



IRS FORM 990 (2023)

The IRS Form 990 is Rappahannock Electric Cooperative's tax return and all tax-exempt organizations are required to file using the Form 990. The Form 990 includes, among other things, a summary of the organization (mission, number of employees, etc.), its revenue, its expenses and its assets; a statement of the Cooperative's accomplishments; and information about the Cooperative's management team and governing body.

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

OMB No. 1545-0047

2023
Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Do not enter social security numbers on this form as it may be made public.
Go to www.irs.gov/Form990 for instructions and the latest information.

A For the 2023 calendar year, or tax year beginning _____, **and ending** _____

| | | |
|---|---|---|
| B Check if applicable: | C Name of organization RAPPAHANNOCK ELECTRIC COOPERATIVE | D Employer identification number 54-1135340 |
| <input type="checkbox"/> Address change | Doing business as | E Telephone number |
| <input type="checkbox"/> Name change | Number and street (or P.O. box if mail is not delivered to street address) Room/suite 247 INDUSTRIAL CT | |
| <input type="checkbox"/> Initial return | City or town, state or province, country, and ZIP or foreign postal code FREDERICKSBURG VA 22408 | G Gross receipts \$ 535,795,561 |
| <input type="checkbox"/> Final return/terminated | F Name and address of principal officer: JOHN D. HEWA 247 INDUSTRIAL CT FREDERICKSBURG VA 22408 | H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. See instructions |
| <input type="checkbox"/> Amended return | I Tax-exempt status: <input type="checkbox"/> 501(c)(3) <input checked="" type="checkbox"/> 501(c) (12) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527 | H(c) Group exemption number |
| <input type="checkbox"/> Application pending | J Website: WWW.MYREC.COOP | |
| K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other | | L Year of formation: 1980 M State of legal domicile: VA |

| Part I Summary | | | |
|--|--|----------------------------------|---------------------|
| Activities & Governance | 1 Briefly describe the organization's mission or most significant activities: SAFE AND EFFECTIVE DISTRIBUTION OF ELECTRICITY TO THE MEMBERS OF RAPPAHANNOCK ELECTRIC COOPERATIVE. | | |
| | 2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets. | | |
| | 3 Number of voting members of the governing body (Part VI, line 1a) | 3 | 9 |
| | 4 Number of independent voting members of the governing body (Part VI, line 1b) | 4 | 9 |
| | 5 Total number of individuals employed in calendar year 2023 (Part V, line 2a) | 5 | 481 |
| | 6 Total number of volunteers (estimate if necessary) | 6 | 0 |
| | 7a Total unrelated business revenue from Part VIII, column (C), line 12 | 7a | 493,725 |
| b Net unrelated business taxable income from Form 990-T, Part I, line 11 | 7b | 81,337 | |
| Revenue | 8 Contributions and grants (Part VIII, line 1h) | Prior Year | Current Year |
| | 9 Program service revenue (Part VIII, line 2g) | 748,802 | 0 |
| | 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) | 490,374,060 | 529,839,451 |
| | 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | 660,109 | 3,647,666 |
| | 12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) | 1,994,641 | 1,993,023 |
| Expenses | 13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) | 493,777,612 | 535,480,140 |
| | 14 Benefits paid to or for members (Part IX, column (A), line 4) | 41,152 | 44,300 |
| | 15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) | 5,806,123 | 11,209,532 |
| | 16a Professional fundraising fees (Part IX, column (A), line 11e) | 64,592,736 | 68,506,546 |
| | b Total fundraising expenses (Part IX, column (D), line 25) | 0 | 0 |
| | 17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) | 418,216,904 | 438,887,457 |
| | 18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) | 488,656,915 | 518,647,835 |
| 19 Revenue less expenses. Subtract line 18 from line 12 | 5,120,697 | 16,832,305 | |
| Net Assets or Fund Balances | 20 Total assets (Part X, line 16) | Beginning of Current Year | End of Year |
| | 21 Total liabilities (Part X, line 26) | 1122357083 | 1199468499 |
| | 22 Net assets or fund balances. Subtract line 21 from line 20 | 687,582,267 | 757,399,996 |
| | | 434,774,816 | 442,068,503 |

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

| | | |
|-------------------------------|--|------------------------------|
| Sign Here | Signature of officer | Date |
| | JOHN D. HEWA Type or print name and title | PRESIDENT & CEO |
| Paid Preparer Use Only | Print/Type preparer's name G STEVEN GILLIAM, CPA | Preparer's signature Date |
| | Firm's name ADAMS, JENKINS & CHEATHAM | Firm's EIN 54-1320089 |
| | Firm's address 231 WYLDEROSE DR MIDLOTHIAN, VA 23113 | Phone no. 804-323-1313 |

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III []

1 Briefly describe the organization's mission: SAFE AND EFFECTIVE DISTRIBUTION OF ELECTRICITY TO THE MEMBERS OF RAPPAHANNOCK ELECTRIC COOPERATIVE.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [] Yes [X] No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ including grants of \$) (Revenue \$) SAFE AND EFFECTIVE DELIVERY OF ELECTRICITY TO THE MEMBERS OF RAPPAHANNOCK ELECTRIC COOPERATIVE. THE THREE LARGEST PROGRAM SERVICES, AS MEASURED BY EXPENSES ARE AS FOLLOWS: COST OF POWER \$333,093,366 OTHER SALARIES AND WAGES \$50,329,552 DEPRECIATION \$48,295,585

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$) N/A

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$) N/A

4d Other program services (Describe on Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses

Part IV Checklist of Required Schedules

| | | Yes | No |
|-----|---|-----|----|
| 1 | Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A | | X |
| 2 | Is the organization required to complete Schedule B, Schedule of Contributors? See instructions | | X |
| 3 | Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I | | X |
| 4 | Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II | | |
| 5 | Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Rev. Proc. 98-19? If "Yes," complete Schedule C, Part III | | X |
| 6 | Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I | | X |
| 7 | Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II | | X |
| 8 | Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III | | X |
| 9 | Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV | | X |
| 10 | Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi-endowments? If "Yes," complete Schedule D, Part V | | X |
| 11 | If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X, as applicable. | | |
| a | Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI | X | |
| b | Did the organization report an amount for investments—other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII | | X |
| c | Did the organization report an amount for investments—program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII | X | |
| d | Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX | | X |
| e | Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X | X | |
| f | Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X | X | |
| 12a | Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII | | X |
| b | Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional | X | |
| 13 | Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E | | X |
| 14a | Did the organization maintain an office, employees, or agents outside of the United States? | | X |
| b | Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV | | X |
| 15 | Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV | | X |
| 16 | Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV | | X |
| 17 | Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I. See instructions | | X |
| 18 | Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II | | X |
| 19 | Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III | | X |
| 20a | Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H | | X |
| b | If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? | | |
| 21 | Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II | | X |

