

The Spotlight



A Touchstone Energy Cooperative

What's Inside

- Power Supply Cost Recovery
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- Help Us Keep the Lights On
- Fuel Source Comparison Chart

November 2013

SCR Factor Adjustment

At a Special Open Meeting held October 1, 2013, the PIE&G board of directors approved a new Power Supply Cost Recovery (PSCR) factor of \$0.00106 per kilowatt hour which is a decrease from the current \$0.00319 per kilowatt hour. The PIE&G board approved the new factor in anticipation of decreased wholesale energy costs. The decrease will be reflected on bills rendered on or after February 1, 2014.

The purpose of the PSCR factor is to allow the utility to collect only what is needed each budget year to cover our power supply costs. PIE&G purchases its electricity from a wholesale power supplier whose generation and transmission costs may change frequently and unexpectedly throughout the year. Those costs are passed through to PIE&G members via the PSCR factor on the member's electric bill. Periodic adjustments to the PSCR factor are necessary to help PIE&G keep any over- or under- collections of PSCR-related revenue to a minimum.

The PSCR is a pass-through cost and does not contain margins for PIE&G. Most other electric utilities in Michigan have a PSCR factor on their electric bills.



The Power is Out and You're on Oxygen – What Now?

BE PREPARED WITH A BACK UP PLAN



PIE&G's goal is to keep your power on without interruptions but repairs and inclement weather affects our ability to do so. When the power goes off and you're on oxygen or have other medical needs that require electricity, what do you do?

PIE&G is located in Onaway and serves approximately 36,000

electric members throughout northeast Michigan. The service territory encompasses nine counties, ranging north to the Mackinac Bridge and south to Fairview. Due to the vast distances our crews must travel during power outages and the unpredictability of Mother Nature, no utility can guarantee continuous electric service at all times.

If you have a medical situation that requires electric powered equipment, we recommend that before the power goes out, you consult with your physician to insure that you have an emergency plan in place to be prepared at all times. Some alternatives include having battery packs available or a gas or diesel powered generator for back up service. You may need to temporarily relocate to a friend or family member's home that has electricity or contact the Red Cross or 911 in an emergency.

If you require medical equipment, be prepared with a backup plan BEFORE the power goes out!

HELP US KEEP THE LIGHTS ON!

Remember that PIE&G depends on townships, villages, and members to request repairs for street and security lights. We do not conduct inspections for burnt out bulbs or vandalism. If you see a light on public property that needs repair, contact your local governmental representative. If the security light is on your property, contact PIE&G at (800) 423 6634. When we get notice of a light that needs repair, we issue a work order and take care of the problem as soon as possible. But we depend on you for information to keep the street lights on!



DIRECTOR ELECTION RESULTS

Due to our printing schedule, the Annual Meeting election results will be included in the December issue of *Spotlight* or by visiting our website at www.pieg.com under the Board of Directors tab.



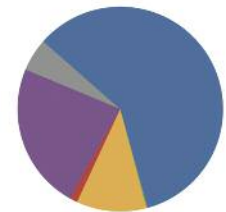
Fuel Mix Report

The fuel mix characteristics of Presque Isle Electric & Gas Co-op as required by Public Act 141 of 2000 for the 12-month period ended 6/30/13.

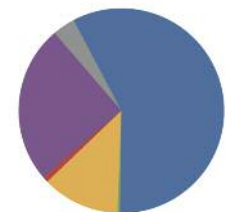
COMPARISON OF FUEL SOURCES USED		
Regional average fuel mix used		
Your co-op's fuel mix		
FUEL SOURCE	Your Co-op	Regional Average
Coal	59.2%	57.9%
Oil	0.2%	0.4%
Gas	11.0%	12.2%
Hydroelectric	1.3%	0.9%
Nuclear	23.1%	25.0%
Renewable Fuels	5.2%	3.6%
Biofuel	0.4%	0.1%
Biomass	0.2%	0.4%
Solar	0.0%	0.0%
Solid Waste Incineration	0.2%	0.5%
Wind	4.2%	2.2%
Wood	0.2%	0.5%

NOTE: Biomass above excludes wood; solid waste incineration includes landfill gas, and wind includes a long-term renewable purchase power contract in Wolverine's mix.

Your Co-op's Fuel Mix



Regional Avg. Fuel Mix



EMISSIONS AND WASTE COMPARISON

TYPE OF EMISSION/WASTE	lbs/MWh	
	Your Co-op	Regional Average*
Sulfur Dioxide	5.5	7.6
Carbon Dioxide	1,580	2,170
Oxides of Nitrogen	1.7	2.0
High-level nuclear waste	0.0077	0.0083

*Regional average information was obtained from MPSC website and is for the twelve-month period ending 12/31/12. Presque Isle Electric & Gas purchases 100% of its electricity from Wolverine Power Cooperative, which provided this fuel mix and environmental data.



HOLIDAY NOTICE

PIE&G Offices will be closed November 28-29 for the Thanksgiving holiday.

We will be open for business on Monday, December 2nd.

CAPITAL CREDIT REFUNDS

Capital credit refund checks were mailed in October for those members who took service from PIE&G in 1983-84, 1992-98 and 2011-12.



DOUBLE up



How much can you save?

Why settle for one when you can have two? **Receive a \$150 Energy Optimization rebate** when you install a qualifying energy-efficient furnace. **Or, double up and get \$350** when you purchase an efficient furnace and central air conditioner together. With double deals, now is the time to save!

ENERGY TIP: An energy-efficient furnace with a variable speed motor cuts energy use by 16% per year.

ONLINE: michigan-energy.org PHONE: 877.296.4319

Energy Op



Energy Optimization programs and incentives are applicable to Michigan service locations only. Other restrictions may apply. For a complete list of participating utilities, visit michigan-energy.org

Presque Isle Electric & Gas Co-op

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GAS EMERGENCY ONLY 1-800-655-8565

We will gladly accept your Visa, MasterCard, Discover or American Express. No additional charge for using your credit card.



Most natural gas rates and charges are not regulated by the Michigan Public Service Commission. TWN, long distance phone service is not regulated by the Michigan Public Service Commission.