

September, 2013

# ENERGY EXTRA

The Grand Valley's Energy Newsletter



Brought to you  
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## The Cooperative Difference

The cooperative model is an economic model that dates back as far as human beings. Individuals would organize into groups for the mutual benefit of all. Resources and tasks would be assigned so as to create the greatest efficiency for the benefit of all those involved.

The rural electric cooperative model is no different. Prior to 1936, rural America was being left in the dark while urban areas prospered and grew. This growth was driven by new manufacturing processes fueled by electricity. The ability to do more with less labor created economic prosperity while rural America was left to fend for itself.



The Rural Electrification Act of 1936 changed life in rural America as it was known. The Act created structure whereby farmers and ranchers could band together pooling resources to obtain low-interest capital which was used to electrify rural America. Member-owners who paid for membership in the rural electric cooperative received electricity and service that was previously unattainable.

The cooperative model is powerful when the proper attention is given to the owner side of "member-owner." Owners invest and benefit if a company prospers. Cooperatives must create economic ties with the member-owners by undertaking activities that make clear the connection between the prosperity of the member and the prosperity of the cooperative. One way in which cooperatives create this economic tie is through patronage capital. Margins are allocated to each member-owner and then returned through capital credits to those who invested in the cooperative.

Another way in which cooperatives create an economic tie with its member-owners is through the election of Directors. Member-owners elect the directors who in turn set the policy under which the cooperative will operate. The ability of member-owners to elect neighbors who help guide the cooperative reinforces the economic tie of the member-owner and the cooperative.

Local accessible resources, the employees of the cooperative, help to further strengthen the economic tie of the member-owner and the cooperative. Not only the ability to elect a neighbor who sets policy for the cooperative, but the ability to call another neighbor who is employed by the cooperative strengthens this economic tie. Since this is your cooperative, the employee emphasis is placed on the owner side of "member-owner" as well.

As your cooperative, Grand Valley Power is continually looking to provide the highest quality service while maintaining our core business. Overcoming the status quo though must include a clear vision of the value that the cooperative is bringing to you the member-owner as well as the community. This is why Grand Valley Power will be performing a customer satisfaction survey this fall and encourages you to take the time and provide valuable feedback if you are contacted. The survey will be performed via the phone and should not require more than 15 minutes of your time. Please view this as another opportunity to build the economic tie between you, the member-owner, and the cooperative.