

Empire Electric Association, Inc.



PRESS RELEASE

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“Our primary mission is to safely, responsibly, and reliably meet the electrical energy needs of our member-owners.”

Energy Experts
Working for You!

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Empire Electric to return more than \$2.7 million in capital credits to its members

Funds to be distributed as bill credits or mailed as checks during the March 2020 billing cycles

Cortez, CO - Empire Electric Association (EEA) will return \$2,713,444.80 in capital credits to 19,180 members. These funds will be distributed as bill credits or mailed as a check during the March 2020 billing cycles.

Any revenues remaining after all expenses have been paid in a fiscal year are termed margins. Margins are allocated to members who took service from the cooperative during that fiscal year and placed into a patronage capital account in each member's name. This capital, along with borrowed funds, is used to pay for needed improvements to EEA system infrastructure.

“In other words, EEA invests the margins back into its system,” says Ginny Johnson, Finance Manager. “It helps build member's equity, reduces the amount of money EEA must borrow, and minimizes the interest charges we would otherwise have to pay. The margins allow EEA to maintain the highest level of system reliability while keeping rates as low as possible.”

These margins are eventually returned to the members as capital credits. Each year, the EEA Board of Directors reviews the financial health of the cooperative and determines if capital credits will be returned. “We return capital credits back to the members we serve as soon as it is financially prudent to do so,” says Josh Dellinger, General Manager. “Returning capital credits to our members is one of the many things that sets cooperatives apart from for-profit utilities.” At the January 2020 board meeting, the board approved to return 100 percent of the Co-op Margins from 1998 and 22 percent from 1999. Since incorporation in 1939, EEA has returned over \$31 million to its members.

Please be sure to keep your contact information up to date, even if you discontinue service with EEA, so that you can be contacted about future capital credit returns. A list of former members with unreturned capital credits is posted each year on EEA's website at www.eea.coop.

If you have any questions about capital credits or any other cooperative business, please call EEA's office at (970) 565-4444.