

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III ☐

1 Briefly describe the organization's mission

THE COOPERATIVE'S RESPONSIBILITY AND AIM IS TO PROVIDE EXCELLENT AND INNOVATIVE CUSTOMER SERVICE AS REFLECTED IN TOP QUALITY ELECTRIC SERVICE RELIABILITY, AFFORDABLE RATES, EMPLOYEE TEAMWORK AND THE HIGHEST DEGREE OF INTEGRITY IN ALL COOPERATIVE ENDEAVORS

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses \$ including grants of \$) (Revenue \$)
See Additional Data

4b (Code) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O)
(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ►

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	No
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	No
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi endowments? If "Yes," complete Schedule D, Part V	10	No
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	11a Yes	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b	No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	11c Yes	
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e Yes	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f Yes	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a Yes	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b	No
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b	No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	No

Part IV Checklist of Required Schedules (continued)

		Yes	No	
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a		
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b		
26	Did the organization report any amount on Part X, line 5 or 22 for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part II	26		No
27	Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? If "Yes," complete Schedule L, Part III	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? If "Yes," complete Schedule L, Part IV	28a		No
b	A family member of any individual described in line 28a? If "Yes," complete Schedule L, Part IV	28b		No
c	A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? If "Yes," complete Schedule L, Part IV	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	33		No
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	34		No
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		No
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b		
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

		Yes	No	
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	46	
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 59				
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			2b	Yes	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year? . . .			3a	Yes	
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O . . .			3b	Yes	
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . . .			4a		No
b If "Yes," enter the name of the foreign country See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)					
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . .			5a		No
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		No
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?			5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .			6a		No
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		
7 Organizations that may receive deductible contributions under section 170(c).					
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?			7a		
b If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		
d If "Yes," indicate the number of Forms 8282 filed during the year	7d				
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .			7f		
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			7h		
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?			8		
9 Sponsoring organizations maintaining donor advised funds.					
a Did the sponsoring organization make any taxable distributions under section 4966?			9a		
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? . . .			9b		
10 Section 501(c)(7) organizations. Enter					
a Initiation fees and capital contributions included on Part VIII, line 12	10a				
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b				
11 Section 501(c)(12) organizations. Enter					
a Gross income from members or shareholders	11a	34,532,987			
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b	777,582			
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?			12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b				
13 Section 501(c)(29) qualified nonprofit health insurance issuers.					
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O			13a		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b				
c Enter the amount of reserves on hand	13c				
14a Did the organization receive any payments for indoor tanning services during the tax year?			14a		No
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O . . .			14b		
15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N			15		No
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income? . . . If "Yes," complete Form 4720, Schedule O			16		No

Part VI

Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI ☒

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	9	
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
b	Enter the number of voting members included in line 1a, above, who are independent	9	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	Yes
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	No
6	Did the organization have members or stockholders?	6	Yes
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	Yes
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	Yes
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	8a	Yes
b	Each committee with authority to act on behalf of the governing body?	8b	No
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a	No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes
13	Did the organization have a written whistleblower policy?	13	Yes
14	Did the organization have a written document retention and destruction policy?	14	Yes
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a	The organization's CEO, Executive Director, or top management official	15a	Yes
b	Other officers or key employees of the organization	15b	No
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed OK

18 Section 6104 requires an organization to make its Form 1023 (or 1024-A if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records
 ▶ TYSON LITTAU CEO 2925 WILLIAMS AVENUE WOODWARD, OK 73801 (580) 256-7425

Part VII**Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**Check if Schedule O contains a response or note to any line in this Part VII ☒**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

See instructions for the order in which to list the persons above.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) TYSON LITTAU CEO	55 00			X				222,051	0	128,958
(2) JOHN KIRKWOOD DIRECTOR OF OPERATIONS	50 00					X		184,140	0	28,064
(3) BRENT MCDOWELL DIRECTOR OF SAFETY	55 00					X		107,242	0	90,246
(4) JAMIE RUBLE DIRECTOR OF FINANCE & ADMIN	50 00					X		116,098	0	71,728
(5) JARET DOWLER DIRECTOR OF ENGINEERING/OPS	55 00					X		119,132	0	62,046
(6) MARVIN WILKINSON TRUSTEE	4 70	X						26,946	0	0
(7) KENNETH KNOWLES PRESIDENT	7 20	X		X				25,538	0	0
(8) DARLA YOUNG TRUSTEE	5 20	X						23,588	0	0
(9) JOHN BRUCE JR SECRETARY/TREASURER	5 70	X		X				22,558	0	0
(10) CLAIR CRAIGHEAD TRUSTEE	5 00	X						21,988	0	0
(11) RAY SMITH VICE PRESIDENT	4 00	X		X				21,488	0	0
(12) JEFF MCINTOSH TRUSTEE	5 60	X						18,275	0	0
(13) DUANE HENDERSON TRUSTEE	2 30	X						17,458	0	0
(14) GILBERT PERKINS TRUSTEE	4 30	X						6,750	0	0
(15) WAYNE HALL TRUSTEE (JAN-MAR)	3 30	X						993	0	0

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

[illegible]

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ▶ 5

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	Yes
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
RES SYSTEM 3 LLC 1610 ARDEN WAY STE 280 SACRAMENTO, CA 95815	ELECTRIC DIST CONST CONTRACTOR	8,376,434
RIGGS TREE SERVICE INC PO BOX 453225 GROVE, OK 74345	TREE TRIMMING AND RIGHT OF WAY MAINT	617,753
R&R POWERLINE CONSTRUCTION INC PO BOX 246 SAYRE, OK 73662	ELECTRIC DIST CONST CONTRACTOR	598,572
POWER CONSULTING ASSOCIATES 880 GREEN LEA BLVD STE B GALLATIN, TN 37066	INSPECTIONS	507,018
RMA ENGINEERING LLC 2975 BLOSSER DR CONCORDIA, KS 66901	ENGINEERING/STAKING	480,180

