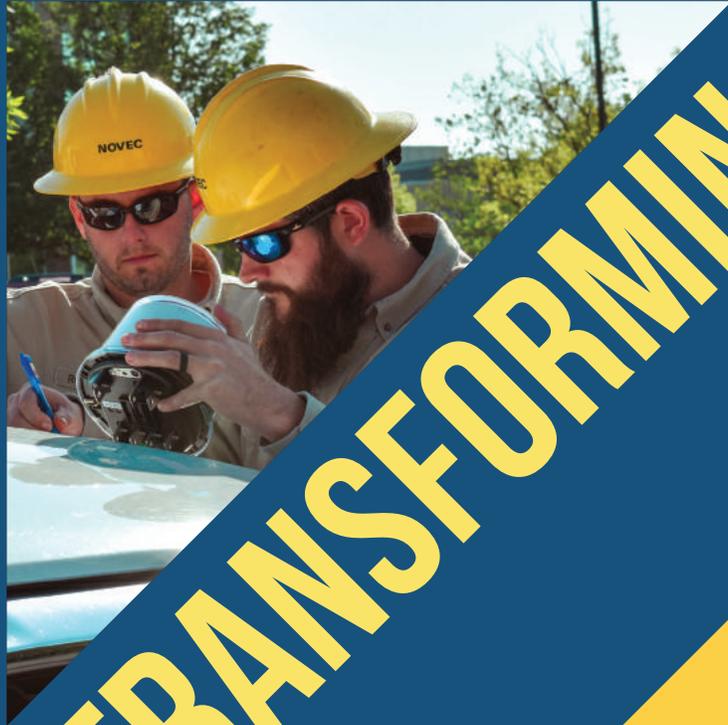


NOVEC

2022-2023
Annual Report



TRANSFORMING

NON-DISCRIMINATION STATEMENT

In accordance with federal civil rights law and U.S. Department of Agriculture civil rights regulations and policies, the USDA, its agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 (2) fax: (202) 690-7442 (3) email: program.intake@usda.gov.

USDA is an equal opportunity provider, employer, and lender.





VALUES

Integrity ▪ Accountability ▪ Safety ▪ Teamwork ▪ Excellence

VISION

Respected as the best-performing electric energy provider

MISSION

Creating value for members, employees, and communities by providing safe, reliable electricity, and quality products at competitive prices

CORPORATE PRIORITIES

- ✓ Service Value
- ✓ Financial Strength
- ✓ Skilled and Engaged Workforce
- ✓ Reputation
- ✓ Environmental Stewardship
- ✓ Legislative and Regulatory Relationships
- ✓ Community Investment

BOARD OF DIRECTORS



DISTRICT 5
Chairman
Wade House



DISTRICT 3
Vice Chairman
James Chesley



DISTRICT 6
Secretary
Michael Ragan



DISTRICT 1
Treasurer
Cindy Gilbride



DISTRICT 2
Brent George



DISTRICT 4
Mark Bruno



DISTRICT 7
Skip Albrite

LETTER FROM THE BOARD CHAIRMAN

NOVEC's Board of Directors is pleased to report that 2022 was another successful year at your electric Cooperative.

Financially, operating revenue totaled \$992 million and energy sales grew nearly 15% to more than 8.5 billion kilowatt-hours sold. Based on energy sales and total revenue, your Cooperative ranked as the largest distribution cooperative in the United States in 2022. Net margins exceeded \$22 million and assets totaled \$1.2 billion at year's end. The Board of Directors also approved returning \$10 million in capital credit patronage to members. Additionally, NOVEC's external auditor gave the Cooperative a "clean" audit and Fitch Ratings Inc. affirmed our AA- credit rating.

Because of the ongoing impact of inflation, rising interest rates, and supply chain constraints

on operating expenses, the Board approved a distribution charge increase in early 2023. While slight, it allows NOVEC to maintain its financial stability, continue to provide exceptionally reliable electricity, and meet the other electric service needs of our members. Also in 2023, we decreased the pass-through power cost adjustment on wholesale power costs. After both adjustments, NOVEC's distribution rates remain among the lowest in the region.

Operationally, NOVEC's 99.99% reliability record demonstrates the strength of our electric system. Each year, the Cooperative identifies and prioritizes the necessary work that will reduce outage frequency and duration. System upgrades and expansion, as well as a vegetation-trimming cycle of less than four years for overhead electric line right-of-way corridors, contribute to our superior reliability.



Wade C. House

Strategically, NOVEC is undergoing a period of transformation. Even as we celebrate our 40th anniversary in 2023, we are not satisfied with our past accomplishments. We have every confidence in the innovative direction taken by NOVEC's leadership. The fresh insight and strategic initiatives are transforming NOVEC, positioning it to successfully meet the changes and challenges of today and tomorrow.

A handwritten signature in black ink that reads "Wade C. House". The signature is written in a cursive, flowing style.

Wade C. House
Chairman of the Board



David E. Schleicher

LETTER FROM THE PRESIDENT AND CEO

It is a time of transformation in the energy and electric utility industries — especially here in Northern Virginia. Growing demand for power. Clean and renewable energy advancements. Rising customer expectations. These and other forces caused NOVEC to undertake its own transformational strategy in 2022 to remain your preeminent electric energy provider.

This strategy addresses operational excellence to ensure you have a superior member experience. We offer convenient self-service options through SmartHub on the website and mobile app. Implementation of advanced metering infrastructure helps you better manage your energy use with near real-

time information. Proactive management of our power supply portfolio includes pursuing utility-scale solar and battery-storage projects. We continue to integrate intermittent generation resources such as rooftop solar, as well as adapt to the shifting load patterns of electric-vehicle charging. Today's competitive employment market requires us to engage, challenge, and recognize our workforce to retain and attract skilled employees. Finally, we build constructive and professional relationships with the many local, state, federal, and industry organizations in our business.