Part IV Checklist of Required Schedules (continued)

| | | Yes | No |
|-----|---|-----|----|
| 22 | Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> | | X |
| 23 | Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> | X | |
| 24a | Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i> | | X |
| b | Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? | | |
| c | Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? | | |
| d | Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | | |
| 25a | Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> | | |
| b | Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> | | |
| 26 | Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part II</i> | | X |
| 27 | Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> | | X |
| 28 | Was the organization a party to a business transaction with one of the following parties? (See the Schedule L, Part IV, instructions for applicable filing thresholds, conditions, and exceptions). | | |
| a | A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i> | | X |
| b | A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i> | | X |
| c | A 35% controlled entity of one or more individuals and/or organizations described in line 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i> | | X |
| 29 | Did the organization receive more than \$25,000 in noncash contributions? <i>If "Yes," complete Schedule M</i> | | X |
| 30 | Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> | | X |
| 31 | Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> | | X |
| 32 | Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> | | X |
| 33 | Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> | | X |
| 34 | Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> | X | |
| 35a | Did the organization have a controlled entity within the meaning of section 512(b)(13)? | X | |
| b | If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> | X | |
| 36 | Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> | | |
| 37 | Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> | | X |
| 38 | Did the organization complete Schedule O and provide explanations on Schedule O for Part VI, lines 11b and 19? Note: All Form 990 filers are required to complete Schedule O. | X | |

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

| | | Yes | No |
|----|--|-----|----|
| 1a | Enter the number reported in box 3 of Form 1096. Enter -0- if not applicable | | |
| | | | |
| b | Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable | | |
| | | | |
| c | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? | X | |

| Part V Statements Regarding Other IRS Filings and Tax Compliance (continued) | | Yes | No | | |
|--|--|------------|-------------|---|---|
| 2a | Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return | 2a | 481 | | |
| b | If at least one is reported on line 2a, did the organization file all required federal employment tax returns? | 2b | | X | |
| 3a | Did the organization have unrelated business gross income of \$1,000 or more during the year? | 3a | | X | |
| b | If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O | 3b | | X | |
| 4a | At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? | 4a | | | X |
| b | If "Yes," enter the name of the foreign country See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). | | | | |
| 5a | Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? | 5a | | | X |
| b | Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? | 5b | | | X |
| c | If "Yes" to line 5a or 5b, did the organization file Form 8886-T? | 5c | | | |
| 6a | Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? | 6a | | | X |
| b | If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? | 6b | | | |
| 7 | Organizations that may receive deductible contributions under section 170(c). | | | | |
| a | Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? | 7a | | | |
| b | If "Yes," did the organization notify the donor of the value of the goods or services provided? | 7b | | | |
| c | Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? | 7c | | | |
| d | If "Yes," indicate the number of Forms 8282 filed during the year | 7d | | | |
| e | Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? | 7e | | | |
| f | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 7f | | | |
| g | If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? | 7g | | | |
| h | If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? | 7h | | | |
| 8 | Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year? | 8 | | | |
| 9 | Sponsoring organizations maintaining donor advised funds. | | | | |
| a | Did the sponsoring organization make any taxable distributions under section 4966? | 9a | | | |
| b | Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? | 9b | | | |
| 10 | Section 501(c)(7) organizations. Enter: | | | | |
| a | Initiation fees and capital contributions included on Part VIII, line 12 | 10a | | | |
| b | Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities | 10b | | | |
| 11 | Section 501(c)(12) organizations. Enter: | | | | |
| a | Gross income from members or shareholders | 11a | 507,602,729 | | |
| b | Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) | 11b | 26,693,534 | | |
| 12a | Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? | 12a | | | |
| b | If "Yes," enter the amount of tax-exempt interest received or accrued during the year | 12b | | | |
| 13 | Section 501(c)(29) qualified nonprofit health insurance issuers. | | | | |
| a | Is the organization licensed to issue qualified health plans in more than one state? Note: See the instructions for additional information the organization must report on Schedule O. | 13a | | | |
| b | Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans | 13b | | | |
| c | Enter the amount of reserves on hand | 13c | | | |
| 14a | Did the organization receive any payments for indoor tanning services during the tax year? | 14a | | | X |
| b | If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O | 14b | | | |
| 15 | Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N. | 15 | | | X |
| 16 | Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O. | 16 | | | X |
| 17 | Section 501(c)(21) organizations. Did the trust, any disqualified or other person engage in any activities that would result in the imposition of an excise tax under section 4951, 4952 or 4953? If "Yes," complete Form 6069. | 17 | | | |

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions. Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

| | | Yes | No |
|-----------|--|-----|----|
| 1a | Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O. | | |
| | | | |
| 1b | Enter the number of voting members included on line 1a, above, who are independent | | |
| 2 | Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? | | X |
| 3 | Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person? | | X |
| 4 | Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? | | X |
| 5 | Did the organization become aware during the year of a significant diversion of the organization's assets? | | X |
| 6 | Did the organization have members or stockholders? | X | |
| 7a | Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? | X | |
| b | Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? | X | |
| 8 | Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: | | |
| a | The governing body? | X | |
| b | Each committee with authority to act on behalf of the governing body? | X | |
| 9 | Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O | | X |

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

| | | Yes | No |
|------------|--|-----|----|
| 10a | Did the organization have local chapters, branches, or affiliates? | | X |
| b | If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? | | |
| 11a | Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? | X | |
| b | Describe on Schedule O the process, if any, used by the organization to review this Form 990. | | |
| 12a | Did the organization have a written conflict of interest policy? If "No," go to line 13 | X | |
| b | Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? | X | |
| c | Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe on Schedule O how this was done | X | |
| 13 | Did the organization have a written whistleblower policy? | X | |
| 14 | Did the organization have a written document retention and destruction policy? | X | |
| 15 | Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? | | |
| a | The organization's CEO, Executive Director, or top management official | X | |
| b | Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process on Schedule O. See instructions. | X | |
| 16a | Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? | | X |
| b | If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? | | |

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed NONE
- 18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website
 Another's website
 Upon request
 Other (explain on Schedule O)
- 19** Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records.

