



BENTON
RURAL ELECTRIC
ASSOCIATION



2024 ANNUAL REPORT

Member owned and community driven

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MANAGER'S MESSAGE

To our members:

At Benton REA, your experience is at the heart of everything we do. As your not-for-profit, member-owned electric cooperative, we are proud to serve our community with a steadfast commitment to providing safe, reliable, and affordable power. We're excited to share how we're transforming our organization to better meet your needs now and in the future.

Our new strategic plan, guided by the core values of Member Relationships, Member Impact, and Member Support, is designed to elevate the member experience through every interaction. We are enhancing how we connect with you, investing in the people who serve you, and modernizing the systems that deliver your power.

We recognize that the energy landscape is changing rapidly—with new technologies, environmental considerations, and member expectations shaping the future. Benton REA is prepared to meet these challenges with confidence, backed by a proud history and a bold vision for tomorrow.

Thank you for being a valued member of Benton REA.

Together, we are building a stronger, more connected, and more resilient cooperative.

Gincerely,

Ryan J. Redmond
Chief Executive Officer
Benton REA



Ryan holds a Bachelor of Arts in Political Science from Washington State University and earned his Juris Doctorate from Gonzaga School of Law.

In May 2023, the Benton REA Board of Trustees appointed him as the cooperative's CEO.

His professional background includes roles at Puget Sound Energy, the Bonneville Power Administration, and Chief Resources Officer at Peninsula Light Company in Gig Harbor, Washington.

Outside of work, Redmond enjoys spending time with his wife Elaine and their three children. His hobbies include hiking, camping, writing, and playing the tuba.

OUR *focus*

Over the next five years, Benton REA will focus on four strategic pillars:

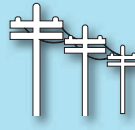
Member Experience



Invest In Our People



Enhance Member Relationships



Strengthen Reliability



Sustain Financial Strength

Safety, Team, Technology, and Practices

Invest in Our People

We are building a culture of communication, safety, and growth. By supporting our employees through professional development, training, and workplace innovation, we ensure that our team remains equipped to deliver the service you expect and deserve.

Enhance Member Relationships

We are improving every touchpoint with our members through clear communication, modern technology, and proactive outreach. Whether it's through online tools, educational programs, or personal interactions, we're here to serve and listen.

Strengthen Reliability

Our electrical infrastructure is aging, and demands are growing. That's why we are implementing a robust plan to modernize our grid, mitigate wildfire and weather risks, and introduce advanced technologies that ensure reliable, resilient service for generations to come.

Sustain Financial Strength

As stewards of your cooperative, we are adopting industry best practices to streamline operations, maintain transparency, and make smart investments that control costs and deliver long-term value.



BENTON REA *Your Cooperative*



Membership

Number of Members: 12,323

Number of Meters: 16,458

System

Counties Served: Benton, Lewis and Yakima

Service Area Miles: 620

Total Line Miles: 1,828

Distribution: 1,801

Transmission: 27

Members Per Mile: 8.88

Peak Load: 142 MW

Average Load: 71 MW

Substations: 19

Power Poles: 19,931

Transformers: 8,784

Employees

Full Time Employees: 80

THE POWER OF *Community*

2024 was a big year for Benton REA. In addition to providing safe, reliable and affordable electricity to our community, the co-op gave back in other ways, including efficiency rebates, local taxes, ownership credits and more.

Community and Member Impact



\$500,000 Paid Back to Members

Since forming in 1937, Benton REA has returned more than \$22.7 million to its member-owners through ownership credits.



\$114,000 Donated to Nonprofits

Benton REA donated to 48 local nonprofit organizations, five chambers of commerce and five economic development organizations.



\$41,673 Power to Care Assistance

In 2024, 190 members received assistance paying their electric bill through the co-op's Power to Care program, totaling \$41,673.



\$7,500 Donated to Food Banks

Benton REA continued its support of the community by donating to three local food banks.



\$48,000 Awarded in Scholarships

Benton REA awarded seven scholarships to graduating high school seniors.



\$608,257 in Rebates Paid to Members

In addition to saving energy, members received cash rebates for their efficiency upgrades in 2024.



\$1,202,346 in City Taxes

Although the co-op is not-for-profit, Benton REA pays local taxes, contributing to the health of our communities. These cities include Benton City, Mabton, Prosser, Sunnyside and West Richland.