NOVEC's leadership team also is transforming. In 2023, two executives, Bob Bisson and Mike Dailey, retired with close to 90 years of industry experience and 50 years of NOVEC service, combined. We wish them good health and every success in their next ventures. NOVEC is very fortunate to have attracted strong leaders in engineering,

operations, and human resources to continue our reputation as a first-class organization.

As we move through this season of unprecedented change, some things remain constant. Safety is our top priority for employees, members, and the general public. Our decisions and actions will be guided by integrity, excellence, and accountability. We are committed to delivering reliable, safe, and cost-effective power. Upholding the principles of a member-owned cooperative grounds us in our heritage.

A foundation of past successes, a purposeful strategic plan, and an exceptional team of employees gives us great momentum for transforming NOVEC into an even more responsive and resilient electric cooperative.

David E. Schleicher
President and CEO

CORPORATE OFFICERS



David E. Schleicher
President and CEO



Wilbur Rollins
Senior Vice President,
Finance and Asset
Development



Lisa R. Hooker
Vice President,
Public Relations



Joyce E. Johnson
Vice President,
Human Resources



Thomas J. Pierpoint
Vice President,
Operations



Arnold R. Singleton
Vice President,
Engineering



Daniel P. Swingle
Vice President, Electric
System Operations



Patrick A. Toulme
Vice President and
Corporate Counsel

TRANSFORMING

NOVEC is transforming itself with a strategy to address operational excellence, technological advancements, and workforce engagement. The achievements of 2022, combined with current endeavors, position the Cooperative for future success in a changing business environment.



SmartHub

Customers experience more convenience than ever with SmartHub, NOVEC's new customer service portal. The easy-to-navigate website and mobile application went live in August 2022.

By the end of 2022,

138,000 CUSTOMERS

were actively using SmartHub to manage their NOVEC accounts in a variety of ways.

SmartHub enrollments continue to increase, as more customers learn how the new technology helps them manage their energy use and reduce their monthly electric bills.

AVAILABLE THROUGH SMARTHUB:

- ✓ Pay with a credit card, free of charge.
- ✓ Enroll in AutoPay or paperless billing.
- ✓ Customize notifications for electric use, billing, and service.
- ✓ Join load management programs.
- ✓ Update contact information.
- ✓ Track solar-photovoltaic metrics through net meter analysis.
- ✓ Submit questions to Customer Care Center representatives.

Advanced metering

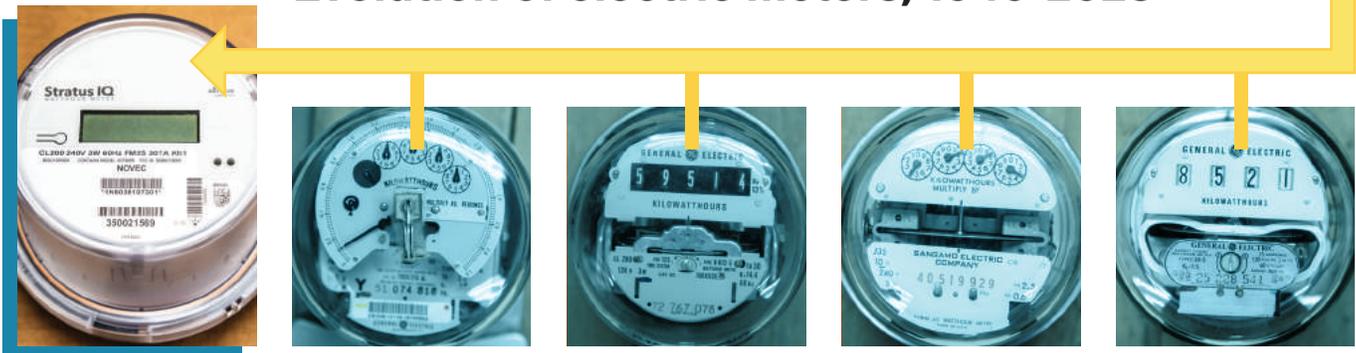
Despite supply chain challenges, NOVEC's advanced metering infrastructure (AMI) grew in 2022. NOVEC installed 5,947 meters for a total of 15,850 meters. While AMI installations continue at a brisk pace in 2023, it will take several years before all of the Cooperative's meters are upgraded.

AMI delivers more comprehensive and frequent readings than traditional meters. Customers are using the near real-time data to improve energy efficiency and, in turn, save money on their electric bills.

The multiyear project, which began in late 2020, benefits NOVEC too. Remote service connections and disconnections can be completed anytime, day or night. The remote capability reduces truck rolls, traffic congestion, and vehicle emissions. It also saves fuel and labor expenses. AMI detects outages even before customers are able to report them, so electricity is restored more quickly. To boost safety, the technology identifies meter tampering and equipment malfunctions.



Evolution of electric meters, 1940-2023



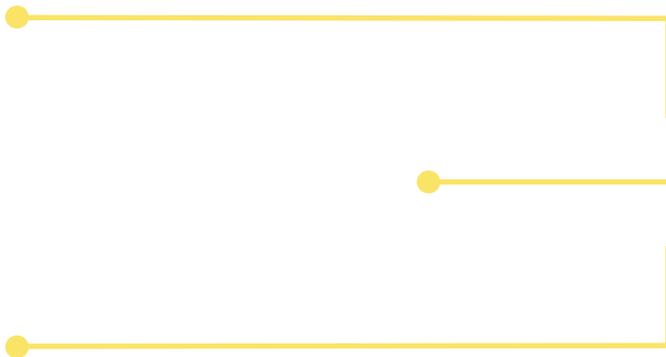
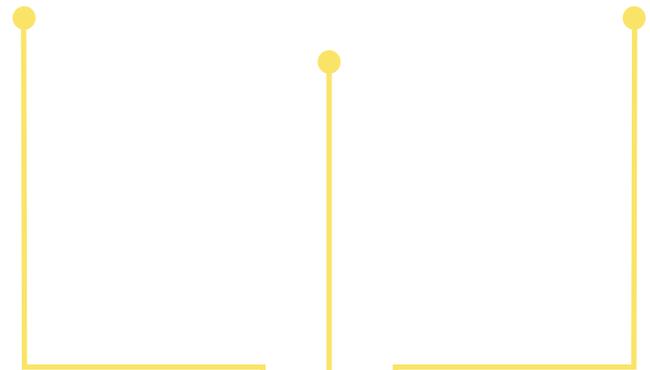


