

CAPITAL CREDITS

TYPES OF UTILITIES



INVESTOR-OWNED
Privately owned by shareholders/investors
Operate for a profit



MUNICIPAL SYSTEMS
Owned by cities, counties, or states
Not-for-profit



COOPERATIVE
Owned and operated by the people they serve
Not-for-profit

When you sign up for service with Cass County Electric Cooperative, you become a **COOPERATIVE member.**

YOUR MONTHLY BILL

BASIC CHARGE

Monthly charge that covers the cost to provide electrical service (infrastructure)
Included in capital credit allocation

FRANCHISE FEES

Fee charged by the cities of Valley City, Fargo, Horace, and West Fargo
Not included in capital credit allocation



ENERGY CHARGE

Charges for energy consumed during the billing period
Included in capital credit allocation

PURCHASED POWER ADJUSTMENT

A variable component calculated from the cooperative's monthly wholesale power cost
Included in capital credit allocation

WHAT ARE CAPITAL CREDITS?

1

Cass County Electric tracks how much electricity you buy and how much money you pay for it throughout the year.

2

We pay the bills for things like power generation, maintenance, and new construction.

3

Then, at the end of the fiscal year, the cooperative determines if there are excess revenues, called margins.

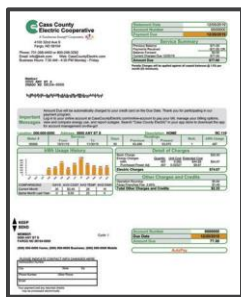
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Next, the cooperative allocates those margins to members as capital credits based upon their electric bill.

5

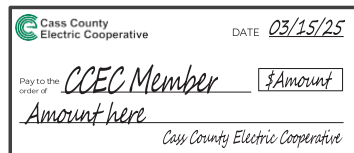
Lastly, your board of directors decides to retire, or pay, the capital credits when our financial condition permits.

HOW DO I RECEIVE MY CAPITAL CREDITS?



CREDIT ON BILL:
Members with an active account

OR



CHECKS ISSUED:

Inactive, former members

A minimum \$5 capital credit amount must be met

\$2.75 million

The Cass County Electric board of directors has approved the retirement of capital credits for the years 2004 and 2005 (partial) as well as estate and early retirement payments.

Search our list of unclaimed capital credits at CassCountyElectric.com/capital-credits to see if anyone you know is owed money from Cass County Electric Cooperative!

These credits' taxability depends on whether your electric bills served as a business tax deduction on your income tax return for the years in which the capital credits were allocated. For most individuals, the receipt of capital credits is non-taxable. Please contact your tax preparer if this tax deduction pertains to you, as this information is provided as a courtesy and is not intended to be construed as legal or tax advice.