

The Bandera PROPHET

August 4, 2020

BEC board approves increasing capital credit payments to members

The Bandera Electric Cooperative Board of Directors recently approved a 67 percent increase to capital credit payments to the membership. The amount being paid out will increase from \$1.5 million to \$2.5 million, in addition to the \$200,000 paid out to estates and disconnected accounts. Capital credits represent each member's ownership of the cooperative. Margins are allocated to the members of the cooperative based on the annual amount paid for electric service, which vary from year to year. When revenues exceed expenses, these margins are allocated to members in the form of capital credits. These margins are used by the cooperative and then retired to members when they are no longer needed to operate the cooperative.

The board decided to increase the payout based on strong financial performance in 2019 and the financial uncertainty facing our members due to the pandemic.

"Bandera Electric Cooperative is a non-profit organization. We're here to provide valuable services to our members at the lowest possible cost. We hope the increase in capital credit distributions will help members during these trying times," BEC Chief Executive Officer Bill Hetherington said.

Members who will receive an amount under \$100 will see a credit on their account, and members who will receive amounts greater than \$100 will receive a check. Members should expect to receive their capital credit disbursement within the next two to three weeks.

To date, BEC has paid out \$29,341,238 in general and special retirements. For questions or concerns, please call Member Relations at 866.226.3372, option 3.

About Bandera Electric

Bandera Electric Cooperative currently serves more than 27,000 members and provides highly reliable electric service to more than 36,000 meters in a seven-county territory in the Texas Hill Country. As a member-owned cooperative, BEC continually searches for new, innovative programs to promote energy efficiency and quality member service. Find more information about BEC at BanderaElectric.com or by calling 866.226.3372.