

The Spotlight



A Touchstone Energy Cooperative

What's Inside

- \$2.470 Million Back to Members
- Safe Home Repair Tips
- Pay By Phone Anytime

July 2019

2018 CAPITAL CREDIT ALLOCATION

When the cooperative's revenues exceed expenses at year end, the excess revenue or margin is assigned to members as capital credits in proportion to the amount of revenue contributed through energy purchases. **The assignment of this excess revenue or margin is called a "capital credit allocation".**

In 2018, PIE&G's electric operation produced a margin of over \$393,000 and its natural gas division produced a margin of \$827,000. In addition, PIE&G's power supplier, Wolverine Power Supply Cooperative, also allocated a margin of approximately \$1,486,000 to PIE&G for its energy purchases made on behalf of PIE&G members. PIE&G then allocated these margins to you, the member, as capital credits, depending on the services you receive (electric, natural gas or both). Capital credit allocations will be noted on your June, July or August bill. **The allocations cannot be deducted from your bill. They are held in reserve on your account until the board authorizes a retirement and refund.**

Capital credits are retired and refunded to members when the board of directors determines that the financial condition of the co-op will not be impaired. Until then, allocated, unretired margins represent a member contribution of operating capital that allows PIE&G to finance its operations – including new construction and system improvements – while reducing borrowing and interest expense until the capital is retired and refunded to members in later years.

DIRECTORS APPROVE \$2.470 MILLION IN REFUNDS TO MEMBERS

Capital Credits from 1987-1988 & 2002-2003 to be Retired

At their April meeting, PIE&G's board of directors authorized approximately \$2,470,000 in capital credit retirements. Members who received electric service in 1987-1988 or 2002-2003 will receive an amount of the above in proportion to their energy use. **Checks for the capital credit refund will be mailed in the fall of 2019.**

As a member-owned, not-for-profit organization, when PIE&G revenues exceed expenses, "capital" is generated and "credited" to individual members on a pro rata basis, depending on their purchases of electricity or gas.

Capital credits are used to build the facilities needed to serve members or may be retired and refunded whenever the board of directors determines that the co-op's financial condition will not be impaired. Since its inception, PIE&G has refunded approximately \$16.9 million in capital credits back to its members.

CO-OPS OBTAIN STATE TAX REFUND FOR MEMBERS

\$45,000 for Sales Tax on Margins Returned

A few years ago, PIE&G, together with other Michigan electric co-ops, sought relief from the State of Michigan for certain sales tax. The cooperatives were successful. The State of Michigan now returns sales tax assessed on positive operating margins.

For 2018, PIE&G generated positive margins for both electric and natural gas operations. Thus, sales tax refunds of approximately \$14,000 will be given back to electric members and over \$31,000 will be refunded to natural gas members. For members receiving a monthly billing, the **2018 tax refunds have been returned as a credit reflected on bills mailed in May 2019. Seasonal members will see the refunds on their annual summer bills.** Although the individual refund may be small, it reflects PIE&G's commitment to keeping members' services affordable.

Owned By Those We Serve . . . Locally Controlled . . . Committed to Community . . . Not For Profit



PAY BY PHONE ANYTIME

Our automated Pay By Phone service is free, fast and available anytime!

TO PAY BY PHONE:

- Call 1-866-999-4571.
- Have your account number ready.
- Follow the prompts for options to:
 1. Check your account status,
 2. Make a payment,
 - ~ You may pay by credit card or check.
 - ~ For check payments, enter your 4-digit PIN (personal identification number). First time users must call Member Services at 1-800-423-6634 for a PIN.
 - ~ Wait for payment confirmation number that your payment was processed.
 3. Enter your meter reading (monthly residents only),
 4. Create or change your PIN,
 5. Update your phone number.



FOR SAFE HOME REPAIRS, CALL PIE&G FIRST!

Whether it's replacing a few shingles, painting trim or planting trees, summer is the time for outdoor projects at home. Before you start, PIE&G reminds you to use caution near co-op electrical equipment. Substations and power lines carry extremely high voltages, and accidental contact can be dangerous – or even deadly. Safe home repairs start with a call to PIE&G.



Photo Courtesy of Werner Ladder Co.

We'll come out to disconnect your service. Please allow five (5) business days before you start your project and call PIE&G at 1-800-423-6634 for an appointment to disconnect electric service. Let us know when repairs are done and we'll come back out to reconnect.

Planning to dig a hole to plant a tree or put up a bird feeder? CALL MISS DIG (811) BEFORE you dig! Allow three (3) business days before you start your project.

There is no cost for these services. The safety of the public, environment, property, and utility infrastructures is our number one priority.



Know what's below.
 Call before you dig.

Safety starts with a call to PIE&G and MISS DIG first!

Presque Isle Electric & Gas Co-op

19831 M-68 Hwy • P.O. Box 308 • Onaway, MI 49765
 989-733-8515 • 800-423-6634 • www.pieg.com

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.

3 R'S OF NATURAL GAS SAFETY

Knowing how to recognize a natural gas emergency will help you react quickly.

RECOGNIZE

Signs of a natural gas leak may include:

- "Rotten egg" smell (gas companies add an odorant to help you recognize the smell of a leak).
- Blowing or hissing sound.
- Dead or discolored vegetation where the gas pipe enters the house.
- Bubbling in wet or flooded areas
- Dirt or dust blowing from a hole in the ground or bubbling in a water puddle (possible underground pipe leak).
- Flames, if a leak has ignited.



REACT

Leave the area immediately, being careful not to ignite the gas by following these warnings:

- Do not use an open flame including matches, lighters or candles
- Do not start vehicles
- Do not use any electrical device, such as light switches or telephones (including cell phones), or appliances such as garage door openers. They could cause a spark and ignite the gas
- Do not try to shut off any natural gas valves or gas appliances (the longer you stay in a dangerous situation, the greater the likelihood of injury)
- Do not re-enter the building or return to the area until a PIE&G employee or a qualified utility representative says it is safe to do so
- Do not try to put out the flames if natural gas ignites. Burning gas will not explode
- Do not try to locate the source of the gas leak. Leave it to the professionals at your utility.
- If you are outside digging a hole and believe you have damaged a gas line, leave the area immediately.



REPORT

Once you are in a safe location, call PIE&G toll-free at **800-655-8565**, anytime 24/7. Trained employees will investigate at no charge. Please report any unusual activity near a natural gas pipeline or facility.

