

THE COOPERATIVE ADVANTAGE

Annual Capital Credits Overview

BY RUTH MARKS CEO | RUTH.M@MVEA.COOP

To date MVEA has retired over \$82 million in capital credits back to the membership since the late 1970s. This is an important point of pride at MVEA! Why? The capital credits allocation and retirement process is one of the most unique and rewarding aspects of being an electric co-op member. Even though it is such an important aspect of co-op membership, the allocation and retirement of capital credits can be a bit confusing. This month, ahead of our annual capital credits retirement in December, we will answer the most frequently asked questions about capital credits.

WHAT ARE CAPITAL CREDITS?

As a Mountain View Electric Association member, you are more than a customer — you are both a member and an owner of the cooperative. In fact, you invest in the cooperative each time you pay your monthly electric bill. Your investment in the cooperative helps to ensure the financial health and stability of the co-op and is returned to you through the allocation and retirement of capital credits. It's an aspect of being a co-op member that is unique: When financial conditions allow, every member of an electric co-op gets a piece of the pie.

Electric cooperatives aren't like other utilities. We operate at cost — collecting enough revenue to run the co-op, without the need to generate profits like investor-owned utilities. In fact, as a co-op, MVEA's rate of return is half of that of an investor-owned utility. The co-op's rates and fees are set by an elected Board of Directors to generate revenue to cover operating costs, pay debts on construction loans, and provide an emergency financial reserve. Any surplus revenue generated is reinvested to improve services or returned to members as capital credits.

ALLOCATION VS. RETIREMENT

MVEA members receive a capital credits allocation every year after the cooperative's audit for the previous year is complete. Net margins, the difference between MVEA's income and its expenses, are "allocated" (or assigned) to members who belong to the cooperative during the year in which a net margin is generated. An allocation is your share of the net margins MVEA sets aside into a separate account with your name on it. Capital credits allocation notices are provided on your billing statement every November.

MVEA members share in the financial prosperity of the cooperative through the retirement of capital credits. A retirement

is the amount of cash you receive back from your capital credits allocation. The amount retired is decided annually by the MVEA Board of Directors. After a number of years, if financial conditions permit, and MVEA's mortgage requirements and by-law provisions are met, the Board may decide to retire (which means "pay") capital credits back to MVEA members.

For instance, last year MVEA's Board retired over \$2.25 million in capital credits back to the membership for portions of margins from the years 2004, 2005, and 2021. If you were a member during those years (or any combination of those years) and had a capital credits retirement payment of \$10 or more, you received a check in December. For those with a capital credits retirement balance under \$10, the amount is held until the total cash value of the retirement is greater than \$10.

How are capital credits used to benefit the cooperative and its membership before retirement? They are put to work and used as operating capital for reliability improvements and maintenance over a period of years. Capital credits are a source of equity and help to fund the growth and maintenance of the system. This operating capital reduces the amount of money that MVEA needs to borrow through loans to meet the demands of our growing electric cooperative.

The amount of the capital credits retirement for 2024 will be available in the December issue, including details such as how payments will be made and the amount of the retirement. Depending on how long you have been an MVEA member, you may also receive a capital credits retirement payment in December.

Make sure to look at your November bill to review your 2023 capital credits allocation. If you have any questions about your capital credits allocation or retirement, please call 800-388-9881. To learn more about capital credits, please visit MVEA's website at www.mvea.coop/capital-credits.



RUTH MARKS



Capital Credits Quick Facts

In a Co-op, Every Member Gets a Piece of the Pie!

Electric co-ops operate at cost. Any excess revenues are returned to members in the form of capital credits.

Check your November bill for your 2023 capital credits allocation. Read the December issue of *Colorado Country Life* for a capital credits retirement update.

To date, MVEA has retired over \$82 million in capital credits back to members!

Learn more at www.mvea.coop/capital-credits.

