

Greetings Mt. Wheeler Power Member-Owners and Consumers:

2010 was a challenging year for both member-owners and the management and staff of your electric cooperative. At the beginning it was filled with expectation and uncertainty for the electric industry--a continuing economic downturn, the prospect of climate change legislation and carbon taxes to increase the cost of all sources of energy, especially electricity.

Your participation in the "Our Energy, Our Future" legislative campaign helped forestall the adoption of this plan, and has allowed time for Congress to reevaluate the wisdom and economic realities of this approach. Political changes and recovering economic conditions should shift the focus toward innovation and research, and away from restriction and penalties.

Several things became clear in the course of last year's discussions and analysis:

1. New sources of "baseload" (24/7) electricity will be more difficult to permit and build, and much more expensive than what we have available today. Nuclear and coal will require expedited permitting and improved technology to keep pace.
2. Renewable energy sources (wind, solar, biomass, and hydropower), although desirable where appropriate, cannot meet the baseload requirements of a recovering economy and an expanding population.
3. Use of electricity to replace other energy applications (such as home heating and electric vehicles) will compete for existing resources and require creative approaches and more efficient technologies.

At the consumer level, conservation—using less energy—reduces your bill and keeps more electricity available for use. Electricity is our most adaptable form of energy, so new uses are continually emerging, increasing the amount each family uses. But more efficient devices are also constantly being made available, so Mt. Wheeler offers rebates for Energy Star appliances, air-to-air and ground source heat pump systems, and lighting efficiency upgrades. We are also members of Touchstone Energy, a cooperative dedicated to helping members improve their use of energy. We encourage you to take advantage of these programs.

It has become clear, the understanding and favorable perception of rural electric cooperatives has diminished in Congress as urban areas have gained more power and seniority, and legislators who grew up without adequate electrical service are replaced with those who have only known abundant, affordable, and reliable electric service. Our challenge in Congress is to communicate the cooperative model and its advantages to our representatives and their staff so the opportunity to join together to meet a common need is respected and preserved.

Our constant focus is the quality and reliability of our electric service. This winter proved again the strength of our distribution system and the dedication and capability of our lineman and support staff in responding to very significant weather events in our service territory. Thanks for keeping the lights on in such difficult circumstances!

Be assured the Board of Directors, management and staff are engaged in the issues which affect your electric cooperative. We again look forward to serving our member-owners in meeting our common need for reliable and affordable electric energy in these challenging times.

Sincerely,



Jerald Anderson
President, Mt. Wheeler Power



MT. WHEELER POWER EMPLOYEES

Baumann, Bill	Lineman	Morrison, Cheryl.....	PT Billing Coordinator
Bischoff, Matt	IT Assistant	Murdock, Jesse.....	Engineering Manager
Bliss, Chad	Line Forman	Pintar, Jody.....	Lineman
Boren, Shane.....	Warehouseman/Lineman	Reger, Jan	Accounting Coordinator
Burdick, Martin	Line Forman	Ricci, Bill.....	Operations Manager
DeCaprio, Brenda.....	Billing Clerk	Robertson, Harold	Fleet Mechanic
Deschamps, Ed	Meter Tech/Lineman	Robison, Kevin	Member Services Manager
Ensign, Gayle	Design Engineer	Romero, Herminio	Facilities Maintenance/Meter Rd
Ernest, Kelly	IS Administrator	Sawyer, Christina.....	Billing Clerk
Ewell, Randy.....	General Manager/CEO	Stanton, Patricia.....	Accountant
Goicoechea Sally.....	Eureka Customer Service Rep	Stanton, Zeke	Apprentice Lineman
Hardy, Brett	Lineman	Tye, Marla	Senior Billing Coordinator
Heckethorn, Gwendy	Dispatch	Venturino, Mike.....	Substation Tech/Lineman
Heckethorn, Phil.....	Lineman Forman	Watts, Shellie.....	Finance/HR
Jackson, Kelly	Billing Clerk	Williams, Derek.....	Lineman
Liebsack, Jimmy.....	Telecommunications Tech	Williams, Jeremie.....	Lineman
Marquez, Sherrie	Billing Clerk		
McNutt, Jason.....	Apprentice Lineman		
McVicars, Mitch.....	Line Forman	Laity, Emily	Student - Part time



