiered system.



KAMO Power board members, managers and staff get an up-close look at Chouteau Power Plant combined-cycle gas plant near Pryor, Oklahoma.



935,000
members



3 state
region



2.1 million
people served

A strong focus on security and compliance

Safeguarding the three-tiered system through security and compliance is a hallmark of Associated. In 2022, the cooperative's programs, activities and teamwork protected grid reliability to ensure an economic and reliable power supply for members.

Innovation, collaboration fuel cybersecurity program

Cyber Dome, an innovative, collaborative and proactive approach to defending and detecting system threats, provides a new level of security and service for the three-tiered system. The program leverages the expertise of Associated's cybersecurity team and cooperative IT professionals to quickly detect and respond to potential threats in real-time. For its 49 participants, this program significantly reduced the potential for a cyberattack to disrupt the system in 2022.

SERC auditors praise industry-leading compliance

Associated completed an operations and planning audit by SERC Reliability Corporation in 2022, earning a clean evaluation with no findings. These results indicate the cooperative continues to be in compliance with federal standards that ensure a reliable and secure electric grid.



Cyber Dome team members, left to right, back row: Toby Schaefer, Tasha Zumalt, Tom Galloway, Matt Tindell, Michael Green, Danny Dubree. Front row: Andy Hoggatt, Jody Loftin, Stacy Jackson, Justin Kosar.



"Associated's strong culture of compliance supports these SERC audit results. This culture encourages grid reliability and resiliency, which ultimately supports Associated's mission to provide an economical and reliable power supply and support services to members."

– **Todd Bennett**, managing director, reliability compliance and audit services

Employees support communities where they live

For more than 60 years, Associated employees have lived and worked in rural communities providing power for their friends, family and neighbors. Job opportunities, as well as employee volunteerism, contribute to strengthening these communities. In Springfield, Associated and its employees are among the top contributors to United Way of the Ozarks.



Associated employees volunteer time and money to nonprofits that improve communities and lives.

Prioritizing community involvement

Among Associated's workforce are numerous examples of dedication to serving neighbors and improving home communities across three states. From first responders to nonprofit service, cooperative employees have a strong commitment to others and put their dedication to work. Employees have performed trail cleanups, and offered home building support, foster program assistance and food bank preparation work. Their collective efforts make a difference in the lives of others.



In 2022, New Madrid Power Plant celebrated 50 years of operations for Unit 1, honoring employees and retirees who worked in the early days of plant operations in the 1970s.



New in 2022, employee resource groups for women and veterans offer Associated employees support, career and personal development to individuals with shared characteristics or life experiences. These groups strengthen their abilities to support Associated's members, their communities and the cooperative's strategic objectives.

Financial highlights

Associated's strong and effective financial position provided the ability to withstand a year of record-setting highs and lows.

The year started with freezing temperatures that resulted in the third highest winter peak during a time of increased fuel prices. The weather challenges continued throughout the summer months as a heat wave arrived early and remained constant through August, setting and resetting Associated's all-time summer peak record during the same time planned and unplanned repair outages were underway. The year ended with Winter Storm Elliott that brought brutal cold temperatures and record-setting wind chills which set a new all-time peak. These challenges were met by Associated's preparedness, diverse portfolio, continued concentration on optimizing the performance of its generating assets, maintaining reliability of the transmission system and

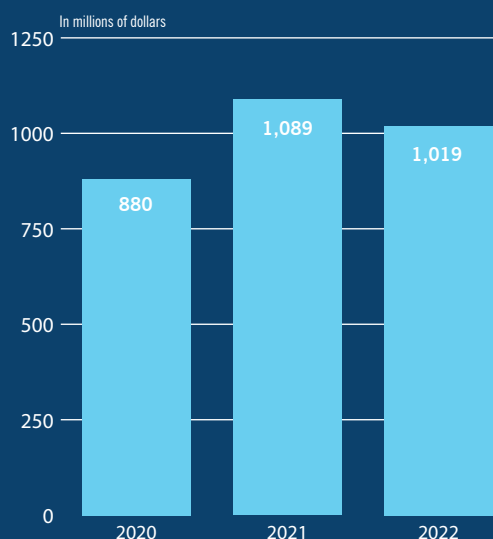
record-setting marketing activity to provide affordable and reliable energy to member-owners while maintaining a healthy financial position.

Associated maintained its excellent credit ratings from all three rating agencies, an indication of Associated's financial strength that allows for lower borrowing costs.

Net margin for 2022 was \$24.9 million compared to \$51.9 million for 2021. Associated faced several cost-related challenges in 2022, including increased coal and natural gas prices, plant outages and higher member load. However, once the plant outages concluded, Associated maximized resources and capitalized on favorable market conditions which optimized year-end margins.