Powering Safety | MVEA's Tree Trimming Practices Keep Our Community Energized

BY AVERY PARSON DIGITAL COMMUNICATIONS SPECIALIST

At Mountain View Electric Association, we understand that tree trimming and brush removal within electric utility easements might not seem particularly exciting at first glance. However, when you see our dedicated crew working in your community to create tree and brush “no-grow zones” around our electric infrastructure, it’s a clear sign that MVEA is actively taking steps to maintain a safe and reliable electric distribution system.

Our diligent tree trimming crew is continuously at work, trimming trees to prevent outages, mitigate wildfire risks, and ensure system reliability. Keeping power lines clear of overhanging branches is essential, as falling trees or branches can cause outages and, depending on their weight, can inflict significant damage on our infrastructure.

To ensure the safety of our power lines, our crew works meticulously to trim branches overhead. They also clear brush and undergrowth to prevent any upward growth into our lines, ensuring safety and reliability. Safety remains our top priority at MVEA, and our tree trimming crew exemplifies this by coning off their working areas and wearing fire-resistant and high-visibility clothing, along with personal protective equipment.

MVEA’s tree trimming operations employ a variety of specialized equipment. Our large bucket truck, weighing approximately 34,000 pounds, can extend up to 70 feet into the air, allowing it to reach and trim high branches. When the bucket truck can’t access certain trees, our crew, certified climbers, physically climb the trees to complete the job safely and effectively.

Once the tree limbs are cut down, our crew processes them by disposing of them into the truck bin, chipping them into mulch, and transporting the mulch to our Falcon office yard. There, members can stop by and pick up the mulch for free and the rest is left to biodegrade.

Jason Covak, an experienced MVEA tree trimmer, emphasizes that the primary goal of tree trimming is to keep the power on for our members. He encourages members to report any tree limbs that appear to be dangerously close to power lines to MVEA. He advises members with overhead lines near trees on their property to regularly check for hazardous branches.

Sam Dahlstrom, another skilled MVEA tree trimmer, highlights the importance of considering tree health when trimming. He stresses that proper trimming and pruning techniques are crucial to



Jason Covak, a member of MVEA’s tree trimming crew, assesses a tree that is growing too close to power lines in Black Forest. According to Jason, a busy day might see the crew filling two full truck bins, which equates to about 18,000 pounds of debris.

avoid damaging the trees and to ensure their health. Sam’s favorite part of his job is climbing and cutting trees, finding it both fun and challenging.

In addition to MVEA crews, Asplundh Tree Expert, LLC and Arbol Tree Service & Landscaping, LLC have been contracted to help with tree trimming and brush removal in the MVEA easements. MVEA requires that trees be planted far enough away from all vaults and above-ground equipment. At maturity, a minimum 20-foot diameter around the equipment must be maintained to ensure access, and nothing should be growing underneath the lines except for grass.

At MVEA, our proactive tree trimming practices are a testament to our commitment to maintaining a safe and reliable electric distribution system. By staying vigilant and taking these necessary precautions, we continue to provide our members with the dependable service they expect and deserve.

To learn more about the important role that tree trimming plays in maintaining a safe and reliable electric distribution system, visit www.mvea.coop/tree-trimming and www.mvea.coop/wildfire-mitigation.



Last Call For Entries! MVEA Youth Leadership Trip Contest

High school sophomores and juniors are just a couple of short questions away from a chance to win an all-expenses-paid trip to Washington, D.C., for the Electric Cooperative Youth Tour, or Cooperative Youth Leadership Camp in the mountains outside of Steamboat Springs.

Deadline: Thursday, November 7, 2024

For more details, visit www.mvea.coop/tripcontest.





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MISSION STATEMENT

To provide our members safe, reliable, affordable, and responsible electric service and access to broadband services.

This Association is an equal opportunity provider and employer.