MT. WHEELER POWER

P.O. Box 151000, Great Basin Blvd., Ely, Nevada 89315
775-289-8981 | 1-800-97-POWER | www.mwpower.net



THE POWER IS YOURS. 2010

A Touchstone Energy® Cooperative



2010 Annual Report

THE POWER IS YOURS.



MT. WHEELER POWER

BALANCE SHEET

ASSETS AND OTHER DEBITS

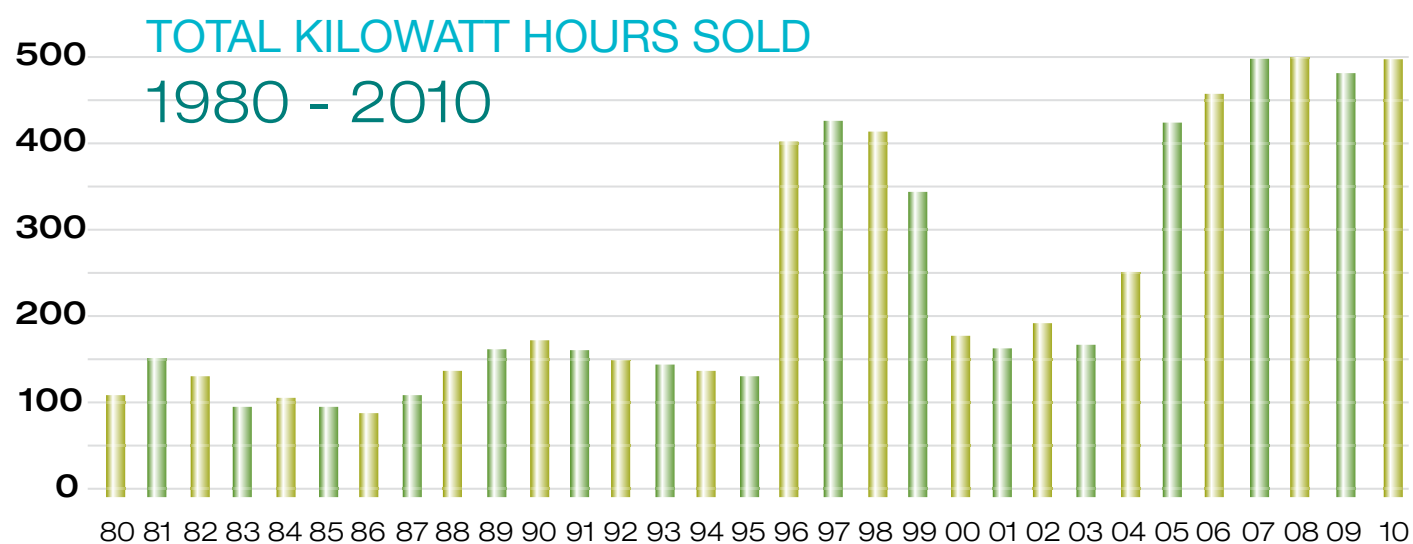
	2010	2009
NET UTILITY PLANT	\$ 29,155,449	\$ 29,460,721
INVESTMENT IN ASSOCIATED ORGANIZATIONS	5,833,883	1,414,771
LONG-TERM INVESTMENTS	300,000	300,000
ENERGY CONSERVATION LOANS	67,141	68,705
TOTAL CURRENT ASSETS	5,815,270	9,713,962
CASH GENERAL AND TEMPORARY CASH INVESTMENTS	2,154,180	1,430,228
TRADE ACCOUNTS RECEIVABLE, Net of Allowance	477,420	926,096
OTHERS RECEIVABLE	-	-
NOTES RECEIVABLE	-	5,000,000
INVENTORIES	3,020,472	2,192,344
OTHER CURRENT ASSETS	163,198	165,294
DEFERRED DEBT	272	2,682

