

CVEC puts money in your pocket AGAIN!

Did you notice the credits on your bill last month? For the second time in nine months, CVEC was pleased to credit YOU:

1. A \$20 credit as a One Time Fixed Cost Adjustment and
2. A Power Cost Adjustment (PCA) credit based on your August usage (kWh).

That's over a **20%** rate **decrease** on your August bill.

Due to record sales, operating cost controls, decreased costs from our wholesale power supplier (Dairyland Power Cooperative), and load shedding efforts from our member consumers during Peak Alert days, CVEC passed along this unexpected bill credit to YOU!

This is the cooperative way. Only YOUR cooperative returns money to its member consumers. Investor-owned utilities only return money to their stockholders.

Only the cooperative business model thinks of YOU!



WHY THE CREDIT?

RECORD SALES

Warmer weather

A hot summer meant more electricity was used

Demographic changes

People staying in the area longer, more people working from home

OPERATING COST CONTROLS

Maintain small, efficient crew

Maintain good equipment and vehicles to help save time and money

Utilize latest technology to increase efficiency

Keep work in-house instead of contracting out (right-of-way spraying and pole testing)

DAIRYLAND POWER COOPERATIVE

CVEC's Wholesale Power Provider

DPC works hard at controlling costs and keeping rates stable

DPC refunds money to CVEC when it has excess margins

MEMBER CONTRIBUTIONS LOAD-SHEDDING EFFORTS

Members who participate in our load management programs: Water heater, central air conditioning, and dual fuel.

All members who reduce their electric load during peak alert times in the summer and winter, especially 2–6 p.m. Reminder: This occurs **ONLY** on Peak Alert days; listen for Peak Alert messages on radio or watch for them on Facebook. Please know that you can still use electricity during Peak Alert times; just try to not use multiple large appliances at same time. For example, use the stove but wait on the dishwasher until after 6 p.m. *We thank you!*

AND MORE...

Even our retired manager (a.k.a the groundskeeper) mows the grass for no charge and just likes to visit his old digs!





CVEC PAYS ITS MEMBERS!

Capital Credits: The who, what, when, where, why, and how

WHO receives capital credits?

You, the member.

You are an owner of your electric cooperative and capital credits reflect your ownership in the cooperative.

CVEC is a cooperative and one of the things that makes us different from an investor-owned utility is that CVEC is not in business to make a profit. We exist to serve our member-consumers and we belong to the community we serve. This month, CVEC is pleased to return nearly \$600,000 in capital credits to more than 6,700 members.

This year's capital credits will be paid out to members who purchased electricity from CVEC in the following years: 1997, 1998, 1999, and 2019.

100% of 1997 • 100% of 1998 • 35% of 1999 • 10% of 2019

WHAT are capital credits?

Margins. Your portion returned to you.

As you pay for your energy, CVEC utilizes the revenue to grow, operate, and maintain a safe and reliable energy system. Any money that is earned over and above the costs of doing business is called margins. Capital credits are the retained margins left over at the end of the year at your not-for-profit electric cooperative. Your portion of allocated margins is then returned to you in the form of capital credits.

Capital credits are the most significant source of equity for most cooperatives. They are similar to the dividends that investor-owned utilities pay to their shareholders except that CVEC "dividends" go back to our consumer-members.

WHEN will I receive my capital credits?

Within a 23-year rotation.

Even though the cooperative allocates capital credits to members each year, the money is not paid out right away. The money is used for a number of years for the following purposes:

- to increase equity, giving the cooperative more borrowing power
- to avoid borrowing money as much as possible
- to have reserves in case of an emergency

The board of directors reviews Chippewa Valley Electric's financial condition annually and then decides whether to retire capital credits. The board's goal has been to move from a 25-year rotation to 20 years. Currently we are returning capital credits within a 23-year rotation.

WHERE do my capital credits go if I move?

With you.

Capital credits are reserved for members even if they move out of the CVEC service area. If you move or no longer have electric service with Chippewa Valley Electric Cooperative, it is important to keep your address current with our office so that future disbursements can be properly mailed to you. CVEC will make a diligent effort to send your check.

WHY do I earn capital credits?

You are a member consumer of a not-for-profit electric cooperative.

When a member of Chippewa Valley Electric begins purchasing electricity, they get two accounts—a billing account and a capital credit account. The capital credit account is specific to you and your spouse, if married. Regardless of how many times you move or how many billing accounts you may have, you have one capital credit account that stays with you. Each year CVEC margins are allocated back to their members. Your share is deposited in your capital credit account for that year.

HOW do I collect my capital credits?