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ▶ 6

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Part VIII Statement of Revenue													
Check if Schedule O contains a response or note to any line in this Part VIII										☒			
										(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns . . .		1a										
	b Membership dues . . .		1b										
	c Fundraising events . . .		1c										
	d Related organizations		1d										
	e Government grants (contributions)		1e										
	f All other contributions, gifts, grants, and similar amounts not included above		1f										
	g Noncash contributions included in lines 1a - 1f \$		1g										
	h Total. Add lines 1a-1f												
Program Service Revenue			Business Code										
	2a SALES OF ELECTRICITY		221000	33,141,767		33,141,767							
	b PATRONAGE DIVIDENDS		221000	647,074		647,074							
	c DISTRIBUTION LINE LEASE		221000	71,810		71,810							
	d SERVICE FEES		221000	44,893		44,893							
	e OTHER PROGRAM REVENUE		221000	2,688		2,688							
	f All other program service revenue												
	g Total. Add lines 2a-2f.		33,908,232										
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			58,422						58,422			
	4 Income from investment of tax-exempt bond proceeds												
	5 Royalties			51						51			
			(i) Real	(ii) Personal									
	6a Gross rents		6a										
	b Less rental expenses		6b										
	c Rental income or (loss)		6c										
	d Net rental income or (loss)												
			(i) Securities	(ii) Other									
	7a Gross amount from sales of assets other than inventory		7a	80,071									
	b Less cost or other basis and sales expenses		7b	32,431									
	c Gain or (loss)		7c	47,640									
	d Net gain or (loss)			47,640						47,640			
	8a Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18		8a										
	b Less direct expenses		8b										
	c Net income or (loss) from fundraising events												
	9a Gross income from gaming activities See Part IV, line 19		9a										
	b Less direct expenses		9b										
	c Net income or (loss) from gaming activities												
	10a Gross sales of inventory, less returns and allowances . . .		10a	21,305									
b Less cost of goods sold . . .		10b	13,778										
c Net income or (loss) from sales of inventory			7,527		7,527								
Miscellaneous Revenue			Business Code										
11a BILLING REVENUE			561499	73,135				73,135					
b POLE ATTACHMENT INCOME			221000	9,838						9,838			
c													
d All other revenue													
e Total. Add lines 11a-11d			82,973										
12 Total revenue. See instructions			34,104,845		33,915,759		73,135		115,951				

Form 990 (2019)

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX. ☒**Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.**

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21.	21,146			
2 Grants and other assistance to domestic individuals. See Part IV, line 22.	6,000			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16.				
4 Benefits paid to or for members.	1,480,957			
5 Compensation of current officers, directors, trustees, and key employees.	536,591			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).				
7 Other salaries and wages.	3,063,170			
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions).	746,764			
9 Other employee benefits.	893,973			
10 Payroll taxes.	230,072			
11 Fees for services (non-employees):				
a Management.				
b Legal.				
c Accounting.				
d Lobbying.				
e Professional fundraising services. See Part IV, line 17.				
f Investment management fees.				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)				
12 Advertising and promotion.				
13 Office expenses.				
14 Information technology.				
15 Royalties.				
16 Occupancy.				
17 Travel.				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19 Conferences, conventions, and meetings.				
20 Interest.	2,168,196			
21 Payments to affiliates.				
22 Depreciation, depletion, and amortization.	2,932,084			
23 Insurance.				
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a PURCHASED POWER	18,533,669			
b DISTRIBUTION EXPENSE	1,283,048			
c ADMIN & GENERAL EXPENSE	950,802			
d OPERATING TAXES	754,582			
e All other expenses	503,791			
25 Total functional expenses. Add lines 1 through 24e.	34,104,845			
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part IX ☐

				(A) Beginning of year		(B) End of year	
Assets	1	Cash—non-interest-bearing		932,588	1	1,721,200	
	2	Savings and temporary cash investments			2		
	3	Pledges and grants receivable, net			3		
	4	Accounts receivable, net		5,708,986	4	4,098,136	
	5	Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons			5		
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)			6		
	7	Notes and loans receivable, net		469,993	7	375,201	
	8	Inventories for sale or use		1,039,921	8	928,364	
	9	Prepaid expenses and deferred charges		1,153,930	9	966,334	
	10a	Land, buildings, and equipment—cost or other basis—Complete Part VI of Schedule D	10a	102,649,578			
	b	Less—accumulated depreciation	10b	23,332,492	73,481,363	10c	79,317,086
	11	Investments—publicly traded securities			11		
	12	Investments—other securities—See Part IV, line 11			12		
	13	Investments—program-related—See Part IV, line 11		14,101,315	13	14,371,206	
	14	Intangible assets			14		
	15	Other assets—See Part IV, line 11		904,895	15	872,658	
16	Total assets. Add lines 1 through 15 (must equal line 34)		97,792,991	16	102,650,185		
Liabilities	17	Accounts payable and accrued expenses		2,517,935	17	2,814,267	
	18	Grants payable			18		
	19	Deferred revenue			19		
	20	Tax-exempt bond liabilities			20		
	21	Escrow or custodial account liability—Complete Part IV of Schedule D			21		
	22	Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons			22		
	23	Secured mortgages and notes payable to unrelated third parties		61,990,199	23	65,858,490	
	24	Unsecured notes and loans payable to unrelated third parties			24		
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17 - 24)—Complete Part X of Schedule D		2,495,066	25	2,452,608	
	26	Total liabilities. Add lines 17 through 25		67,003,200	26	71,125,365	
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here ☐ and complete lines 27, 28, 32, and 33.						
	27	Net assets without donor restrictions			27		
	28	Net assets with donor restrictions			28		
	Organizations that do not follow FASB ASC 958, check here ☒ and complete lines 29 through 33.						
	29	Capital stock or trust principal, or current funds		0	29	0	
	30	Paid-in or capital surplus, or land, building or equipment fund		4,579,568	30	4,895,717	
	31	Retained earnings, endowment, accumulated income, or other funds		26,210,223	31	26,629,103	
	32	Total net assets or fund balances		30,789,791	32	31,524,820	
33	Total liabilities and net assets/fund balances		97,792,991	33	102,650,185		