TOTAL ASSETS AND OTHER DEBITS \$ 41,172,015 \$ 40,960,841

LIABILITIES AND OTHER CREDITS

	2010	2009
EQUITIES AND MARGINS	\$ 23,511,569	\$ 22,469,503
LONG-TERM DEBT	12,022,751	12,915,594
TOTAL CURRENT LIABILITIES	4,066,602	3,757,237
CURRENT MATURITIES OF LONG-TERM DEBT	1,056,936	1,110,000
ACCOUNTS PAYABLE	544,428	405,614
CONSUMER DEPOSITS	469,552	333,097
OTHER CURRENT LIABILITIES	1,995,686	1,908,526
DEFERRED CREDITS	1,571,093	1,818,507

TOTAL LIABILITIES AND OTHER CREDITS \$ 41,172,015 \$ 40,960,841



STATEMENT OF OPERATIONS

	2010	2009
OPERATING REVENUE	\$ 31,332,690	\$ 30,280,705
COST OF ELECTRICAL POWER PURCHASED	22,154,775	21,054,906
TRANSMISSION	100,371	292,614
DISTRIBUTION-OPERATIONS & MAINTENANCE	1,669,777	1,549,163
CONSUMER ACCOUNTS	957,488	936,837
SALES	90,435	118,321
ADMINISTRATIVE & GENERAL	1,592,729	1,507,992
DEPRECIATION & AMORTIZATION	1,659,644	1,620,807
TAXES	347,079	316,628
INTEREST ON LONG TERM DEBT	798,882	851,254
OTHER INTEREST EXPENSE	854	1,541

TOTAL OPERATING EXPENSES \$ 29,372,034 \$ 28,250,063

OPERATING MARGINS	\$ 1,960,656	\$ 2,030,642
NON-OPERATING INCOME	25,109	(1,477)
OTHER CAPITAL CREDITS	698,421	487,446
INTEREST INCOME	45,032	48,613
LOSS ON DISPOSITION OF PROPERTY	31,493	(591,008)
EXTRAORDINARY CHARGES	(677,144)	(1,836,458)

TOTAL MARGINS/PATRONAGE CAPITAL \$2,083,567 \$ 137,758

EXPENDITURES

	2010	2009
POWER PURCHASES	\$ 22,154,775	\$ 21,054,906
OPERATION AND MAINTENANCE	4,410,800	4,404,927
DEPRECIATION AND AMORTIZATION	1,659,644	1,620,807
TAXES	347,079	316,628
INTEREST EXPENSE	799,736	852,795