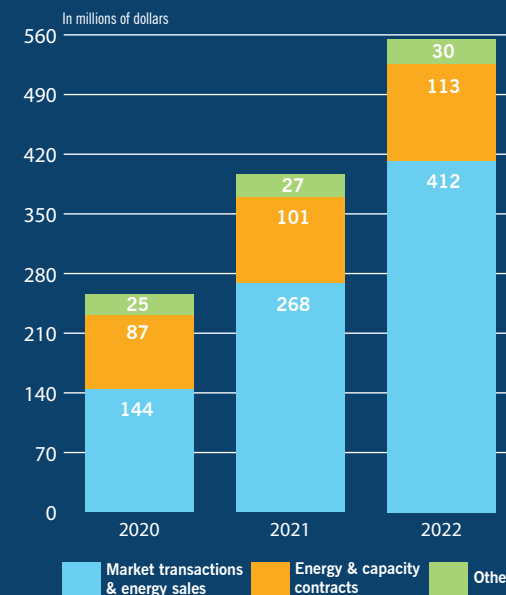
Member revenue (\$)

Member revenue was \$1 billion for the year ended Dec. 31, 2022, a decrease of \$70.2 million from the prior year. Member energy sales increased 7% in 2022; however, revenue was lower due to higher rate discounts. Member rate discounts totaled \$67.6 million in 2022 compared to \$36.5 million in 2021. Additionally, deferred revenue recognized in 2021 was \$130 million, while no deferred revenue was recognized in 2022.



Nonmember revenue (\$)

Nonmember revenue increased \$159 million in 2022 compared to 2021, primarily due to increased sales volume and higher sales prices driven by high gas prices.



*Other nonmember revenue consists of transmission and gas sales.

Financial position

Associated's financial position as of Dec. 31, 2022, remains resilient with a diversified portfolio of assets, ample working capital and a strong liquidity position.

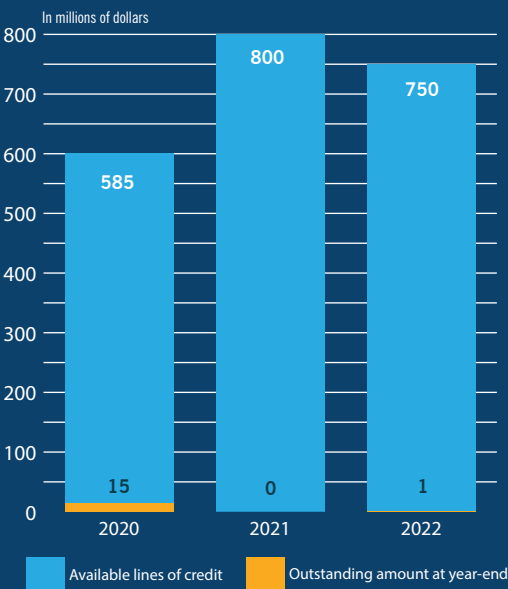
Total assets were \$3.2 billion, an increase of \$159.8 million from 2021. Utility plant assets increased \$150.9 million in 2022, which included upgrades to the transmission system, boiler maintenance and investments in other projects across the generating fleet to ensure a diverse resource portfolio and reliability.

Since 1993, Associated has returned \$320.4 million of allocated patronage capital. In 2022, Associated returned \$25.1 million in capital credits to members, which included an additional \$10 million for the fifth consecutive year. This is in addition to the 2% of equity the board annually has returned.

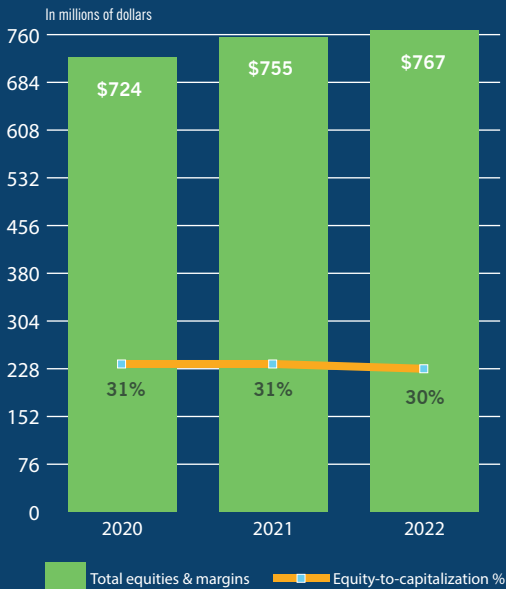
Unrestricted available liquidity was \$1.1 billion which included cash and cash equivalents, designated cash and cash equivalents, designated short-term investments and unused available funds on existing unsecured credit facilities.