THE COOPERATIVE
FREDERICKSBURG

247 INDUSTRIAL CT

VA 22408

540-898-8500

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations. See the instructions for the order in which to list the persons above.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below dotted line) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC) | (E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|--|---|-----------------------|---------|--------------|------------------------------|--------|---|--|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| (1) JOHN D. HEWA PRESIDENT & CEO | 60.00 6.00 | | | X | | | | 889,738 | 0 | 102,993 |
| (2) PETER N. MUHORO CHIEF STRAT & TECH | 55.00 10.00 | | | X | | | | 429,442 | 75,000 | 102,718 |
| (3) TRACEY B. STEINER CHIEF ENG & CONSUMER | 55.00 0.30 | | | X | | | | 401,202 | 0 | 102,993 |
| (4) LAWRENCE G. ANDREWS CHIEF ADMIN & FINC | 60.00 1.00 | | | X | | | | 353,561 | 0 | 101,740 |
| (5) JOHN M. ARP CHIEF ENG & OPS | 40.00 0.00 | | | X | | | | 336,067 | 0 | 102,993 |
| (6) LEESETTA J. BROCK PRINCIPAL ENG MGR | 55.00 0.00 | | | | | X | | 335,813 | 0 | 81,312 |
| (7) JOHN S. CRAWFORD MGR DIR SAFETY, RISK | 50.00 0.00 | | | | | X | | 280,366 | 0 | 72,361 |
| (8) PATRICIA J. HATCHER MGR DIR HR | 50.00 0.00 | | | | | X | | 274,395 | 0 | 61,047 |
| (9) JASON E. SATTERWHITE CHIEF GRID OPS | 50.00 1.00 | | | X | | | | 251,282 | 0 | 70,685 |
| (10) BRUCE M. BOWE, JR. ASSISTANT TREASURER | 60.00 1.00 | | | X | | | | 233,930 | 0 | 73,226 |
| (11) BRET K. ELLIOTT MGR DIR IT & CYBER | 50.00 5.00 | | | | | X | | 253,794 | 0 | 50,966 |

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below dotted line) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC) | (E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC) | (F) Estimated amount of other compensation from the organization and related organizations |
|--|--|---|-----------------------|---------|--------------|------------------------------|--------|---|--|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| (12) SHAWN P. MCDONOUGH (12) MGR DIR REG OPS | 40.00 0.00 | | | | | X | | 248,347 | 0 | 21,353 |
| (13) WHITNEY S. WATTS (13) ASSISTANT SECRETARY | 50.00 3.00 | | | X | | | | 155,677 | 0 | 54,596 |
| (14) ERIC PAULSON (14) TREASURER | 17.00 1.00 | X | | X | | | | 38,800 | 0 | 0 |
| (15) CHRISTOPHER G. SHIPE (15) CHAIRMAN | 30.00 5.00 | X | | X | | | | 37,500 | 0 | 0 |
| (16) EUGENE L. CAMPBELL, JR. (16) DIRECTOR | 14.00 0.00 | X | | | | | | 37,100 | 0 | 0 |
| (17) LINDA R. GRAY (17) SECRETARY | 17.00 5.00 | X | | X | | | | 37,000 | 0 | 0 |
| (18) JESSE R. THOMAS, JR. (18) DIRECTOR | 15.00 12.00 | X | | | | | | 36,900 | 0 | 0 |
| (19) J. MARK WOOD (19) DIRECTOR | 15.00 1.00 | X | | | | | | 36,600 | 0 | 0 |
| 1b Subtotal | | | | | | | | 4,667,514 | 75,000 | 998,983 |
| c Total from continuation sheets to Part VII, Section A | | | | | | | | 106,800 | | |
| d Total (add lines 1b and 1c) | | | | | | | | 4,774,314 | 75,000 | 998,983 |

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 267

| | Yes | No |
|--|-----|----|
| 3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual | | X |
| 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual | X | |
| 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person | | X |

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

| (A) Name and business address | (B) Description of services | (C) Compensation |
|--|--|---------------------|
| S & N COMMUNICATIONS LOUISA VA 23093 | 3723 THREE NOTCH RD CONSTRUCTION | 20,598,649 |
| LEE ELECTRICAL CONSTRUCTION ABERDEEN NC 28315 | PO BOX 55 CONSTRUCTION | 11,629,930 |
| CW WRIGHT CONSTRUCTION SOUTH CHESTERFIELD VA 23834-5907 | 1610 ASHTON PARK DRIVE CONSTRUCTION | 6,770,951 |
| LEWIS TREE SERVICE INC DALLAS TX 75373 | PO BOX 731897 ROW CLEARING | 6,174,201 |
| RAPPAHANNOCK ELECTRIC COMM INC FREDERICKSBURG VA 22404 | PO BOX 8059 INFO TECHNOLOGY | 5,852,102 |

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization

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Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

| | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512-514 | |
|--|---|--|----------------------|--|--------------------------------------|---|-----------|
| Contributions, Gifts, Grants and Other Similar Amounts | 1a Federated campaigns | 1a | | | | | |
| | b Membership dues | 1b | | | | | |
| | c Fundraising events | 1c | | | | | |
| | d Related organizations | 1d | | | | | |
| | e Government grants (contributions) | 1e | | | | | |
| | f All other contributions, gifts, grants, and similar amounts not included above | 1f | | | | | |
| | g Noncash contributions included in lines 1a-1f | 1g \$ | | | | | |
| | h Total. Add lines 1a-1f | | | | | | |
| | Program Service Revenue | | | Business Code | | | |
| 2a SALES OF ELECTRIC ENERGY | | | 221000 | 505,081,637 | 505,081,637 | | |
| b CONTRIB IN AID OF CONSTR | | | 221000 | 21,446,975 | 21,446,975 | | |
| c OTHER ELECTRIC REVENUE | | | 221000 | 2,521,092 | 2,521,092 | | |
| d PATRONAGE ALLOCATIONS REC | | | 221000 | 789,747 | 789,747 | | |
| e | | | | | | | |
| f All other program service revenue | | | | | | | |
| g Total. Add lines 2a-2f | | | 529,839,451 | | | | |
| Other Revenue | 3 Investment income (including dividends, interest, and other similar amounts) | | | 3,235,793 | | 3,235,793 | |
| | 4 Income from investment of tax-exempt bond proceeds | | | | | | |
| | 5 Royalties | | | | | | |
| | 6a Gross rents | | (i) Real | | | | |
| | | 6a | (ii) Personal | | 1,606,037 | | |
| | | b Less: rental expenses | 6b | | 8,277 | | |
| | c Rental inc. or (loss) | 6c | | 1,597,760 | | | |
| | d Net rental income or (loss) | | | 1,597,760 | | 98,462 | 1,499,298 |
| | 7a Gross amount from sales of assets other than inventory | | (i) Securities | | | | |
| | | 7a | (ii) Other | | 717,260 | | |
| | | b Less: cost or other basis and sales exps. | 7b | | 305,387 | | |
| | c Gain or (loss) | 7c | | 411,873 | | | |
| | d Net gain or (loss) | | | 411,873 | | | 411,873 |
| 8a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18 | 8a | | | | | | |
| | b Less: direct expenses | 8b | | | | | |
| c Net income or (loss) from fundraising events | | | | | | | |
| 9a Gross income from gaming activities. See Part IV, line 19 | 9a | | | | | | |
| | b Less: direct expenses | 9b | | | | | |
| c Net income or (loss) from gaming activities | | | | | | | |
| 10a Gross sales of inventory, less returns and allowances | 10a | | | | | | |
| | b Less: cost of goods sold | 10b | | 2,073 | | | |
| c Net income or (loss) from sales of inventory | | | 316 | | 316 | | |
| Miscellaneous Revenue | | | Business Code | | | | |
| | 11a ELECTRICAL SERVICES | | 221000 | 394,947 | | 394,947 | |
| | b | | | | | | |
| | c | | | | | | |
| | d All other revenue | | | | | | |
| e Total. Add lines 11a-11d | | | 394,947 | | | | |
| 12 Total revenue. See instructions | | | 535,480,140 | 529,839,451 | 493,725 | 5,146,964 | |