TOTAL \$ 29,372,034 \$ 28,250,063

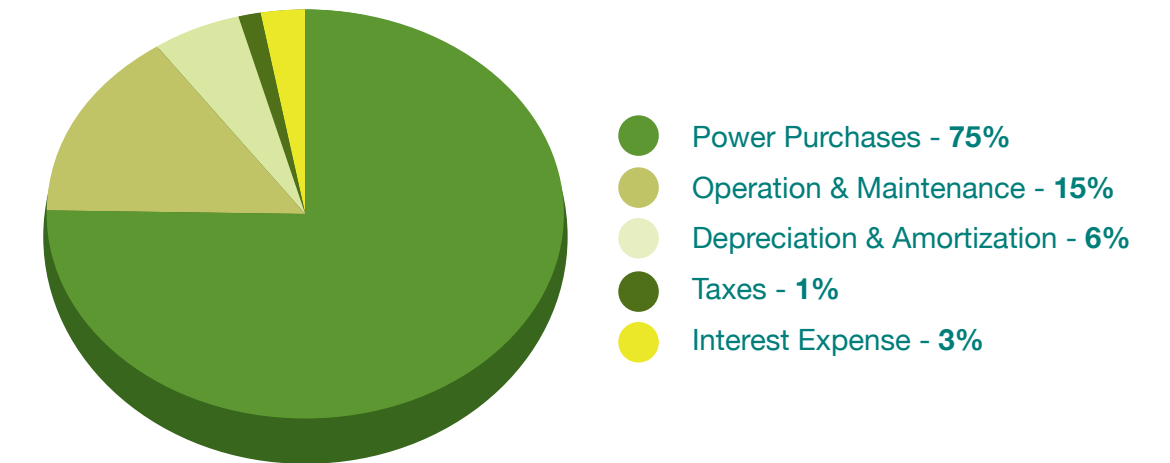
SALES BY CATEGORY

RESIDENTIAL	\$ 5,296,785	\$ 4,994,181
IRRIGATION	3,397,882	3,264,469
SMALL COMMERCIAL	3,376,135	3,139,562
LARGE COMMERCIAL	18,091,547	17,815,653
PUBLIC STREET AND HIGHWAY LIGHTING	63,873	64,817
OTHER PUBLIC AUTHORITIES	958,851	847,703
OTHER REVENUE	147,617	154,320

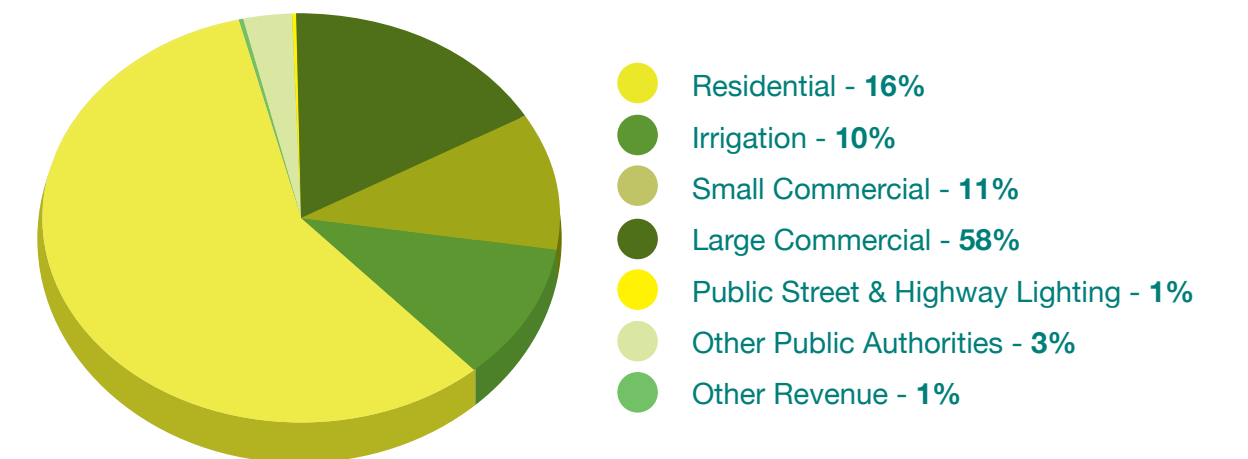
TOTAL REVENUE \$ 31,332,690 \$ 30,280,705

TOTAL KWH SOLD 495,733,497 476,273,102

2010 EXPENDITURES



2010 SALES BY CATEGORY



BOARD FEES & EXPENSE

	2010	2009
TOTAL FEES	\$ 40,185	\$ 29,625
TOTAL DIRECTOR & BOARD EXPENSES	82,097	64,372
TOTALS	\$ 122,282	\$ 93,997

MT. WHEELER POWER, INC. BOARD OF DIRECTORS

District 1 Director – Kaye Kirkeby	District 6 Director / President – Jerald Anderson
District 2 Director – Bob Swetich	District 7 Director / Treasurer – Sandra L. Green
District 3 Director – Jerry T. Morrill	District 8 Director / Secretary – Wilma Sanford
District 4 Director – Don Phillips	District 9 Director / Vice President – Frank Leon
District 5 Director – Rick Hendrix	