NOTEABLE NUMBERS



SMARTHUB USERS 8,385



MEMBERS ON AUTOPAY 5,732



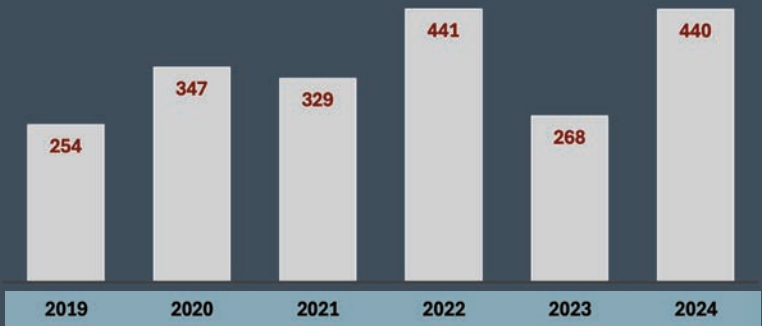
SOCIAL MEDIA FOLLOWERS 4,607



POWER TO CARE MONTHLY DONORS 835



Requests for New Electric Services



Outage BREAKDOWN



ANIMALS

20%



EQUIPMENT

17%



PLANNED

5%



POWER SUPPLY

3%



TREES

9%



WEATHER

4%



HUMAN ERROR

25%

Digging into lines, vehicle accidents,
construction & maintenance errors



UNKNOWN

17%

* The percentages above do not include major events such as the Retreat Wildfire



Wildfire SAFETY

Benton REA is enhancing its electric system through targeted investments in advanced technologies, including fire prevention systems, grid-hardening infrastructure, and modernization efforts, to significantly improve reliability, bolster wildfire mitigation, and enhance emergency response capabilities.

In the upcoming years, Benton REA is **installing additional reclosers**—automated devices that detect faults and quickly restore power after temporary disruptions allowing outages to be isolated to smaller areas for faster restoration. Recent installations in Benton City, for example, cut circuit sizes in half, reducing the number of affected homes during faults.

The cooperative is also **deploying non-expulsion fuses** in high-risk wildfire zones to prevent ignition from sparks, and using weather monitoring systems to track local conditions in its 620-square-mile service area.

These upgrades, especially in vulnerable regions like White Pass and the Acord Substation area, help minimize outages and protect public safety, reinforcing Benton REA's commitment to system resilience and member service.

Benefits to Members

Reduced Outage Frequency

The addition of reclosers improves the overall reliability of the electric system by quickly identifying and isolating faults. This results in fewer power outages for Benton REA members, providing more reliable service.

Enhanced Safety

With the increased risk of wildfires in the region, the ability of reclosers to quickly detect and isolate electrical faults helps prevent fires from being sparked by power lines. This safety feature not only benefits Benton REA's members but also contributes to the broader community's fire prevention efforts.

Quicker Restoration Times

When outages do occur, reclosers help to restore power more quickly. By automatically resetting and reestablishing service after temporary faults, the system minimizes downtime for members and reduces service disruptions caused by outages.

Operational Efficiency

The use of reclosers reduces the need for manual intervention, allowing Benton REA crews to focus their efforts on more significant issues when they arise. This makes the overall system more efficient, and the cooperative can allocate resources where they are most needed.



Lowering the Financial Impact

Enhancing the resilience and reliability of Benton REA's electric system, particularly in areas with high wildfire risk, is a top priority.

Current upgrades include strategic undergrounding of power lines, closely monitoring weather conditions, upgrading line protection fuses and reclosers, and improving system communication and automation.

While these upgrades offer significant benefits to members, they are costly and must be carefully planned and implemented over several years.

To help offset some of these expenses, Benton REA has been pursuing grant funding through the Washington Grid Resilience Grant Program. This program is designed to modernize power grids to better withstand wildfires and extreme weather events. It can also support efforts to reduce the frequency and duration of power outages in rural service areas like Benton REA's.

\$1 Million Secured for Wildfire Resilience

Benton REA secured \$1 million through Washington's Capital Budget to fund critical infrastructure upgrades that will help protect our system and communities from the growing threat of wildfires.