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

| Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII. | (A) Total expenses | (B) Program service expenses | (C) Management and general expenses | (D) Fundraising expenses |
|--|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 | 44,300 | | | |
| 2 Grants and other assistance to domestic individuals. See Part IV, line 22 | | | | |
| 3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 | | | | |
| 4 Benefits paid to or for members | 11,209,532 | | | |
| 5 Compensation of current officers, directors, trustees, and key employees | 4,093,543 | | | |
| 6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | | | | |
| 7 Other salaries and wages | 50,329,552 | | | |
| 8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) | 9,778,337 | | | |
| 9 Other employee benefits | 34,678 | | | |
| 10 Payroll taxes | 4,270,436 | | | |
| 11 Fees for services (nonemployees): | | | | |
| a Management | | | | |
| b Legal | 501,029 | | | |
| c Accounting | 116,756 | | | |
| d Lobbying | | | | |
| e Professional fundraising services. See Part IV, line 17 | | | | |
| f Investment management fees | | | | |
| g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.) | | | | |
| 12 Advertising and promotion | 1,647,674 | | | |
| 13 Office expenses | | | | |
| 14 Information technology | 10,766,767 | | | |
| 15 Royalties | | | | |
| 16 Occupancy | | | | |
| 17 Travel | 870,098 | | | |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials | | | | |
| 19 Conferences, conventions, and meetings | 586,189 | | | |
| 20 Interest | 20,803,856 | | | |
| 21 Payments to affiliates | | | | |
| 22 Depreciation, depletion, and amortization | 48,295,585 | | | |
| 23 Insurance | 794,266 | | | |
| 24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.) | | | | |
| a COST OF POWER | 333,093,366 | | | |
| b DISTRIBUTION - MAINT | 27,517,950 | | | |
| c CONSUMER ACCOUNTS | 8,632,247 | | | |
| d DISTRIBUTION - OPERATION | 6,497,787 | | | |
| e All other expenses | -21,236,113 | | | |
| 25 Total functional expenses. Add lines 1 through 24e | 518,647,835 | 0 | 0 | 0 |
| 26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) | | | | |

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

| | | (A) | | (B) |
|---|--|------------------------|-------------|------------------------|
| | | Beginning of year | | End of year |
| Assets | 1 Cash—non-interest-bearing | 8,255,259 | 1 | 46,467,346 |
| | 2 Savings and temporary cash investments | 66,026,001 | 2 | 214,867 |
| | 3 Pledges and grants receivable, net | | 3 | |
| | 4 Accounts receivable, net | 76,133,227 | 4 | 76,946,596 |
| | 5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons | | 5 | |
| | 6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B) | | 6 | |
| | 7 Notes and loans receivable, net | | 7 | |
| | 8 Inventories for sale or use | 12,440,037 | 8 | 22,217,791 |
| | 9 Prepaid expenses and deferred charges | 12,817,075 | 9 | 11,155,102 |
| | 10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D | 10a 1434565980 | | |
| | b Less: accumulated depreciation | 10b 553,075,632 | 790,230,734 | 10c 881,490,348 |
| | 11 Investments—publicly traded securities | | 11 | |
| | 12 Investments—other securities. See Part IV, line 11 | 953,436 | 12 | 1,029,157 |
| | 13 Investments—program-related. See Part IV, line 11 | 154,726,177 | 13 | 159,178,196 |
| | 14 Intangible assets | | 14 | |
| | 15 Other assets. See Part IV, line 11 | 775,137 | 15 | 769,096 |
| 16 Total assets. Add lines 1 through 15 (must equal line 33) | 1122357083 | 16 | 1199468499 | |
| Liabilities | 17 Accounts payable and accrued expenses | 49,972,845 | 17 | 51,515,229 |
| | 18 Grants payable | | 18 | |
| | 19 Deferred revenue | | 19 | |
| | 20 Tax-exempt bond liabilities | | 20 | |
| | 21 Escrow or custodial account liability. Complete Part IV of Schedule D | | 21 | |
| | 22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons | | 22 | |
| | 23 Secured mortgages and notes payable to unrelated third parties | 608,217,197 | 23 | 621,807,734 |
| | 24 Unsecured notes and loans payable to unrelated third parties | | 24 | 7,507,563 |
| | 25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D | 29,392,225 | 25 | 76,569,470 |
| | 26 Total liabilities. Add lines 17 through 25 | 687,582,267 | 26 | 757,399,996 |
| Net Assets or Fund Balances | Organizations that follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 27, 28, 32, and 33. | | | |
| | 27 Net assets without donor restrictions | | 27 | |
| | 28 Net assets with donor restrictions | | 28 | |
| | Organizations that do not follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 29 through 33. | | | |
| | 29 Capital stock or trust principal, or current funds | | 29 | |
| | 30 Paid-in or capital surplus, or land, building, or equipment fund | | 30 | |
| | 31 Retained earnings, endowment, accumulated income, or other funds | 434,774,816 | 31 | 442,068,503 |
| 32 Total net assets or fund balances | 434,774,816 | 32 | 442,068,503 | |
| 33 Total liabilities and net assets/fund balances | 1122357083 | 33 | 1199468499 | |

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

| | | | |
|----|--|----|-------------|
| 1 | Total revenue (must equal Part VIII, column (A), line 12) | 1 | 535,480,140 |
| 2 | Total expenses (must equal Part IX, column (A), line 25) | 2 | 518,647,835 |
| 3 | Revenue less expenses. Subtract line 2 from line 1 | 3 | 16,832,305 |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A)) | 4 | 434,774,816 |
| 5 | Net unrealized gains (losses) on investments | 5 | |
| 6 | Donated services and use of facilities | 6 | |
| 7 | Investment expenses | 7 | |
| 8 | Prior period adjustments | 8 | |
| 9 | Other changes in net assets or fund balances (explain on Schedule O) | 9 | -9,538,618 |
| 10 | Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B)) | 10 | 442,068,503 |

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

| | | Yes | No |
|----|---|-----|----|
| 1 | Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O. | | |
| 2a | Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both. <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | | X |
| 2b | Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both. <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | X | |
| 2c | If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O. | X | |
| 3a | As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R. Part 200, Subpart F? | | |
| 3b | If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits | | |

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below dotted line) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC) | (E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC) | (F) Estimated amount of other compensation from the organization and related organizations |
|--|--|---|-----------------------|---------|--------------|------------------------------|--------|---|--|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| (20) SANFORD REAVES, JR. (12) VICE CHAIRMAN | 10.50 3.00 | X | | X | | | | 35,900 | 0 | 0 |
| (21) DARLENE H. CARPENTER (13) DIRECTOR | 18.00 9.00 | X | | | | | | 35,800 | 0 | 0 |
| (22) MICHAEL W. LINDSAY (14) DIRECTOR | 20.00 0.00 | X | | | | | | 35,100 | 0 | 0 |
| (15) | | | | | | | | | | |
| (16) | | | | | | | | | | |
| (17) | | | | | | | | | | |
| (18) | | | | | | | | | | |
| (19) | | | | | | | | | | |
| 1b Subtotal | | | | | | | | 106,800 | | |
| c Total from continuation sheets to Part VII, Section A | | | | | | | | | | |
| d Total (add lines 1b and 1c) | | | | | | | | | | |

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization

| | Yes | No |
|---|-----|----|
| 3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> | 3 | |
| 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i> | 4 | |
| 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> | 5 | |

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

| (A) Name and business address | (B) Description of services | (C) Compensation |
|----------------------------------|--------------------------------|---------------------|
| | | |
| | | |
| | | |
| | | |
| | | |

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2023

Open to Public Inspection

Name of the organization

RAPPAHANNOCK ELECTRIC COOPERATIVE

Employer identification number

54-1135340

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate value of contributions, grants, and end of year, and two questions about donor advisement.

Part II Conservation Easements

Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include purpose of conservation easements, total number of easements, acreage restricted, and various monitoring and reporting questions.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include questions about reporting art and historical treasures and amounts required to be reported.

Part VII Investments – Other Securities

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

| (a) Description of security or category (including name of security) | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|----------------|--|
| (1) Financial derivatives | | |
| (2) Closely held equity interests | | |
| (3) Other | | |
| (A) | | |
| (B) | | |
| (C) | | |
| (D) | | |
| (E) | | |
| (F) | | |
| (G) | | |
| (H) | | |
| Total. (Column (b) must equal Form 990, Part X, line 12, col. (B)) | | |

Part VIII Investments – Program Related

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

| (a) Description of investment | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|----------------|--|
| (1) INV IN ASSOC ORG - PATRONAGE CAPITAL | 152,452,521 | COST |
| (2) INV IN ASSOC ORG - CAPITAL TERM CERT | 3,407,956 | COST |
| (3) OTHER | 3,317,719 | COST |
| (4) | | |
| (5) | | |
| (6) | | |
| (7) | | |
| (8) | | |
| (9) | | |
| Total. (Column (b) must equal Form 990, Part X, line 13, col. (B)) | 159,178,196 | |

Part IX Other Assets

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

| (a) Description | (b) Book value |
|---|----------------|
| (1) | |
| (2) | |
| (3) | |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| Total. (Column (b) must equal Form 990, Part X, line 15, col. (B)) | |

Part X Other Liabilities

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

| (a) Description of liability | (b) Book value |
|---|----------------|
| 1. (1) Federal income taxes | |
| (2) KEY ACCOUNTS CONTRACTS | 46,947,059 |
| (3) DEFERRED CREDITS | 8,982,891 |
| (4) ACCRUED LIABILITIES | 8,130,161 |
| (5) CONSUMER DEPOSITS | 7,265,228 |
| (6) OTHER NONCURRENT LIABILITIES | 4,726,575 |
| (7) CAPITAL LEASE OBLIGATION | 517,556 |
| (8) | |
| (9) | |
| Total. (Column (b) must equal Form 990, Part X, line 25, col. (B)) | 76,569,470 |

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

| | | | | |
|----------|--|-----------|-----------|--|
| 1 | Total revenue, gains, and other support per audited financial statements | | 1 | |
| 2 | Amounts included on line 1 but not on Form 990, Part VIII, line 12: | | | |
| a | Net unrealized gains (losses) on investments | 2a | | |
| b | Donated services and use of facilities | 2b | | |
| c | Recoveries of prior year grants | 2c | | |
| d | Other (Describe in Part XIII.) | 2d | | |
| e | Add lines 2a through 2d | | 2e | |
| 3 | Subtract line 2e from line 1 | | 3 | |
| 4 | Amounts included on Form 990, Part VIII, line 12, but not on line 1: | | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | | |
| b | Other (Describe in Part XIII.) | 4b | | |
| c | Add lines 4a and 4b | | 4c | |
| 5 | Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.) | | 5 | |

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

| | | | | |
|----------|---|-----------|-----------|--|
| 1 | Total expenses and losses per audited financial statements | | 1 | |
| 2 | Amounts included on line 1 but not on Form 990, Part IX, line 25: | | | |
| a | Donated services and use of facilities | 2a | | |
| b | Prior year adjustments | 2b | | |
| c | Other losses | 2c | | |
| d | Other (Describe in Part XIII.) | 2d | | |
| e | Add lines 2a through 2d | | 2e | |
| 3 | Subtract line 2e from line 1 | | 3 | |
| 4 | Amounts included on Form 990, Part IX, line 25, but not on line 1: | | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | | |
| b | Other (Describe in Part XIII.) | 4b | | |
| c | Add lines 4a and 4b | | 4c | |
| 5 | Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.) | | 5 | |

Part XIII Supplemental Information

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART X - UNCERTAIN TAX PROVISIONS FOOTNOTE

THE COOPERATIVE FOLLOWS THE GUIDANCE FOR "UNCERTAIN TAX POSITIONS" IN ACCORDANCE WITH ASC 740. THE COOPERATIVE HAS DETERMINED THAT IT IS MORE LIKELY THAN NOT THAT THEIR TAX POSITIONS WILL BE SUSTAINED UPON EXAMINATION BY THE INTERNAL REVENUE SERVICE.

SCHEDULE J
(Form 990)

Department of the Treasury
Internal Revenue Service
Name of the organization

Compensation Information
For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees
Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
Attach to Form 990.
Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2023

Open to Public Inspection

RAPPAHANNOCK ELECTRIC COOPERATIVE

Employer identification number
54-1135340

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (such as maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?

3 Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input checked="" type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input checked="" type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in or receive payment from a supplemental nonqualified retirement plan?
- c** Participate in or receive payment from an equity-based compensation arrangement?
- If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5–9.

5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
- If "Yes" on line 5a or 5b, describe in Part III.

6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" on line 6a or 6b, describe in Part III.