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	34,104,845
2	Total expenses (must equal Part IX, column (A), line 25)	2	34,104,845
3	Revenue less expenses Subtract line 2 from line 1	3	0
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	30,789,791
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	735,029
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	31,524,820

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☒

	Yes	No
1 Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis		No
b Were the organization's financial statements audited by an independent accountant? If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both ☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	Yes	
c If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O		No
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	Yes	
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	Yes	

Additional Data

Software ID:

Software Version:

EIN: 73-0375825

Name: NORTHWESTERN ELECTRIC COOPERATIVE INC

Form 990 (2019)

Form 990, Part III, Line 4a:

PROVIDING ELECTRIC ENERGY TO OUR MEMBERS - 11,868 ACTIVE SERVICES AT YEAR END WERE PROVIDED ELECTRICITY ON A COOPERATIVE BASIS THROUGH THE ALLOCATION OF PATRONAGE CAPITAL

efile GRAPHIC print - DO NOT PROCESS		As Filed Data -		DLN: 93493156007460	
SCHEDULE D (Form 990) Department of the Treasury Internal Revenue Service		Supplemental Financial Statements ▶ Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. ▶ Attach to Form 990. ▶ Go to www.irs.gov/Form990 for instructions and the latest information.			OMB No 1545-0047 2019 Open to Public Inspection
Name of the organization NORTHWESTERN ELECTRIC COOPERATIVE INC				Employer identification number 73-0375825	
Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.					
		(a) Donor advised funds		(b) Funds and other accounts	
1		Total number at end of year			
2		Aggregate value of contributions to (during year)			
3		Aggregate value of grants from (during year)			
4		Aggregate value at end of year			
5		Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No			
6		Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No			
Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.					
1 Purpose(s) of conservation easements held by the organization (check all that apply) ☐ Preservation of land for public use (e g , recreation or education) ☐ Preservation of an historically important land area ☐ Protection of natural habitat ☐ Preservation of a certified historic structure ☐ Preservation of open space					
2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year					
				Held at the End of the Year	
a Total number of conservation easements				2a	
b Total acreage restricted by conservation easements				2b	
c Number of conservation easements on a certified historic structure included in (a)				2c	
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register				2d	
3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶					
4 Number of states where property subject to conservation easement is located ▶					
5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No					
6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶					
7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$					
8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No					
9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements					
Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" on Form 990, Part IV, line 8.					
1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items					
b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items					
(i) Revenue included on Form 990, Part VIII, line 1 ▶ \$					
(ii) Assets included in Form 990, Part X ▶ \$					
2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items					
a Revenue included on Form 990, Part VIII, line 1 ▶ \$					
b Assets included in Form 990, Part X ▶ \$					
For Paperwork Reduction Act Notice, see the Instructions for Form 990.					
		Cat No 52283D		Schedule D (Form 990) 2019	

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

a ☐ Public exhibition

b ☐ Scholarly research

c ☐ Preservation for future generations

d ☐ Loan or exchange programs

e ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes ☐ No

Part IV

Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? . . .

☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII ☐

Part V

Endowment Funds.

Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a Board designated or quasi-endowment ▶

b Permanent endowment ▶

c Temporarily restricted endowment ▶

The percentages on lines 2a, 2b, and 2c should equal 100%

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i) unrelated organizations

(ii) related organizations

3a(i)

3a(ii)

3b

Yes

No

b If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds

Part VI

Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		243,185		243,185
b Buildings		7,074,332	2,109,055	4,965,277
c Leasehold improvements				
d Equipment		91,461,368	21,223,437	70,237,931
e Other		3,870,693		3,870,693
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) . . . ▶				79,317,086

Part VII

Investments—Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other _____		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 12)		

Part VIII

Investments—Program Related.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) PATRONAGE CAPITAL - WFEC	12,650,025	C
(2) PATRONAGE CAPITAL - CFC	183,848	C
(3) PATRONAGE CAPITAL - AEC	249,330	C
(4) PATRONAGE CAPITAL - SEDC	112,933	C
(5) PATRONAGE CAPITAL - COBANK	359,551	C
(6) PATRONAGE CAPITAL - OTHER	139,059	C
(7) MEMBERSHIPS IN ASSOCIATED ORGANIZATIONS	11,700	C
(8) CAPITAL TERM CERTIFICATES - CFC	664,760	C
(9)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 13)	14,371,206	

Part IX

Other Assets.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d. See Form 990, Part X, line 15

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15)	

Part X

Other Liabilities.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value
(1) Federal income taxes	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25)	2,452,608

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII

☒

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	34,035,678
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains (losses) on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII)	2d	
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	34,035,678
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII)	4b	69,167
c	Add lines 4a and 4b	4c	69,167
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12)	5	34,104,845

