

# The Cooperative Difference



## Community based. Member focused.

- ▶ **Minnesota's 44 distribution cooperatives are based within their local communities. Their mission is to provide reliable, affordable electricity to their consumers.**

Cooperative employees interact daily with the people to whom they provide electricity — their member-owners. Frequent communication with members is done through co-op newsletters, websites, bill inserts and personal connections.

In 2021, Minnesota cooperatives donated \$5,931,985 to worthy causes, directly benefiting their members and local communities.

## Good governance.

- ▶ **By the people for the people — cooperatives were founded by community members and are still run by co-op members today.**

Minnesota's cooperatives practice good governance by applying strong codes of ethics, avoiding potential conflicts of interest, operating transparently and keeping member data confidential.

Elections are held annually, and cooperative boards are made up of co-op member-owners.

## For service. Not for profit.

- ▶ **Cooperatives charge only what is needed to pay their costs.**

Electricity is delivered as a service — not a profit engine. When co-ops collect more from their members than needed to cover costs, they return that money directly to their member-owners. For example, in 2021 over \$54,671,935 was returned to cooperative members in Minnesota — their only shareholders are their energy consumers.

## Genesis story.

In the beginning there was light — for people who lived in cities. In 1935, only 10 percent of Americans lived in cities and had electricity. Electric companies refused to bring power to rural America because they didn't see a profit in it.

By 1950, rural community members solved this challenge. Local communities banded together to form their own electric cooperatives. They elected boards of directors and empowered these newly founded organizations to borrow money from the federal government to build distribution lines and bring power to the people in their local communities.

Today, neighbors continue to elect their neighbors to cooperative boards and co-ops continue to power their local communities — delivering reliable, affordable and increasingly clean energy to over 1.7 million energy consumers in Minnesota.



## THE 7 COOPERATIVE PRINCIPLES We live by them.

1. Open and Voluntary Membership
2. Democratic Member Control
3. Members' Economic Participation
4. Autonomy and Independence
5. Education, Training and Information
6. Cooperation Among Cooperatives
7. Concern for Community

**Who is MREA?** The Minnesota Rural Electric Association (MREA) is the statewide organization representing electric cooperatives serving the state of Minnesota. We foster unity among and provide service to all of Minnesota's 50 electric cooperatives. Our mission is serving our members through collaborative leadership and expertise.



Minnesota Rural Electric Association