7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

| | Yes | No |
|----|-----|----|
| 1a | | |
| 1b | | |
| 2 | | |
| 3 | | |
| 4a | X | |
| 4b | X | |
| 4c | | X |
| 5a | | |
| 5b | | |
| 6a | | |
| 6b | | |
| 7 | | |
| 8 | | |
| 9 | | |

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

| (A) Name and Title | | (B) Breakdown of W-2 and/or 1099-MISC and/or 1099-NEC compensation | | | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation in column (B) reported as deferred on prior Form 990 |
|--|-------------|--|-------------------------------------|-------------------------------------|--|-------------------------|---------------------------------|---|
| | | (i) Base compensation | (ii) Bonus & incentive compensation | (iii) Other reportable compensation | | | | |
| 1 JOHN D. HEWA PRESIDENT & CEO | (i) (ii) | 770,735 0 | 102,000 0 | 17,003 0 | 86,493 0 | 16,500 0 | 992,731 0 | 0 0 |
| 2 PETER N. MUHORO CHIEF STRAT & TECH | (i) (ii) | 425,851 75,000 | 0 0 | 3,591 0 | 86,493 0 | 16,225 0 | 532,160 75,000 | 0 0 |
| 3 TRACEY B. STEINER CHIEF ENG & CONSUMER | (i) (ii) | 392,685 0 | 0 0 | 8,517 0 | 86,493 0 | 16,500 0 | 504,195 0 | 0 0 |
| 4 LAWRENCE G. ANDREWS CHIEF ADMIN & FINC | (i) (ii) | 348,659 0 | 0 0 | 4,902 0 | 85,240 0 | 16,500 0 | 455,301 0 | 0 0 |
| 5 JOHN M. ARP CHIEF ENG & OPS | (i) (ii) | 333,307 0 | 0 0 | 2,760 0 | 86,493 0 | 16,500 0 | 439,060 0 | 0 0 |
| 6 LEESETTA J. BROCK PRINCIPAL ENG MGR | (i) (ii) | 318,836 0 | 0 0 | 16,977 0 | 64,812 0 | 16,500 0 | 417,125 0 | 0 0 |
| 7 JOHN S. CRAWFORD MGR DIR SAFETY, RISK | (i) (ii) | 268,799 0 | 2,000 0 | 9,567 0 | 62,075 0 | 10,286 0 | 352,727 0 | 0 0 |
| 8 PATRICIA J. HATCHER MGR DIR HR | (i) (ii) | 254,018 0 | 3,500 0 | 16,877 0 | 56,903 0 | 4,144 0 | 335,442 0 | 0 0 |
| 9 JASON E. SATTERWHITE CHIEF GRID OPS | (i) (ii) | 244,891 0 | 5,000 0 | 1,391 0 | 54,185 0 | 16,500 0 | 321,967 0 | 0 0 |
| 10 BRUCE M. BOWE, JR. ASSISTANT TREASURER | (i) (ii) | 232,842 0 | 0 0 | 1,088 0 | 56,726 0 | 16,500 0 | 307,156 0 | 0 0 |
| 11 BRET K. ELLIOTT MGR DIR IT & CYBER | (i) (ii) | 247,713 0 | 0 0 | 6,081 0 | 34,466 0 | 16,500 0 | 304,760 0 | 0 0 |
| 12 SHAWN P. MCDONOUGH MGR DIR REG OPS | (i) (ii) | 132,465 0 | 0 0 | 115,882 0 | 19,786 0 | 1,567 0 | 269,700 0 | 0 0 |
| 13 WHITNEY S. WATTS ASSISTANT SECRETARY | (i) (ii) | 140,903 0 | 14,000 0 | 774 0 | 38,096 0 | 16,500 0 | 210,273 0 | 0 0 |
| 14 | (i) (ii) | | | | | | | |
| 15 | (i) (ii) | | | | | | | |
| 16 | (i) (ii) | | | | | | | |

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

PART I, LINE 4 - NONQUALIFIED AND EQUITY-BASED PAYMENTS

| | NONQUALIFIED | EQUITY-BASED |
|-------------------|--------------|--------------|
| JOHN D. HEWA | 8,723 | 0 |
| PETER N. MUHORO | 1,096 | 0 |
| TRACEY B. STEINER | 1,035 | 0 |
| JOHN M. ARP | 100 | 0 |

PART III - OTHER ADDITIONAL INFORMATION

CERTAIN INDIVIDUALS PARTICIPATE IN A NONQUALIFIED EXECUTIVE BENEFIT RESTORATION PLAN (EBR) UNDER CODE SECTION 457(F), AS A RESULT OF HAVING BENEFITS UNDER THE QUALIFIED PENSION PLAN RESTRICTED BECAUSE OF MAXIMUM LIMITS ON BENEFITS THAT MAY BE PROVIDED UNDER THE QUALIFIED PENSION PLAN. THE EBR IS SUBJECT TO A SUBSTANTIAL RISK OF FORFEITURE PRIOR TO PARTICIPANTS REACHING NORMAL RETIREMENT DATE AND OTHER RESTRICTIONS AS DEFINED IN THE EBR PLAN DOCUMENT. 990 REPORTING RULES REQUIRES AMOUNTS ACCRUED BUT NOT YET VESTED OR RECEIVED, TO BE INCLUDED ON SCHEDULE J PART II, COLUMN C. THE FOLLOWING INDIVIDUALS HAD AMOUNTS ACCRUED UNDER THIS PLAN DURING 2023:

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

JOHN HEWA \$189,944

TRACEY STEINER 175,747

PETER MUHORO 62,056

JASON SATTERWHITE 59,929

LAWRENCE ANDREWS 5,733

SHAWN P. MCDONOUGH RECEIVED A ONE-TIME PAYMENT DURING 2023 TOTALING \$109,044 THAT HAS BEEN INCLUDED ON SCHEDULE J, PART II B (III) OTHER REPORTABLE COMPENSATION.

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

Attach to Form 990 or Form 990-EZ.
Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2023

**Open to Public
Inspection**

Name of the organization

RAPPAHANNOCK ELECTRIC COOPERATIVE

Employer identification number

54-1135340

FORM 990 - ADDITIONAL INFORMATION

FORM 990, PART IX, LINE 4 BENEFITS PAID TO OR FOR MEMBERS

PATRONAGE DIVIDENDS ARE PAID TO MEMBERS' ACCOUNTS IN ACCORDANCE WITH THE
PRE-EXISTING OBLIGATION IN THE COOPERATIVE'S BY-LAWS. THE COOPERATIVE IS
OBLIGATED TO PAY BY CREDITS TO A CAPITAL ACCOUNT FOR EACH PATRON ALL SUCH
AMOUNTS IN EXCESS OF OPERATING COSTS AND EXPENSES.

IRS INSTRUCTIONS FOR LINE 4 CHANGED IN 2011 TO INCLUDE PATRONAGE DIVIDENDS
PAID BY SECTION 501(C)(12) ORGANIZATIONS TO THEIR MEMBERS. ACCORDINGLY,
THESE AMOUNTS ARE NOW REPORTED ON LINE 4.