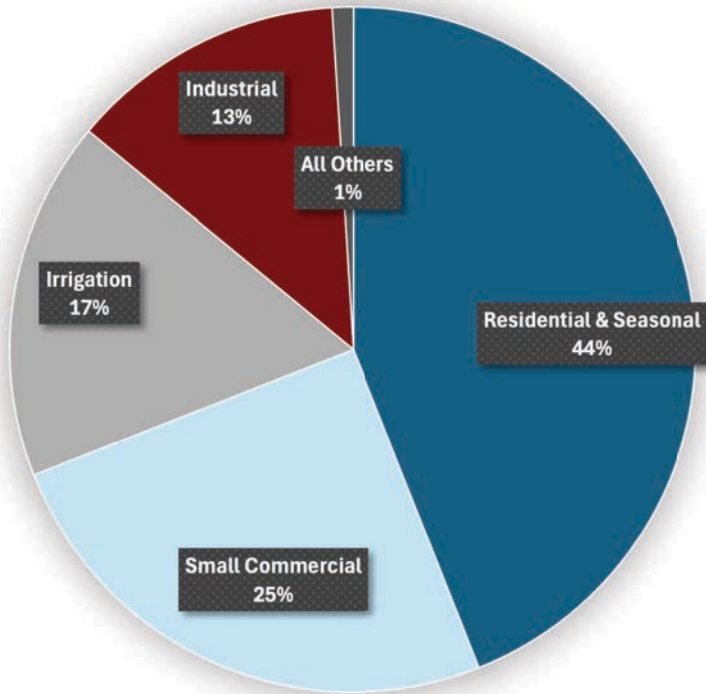
Washington Grid Resilience Grant \$3 Million Pending

Benton REA is on track to receive a \$3 million grant through the Washington State Department of Commerce. These funds will support the installation of fire prevention systems, replacement of aging power lines, deployment of advanced grid technologies, and other grid modernization projects. The application is currently pending final approval by the U.S. Department of Energy.

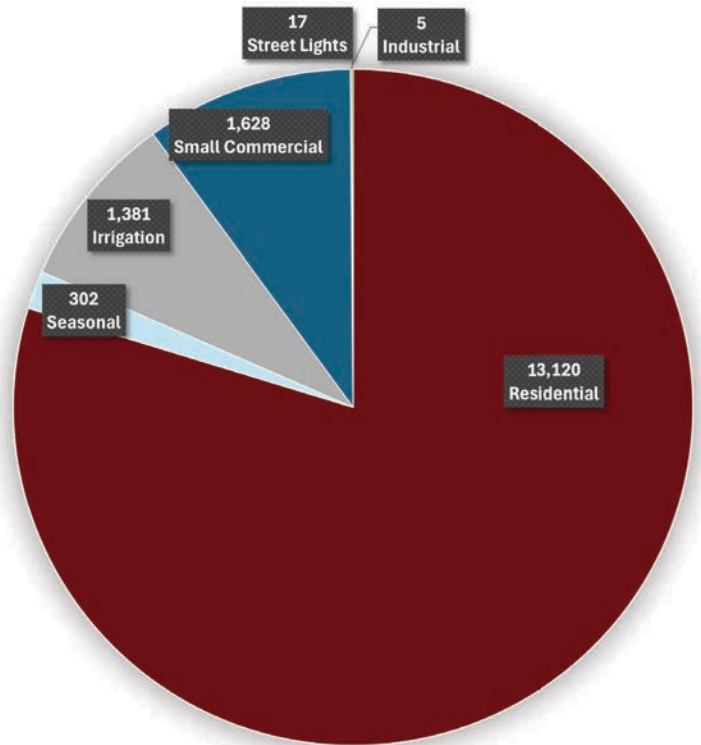


2024 FINANCIALS

Sources of Revenue



Accounts by Rate Class



Where Does Your Dollar Go?

Power Cost 52¢ **Operations** 36¢ **Depreciation Taxes & Interest** 12¢



This breakdown reflects a discounted Power Cost due to funds received through Bonneville Power Administration's Reserves Distribution Clause (RDC)*, a program that returns excess financial reserves to preference customers.

*Benton REA does not receive RDC funds every year.