Safety commitment

Electric linework is dangerous. In the blink of an eye, one mistake can cause serious injury or even death. That is why safety is at the heart of every NOVEC task. The Cooperative recently joined National Rural Electric Cooperative Association's "Commitment to Zero Contacts" initiative. It outlines how to have critical conversations that assess existing work practices, identify improvements, and create approaches to sustain the improvements. Active participation and commitment by NOVEC's leadership and workforce can result in lifesaving solutions for employees and their families.

Cybersecurity audit

NOVEC uses complex information technology (IT) and operations technology (OT) that span the transmission, generation, distribution, corporate, and service networks. In 2023, NOVEC invited a respected, qualified outside third-party to assess all of its systems. Co-op employees and its IT contractor participated, as they routinely collaborate to ensure a secure cyber environment. The outside organization analyzed NOVEC's system architecture to comprehensively review how the infrastructure is connected and interdependent. It identified potential risks against existing cyber vulnerabilities and emerging threats. When completed, the external audit found NOVEC's IT and OT system protections to be strong.



TRANSFORMING

NOVEC supports the Halifax County community



NOVEC participates in the 2022 South Boston Christmas Parade.



NOVEC Community and Government Liason Shelia Bradley (right) presents a check to Maria Traynham, chair of Healthy Harvest Community Garden, for its intern scholarship in Halifax County.

BIOMASS GENERATING FACILITY



Renewable energy is generated

**AROUND
THE CLOCK.**

Nearly

\$695,000

in annual property
taxes paid.

Approximately

\$12 MILLION

paid annually to local
businesses for wood chips.





(From left) Control Room Operator Kyle Long, Fuel Manager Mike Davis, and Virginia Secretary of Agriculture and Forestry Matt Lohr.

State officials tour NOVEC biomass plant

NOVEC's Halifax County Biomass Electric Generating Facility welcomed Virginia Secretary of Agriculture and Forestry Matthew Lohr in 2022; Lohr was joined by State Forester Rob Farrell. They saw firsthand how the biomass plant uses wood waste to generate up to 49.9 megawatts of renewable electricity; enough to power about 16,000 homes.

“THE NOVEC FACILITY IS A SHINING EXAMPLE OF HOW VIRGINIA CAN EFFICIENTLY UTILIZE OUR ABUNDANT FOREST RESOURCES AND LESSEN DEPENDENCE ON FOSSIL FUELS.”

— Matthew Lohr, Virginia Secretary of Agriculture and Forestry

The Cooperative does not cut down trees or buy timber tracts, but rather relies on branches, treetops, and other brush left behind by commercial loggers to fuel the biomass plant.

“NOVEC provides an efficient and clean solution to utilize timber harvest residuals that would otherwise be burned or left to decay,” Lohr said. “This clears the way for planting more tree seedlings, which in turn, benefits forest landowners.”



Twenty high school students toured NOVEC's Biomass Electric Generating Facility in 2022 as part of Halifax County Chamber of Commerce's Manufacturing Day.

The biomass plant is environmentally friendly in other ways, too. It reclaims water from a nearby wastewater treatment plant for cooling, and area farmers use the residual wood ash as fertilizer.

Also in 2022, the NOVEC biomass plant hosted several legislative officials, and students from Halifax and Pittsylvania counties. In 2023, the Virginia Board of Forestry, Virginia Farm Bureau, Young Farmers of Virginia, and Virginia Tech forestry students visited the facility.



Solar-photovoltaic systems

NOVEC customers who installed solar-photovoltaic (PV) systems in 2022 drove a 67% increase in connected locations. The Cooperative had 1,792 connected solar-PV sites, accounting for 16.7 megawatts of generating capacity. That's up from 1,072 locations and 10.3 MW at the end of 2021.

Solar panels convert sunlight into electrical energy. NOVEC Solutions, through its contractor, Prospect Solar, and other providers, assist customers in connecting their solar panels to the power grid.

At times, a solar-PV system produces more power than the location can use. NOVEC provides a net meter to record both the amount of electricity purchased from the Cooperative and the energy produced by the solar-PV system. The customer is billed the difference each month.