FORM 990, PART VIII, LINE 1E

FOR THE YEAR ENDED 12/31/22 THE COOPERATIVE WAS AWARDED \$14,750,541 OF
FEMA FUNDS AS A RESULT OF SEVERE WINTER STORMS . A SINGLE AUDIT WAS
PERFORMED FOR THE YEAR ENDED 12/31/22. ON PAGE 9 OF THE 2022 FORM 990, THE
COOPERATIVE REPORTED CASH RECEIVED DURING THE YEAR ENDED 12/31/22 VERSUS
THE FULL AMOUNT AWARDED.

FORM 990, PART VI, LINE 6 - CLASSES OF MEMBERS OR STOCKHOLDERS

ANY PERSON OR OTHER LEGAL ENTITY WHO IS ABLE TO ENTER A LEGALLY BINDING
CONTRACT WILL BECOME A MEMBER OF THE COOPERATIVE UPON RECEIPT OF ELECTRIC
SERVICE FROM THE COOPERATIVE.

FORM 990, PART VI, LINE 7A - ELECTION OF MEMBERS AND THEIR RIGHTS

IN ANY ELECTION FOR BOARD OF DIRECTORS, EACH MEMBER SHALL HAVE THE RIGHT TO

Name of the organization

Employer identification number

RAPPAHANNOCK ELECTRIC COOPERATIVE

54-1135340

VOTE FOR THE DULY NOMINATED CANDIDATE OF THEIR CHOICE IN PERSON AT THE ANNUAL MEETING OR UPON A PROXY FORM.

FORM 990, PART VI, LINE 7B - DECISIONS SUBJECT TO APPROVAL OF MEMBERS CERTAIN DECISIONS OF THE GOVERNING BODY ARE SUBJECT TO APPROVAL BY THE MEMBERS OF THE COOPERATIVE AS PROVIDED FOR IN THE BY-LAWS.

FORM 990, PART VI, LINE 11B - ORGANIZATION'S PROCESS TO REVIEW FORM 990 BEFORE FORM 990 IS SUBMITTED TO THE IRS, THE BOARD OF DIRECTORS RECEIVES A COPY OF THE FORM. THE COOPERATIVE'S MANAGEMENT ANSWERS ANY QUESTIONS BROUGHT TO THEIR ATTENTION BY THE BOARD.

FORM 990, PART VI, LINE 12C - ENFORCEMENT OF CONFLICTS POLICY THE GOVERNING BOARD OF DIRECTORS ALONG WITH MEMBERS OF MANAGEMENT COMPLETE ANNUAL CONFLICT OF INTEREST STATEMENTS.

FORM 990, PART VI, LINE 15A - COMPENSATION PROCESS FOR TOP OFFICIAL THE COOPERATIVE UTILIZES AN INDEPENDENT COMPENSATION CONSULTANT TO REVIEW MARKET TRENDS AND CONDUCT AN ANALYSIS OF COMPENSATION. THIS INFORMATION IS UTILIZED BY THE COOPERATIVE'S BOARD AS PART OF THE CEO'S ANNUAL REVIEW FOR MERIT EVALUATION.

FORM 990, PART VI, LINE 15B - COMPENSATION PROCESS FOR OFFICERS OTHER OFFICERS AND KEY EMPLOYEES ARE REVIEWED BY DIRECT SUPERVISORS FOR MERIT EVALUATION. MARKET ADJUSTMENTS ARE DETERMINED THROUGH HUMAN RESOURCES USING AN INDEPENDENT COMPENSATION CONSULTANT REVIEW OF CURRENT MARKET TRENDS AND COMPARABLE COMPENSATION DATA.

Name of the organization

Employer identification number

RAPPAHANNOCK ELECTRIC COOPERATIVE

54-1135340

FORM 990, PART VI, LINE 19 - GOVERNING DOCUMENTS DISCLOSURE EXPLANATION
GOVERNING DOCUMENTS AND POLICIES, AUDITED FINANCIAL STATEMENTS ALONG WITH
THE FORM 990 ARE AVAILABLE UPON REQUEST. BY-LAWS AND OTHER GOVERNING
DOCUMENTS ARE ALSO AVAILABLE ON THE COOPERATIVES WEB SITE.

FORM 990, PART VII - ADDITIONAL INFORMATION

990 PART VII SECTION A COLUMN F

THE COOPERATIVE PARTICIPATES IN THE NRECA GROUP DEFINED PENSION PLAN. AS
PART OF THIS PLAN, PARTICIPANTS ARE REQUIRED TO RECOGNIZE THE ACTUARIAL
INCREASE IN THE VALUE OF THEIR ACCOUNT ON THE FORM 990. THE CONTRIBUTION
RATE FOR PARTICIPANTS IN THE PLAN IS THE SAME FOR ALL INDIVIDUALS IN THE
PLAN. THE CHANGE IN ACTUARIAL VALUE FOR EACH PARTICIPANT, HOWEVER, VARIES
WITH AGE. IN OTHER WORDS, THE OLDER A PARTICIPANT IS, THE GREATER THE
INCREASE IN THAT INDIVIDUAL'S CHANGE IN ACTUARIAL VALUE WITH ALL OTHER
THINGS BEING EQUAL.

990 PART VII SECTION A COLUMN D

DIRECTORS ARE COMPENSATED FOR ATTENDING MEETINGS AND TRAINING. OUT OF
TOTAL COMPENSATION REPORTED IN PART VII, SECTION A, COLUMN D, THE FOLLOWING
AMOUNTS WERE PAID FOR DIRECTOR TRAINING:

| BOARD MEMBER | MEETINGS | TRAINING | TOTAL |
|-------------------------|----------|----------|--------|
| ERIC PAULSON | 30,100 | 8,700 | 38,800 |
| CHRISTOPHER G. SHIPE | 35,500 | 2,000 | 37,500 |
| EUGENE L. CAMPBELL, JR. | 30,100 | 7,000 | 37,100 |

| | |
|---|--|
| Name of the organization RAPPAHANNOCK ELECTRIC COOPERATIVE | Employer identification number 54-1135340 |
|---|--|

| | | | |
|----------------------|---------|--------|---------|
| LINDA R. GRAY | 30,000 | 7,000 | 37,000 |
| JESSE R. THOMAS, JR. | 29,900 | 7,000 | 36,900 |
| J. MARK WOOD | 29,800 | 6,800 | 36,600 |
| SANFORD REAVES, JR. | 30,300 | 5,600 | 35,900 |
| DARLENE H. CARPENTER | 30,300 | 5,500 | 35,800 |
| MICHAEL W. LINDSAY | 30,100 | 5,000 | 35,100 |
| TOTAL | 276,100 | 54,600 | 330,700 |

FORM 990, PART XI, LINE 9 - OTHER CHANGES IN NET ASSETS EXPLANATION

| | |
|---|----------------|
| NON-CASH PATRONAGE ALLOCATIONS NOT REV PER IRS | \$ 4,538,949 |
| PAT DIV PAID TO MEMBERS' ACCTS NOT EXP PER GAAP | \$ 11,209,532 |
| GAIN ON EQUITY INVESTMENT | \$ 75,721 |
| CONTRIBUTIONS IN AID OF CONST NOT REV PER GAAP | \$ -21,446,975 |
| NET RETIREMENT OF CAPITAL CREDITS | \$ -3,417,200 |
| NET CHANGE IN OCI | \$ -498,645 |
| TOTAL | \$ -9,538,618 |