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	32,554,721
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII)	2d	
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	32,554,721
4	Amounts included on Form 990, Part IX, line 25, but not on line 1 :		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII)	4b	1,550,124
c	Add lines 4a and 4b	4c	1,550,124
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18)	5	34,104,845

Part XIII Supplemental Information

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Return Reference	Explanation
See Additional Data Table	

Part XIII **Supplemental Information** *(continued)*

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 73-0375825
Name: NORTHWESTERN ELECTRIC COOPERATIVE INC

Supplemental Information

Return Reference	Explanation
PART X, LINE 2	THE COOPERATIVE HAS ADOPTED THE "UNCERTAIN TAX POSITIONS" PROVISIONS OF ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA THE PRIMARY TAX POSITION OF THE COOPERATIVE IS ITS FILING STATUS AS A TAX EXEMPT ENTITY THE COOPERATIVE DETERMINED THAT IT IS MORE LIKELY THAN NOT THAT THEIR TAX POSITIONS WILL BE SUSTAINED UPON EXAMINATION BY THE INTERNAL REVENUE SERVICE (IRS), OR OTHER STATE TAXING AUTHORITY AND THAT ALL TAX BENEFITS ARE LIKELY TO BE REALIZED UPON SETTLEMENT WITH TAXING AUTHORITIES

Supplemental Information	
Return Reference	Explanation
PART XI, LINE 4B - OTHER ADJUSTMENTS	EXPENSES IN NON-OPERATING MARGINS RECLASSED TO EXPENSES 69,167

Supplemental Information	
Return Reference	Explanation
PART XII, LINE 4B - OTHER ADJUSTMENTS	EXPENSES IN NON-OPERATING MARGINS RECLASSSED TO EXPENSES 69,167 PATRONAGE CAPITAL ALLOCATED OR TO BE ALLOCATED 1,480,957

Supplemental Information	
Return Reference	Explanation
PART IX	THE AMOUNT OF OTHER ASSETS ON FORM 990, PAGE 11, PART X, LINE 15 DOES NOT EQUAL OR EXCEED 5% OF THE TOTAL ASSETS ON FORM 990, PAGE 11, PART X, LINE 16, COLUMN B CONSEQUENTLY, IN ACCORDANCE WITH IRS INSTRUCTIONS, SCHEDULE D, PART IX HAS BEEN LEFT BLANK

Supplemental Information

Return Reference	Explanation
PART XII, LINE 4B	FOR THE AUDITED FINANCIAL STATEMENTS, THE AMOUNT OF PATRONAGE DIVIDENDS PAID OR ALLOCATED TO THE MEMBERS IS REPORTED AS AN INCREASE IN EQUITY AND NOT AS AN EXPENSE THEREFORE, NET INCOME PER THE AUDITED FINANCIAL STATEMENTS IS REPORTED GROSS OF THE AMOUNT OF PATRONAGE DIVIDENDS THAT ARE EITHER ALLOCATED OR TO BE ALLOCATED AT THE TIME THE AUDITED FINANCIAL STATEMENTS ARE PREPARED HOWEVER, BECAUSE THE ALLOCATION OF PATRONAGE DIVIDENDS IS ONE ASPECT OF HOW THE COOPERATIVE FULFILLS ITS TAX EXEMPT PURPOSE OF OPERATING ON A COOPERATIVE BASIS, THE AMOUNT OF PATRONAGE DIVIDENDS EITHER ALLOCATED OR TO BE ALLOCATED TO THE MEMBERS IS REPORTED ON FORM 990, PART IX, LINE 4 AS "BENEFITS PAID TO MEMBERS" PATRONAGE DIVIDENDS ARE ALLOCATED ON A PATRONAGE BASIS AND DONE SO PURSUANT TO A PRE-EXISTING OBLIGATION AS PROVIDED FOR IN THE "NON-PROFIT OPERATION" ARTICLE OF THE COOPERATIVE'S BYLAWS

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

Schedule I
(Form 990)

Grants and Other Assistance to Organizations,
Governments and Individuals in the United States
Complete if the organization answered "Yes," on Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No 1545-0047

2019

Open to Public
Inspection

Department of the
Treasury
Internal Revenue Service

Name of the organization
NORTHWESTERN ELECTRIC COOPERATIVE INC

Employer identification number

73-0375825

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed

(a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

- 2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶
- 3 Enter total number of other organizations listed in the line 1 table ▶

Part III **Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22

Part III can be duplicated if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of noncash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
(1) SCHOLARSHIPS TO AREA STUDENTS	12	6,000			
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					

Part IV **Supplemental Information.** Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

Return Reference	Explanation
PART I, LINE 2	THE COOPERATIVE AWARDS SCHOLARSHIPS TO APPLICANTS WHO SATISFY THE ELIGIBILITY REQUIREMENTS AND ARE SELECTED BY THE SCHOLARSHIP COMMITTEE OF THE COOPERATIVE'S BOARD OF TRUSTEES TO BE ELIGIBLE, STUDENTS MUST BE A SENIOR AND RESIDE IN A HOUSEHOLD SERVED BY THE COOPERATIVE

Schedule J (Form 990)	Department of the Treasury Internal Revenue Service	Compensation Information For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23. ▶ Attach to Form 990. ▶ Go to www.irs.gov/Form990 for instructions and the latest information.	OMB No 1545-0047
			2019
			Open to Public Inspection
Name of the organization NORTHWESTERN ELECTRIC COOPERATIVE INC		Employer identification number 73-0375825	