Renewable and dynamic energy resources

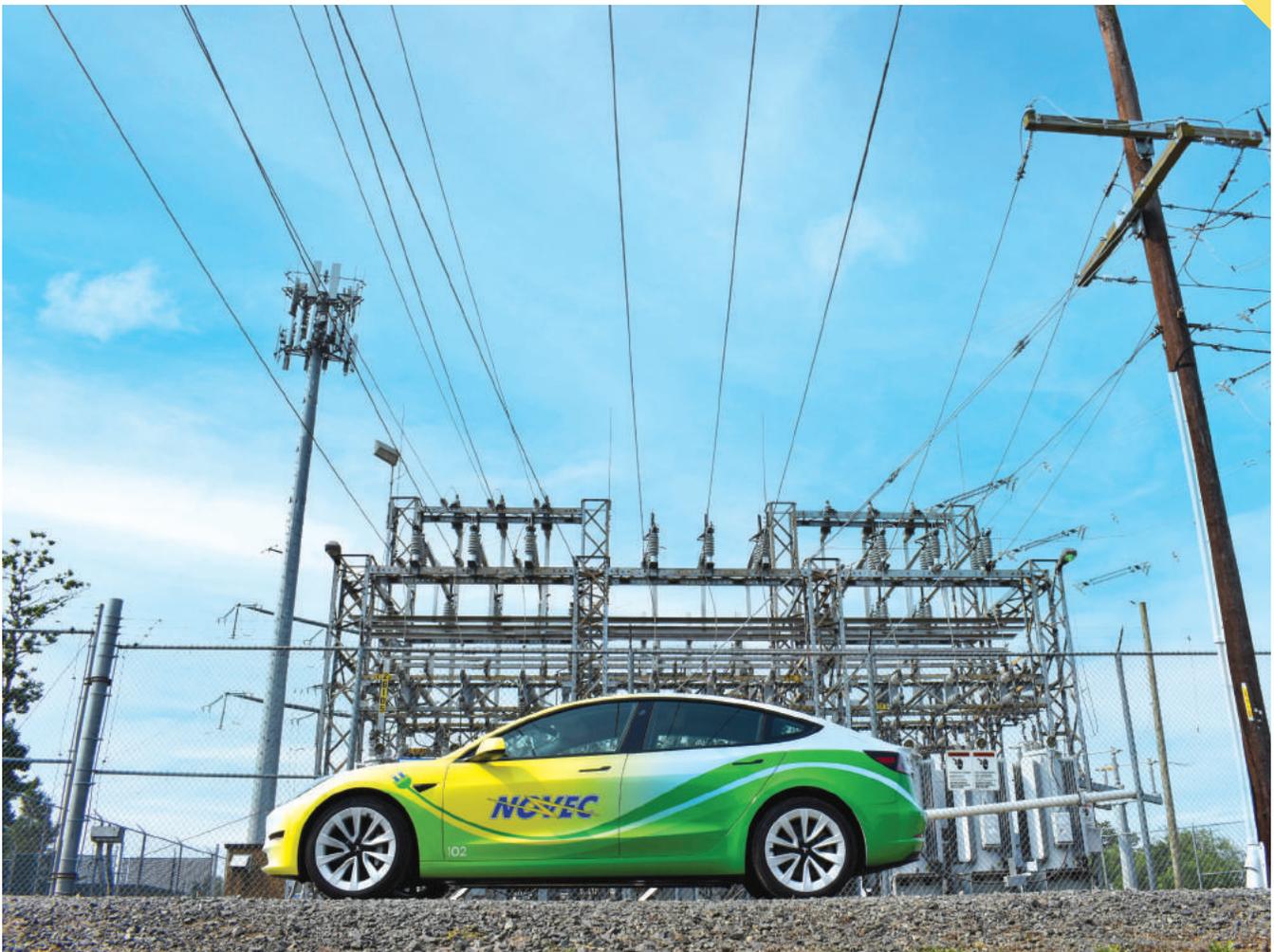
Many NOVEC customers share an interest in protecting the environment through increased use of renewable energy. The Cooperative is responding by seeking out competitively priced renewable sources to add to its power supply portfolio. Currently, NOVEC is in discussions with potential partners for utility-scale solar projects, and is negotiating with battery developers to construct state-of-the-art battery installations. The installations can reduce the NOVEC system electricity demand during periods of peak energy use, thereby saving NOVEC customers millions of dollars over the life of the battery. NOVEC passes savings from reduced peak demand charges on to customers through a lower power cost adjustment factor.

EV-1 electric-vehicle rate

Customers are showing strong interest in EV-1, NOVEC's new voluntary electric-vehicle rate.

Designed for residential customers, it incentivizes EV owners to charge their vehicles between the hours of 11 p.m. and 6 a.m. Overnight charging costs about 50% less than charging at other times of the day, because the electric system is less stressed and power costs are lower.

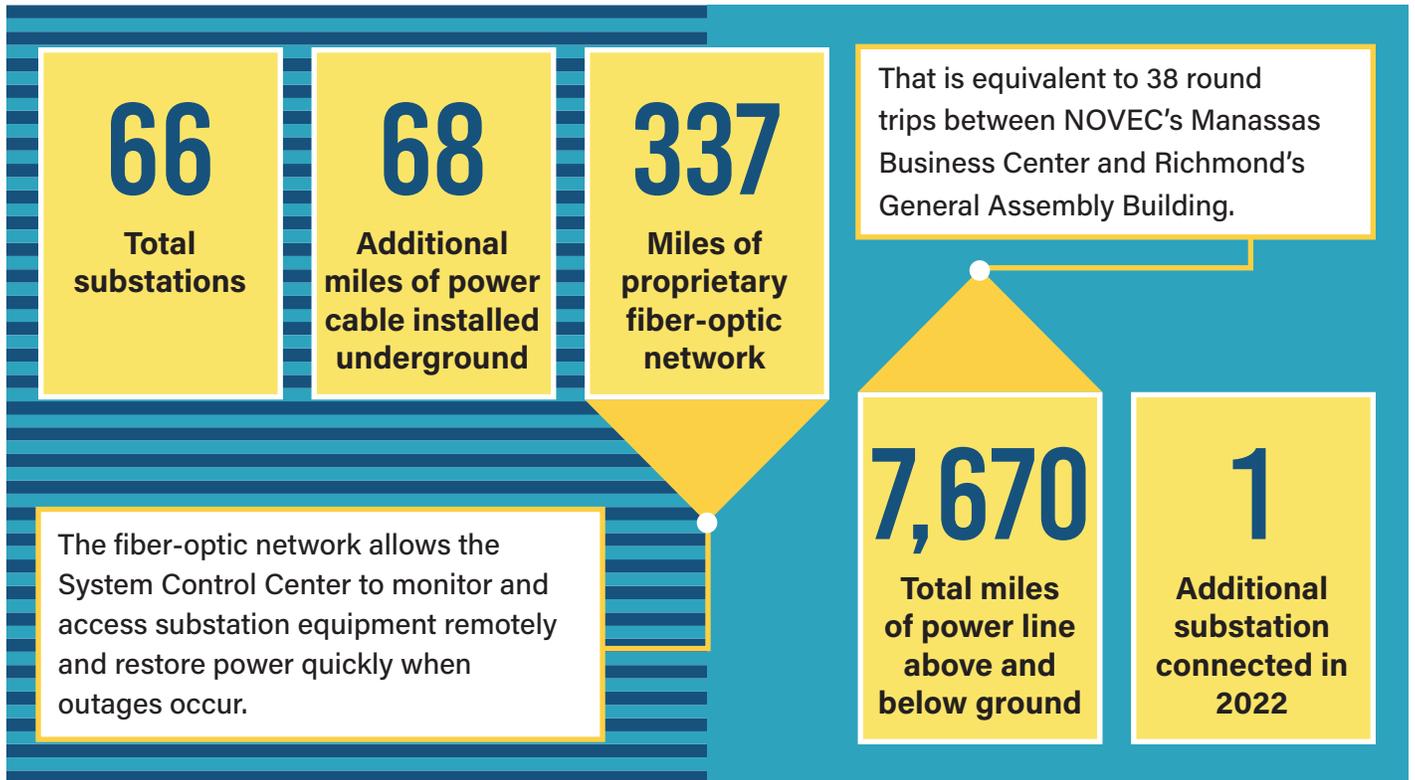
From January 2023, when EV-1 debuted, through June 30, more than 1,000 EV owners signed up for the rate.