Associated works with the USDA Rural Utilities Service (RUS) to secure lower-cost funding for projects that ensure reliable electricity for rural cooperative members. The cooperative borrowed \$34.4 million total from RUS at an average rate of 3.2% for environmental control, generation maintenance, transmission, and other work projects. Associated also closed on \$100 million and for other borrowings in 2022 to help fund future capital expenditures. In anticipation of planned future borrowing, Associated has mitigated interest rate risk by hedging against rising interest rates.

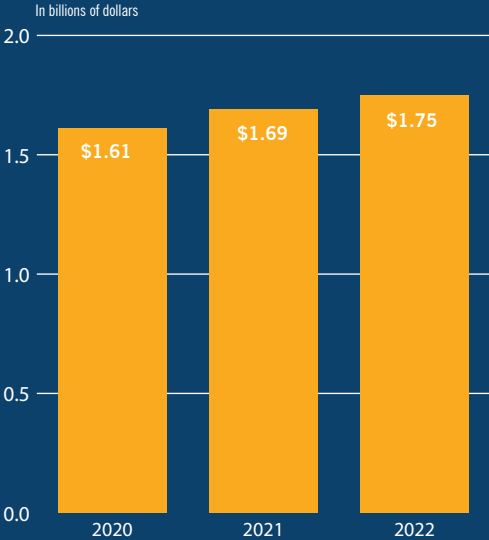
Liquidity through credit facilities (\$)



Total equities and margins & equity-to-capitalization ratio (\$)



Total long-term debt (\$)



Five-year statistical summary

<i>Year (calendar year basis)</i>	2022	2021	2020	2019	2018
Operating revenue (in thousands)	\$1,573,263	\$1,484,439	\$1,135,982	\$1,247,298	\$1,209,881
Sales (kWh in thousands)	29,662,252	28,025,964	27,762,367	29,724,096	27,297,687
Total member sales	20,809,048	19,454,686	18,734,107	19,284,984	19,956,358
Central Electric Power Cooperative	4,038,322	3,819,710	3,734,710	3,835,648	3,973,673
KAMO Power	8,141,438	7,432,573	6,978,652	7,185,095	7,323,329
M&A Electric Power Cooperative	1,881,714	1,787,267	1,732,893	1,764,990	1,857,174
Northeast Missouri Electric Power Cooperative	1,526,355	1,487,095	1,460,073	1,514,516	1,566,811
NW Electric Power Cooperative Inc.	1,846,763	1,755,055	1,723,436	1,782,683	1,912,603
Sho-Me Power Electric Cooperative	3,374,456	3,172,986	3,104,343	3,202,052	3,322,768
Total nonmember sales	8,853,204	8,571,278	9,028,260	10,439,112	7,341,329
Peak hour member demand (MW)	5,899	5,549	4,369	4,539	5,104
Member load factor (%)	40.0	39.7	48.2	47.8	44.0
Member load growth (%)					
Energy	7.0	3.8	(2.9)	(3.4)	11.9
Demand	6.3	27.0	(3.7)	(11.1)	16.7
Investment in facilities (original cost in thousands)	\$4,875,542	\$4,724,656	\$4,555,644	\$4,358,235	\$4,263,476
Total assets (in thousands)	\$3,202,660	\$3,042,828	\$3,028,804	\$2,928,229	\$3,147,763
Long-term debt (in thousands, excluding current maturities)	\$1,677,918	\$1,617,411	\$1,551,646	\$1,520,968	\$1,824,856
Total capacity (MW) (see capacity notes, back cover)	5,626	5,584	5,703	5,657	5,655
Revenue from members (mills per MWh)	48.95	55.97	46.98	48.19	47.33

Associated relies on diverse power resources

Associated's coal-based power plants:	MW capacity
New Madrid Power Plant	1,200
Thomas Hill Energy Center	1,153
Associated's combined-cycle, gas-based power plants:	
Chouteau Power Plant	1,062
Dell Power Plant (dual fuel)	622
St. Francis Power Plant	501
Associated's peaking gas-based power plants:	
Essex Power Plant	107
Holden Power Plant (dual fuel)	321
Nodaway Power Plant	182
Contracted power sources:	
Hydroelectric peaking power,	
Southwestern Power Administration	478
Wind energy *	0
Total	5,626

*Associated contracts with eight wind farms totaling 1,240 MW of nameplate capacity. Wind capacity is not included for peak planning purposes.

Associated sells and does not retain or retire all of the environmental attributes of energy generated by contracted wind facilities. This brings in revenue that helps keep members' electricity affordable.

BALANCE

Reliable • Affordable • Responsible

Access the 2022
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