Part I Questions Regarding Compensation		Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.			
☐ First-class or charter travel	☐ Housing allowance or residence for personal use		
☐ Travel for companions	☐ Payments for business use of personal residence		
☐ Tax indemnification and gross-up payments	☒ Health or social club dues or initiation fees		
☐ Discretionary spending account	☐ Personal services (e.g., maid, chauffeur, chef)		
b If any of the boxes on Line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain		1b Yes	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked on Line 1a?		2 Yes	
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.			
☐ Compensation committee	☐ Written employment contract		
☐ Independent compensation consultant	☒ Compensation survey or study		
☐ Form 990 of other organizations	☒ Approval by the board or compensation committee		
4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:			
a Receive a severance payment or change-of-control payment?		4a	No
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?		4b	No
c Participate in, or receive payment from, an equity-based compensation arrangement?		4c	No
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.			
5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a The organization?		5a	
b Any related organization?		5b	
If "Yes," on line 5a or 5b, describe in Part III.			
6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:			
a The organization?		6a	
b Any related organization?		6b	
If "Yes," on line 6a or 6b, describe in Part III.			
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described in lines 5 and 6? If "Yes," describe in Part III.		7	
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.		8	
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?		9	

instructions, on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation	(C) Retirement and	(D) Nonexcludable	(E) Total of columns	(F) Gross
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Schedule J (Form 990) 2019

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Return Reference	Explanation
PART I, LINE 1A	PURSUANT TO APPLICABLE TRAVEL POLICIES, THE COOPERATIVE WILL ONLY PAY FOR REGISTRATION FEES INCURRED BY A TRUSTEES' SPOUSE. TRUSTEES MAY ONLY ATTEND ONE NATIONAL MEETING PER YEAR. ALSO PURSUANT TO THE CURRENT POLICY, THE COOPERATIVE WILL PAY FOR REGISTRATION FEES, TRAVEL AND MEALS INCURRED BY AN EMPLOYEE'S SPOUSE IF INVITED TO ATTEND AN NRECA REGIONAL OR NATIONAL MEETING. NO EMPLOYEES RECEIVED THIS BENEFIT DURING THE YEAR. PURSUANT TO THE EMPLOYEE WELLNESS PROGRAM, EMPLOYEES PARTICIPATING IN THE COOPERATIVE SPONSORED HEALTH INSURANCE PLAN RECEIVE UP TO \$50 PER MONTH, LIMITED TO \$600 PER YEAR, FOR THE COST OF HEALTH CLUB DUES.
PART II, COLUMN B (II)	PURSUANT TO THE COOPERATIVE'S EMPLOYEE RETIREMENT POLICY, EMPLOYEES RETIRING AT NORMAL RETIREMENT WILL RECEIVE A RETIREMENT BONUS/INCENTIVE ON THEIR OFFICIAL RETIREMENT DATE. THE AMOUNT REPORTED ON SCHEDULE J, PART II, COLUMN B (II) REPRESENTS THE RETIREMENT BONUS JOHN KIRKWOOD RECEIVED UPON HIS RETIREMENT.
PART II, COLUMN C	INCLUDED IN THIS AMOUNT IS THE INCREASE IN ACTUARIAL VALUE OF BENEFITS PAYABLE UNDER A DEFINED BENEFIT RETIREMENT PLAN. THE CONTRIBUTION RATE FOR PARTICIPANTS IN THE NRECA R&S DEFINED BENEFIT PENSION PLAN ARE THE SAME FOR ALL INDIVIDUALS IN THIS MULTI-EMPLOYER PLAN. THE CHANGE IN ACTUARIAL VALUE FOR EACH PARTICIPANT, HOWEVER, VARIES WITH AGE, YEARS OF SERVICE AND THE CURRENT INTEREST RATE ENVIRONMENT. IN OTHER WORDS, THE OLDER A PLAN PARTICIPANT IS, THE GREATER THE INCREASE IN THAT INDIVIDUAL'S CHANGE IN ACTUARIAL VALUE, ALL OTHER THINGS BEING EQUAL. BECAUSE THIS RELATES TO A MULTI-EMPLOYER PLAN, CASH CONTRIBUTIONS TO THE PLAN IN LIEU OF THE ACTUARIAL INCREASE ARE EXPENSED IN THE FINANCIAL STATEMENTS. TYSON LITTAU: ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$ 93,764; EMPLOYER CONTRIBUTION TO 401(K) PLAN 4,425; TOTAL REPORTED IN COLUMN C \$ 98,189; LESS: ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (93,764); ADD: CASH CONTRIBUTED TO DEFINED BENEFIT PLAN 63,135; EXPENSE TO THE COOPERATIVE \$ 67,560. JOHN KIRKWOOD: ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$ -0-; EMPLOYER CONTRIBUTION TO 401(K) PLAN 1,833; TOTAL REPORTED IN COLUMN C \$ 1,833; LESS: ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN -0-; ADD: CASH CONTRIBUTED TO DEFINED BENEFIT PLAN 28,499; EXPENSE TO THE COOPERATIVE \$ 30,332. BRENT MCDOWELL: ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$ 64,367; EMPLOYER CONTRIBUTION TO 401(K) PLAN 2,169; TOTAL REPORTED IN COLUMN C \$ 66,536; LESS: ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (64,367); ADD: CASH CONTRIBUTED TO DEFINED BENEFIT PLAN 30,946; EXPENSE TO THE COOPERATIVE \$ 33,115. JAMIE RUBLE: ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$ 39,579; EMPLOYER CONTRIBUTION TO 401(K) PLAN 2,437; TOTAL REPORTED IN COLUMN C \$ 42,016; LESS: ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (39,579); ADD: CASH CONTRIBUTED TO DEFINED BENEFIT PLAN 34,709; EXPENSE TO THE COOPERATIVE \$ 37,146. JARET DOWLER: ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$ 29,818; EMPLOYER CONTRIBUTION TO 401(K) PLAN 2,405; TOTAL REPORTED IN COLUMN C \$ 32,223; LESS: ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (29,818); ADD: CASH CONTRIBUTED TO DEFINED BENEFIT PLAN 33,401; EXPENSE TO THE COOPERATIVE \$ 35,806.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury

Name of the organization

NORTHWESTERN ELECTRIC COOPERATIVE INC

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No 1545-0047

2019

Open to Public Inspection

Employer identification number

73-0375825

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART III, LINES 1 & 4	THE COOPERATIVE FULFILLS ITS MISSION AND EXEMPT PURPOSE BY OPERATING ACCORDING TO ITS MEMBER APPROVED BYLAWS AND BOARD APPROVED OPERATING POLICIES THE BOARD AND MANAGEMENT STRIVE TO ADHERE TO THESE DOCUMENTS IN A FAIR AND EQUITABLE MANNER FOR MEMBERS, EMPLOYEES, AND TRUSTEES

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 4	DURING THE YEAR, THE BYLAWS OF THE COOPERATIVE WERE AMENDED MEMBERS OF THE COOPERATIVE WHO ATTENDED THE 2019 ANNUAL MEETING APPROVED BY A MAJORITY VOTE TO AMEND ARTICLE III, SECTION 6 OF THE BYLAWS ARTICLE III - MEETING OF MEMBERS, SECTION 6 - VOTING DISTRICTS, WAS AMENDED TO ADJUST THE NUMBER OF MEMBERS IN EACH VOTING DISTRICT TO A MORE EQUITABLE RATIO AMONG ALL DISTRICTS

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6	THE COOPERATIVE WAS FORMED BY THE MEMBERS TO PROVIDE ELECTRIC SERVICE AT COST ON A COOPERATIVE BASIS

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A	THE MEMBERS OF THE COOPERATIVE VOTE ON THE BOARD OF TRUSTEES ELECTIONS ARE DONE ON A ONE MEMBER ONE VOTE BASIS

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B	THE FOLLOWING ACTS REQUIRE APPROVAL OF THE MEMBERS OF THE COOPERATIVE 1 DISSOLUTION/LIQU IDATION OF THE COOPERATIVE 2 MERGER OR CONSOLIDATION OF THE COOPERATIVE WITH ANOTHER ORGA NIZATION 3 DISPOSAL OF A SUBSTANTIAL PORTION OF THE COOPERATIVE'S ASSETS 4 AMENDMENTS TO THE ARTICLES OF INCORPORATION 5 AMENDMENTS TO THE BYLAWS

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 8B	THE COOPERATIVE HAS NO COMMITTEES WITH AUTHORITY TO ACT ON BEHALF OF THE GOVERNING BODY T HEREFORE, AND PURSUANT TO FORM 990 INSTRUCTIONS, THE QUESTION HAS BEEN ANSWERED "NO"

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11B	MANAGEMENT PRESENTED A COPY OF THE FORM 990 TO THE BOARD FOR DISCUSSION AND REVIEW PRIOR T O FILING THE DISCUSSION AND REVIEW WAS PERFORMED AT THE BOARD MEETING IMMEDIATELY BEFORE FILING THE FORM 990

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	THE BOARD OF TRUSTEES AND OFFICERS ARE REQUIRED TO REVIEW AND BE FAMILIAR WITH THE POLICIE S OUTLINED IN THE COOPERATIVE'S CONFLICT OF INTEREST POLICY THE BOARD OF TRUSTEES AND OFF ICERS ARE REQUIRED TO DISCLOSE ANY ACTION OR SITUATION THAT MIGHT VIOLATE THE POLICY TO TH E FULL BOARD OF TRUSTEES AS SOON AS POSSIBLE THE CONFLICT OF INTEREST POLICY IS REVIEWED AND REDISTRIBUTED TO EACH EMPLOYEE, OFFICER, AND DIRECTOR AT LEAST ANNUALLY

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15A	THE BOARD OF TRUSTEES USE A COMPENSATION SURVEY WHEN DETERMINING THE COMPENSATION OF THE C EO THE SURVEY SHOWS COMPARATIVE SALARIES FOR CEOS FROM SIMILARLY SITUATED COOPERATIVES LO CATED IN OKLAHOMA AND THE NATION OTHER THAN THE CEO, THE COOPERATIVE DID NOT HAVE ANY EMP LOYEES MEETING THE DEFINITION OF OFFICER OR KEY EMPLOYEE THEREFORE, AND PURSUANT TO FORM 990 INSTRUCTIONS, LINE 15B HAS BEEN ANSWERED "NO"

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	THE COOPERATIVE WILL PROVIDE A COMPLETE COPY OF ITS GOVERNING DOCUMENTS, EXTERNAL POLICIES , AND AUDITED FINANCIAL STATEMENTS TO ANY MEMBER WHO REQUESTS A COPY OF ANY SUCH DOCUMENT ANNUALLY, THE COOPERATIVE PROVIDES THE YEAR END BALANCE SHEET AND INCOME STATEMENT TO THE MEMBERS OF THE COOPERATIVE WITH THE ANNUAL MEETING NOTICE AND ANNUAL REPORT ADDITIONALLY , AN OPERATING REPORT WHICH SUMMARIZES VARIOUS FINANCIAL STATISTICS IS PUBLISHED IN AND DI STRIBUTED TO THE MEMBERS VIA MONTHLY NEWSLETTER THE COOPERATIVE'S BYLAWS ARE ALSO MADE AV AILABLE ON THE COOPERATIVE'S WEBSITE