2024 FINANCIALS

Balance Sheet

ASSETS & OTHER DEBTS	2024	2023
Net Utility Plant	\$97,375,256	\$92,397,490
Investment in Association Org	1,871,471	1,878,657
Cash and Cash Equivalents	5,183,251	4,389,148
Accounts and Notes Receivable	4,316,345	3,964,695
Material and Supplies	4,429,450	3,843,340
Prepayments	330,372	287,690
Other Assets	316,506	289,595
TOTAL ASSETS	\$113,822,651	\$107,050,615
EQUITIES, MARGINS & LIABILITIES	2024	2023
Equities	\$86,923,379	\$86,194,917
Other Margins and Equities	5,601,431	5,051,533
Accounts and Notes Payable	9,881,251	6,477,115
Long-Term Debt	1,431,105	1,094,908
Other Liabilities	3,598,602	3,069,250
Deferred Credits	6,386,883	5,162,892
TOTAL LIABILITIES	\$113,822,651	\$107,050,615

	2024	2023
Operating Revenue	\$48,279,968	\$45,300,094
EXPENSES		
Cost of Power	\$25,142,490	\$23,434,320
Operations and Maintenance	8,437,510	6,161,899
Customer Accounts & Marketing	2,691,483	2,505,778
Administrative and General	5,107,155	3,815,539
Depreciation	3,481,871	3,291,787
Taxes	2,350,809	2,071,964
Interest	178,421	48,346
	\$47,389,739	\$41,329,633
Operating Margins	\$ 890,229	\$ 3,970,461
Non-Operating Margins	\$642,294	\$176,887
NET MARGINS	\$1,532,523	\$4,147,348

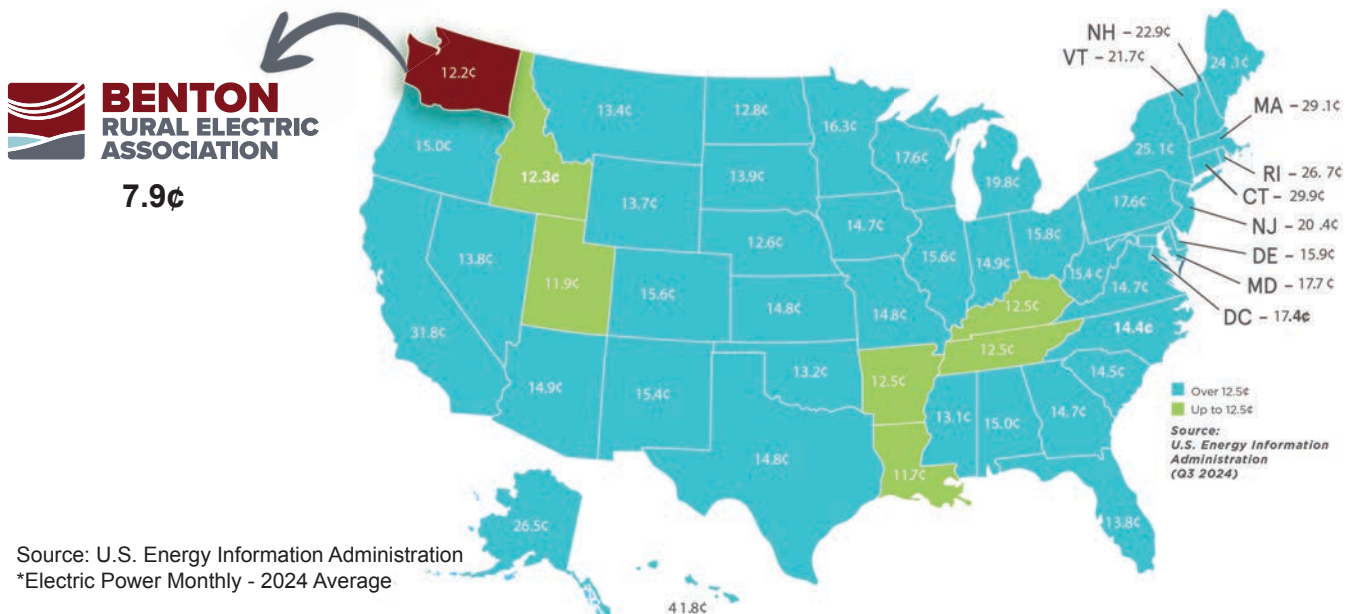
Income Statement

*Based on 1,500 kWh usage and a 30 day month

\$131.25



*The national average is 16.48 cents per kilowatt hour



POWER RESOURCES

Benton REA receives all its power from the Bonneville Power Administration (BPA), which includes electricity from the Federal Columbia River Power System, the Columbia Generating Station, and limited supplemental market purchases.