A Helping Hand to Those in Need
**LEAP and Energy Outreach Colorado
Bill Payment Assistance**

The **Low-Income Energy Assistance Program or LEAP** is a federally-funded program that helps eligible hard working Colorado households pay a portion of their winter home heating costs. The program provides home heating assistance to households with income up to 60% of the Colorado State Median Income. *Applications are accepted from November 1 through April 30.*

To apply, or for additional program information, visit the LEAP website at <https://cdhs.colorado.gov/leap> or call (866) 432-8435.



Energy Outreach Colorado brings together a network of industry, state and local partners to support, stabilize, and sustain Coloradans to afford their energy needs. Its programs include: bill payment assistance, heating system repair/replacement, energy efficiency upgrades, energy education, and access to state programs (such as LEAP) that work in partnership with their services.

Visit www.energyoutreach.org to learn more about programs and how to apply for assistance.



Holiday Season Program Spotlight

Give the Gift of Light this Holiday Season

Looking for the perfect gift this holiday season? It's easy to give a Gift of Light credit on a Mountain View Electric Association account for a friend or relative! You choose the amount of the credit and we help with the rest. For more information, call (800) 388-9881 or visit www.mvea.coop/gift-of-light.

Holiday Lighting Contest Sponsorship

MVEA is proud to light up the night with holiday cheer! Nonprofit organizations and homeowner organizations within MVEA's service territory can partner with MVEA to provide electric bill credits for the winners of residential home lighting contests held in November and December. For more information about organization eligibility and contest sponsorship, email communications@mvea.coop or call (719) 494-2657.

Operation Round Up: A Season of Giving that Lasts All Year

BY ERICA MEYER COMMUNITY RELATIONS SPECIALIST

As the crisp air of November rolls in, the warmth of generosity fills the hearts of many. It's a season known for giving, for gratitude, and for lending a helping hand to those in need. At Mountain View Electric Association that spirit of giving is embodied year-round through Operation Round Up®, a community-driven initiative that turns spare change into meaningful change.

Launched in 1999, Operation Round Up allows MVEA members to round up their monthly electric bills to the nearest dollar. Though each member's contribution averages just 50 cents a month—amounting to no more than \$11.88 per year—the collective power of thousands of members joining forces creates a fund that changes lives. The initiative has raised over \$3.3 million since its inception. These funds are used to support local charities, educational programs, and neighbors facing financial hardship.

The true impact of Operation Round Up goes beyond numbers. It touches lives in ways that can never fully be quantified. Take Fresh Start Center, a nonprofit organization fighting hunger in the Eastern Plains of Colorado, for example. Thanks to the grants they've received through the program, they've been able to stock their food pantry and support their mission of providing for struggling families.

"Through the support provided by MVEA's Operation Round Up fund, Fresh Start Center has been able to continue to be a beacon of hope for many families facing hunger and poverty," said Grant Winger, Executive Director at Fresh Start Center. "Without this support, our mission would be much harder to accomplish."

While Operation Round Up runs year-round, November is an especially fitting time to highlight the power of community giving. It's easy to join the thousands of MVEA members already enrolled in Operation Round Up. With just a few clicks, you can opt-in to round up your electric bill on SmartHub, helping your community without any extra effort. For more information about Operation Round Up, visit www.mvea.coop/round-up.



Through the generosity of MVEA members and employees, the co-op donated 36 turkeys to Fresh Start in 2023. The goal is to at least double the donation this holiday season!

Thanksgiving Turkey Drive

MVEA has partnered with the Fresh Start Center for their annual Turkey Drive to help ensure that families across the Pikes Peak and Eastern Plains regions have a meal to enjoy this Thanksgiving. "Through 2024, we have continued to see 20% growth in the number of neighbors we have served, as grocery, transportation, and living expenses have not cooled off, making it much more of a struggle to bring the family to the dinner table this Thanksgiving," shared Grant Winger, Executive Director at Fresh Start Center.

Turkeys can be dropped off at MVEA's Falcon office through November 22. MVEA is proud to stand alongside Fresh Start Center in this effort, knowing that together, we can make a meaningful difference for our neighbors.

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