



# *Mora-San Miguel Electric Cooperative, Inc.*

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## **Mora-San Miguel Electric Cooperative, Inc. Capital Credits**

### **Article VII- Disposition of Revenue and Receipts**

Article VII - Disposition of Revenue and Receipts, Section 1. and Section 2. of the Mora-San Miguel Electric Cooperative, Inc.'s Bylaws provide that the Cooperative operate on a non-profit basis. To provide capital for the business, patrons, member and non-members contribute patronage capital to the Cooperative.

Patronage capital is the excess of revenue of the Cooperative over operating costs and expenses incurred for furnishing electric energy and is allocated to the capital account of each patron, member and non-member as Capital Credits at the end of each year.

Patrons, members and non-members are notified annually on their electric bill of the amount of Capital Credits allocated to their capital accounts. Annual allocations are added to the capital accounts and are retained in the customers' accounts for the benefit of the Cooperative and its patrons, members and non-members until such time as it can be distributed in whole or in part to its patrons, members and non-members.

Retirement (payment) of Capital Credits may occur when MSMEC Board of Directors determines the Cooperative is in a financial position to retire capital credited to its Patrons, Members and Non-members. Retirement of Capital Credits usually is approved when margins are in excess of certain requirements. It is important Patrons, Members and Non-members keep MSMEC informed of their forwarding addresses after disconnecting from the system.

Please contact Mora-San Miguel Electric Cooperative, Inc. should you have questions regarding Capital Credits.

**Mora Office: 575-387-2205 or Pecos Office: 505-757-6480**

**Request to speak to the Billing Operations.**