This balanced fuel mix enables Benton REA to deliver reliable and affordable electricity, enhancing energy security and economic stability for the communities we serve.



FUEL MIX*:

Hydro: 78%

Nuclear: 11%

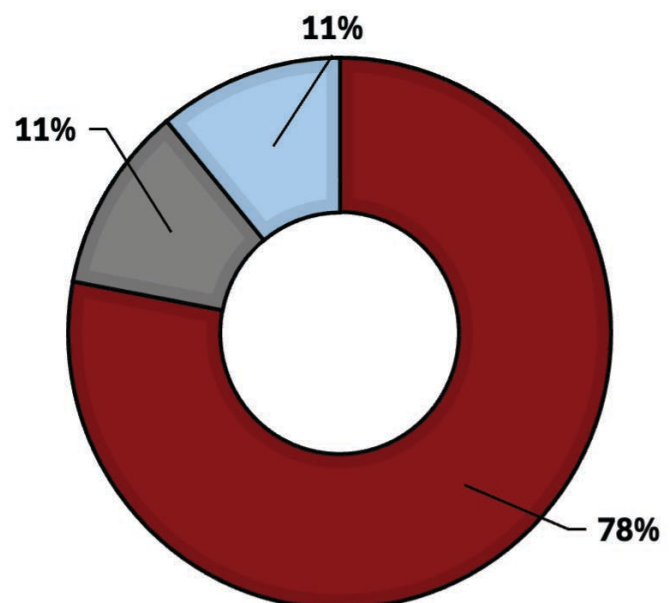
Unspecified: 11%

89%



Carbon-Free Power

With hydropower and nuclear energy in the fuel mix, nearly all electricity on Benton REA power lines is produced carbon-free.



* Based on data reported by Benton REA to the Washington State Department of Commerce. Unspecified sources are market purchases when contracted resources are not sufficient to meet load.

WEST RICHLAND *complex*



In 2021, Benton REA purchased 17 acres of land for future development in West Richland on Cooperative Way just off Keene Rd.

After an in-depth analysis by the Board of Trustees and a member comment period, the decision was made to begin the design and construction of a new complex. Construction is underway and is set to be completed in the first quarter of 2026.

By moving to West Richland the main administrative office, warehouse, and line crews will be in one location and closer to where the bulk of new services are being developed. Seventy-three percent of Benton REA's membership is now located in West Richland.



Member Benefits of New Complex and Other Property Improvements

- West Richland complex allows for multiple properties in Prosser and West Richland to be sold.
- District office and crew will remain in the Prosser area to serve members.
- Operational efficiencies including; less time getting vehicles and materials, more time on the job site, and faster outage response.

Impact on Rates

- The project is expected to lead to a gradual rate increase of up to 5%, with half (2.5%) already reflected in current rates – equivalent to about \$7 per month for the average residential bill.
- This impact will also be reduced through operational savings and the sale of surplus properties.

LEADING THROUGH *advocacy*



Advocating for the interests of our members extends beyond providing reliable electricity—it means being a strong and consistent voice in Olympia and Washington, D.C.

Over the past year, we engaged in state and federal policy discussions to secure funding, shape energy policy, and ensure the unique needs of rural communities are reflected in legislation.

Our advocacy includes working closely with industry associations and power marketing administrations such as the Public Power Council and the Bonneville Power Administration to protect the long-term affordability and reliability of our power supply.

Why This Work Matters

Benton REA's legislative work and industry advocacy ensures the voices of our members are heard. These efforts protect affordable rates, improve grid resilience, and advance policies that support a clean, reliable energy future. By staying engaged in Olympia and Washington, D.C., we are shaping a policy landscape that serves the interests of members today and for generations to come.

Benton REA Policy Priorities

Federal Policy Priorities

Protecting the Lower Snake River Dams

Safeguard this essential carbon-free energy resource to maintain regional economic stability and continue to meet the growing needs of rural communities.

