What happens to the capital credits of a member who dies?

The capital credits of a deceased Mt. Wheeler Power member may be paid without waiting for a general retirement. However, these estate payments are not automatic. A representative of the estate must request the credits by submitting a Certification of Entitlement form and a copy of the death certificate. The Mt. Wheeler Power Board of Directors will consider all forms. If retirement is approved by the board, a check will be issued to the estate and the account closed. Forms may be picked up at the Mt. Wheeler Power office or requested by phone.

Will I receive a capital credits check every year?

Not necessarily. The board of directors must authorize a retirement of capital credits before you receive a check. When considering a retirement, the board analyzes the financial health of the association and will not authorize a retirement if Mt. Wheeler Power cannot afford it.

What happens to my capital credits when I leave the Mt. Wheeler service area?

Your capital credits remain on the books in your name and member number until they are retired. Because payments can be made years after credits are earned, you should ensure that Mt. Wheeler Power always has your current mailing address.

Additional questions regarding capital credits can be addressed to the Mt. Wheeler Power member service department by contacting 775-289-8991 or info@mwpower.net.





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Capital Credits Questions & Answers



What are capital credits?

Because Mt. Wheeler Power is an electric cooperative, owned by its members, it does not earn profits. Instead, any revenues over and above the cost of doing business are considered margins. These margins represent an interest-free loan of operating capital by the membership to the cooperative. This capital allows Mt. Wheeler Power to finance operations and to a certain extent construction, with the intent that this capital will be repaid to member-owners in later years.

What's the difference between *allocated* and *retired* capital credits?

Allocated capital credits appear as an entry on the permanent financial records of Mt. Wheeler Power and reflect your equity or ownership. When capital credits are retired, a check is issued to you and your equity in the association is reduced.

How often will I receive an allocation notice?

Member-owners will receive an allocation notice annually after the finances for the previous year have been audited. Normally, this will be listed on a monthly statement following the allocation.

What do I have to do to start accumulating capital credits?

Capital credits are calculated by Mt. Wheeler Power for everyone who purchased electricity during a year in which the utility earned margins. No special action is required to start a capital credits account. Your Mt. Wheeler Power membership activates your capital credits account.

How are capital credits calculated?

The amount of capital credits you earn in a given year is based on the amount of electrical services you buy. This is considered the amount of patronage you contribute. The sum of your monthly bills for one year are tallied to establish the percentage that determines your capital credits. The more electric services you buy, the greater your capital credits account will be. The percentage used to establish capital credits will be the same for all member-owners regardless of how much they contribute.

What percent of my bill is returned as capital credits?

The percentage of your total payment that is allocated as capital credits varies every year, depending on the success of the cooperative. Capital credits are only allocated for a year in which Mt. Wheeler Power earns margins. Since capital credits are a member's share of the



Mt. Wheeler Power employee stake great pride in the valuable, efficient and safes ervice they bring to members.

margins, no credits are allocated for a year with no margins.

Do I have to be a customer for an entire year to earn capital credits?

No. Capital credits are calculated based on a member's monthly bills. If you are billed for service for even one month, you will accumulate some capital credits, if Mt. Wheeler Power earned margins that year.

Can I use the capital credits I have allocated to pay my electric bill?

No. Allocated capital credits may not be used to pay current bills. Your electric bill is due now, whereas you may not be paid your capital credits for many years.

refund allocation allocation of member equity save