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No. 1545-0047

2023

**Open to Public
Inspection**

Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

Department of the Treasury
Internal Revenue Service

Name of the organization

RAPPAHANNOCK ELECTRIC COOPERATIVE

Employer identification number

54-1135340

Part I Identification of Disregarded Entities. Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

| (a) Name, address, and EIN (if applicable) of disregarded entity | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Total income | (e) End-of-year assets | (f) Direct controlling entity |
|---|-------------------------|--|---------------------|---------------------------|----------------------------------|
| (1) | | | | | |
| (2) | | | | | |
| (3) | | | | | |
| (4) | | | | | |
| (5) | | | | | |

Part II Identification of Related Tax-Exempt Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Exempt Code section | (e) Public charity status (if section 501(c)(3)) | (f) Direct controlling entity | (g) Section 512(b)(13) controlled entity? | |
|---|-------------------------|--|----------------------------|---|----------------------------------|--|----|
| | | | | | | Yes | No |
| (1) PROJECT BIG HEART PO BOX 7388 FREDERICKSBURG VA 22404 54-1681276 | CHAR. GIV. | VA | 501C3 | 7 | RAPP EC | X | |
| (2) COMM AWARENESS OF RAP ELEC CHARITY PO BOX 7388 FREDERICKSBURG VA 22404 20-3160667 | CHAR. GIV. | VA | 501C3 | 7 | RAPP EC | X | |
| (3) | | | | | | | |
| (4) | | | | | | | |
| (5) | | | | | | | |

Part III Identification of Related Organizations Taxable as a Partnership. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a partnership during the tax year.

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Direct controlling entity | (e) Predominant income (related, unrelated, excluded from tax under sections 512-514) | (f) Share of total income | (g) Share of end-of-year assets | (h) Disproportionate alloc.? | | (i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065) | (j) General or managing partner? | | (k) Percentage ownership |
|---|-------------------------|--|----------------------------------|--|------------------------------|------------------------------------|---------------------------------|----|--|-------------------------------------|----|-----------------------------|
| | | | | | | | Yes | No | | Yes | No | |
| (1) | | | | | | | | | | | | |
| (2) | | | | | | | | | | | | |
| (3) | | | | | | | | | | | | |
| (4) | | | | | | | | | | | | |

Part IV Identification of Related Organizations Taxable as a Corporation or Trust. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a corporation or trust during the tax year.

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Direct controlling entity | (e) Type of entity (C corp, S corp, or trust) | (f) Share of total income | (g) Share of end-of-year assets | (h) Percentage ownership | (i) Section 512(b)(13) controlled entity? | |
|--|-------------------------|--|----------------------------------|--|------------------------------|------------------------------------|-----------------------------|--|----|
| | | | | | | | | Yes | No |
| (1) RAPPAHANNOCK ELECTRIC COMM INC PO BOX 8059 FREDERICKSBURG VA 22404 54-1509322 | TECH SVCS | VA | REC | C | 75,721 | 1,531,343 | 100.000000 | X | |
| (2) | | | | | | | | | |
| (3) | | | | | | | | | |
| (4) | | | | | | | | | |

Part V Transactions With Related Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

| | Yes | No |
|--|-------------------------------------|-------------------------------------|
| 1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV? | | |
| a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity | <input checked="" type="checkbox"/> | |
| b Gift, grant, or capital contribution to related organization(s) | <input checked="" type="checkbox"/> | |
| c Gift, grant, or capital contribution from related organization(s) | | <input checked="" type="checkbox"/> |
| d Loans or loan guarantees to or for related organization(s) | | <input checked="" type="checkbox"/> |
| e Loans or loan guarantees by related organization(s) | | <input checked="" type="checkbox"/> |
| f Dividends from related organization(s) | | <input checked="" type="checkbox"/> |
| g Sale of assets to related organization(s) | | <input checked="" type="checkbox"/> |
| h Purchase of assets from related organization(s) | | <input checked="" type="checkbox"/> |
| i Exchange of assets with related organization(s) | | <input checked="" type="checkbox"/> |
| j Lease of facilities, equipment, or other assets to related organization(s) | <input checked="" type="checkbox"/> | |
| k Lease of facilities, equipment, or other assets from related organization(s) | | <input checked="" type="checkbox"/> |
| l Performance of services or membership or fundraising solicitations for related organization(s) | <input checked="" type="checkbox"/> | |
| m Performance of services or membership or fundraising solicitations by related organization(s) | | <input checked="" type="checkbox"/> |
| n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) | | <input checked="" type="checkbox"/> |
| o Sharing of paid employees with related organization(s) | <input checked="" type="checkbox"/> | |
| p Reimbursement paid to related organization(s) for expenses | | <input checked="" type="checkbox"/> |
| q Reimbursement paid by related organization(s) for expenses | <input checked="" type="checkbox"/> | |
| r Other transfer of cash or property to related organization(s) | | <input checked="" type="checkbox"/> |
| s Other transfer of cash or property from related organization(s) | | <input checked="" type="checkbox"/> |

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

| (a) Name of related organization | (b) Transaction type (a-s) | (c) Amount involved | (d) Method of determining amount involved |
|-------------------------------------|-------------------------------|------------------------|--|
| (1) RAPPAHANNOCK ELECTRIC COMM INC | A | 51,750 | CASH |
| (2) | | | |
| (3) | | | |
| (4) | | | |
| (5) | | | |
| (6) | | | |

Part VI Unrelated Organizations Taxable as a Partnership. Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

| (a) Name, address, and EIN of entity | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Predominant income (related, unrelated, excluded from tax under sections 512-514) | (e) Are all partners section 501(c)(3) organizations? | | (f) Share of total income | (g) Share of end-of-year assets | (h) Disproportionate allocations? | | (i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065) | (j) General or managing partner? | | (k) Percentage ownership |
|---|-------------------------|--|--|--|----|------------------------------|------------------------------------|--------------------------------------|----|--|-------------------------------------|----|-----------------------------|
| | | | | Yes | No | | | Yes | No | | Yes | No | |
| (1) | | | | | | | | | | | | | |
| (2) | | | | | | | | | | | | | |
| (3) | | | | | | | | | | | | | |
| (4) | | | | | | | | | | | | | |
| (5) | | | | | | | | | | | | | |
| (6) | | | | | | | | | | | | | |
| (7) | | | | | | | | | | | | | |
| (8) | | | | | | | | | | | | | |
| (9) | | | | | | | | | | | | | |
| (10) | | | | | | | | | | | | | |
| (11) | | | | | | | | | | | | | |

