



Media Release

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Members to again receive annual refunds

Pearl River Valley Electric Power Association members will once again be receiving annual patronage capital refunds in August.

Patronage capital, or capital credits, represents members' investment in their not-for-profit electric cooperative. Each year, rates are set so that the Association has enough funding to operate throughout the year, and any year-end revenue above the cost of providing electric service is assigned to members as margins based on their share of electricity usage. A portion of those margins is then refunded to members each August. This year, Pearl River Valley Electric's board of directors has authorized \$2.5 million be returned to members.

In addition, our wholesale power provider Cooperative Energy, which is a cooperative owned by PRVEPA and 10 other electric power associations, also returns capital credits. Those credits, totaling \$411,049, will be returned to applicable PRVEPA members, increasing the total amount returned for 2018 to \$2,991,049.

"This is one of the many benefits of being a member-owner of a not-for-profit electric provider," said Randy Wallace, general manager. "Our members share in the cost of doing business as well as any returns. While investor-owned utilities return a portion of any profits back to their investors, electric cooperatives assign margins to member-consumers as capital credits and pay them when the co-op's financial condition permits.

"Pearl River Valley Electric remains very sound financially," Wallace continued. "This is now the 56th year since 1963 that we have returned a portion of our margins back to members, totaling nearly \$51 million overall. That's one of the best records of any rural electric cooperative in the nation, and we're very proud of it."

Members receive a share of the patronage refunds based on their annual electric use. Each qualifying active member will receive their refund as credit applied to their power bill mailed in August. For inactive members who qualify, checks will be mailed in September.

In addition to annual patronage refunds for members, Pearl River Valley Electric also offers discounted capital credit refunds to the estates of deceased members and to former members. A total of more than \$14.7 million has been distributed overall through these programs, including more than \$908,000 in 2018.

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