TRANSFORMING

Expanding NOVEC's infrastructure

At the end of 2022, more than 179,000 homes and businesses in Clarke, Fairfax, Fauquier, Loudoun, Prince William, and Stafford counties, the Town of Clifton, and the City of Manassas Park received power from NOVEC.



Powering data centers

Northern Virginia remains the largest data center market in the world, according to the Northern Virginia Technology Council. NOVEC continues to experience data center growth in its service territory. Current estimates of peak electric load growth are in excess of 12% per year over the next 15 years, driven almost exclusively by data centers. The Cooperative currently serves data centers located in Fairfax, Fauquier, Loudoun, and Prince William counties.

As a utility regulated by the Virginia State Corporation Commission, NOVEC has a legal obligation to serve all customers located within

its service territory. Therefore, NOVEC provides the same exceptional service to data center customers as it does to all of its other customers.

NOVEC's short- and long-range plans take into account projected customer electric demand from all customer segments, including data centers. As a cooperative that distributes electricity to its customers, NOVEC works closely with its transmission provider, Dominion Energy Virginia, and PJM, the regional transmission organization that coordinates the movement of wholesale electricity to 65 million people in 13 states and the District of Columbia.

Load management programs

NOVEC's load management programs keep energy costs down by reducing electricity load during times of peak consumer demand. The programs also alleviate some of the stress on the regional power system. Customers can assist the effort by enrolling in the water heater and air conditioner load management programs.

The Cooperative monitors its peak electricity demand daily, but activates load control measures only when high energy demand requires it. A switch installed on a customer's electric water heater and/or air conditioner remotely cycles the unit on and off for short periods of time.

Almost 53,600 NOVEC customers had water heater and/or air conditioner load management switches installed at year-end 2022, a 9% increase over 2021.



Home repair and replacement protection plans

A growing number of people are finding peace of mind with a home repair and replacement protection plan. A wide variety of plans, offered by NOVEC Solutions through HomeServe USA, provides customers with a convenient and affordable way to cover emergency home repairs.

In 2022, customers opened 4,231 new plans. That new record is double the number of plans opened in 2021. In total, 17,580 customers are protected by nearly 33,000 plans; many customers choose multiple plans for their homes.

While the most popular plans protect water service lines and sewer/septic lines, other plans cover natural gas lines, electric lines, and electric-vehicle chargers. Coverage for heating and cooling systems, heat pumps, water heaters, interior plumbing and drainage systems, and surge-protection systems also is offered.

Plan participants submitted more than 1,300 repair claims totaling \$932,000 in 2022. Customers have saved \$3.5 million since the program's inception in 2018.

TRANSFORMING



2022 Day of Caring



Quarterly Cause donations



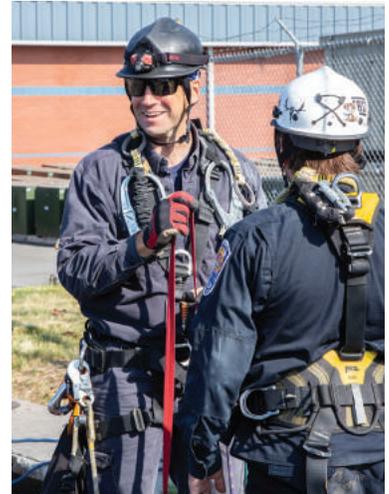
Safety demonstration at the Fauquier County Fair



Safety lesson for home-schooled children at NOVEC's Lomond office



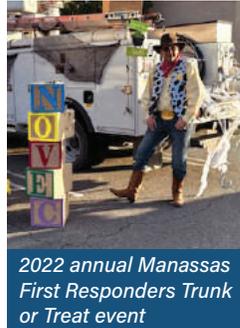
2023 Youth Tour



Tower rescue training with local first responders



2023 NOVEC HELPS' Golf Tournament



2022 annual Manassas First Responders Trunk or Treat event



2023 winner of the J. Manley Garber Scholarship



Career Day at Westridge Elementary School in Prince William County

Community engagement

Operation Round Up

Spare change makes a big difference with Operation Round Up. More than 22,000 NOVEC members voluntarily round up their monthly electric bills to the next dollar. The extra nickels and dimes add up quickly and help NOVEC members who struggle to pay their monthly electric bills. In 2022, NOVEC distributed \$114,000 to six social service agencies which, in turn, provided emergency bill-payment assistance to 220 eligible NOVEC members.

NOVEC HELPS

Co-op employees manage NOVEC HELPS, an independent, nonprofit 501(c)(3) organization.