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VII	THE BOARD OF TRUSTEES CONSIDERS THE CEO TO BE BOTH THE TOP MANAGEMENT OFFICIAL AND THE TOP FINANCIAL OFFICIAL THEREFORE, ONLY THE CEO IS LISTED AS AN EMPLOYEE OFFICER

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VII, COLUMN F	IN ORDER TO PROVIDE RETIREMENT BENEFITS TO ITS EMPLOYEES, THE COOPERATIVE HAS ESTABLISHED A DEFINED CONTRIBUTION PLAN UNDER SECTION 401(K) OF THE INTERNAL REVENUE CODE. EMPLOYER CONTRIBUTIONS TO THE PLAN ARE MADE PURSUANT TO THE PLAN DOCUMENT. ADDITIONALLY, THE COOPERATIVE PARTICIPATES IN A MULTI-EMPLOYER DEFINED BENEFIT PLAN. CONTRIBUTIONS TO THIS PLAN ARE BASED ON THE FULL FUNDING LIMITATION OF SUCH PLAN. EMPLOYER CONTRIBUTIONS FOR BOTH PLANS ARE AVAILABLE TO PARTICIPATING EMPLOYEES, INCLUDING OFFICERS AND HIGHLY COMPENSATED EMPLOYEES, MEETING THE ELIGIBILITY REQUIREMENTS OF SUCH PLANS. THE COOPERATIVE ALSO PROVIDES HEALTH, DENTAL AND LIFE INSURANCE TO ALL ELIGIBLE EMPLOYEES THROUGH A QUALIFIED PLAN. THE AMOUNTS REPORTED ON PART VII, COLUMN (F) FOR THE OFFICER AND HIGHLY COMPENSATED EMPLOYEES IS COMPRISED OF ACTUARIAL INCREASE IN THE DEFINED BENEFIT PLAN, THE TOTAL AMOUNT CONTRIBUTED BY THE COOPERATIVE TO THE DEFINED CONTRIBUTION PLAN AND INSURANCE PAID ON BEHALF OF AND FOR THEIR BENEFIT. IN ADDITION TO THE ABOVE BENEFIT PLANS, THE COOPERATIVE ALSO PROVIDES POST-RETIREMENT HEALTH INSURANCE BENEFITS THROUGH AN UNFUNDED WELFARE BENEFIT PLAN. THE VALUE OF THESE BENEFITS HAS NOT BEEN ESTIMATED.

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VIII, LINE 2	PATRONAGE DIVIDENDS RESULT FROM THE PURCHASE OF WHOLESale POWER FROM A GENERATION & TRANSMISSION COOPERATIVE PATRONAGE DIVIDENDS ALSO RESULT FROM THE PAYMENT OF INTEREST FROM COOPERATIVE BANKS AND THE PURCHASE OF SUPPLIES AND SERVICES FROM OTHER COOPERATIVE ORGANIZATIONS THE EXPENSES ASSOCIATED WITH PURCHASES FROM AND PAYMENTS TO SUCH COOPERATIVE ORGANIZATIONS ARE A DIRECT COMPONENT OF COST OF THE ELECTRIC SERVICE PROVIDED BY THE ORGANIZATION TO ITS MEMBERS

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART IX	THE ACCOUNTING RECORDS OF THE COOPERATIVE ARE MAINTAINED IN ACCORDANCE WITH THE RURAL UTILITIES SERVICE (RUS) UNIFORM SYSTEM OF ACCOUNTS (USOA) AS PRESCRIBED RUS ELECTRIC BORROWERS THE USOA DOES NOT RECORD EXPENSES IN THE GENERAL EXPENSE CATEGORIES PROVIDED ON PART IX LINES 1 - 23 THE COOPERATIVE SEPARATELY REPORTS SALARIES AND WAGES, EMPLOYEE BENEFITS AND PAYROLL TAXES THAT ARE ALLOCATED IN ACCORDANCE WITH THEIR ACCOUNTING SYSTEM, BUT OTHER EXPENSES THAT ARE DESCRIBED IN LINES 1 - 23 ARE REPORTED ON LINE 24 UNDER THE EXPENSE CATEGORIES REQUIRED BY THE USOA

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART IX, LINES 1 & 2	ALL GRANTS, DONATIONS, AND/OR SCHOLARSHIPS ARE MADE TO NON-PROFIT, CIVIC ORGANIZATIONS, AND INDIVIDUALS THAT ARE LOCATED IN THE COOPERATIVE'S SERVICE AREA ALL DONATIONS ARE INTENDED TO IMPROVE THE COMMUNITIES IN WHICH OUR MEMBERS RESIDE EACH DONATION MADE DURING THE YEAR WAS BELOW THE REPORTING THRESHOLD OF SCHEDULE I, PART II

