

## **2010 Capital Credit Allocation**

Copper Valley Electric Association (CVEA) is a non-profit cooperative owned by its members. In an ordinary business, receipts for goods or services in excess of operating costs are “profits”, while at a cooperative such as CVEA, payments by members for electric service which exceed the cost of furnishing the service are called “margins”.

CVEA establishes an account for each of its members and annually credits to each account a portion of these margins as capital credits. Capital credits are allocated in proportion to the member’s purchase of electric service during the preceding calendar year.

Year end margins for 2010 have been allocated to the accounts for members from whom revenue was received during 2010; however, the amount of margins \$2,176 was insufficient to warrant issuance of individual statements.

Allocation factors for each rate class are calculated based on revenue received minus power cost and then credited to individual accounts within each rate class. For a residential member for every \$100 paid to CVEA, approximately 1.2¢ has been allocated to that members account as capital credits.

For more information concerning this allocation, please contact MaryEllen Bedrick at [bedrick@cvea.org](mailto:bedrick@cvea.org) or by calling (907) 822-3211 or (907) 835-4301.