Each year, NOVEC HELPS raises money from employee and customer contributions, and its annual golf tournament. With those proceeds, NOVEC HELPS contributed more than \$26,600 to 32 area charitable, health, shelter, youth, and veterans' organizations in 2022.

NOVEC HELPS' 2022 annual Day of Caring assisted Willing Warriors Retreat by painting, cleaning, and landscaping two homes on the charity's property in Haymarket, Va. Willing Warriors Retreat provides injured American service members, disabled veterans, and their families a home-away-from-home getaway from the medical center environment.



Scholarships

NOVEC awarded \$21,000 in higher-education scholarships to 13 members of the Class of 2023 whose families receive electricity from the Co-op, including a student attending a historically Black college or university. NOVEC's top scholar, Alexis Francis of Patriot High School in Prince William County, also received the \$1,500 J. Manley Garber Scholarship. Additionally, a student in Halifax County, the site of NOVEC's Biomass Electric Generating Facility, received a \$1,500 NOVEC scholarship.

Youth Tour

The Cooperative resumed its participation in Youth Tour in 2023 after a hiatus caused by the pandemic. Presented by the National Rural Electric Cooperative Association, NOVEC sponsored four high school students to learn about electric cooperative history and witness the legislative process in action on Capitol Hill. They joined more than 1,800 students from across the country for the week-long trip, which included a Capitol Hill meeting with congressional staff, a visit to the Senate gallery, and sightseeing.

Quarterly Cause donations

NOVEC's Quarterly Cause contributions add a different dimension to its charitable giving. The Cooperative selects a type of organization that operates in each county it serves. Past recipients include homeless and domestic abuse shelters, senior citizen organizations, libraries, 4-H summer camps, food banks, and animal rescue shelters.



NOVEC's 2023 Gaff-n-Go Rodeo team

Employee achievements

Gaff-n-Go Lineworker Rodeo

Nineteen NOVEC linemen competed in the 2023 Gaff-n-Go Lineworker Rodeo in Doswell, Va. The annual event showcases safety practices and electric system job skills. NOVEC apprentice linemen **Jeremy Jenkins**, **Zachary Dayton**, and **Johnny Lanzetta** swept the Apprentice Climbing Skills Demonstration.

Lead Line Technician **Mack Pierce** of Mack Daddy's BBQ, and Line Technicians **Howard Hipp** and **Preston Toms**, earned a first-place finish in the event's BBQ cooking competition.

System Operator Certificate

Jaе Wook Choi and **Corina Daw** earned diplomas from the Northwest Linemen College training program.

College advancements

Adrian Fernandez de Leon: Bachelor's degree in electrical engineering from University of Maryland.

Henry Stepanus: Bachelor's degree in geographic information science from Arizona State University.

Awards

In recognition of its communication to members in 2022-2023, NOVEC's PR group won these awards:



CONSOLIDATED BALANCE SHEETS

Dec. 31, 2022, and 2021 (in thousands)

Assets	2022	2021
Utility plant, net of accumulated depreciation and amortization	\$802,839	\$747,107
Nonutility plant, net of accumulated depreciation and amortization	5,443	5,729
Total plant	\$808,282	\$752,836
Operating lease right-of-use assets	\$1,971	—
Investments:		
Associated organizations	6,737	6,747
Other	6,160	5,963
Total investments	\$12,897	\$12,710
Deferred income taxes, net	\$7,102	\$7,404
Current assets:		
Cash and cash equivalents	55,521	64,976
Investment securities	58,944	64,967
Accounts receivable, less allowance for doubtful accounts of \$3,051 in 2022 and \$2,363 in 2021	111,895	61,433
Materials and supplies inventories	36,977	27,887
Collateral deposits	18,646	6,480
Other current assets	80,230	33,967
Total current assets	\$362,213	\$259,710
Restricted cash	3,000	3,000
Deferred charges	34,079	13,849
Post-retirement benefits, net	21,423	24,666
Total assets	\$1,250,967	\$1,074,175
Liabilities and Equities		
Equities and margins:		
Membership fees	\$650	\$673
Patronage capital	779,544	767,712
Other equities	29,480	26,789
Accumulated other comprehensive income	7,435	18,191
Total equities and margins	\$817,109	\$813,365
Commitments and contingencies		
Long-term debt, excluding current installments	\$85,638	\$89,950
Current liabilities:		
Current installments of long-term debt	5,198	8,951
Other borrowings	52,236	—
Accounts payable	58,896	34,022
Consumer deposits	6,990	8,567
Accrued expenses and other current liabilities	7,665	6,681
Total current liabilities	\$130,985	\$58,221
Deferred credits	210,930	106,867
Operating lease liabilities	1,278	—
Accrued retirement benefits	5,027	5,772
Total liabilities	\$433,858	\$260,810
Total liabilities and equities	\$1,250,967	\$1,074,175

CONSOLIDATED STATEMENTS OF OPERATIONS AND PATRONAGE

Years Ended Dec. 31, 2022, and 2021 (in thousands)

	2022	2021
Operating revenue:	\$1,016,040	\$680,837
Operating expenses:		
Cost of power	874,757	547,337
Administrative and general	35,029	30,591
Depreciation and amortization	34,744	32,813
Distribution expense – maintenance	22,564	21,029
Distribution expense – operations	16,153	15,973
Consumer accounts	6,712	5,105
Customer service and information expense	2,129	2,151
Other expense, net	919	(552)
Total operating expenses	\$993,007	\$654,447
Net operating margins before interest expense	\$23,033	\$26,390
Interest expense	5,459	3,626
Net operating margins after interest expense	\$17,574	\$22,764
Nonoperating margins:		
Patronage capital assigned from associated organizations	\$513	\$486
Dividends and interest income	4,146	3,968
Gain on extinguishment of debt	—	7,024
Other nonoperating income, net	356	393
Total nonoperating margins	\$5,015	\$11,871
Net margins before income tax expense	\$22,589	\$34,635
Income tax expense	302	872
Net margins	\$22,287	\$33,763
Patronage capital at beginning of year	\$767,712	\$740,666
Net margins	22,287	33,763
Retirements of patronage capital	(10,455)	(6,717)
Patronage capital at end of year	\$779,544	\$767,712