Streamlining Federal Permitting

Expedite the permitting process to ensure timely completion of energy infrastructure projects critical for system reliability.

Prioritizing Reliability and Affordability

Support technology-neutral energy solutions that maintain reliability and affordability amid rising demand.

State Policy Priorities

Addressing Wildfire Liability and Insurance

Stabilize the wildfire insurance market, offer liability protections for compliant utilities, and invest in grid modernization and fire-resistant infrastructure.

Ensuring Resource Adequacy

Prevent blackouts and meet future demand by expediting the siting and development of new energy resources while preserving baseload power.

Combating Regulatory Overreach

Reduce administrative burdens on rural electric cooperatives to lower costs and improve service delivery.

energy EFFICIENCY

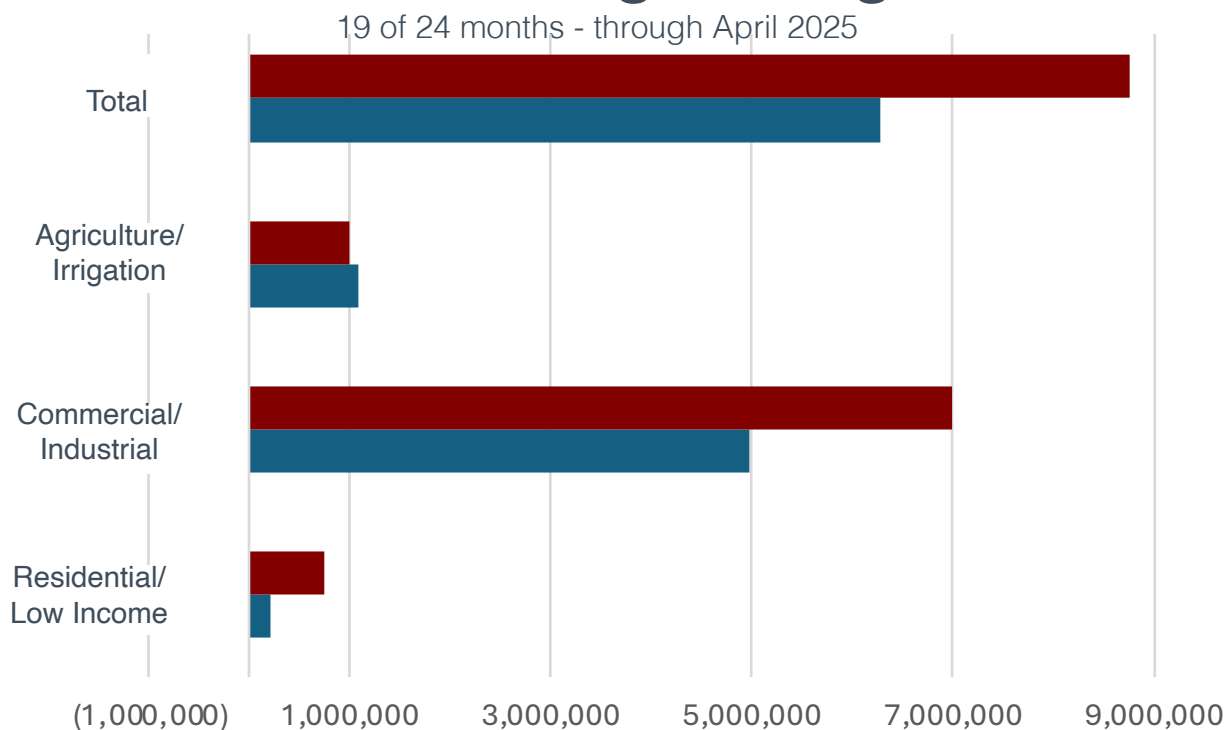
Energy Efficiency Program

Allocated by Bonneville Power Administration to Benton REA to fund efficiency programs and cover administrative costs. **\$1,216,130**

Applied for and awarded additional funds for commercial, industrial, and agriculture projects. **\$ 674,713**

*2 year period: October 2023 - September 2025

2024/2025 kWh Savings - Program Goals



	Residential/ Low Income	Commercial/ Industrial	Agriculture/ Irrigation	Total
■ kWh Goal	750,000	7,000,000	1,000,000	8,750,000
■ kWh Savings	219,036	4,984,773	1,082,502	6,286,311



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