Bill credit or check.

When the amount of your retirement in a given year is more than \$50, a check will be sent to the last valid address we have on file. Members with a retirement amount of \$50 or less will see a credit to their electric bill. The checks are printed and mailed from La Crosse, WI and cannot be picked up from our office in Cornell.

Since CVEC began in 1937, we have returned over \$16 million in capital credits refunds.

Grab your bill and look for a credit or watch your mail for a check.

UNDERGROUND SERVICE DEADLINES

**October 1 – Service Upgrades
October 15 – New Service**

When the ground freezes in Wisconsin, all underground cable construction comes to a halt until the spring thaw. **If you have construction plans that are not already scheduled, call Chippewa Valley Electric Cooperative TODAY!**

We will do everything possible to meet your construction needs and install your electrical service

before winter. However, all preliminary requirements must be met by October 1 for Service Upgrades or October 15 for New Service construction. All requirements must be completed to guarantee service installation before the ground freezes. Once the ground freezes, it will be too late to install the underground service you were hoping to have this fall.



By Dean Ortmann,
President & CEO

IT'S A MATTER OF (CO-OP!) PRINCIPLES

ACE Hardware, State Farm, REI, Land O'Lakes, and Chippewa Valley Electric Cooperative (CVEC) all share something in common: We're all cooperatives.

We may be in different industries, but we all share a passion for serving our members and helping our communities to thrive. In fact, all cooperatives adhere to the same set of seven principles that reflect our core values of honesty, transparency, equity, inclusiveness, and service to the greater community good. October is National Co-op Month, so this is the perfect time to reflect on these principles that have stood the test of time but also provide a framework for the future. Let's take a look at the first three cooperative principles.

Voluntary and Open Membership

Just like all co-ops, CVEC was created out of necessity—to meet a need that would have been otherwise unmet in our community. So in 1937 a group of neighbors banded together and organized our electric co-op so everyone in our community could benefit. For a modest membership fee to the co-op, any farmer could get electricity brought to his farm. Neighbors came together to tackle a problem that they all had but couldn't solve alone. They worked together for

the benefit of the whole community, and the newly established electric lines helped power economic opportunity in our community.

While this history may be forgotten, key parts of that heritage remain—the focus on our mission and serving the greater good. In this, we include everyone to improve the quality of life and economic opportunity for the entire community. Membership is open to everyone in our service territory, regardless of race, religion, age, disability, gender identity, language, political perspective, or socioeconomic status.

Democratic Member Control

Our co-op is well suited to meet the needs of our members because we are locally governed. Each member gets a voice and a vote in how the co-op is run, and each voice and vote are equal. CVEC's leadership team and employees live right here in the community. Our board of directors, who help set long-term priorities for the co-op, also live locally on co-op lines. These board members have been elected by neighbors just like you. We know our members have a valuable perspective, and that's why we are continually seeking your input and encourage you to weigh in on important co-op issues and participate in co-op elections.

Our close connection to this

community ensures we get a firsthand perspective on members' priorities, thereby enabling us to make more informed decisions on long-term investments, such as equipment and technology upgrades, and high-speed broadband (Ntera).

Members' Economic Participation

As a utility, our mission is to provide safe, reliable, and affordable energy to our members. But as a co-op, we are also motivated by service to the community, rather than profits. Members contribute equitably to, and democratically control, the capital of Chippewa Valley Electric Cooperative. At least part of that capital remains the common property of the cooperative. Members allocate surpluses for co-op programs, initiatives, capital investments, and supporting other activities approved by the membership.

Because we are guided by seven cooperative principles, it's not just about dollars—it's about opportunity for all and being fair when engaging with our members. The cooperative way is a values-based business model.

CVEC is a reflection of our local community and its evolving needs. We view our role as a catalyst for good and making our corner of the world a better place. And by the way, that sums up the seventh co-op principle, "concern for community," which I'll elaborate on next month.



Chippewa Valley Electric Cooperative

317 S. 8th St., P.O. Box 575, Cornell, WI 54732

715.239.6800 • 1.800.300.6800

www.cvecoop.com • email: cvec@cve.coop

Follow us on Facebook

Office Hours: Monday–Friday, 7:30–4 p.m.

This institution is an equal opportunity provider.

Board of Directors

District 1 – Dan Liske

District 2 – Steve Johnson

District 3 – Clyde Shipman

District 4 – Kevin Meistad

District 5 – Deone Goettl

District 6 – Steve Wall

District 7 – John Petska

Dean Ortmann, President/CEO

Nicole Whipp Sime, Editor