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended Dec. 31, 2022, and 2021 (in thousands)

	2022	2021
Cash flows from operating activities:		
Cash received from consumers	\$1,069,648	\$695,086
Cash paid to suppliers and employees	(1,011,348)	(641,259)
Dividends, interest, and other nonoperating income	5,502	3,862
Taxes paid	(302)	(881)
Interest paid	(5,555)	(3,747)
Net cash provided by operating activities	\$57,945	\$53,061
Cash flows from investing activities:		
Purchases of utility plant and nonutility plant	(\$133,718)	(\$84,504)
Contributions in aid of construction of utility plant	43,329	37,696
Proceeds from sale of utility plant	224	813
Purchases of investment securities	(18,734)	(22,667)
Purchases of other investments and changes in collateral deposits	(13,160)	(1)
Proceeds from sale or maturity of investment securities	17,955	20,102
Retirements of patronage capital by associated organizations	320	370
Net cash used in investing activities	(\$103,784)	(\$48,191)
Cash flows from financing activities:		
Principal proceeds from other borrowings	\$122,236	\$93
Principal payments on other borrowings	(70,000)	—
Principal payments on long-term debt	(9,101)	(11,266)
Principal proceeds from long-term debt	1,036	—
Membership fee receipts	(23)	(33)
Retirement of patronage capital	(10,455)	(6,717)
Unclaimed retirement of patronage capital	2,691	1,477
Net cash provided by (used in) financing activities	\$36,384	(\$16,446)
Net decrease in cash, cash equivalents, and restricted cash	(\$9,455)	(\$11,576)
Cash, cash equivalents, and restricted cash at beginning of year	\$67,976	\$79,552
Cash, cash equivalents, and restricted cash at end of year	\$58,521	\$67,976

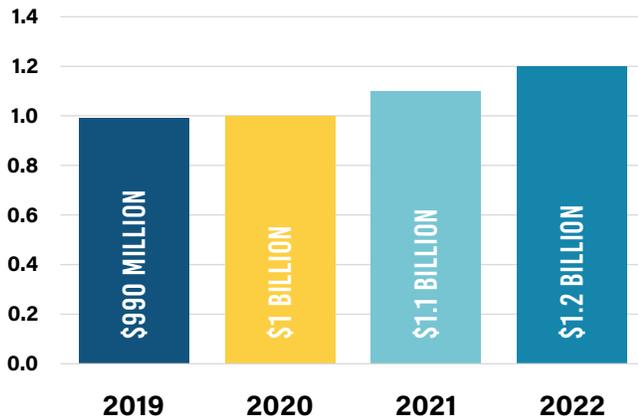
FINANCES AT A GLANCE



Year ended Dec. 31, 2022

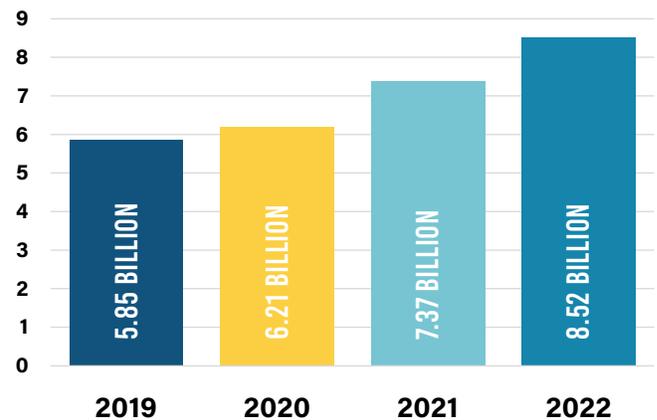
ASSETS

(millions/billions of dollars)

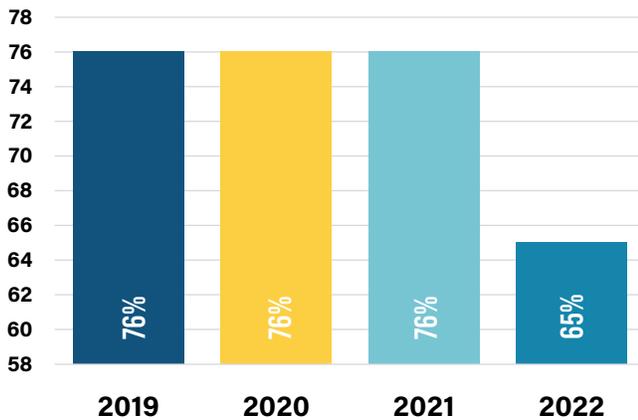


KILOWATT-HOURS SOLD

(billions)

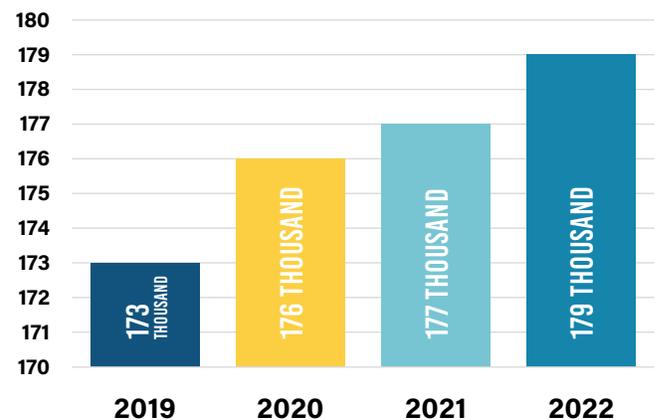


EQUITY TO ASSETS



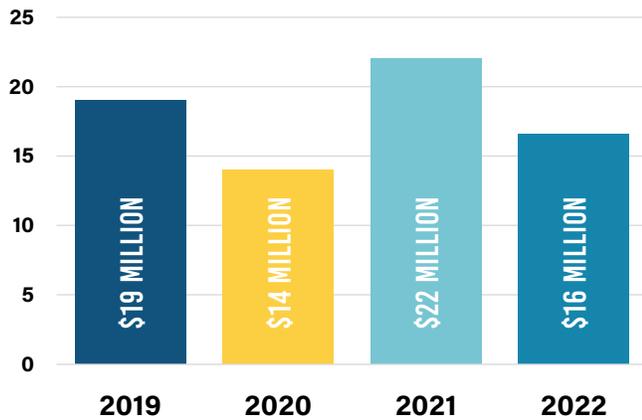
TOTAL METERS

(thousands)