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART IX, LINE 4	PURSUANT TO THE FORM 990 INSTRUCTIONS, THE AMOUNT OF PATRONAGE DIVIDENDS PAID TO THE MEMBERS (HEREINAFTER REFERRED TO AS "PATRONS") SHOULD BE REPORTED ON PART IX, LINE 4. THE PHRASE "PATRONAGE DIVIDENDS PAID" REFERS TO THE PROCESS, SUBSEQUENT TO YEAR-END, BY WHICH THE COOPERATIVE ALLOCATES PATRONAGE CAPITAL TO AND, THEREFORE, OPERATES AT COST WITH ITS PATRONS. THE COOPERATIVE'S TAX EXEMPT PURPOSE IS TO PROVIDE ELECTRICITY TO ITS PATRONS AND TO DO SO ON A COOPERATIVE BASIS. TAX LAW DEFINES "OPERATING ON A COOPERATIVE BASIS" AS SUBORDINATION OF CAPITAL, DEMOCRATIC CONTROL, AND OPERATION AT COST. THE COOPERATIVE OPERATES AT COST THROUGH THE ALLOCATION OF TRUE PATRONAGE DIVIDENDS (ALSO REFERRED TO AS ALLOCATIONS OF PATRONAGE CAPITAL) TO ITS PATRONS. PATRONAGE DIVIDENDS ARE CONSIDERED PAID IF THE ALLOCATION IS MADE (1) PURSUANT TO A PRE-EXISTING OBLIGATION, (2) FROM THE MARGINS PRODUCED FROM THE TRANSACTIONS DONE WITH OR FOR PATRONS, AND (3) IN A FAIR AND EQUITABLE MANNER ON THE BASIS OF PATRONAGE (I.E. PURCHASES). ADDITIONALLY, THE ALLOCATION OF PATRONAGE DIVIDENDS SHOULD BE MADE WITHIN A REASONABLE TIME PERIOD AFTER THE CLOSE OF THE COOPERATIVE'S YEAR-END OF DECEMBER 31. EACH ONE OF THESE REQUIREMENTS FOR A TRUE PATRONAGE DIVIDEND IS PROVIDED FOR IN THE NON-PROFIT OPERATION ARTICLE OF THE COOPERATIVE'S BYLAWS. THE AMOUNT REPORTED ON PART IX, LINE 4 REPRESENTS THE AMOUNT OF PATRONAGE CAPITAL THAT IS EITHER ALLOCATED OR TO BE ALLOCATED TO THE PATRONS RESULTING FROM THEIR PURCHASE OF ELECTRICITY FROM THE COOPERATIVE FOR THE 2019 CALENDAR YEAR. BECAUSE PATRONAGE DIVIDENDS ARE THE PROCESS BY WHICH THE COOPERATIVE OPERATES AT COST WITH ITS PATRONS AND THEREBY A KEY COMPONENT TO ACCOMPLISHING ITS EXEMPT PURPOSE, THE COOPERATIVE HAS REPORTED SUCH AMOUNTS AS AN EXPENSE FOR FORM 990 REPORTING. PATRONAGE DIVIDENDS ARE NOT AN EXPENSE FOR FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, HOWEVER.

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART IX, LINES 5-7	SALARIES AND WAGES ARE ALLOCATED TO ASSET, LIABILITY, AND EXPENSE ACCOUNTS BASED ON THE AC COUNTING SYSTEM DESCRIBED ABOVE THE FOLLOWING SCHEDULE RECONCILES AMOUNTS REPORTED ON LIN ES 5-7 TO TOTAL WAGES ACCRUED AND/OR PAID TOTAL PER LINES 5-7 \$ 3,599,761 LESS TRUSTEE F EES REPORTED ON FORMS 1099-MISC (185,582) LESS EMPLOYEE OFFICER BENEFITS INCLUDED IN LINE 5 (128,958) PLUS SALARIES AND WAGES ALLOCATED TO NONOPERATING MARGINS 2,773 PLUS SALARI ES AND WAGES CAPITALIZED DIRECTLY TO PLANT 868,742 PLUS SALARIES AND WAGES CAPITALIZED/EX PENSED INDIRECTLY THROUGH CLEARING AND OTHER ACCOUNTS 193,154 TOTAL WAGES ACCRUED AND/OR P AID \$ 4,349,890

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART IX, LINE 24	ADMINISTRATIVE & GENERAL EXPENSE IS COMPRISED OF THE FOLLOWING ADMINISTRATIVE & GENERAL \$ 1,158,207 OFFICE SUPPLIES 341,844 OUTSIDE SERVICES 74,207 EMPLOYEES 125,588 TRUSTEES 248,929 INSURANCES 93,240 DUES 106,570 DONATIONS 21,146 ANNUAL & DISTRICT MEETINGS 76,708 MISC ELLANEOUS GENERAL 52,383 MAINTENANCE OF GENERAL PLANT 38,604 TOTAL ADMIN & GENERAL EXP PER FINANCIAL STATEMENTS \$ 2,337,426 LESS RECLASS OF DONATIONS TO PART IX, LINE 1 (21,146) L ESS RECLASS OF TRUSTEES FEES TO PART IX, LINE 5 (185,582) LESS RECLASS OF LABOR TO PART IX, LINES 5 & 7 (733,440) LESS RECLASS OF BENEFITS TO PART IX, LINES 8-10 (446,456) TOTAL ADMIN & GENERAL EXPENSE PER FORM 990, PART IX \$ 950,802

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART XI, LINE 9	PATRONAGE CAPITAL ALLOCATED OR TO BE ALLOCATED 1,480,957 PATRONAGE CAPITAL RETIRED - TOTA L -1,117,894 PATRONAGE CAPITAL RETIRED - DISCOUNT 42,764 PATRONAGE CAPITAL RETIRED - UNC LAIMED 273,385 NET CHANGE IN POST-RETIREMENT BENEFIT 55,817

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART XII, LINE 2C	THE BOARD AS A WHOLE IS RESPONSIBLE FOR OVERSEEING THE FINANCIAL STATEMENT AUDIT AND SELEC TING THE INDEPENDENT FINANCIAL STATEMENT AUDITOR PROCEDURAL CHANGES DID NOT OCCUR DURING THE YEAR