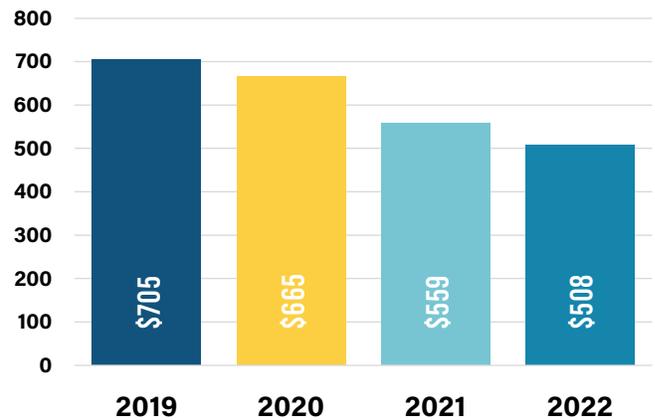
NET OPERATING MARGINS

(millions of dollars after interest expenses)



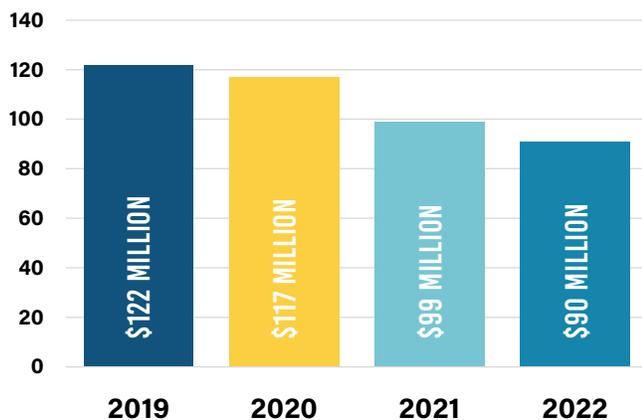
AVERAGE DEBT PER METER

(dollars)

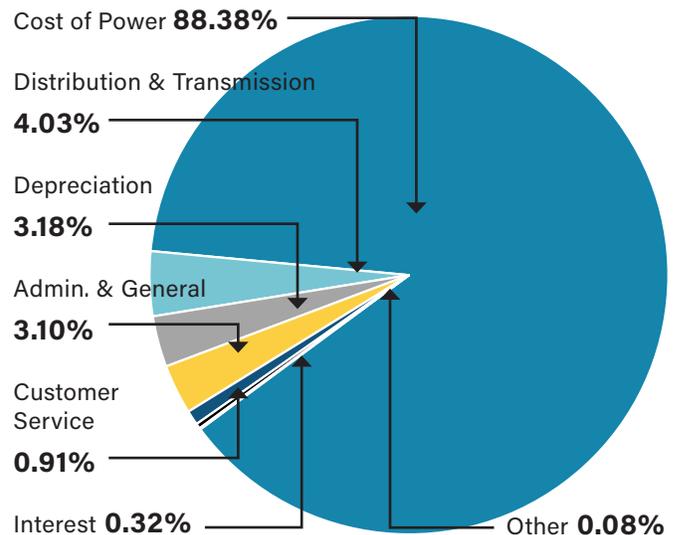


LONG-TERM DEBT

(millions of dollars)



ALLOCATION OF ELECTRIC SERVICE COST



A YEAR IN REVIEW All figures are through December 31, 2022, except peak demand.

23
Meters per
mile of line

7,670
Miles of line

99.99%
Reliability

Total Meters
179
THOUSAND

Full-time
employees

347



\$134.07
Monthly average
residential cost of
1,000 kilowatt-hours

\$1.2 BILLION

Assets



\$992 MILLION

Operating revenue

Peak Demand

**JULY
2023**

1,788 megawatts

\$862 MILLION

Cost of power

8.52 BILLION

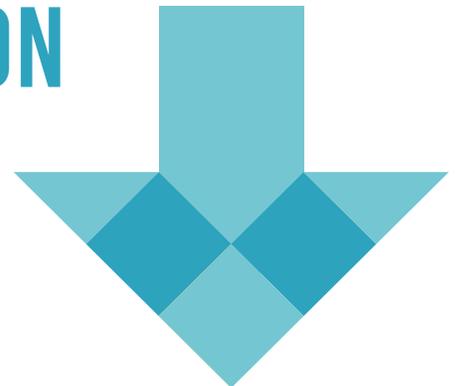
Kilowatt-hours sold

111,330

Incoming calls
answered

\$90 MILLION

Long-term debt





NOVEC.COM

NOVEC, headquartered in Manassas, Va., is a not-for-profit electric utility corporation that supplies and distributes electricity and energy-related services to more than 179,000 metered customers in Clarke, Fairfax, Fauquier, Loudoun, Prince William, and Stafford counties, the Town of Clifton, and the City of Manassas Park. It is one of the largest electric companies of its kind in the nation. For questions concerning the Cooperative: call NOVEC's Customer Care Center at 703-335-0500, Monday through Friday, from 7:45 a.m. to 5:30 p.m.; visit novec.com; or send mail to NOVEC, P.O. Box 2710, Manassas, VA 20108.

