

The Spotlight

PIE&G
PINE ISLE ELECTRIC AND GAS CO-OP



A Touchstone Energy Cooperative

What's Inside

- Capital Credits: Allocation vs. Retirement & Refunds
- Be Prepared for Emergencies
- \$15,500 in Scholarships Awarded
- Gas Pipeline Leak Surveys Ongoing

June 2017

2016 CAPITAL CREDIT ALLOCATION

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

In 2016, PIE&G's power supplier, Wolverine Power Supply Cooperative, allocated a margin of approximately \$919,000 to PIE&G for its energy purchases made on behalf of PIE&G members. In addition, PIE&G's electric operation produced a margin of over \$841,000 and its natural gas division produced a margin of \$467,000. These margins were then **allocated** to you, the member-owner, as capital credits depending on the services you receive (electric, natural gas or both) and will be noted on your June, July or August bill.

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 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 RETURN \$2.623 MILLION TO MEMBERS

Capital Credits from the 1980's, 1990-91 and 1999 to be Retired

At their April meeting, PIE&G's board of directors authorized approximately \$2,623,000 in capital credit retirements. Members who received electric service in the 1980's, 1990-91 and 1999 will receive an amount of the above in proportion to their energy use. **Checks for the capital credit refunds will be mailed in the fall of 2017.**

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 \$12 million in capital credits back to its members.

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 necessary repairs and inclement weather affect our ability to do so. When the power goes off and you're on oxygen or have other medical needs that require electricity, what should you do?

If you have a serious medical condition 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.** Alternatives include having battery packs or a gas or diesel powered generator available. You may need to temporarily relocate to a friend's or family member's home that has electricity, or contact the Red Cross or 911 in an emergency.

If you require electricity for medical equipment, be prepared in advance with a backup plan BEFORE the power goes out.

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PIE&G CommunitiesFirst Fund Board Awards \$15,500 in Scholarships to Area High School Grads

At their recent meeting, the PIE&G Communities First Fund board of directors awarded fifteen (15) scholarships of \$1,000 each to each of the following 2017 high school graduates:

ALMONT

Sydney Torres
Hayley Torres

ALPENA

Trevor Roznowski

ATLANTA

Brianna Gross
Tiffany Juergens
Enrico Racz-Reene

CHEBOYGAN

Jeffrey Ostman, Jr.

INLAND LAKES

Mackenzie Hemmer
Regan Bunker

JOHANNESBURG-LEWISTON

Destiny Pryor
Kristin McCormick

ONAWAY

Cameron Horn
Noel Nash

POSEN

Izaiah Hincka

WOLVERINE

Teah Lowe

The A. Barkley Travis Memorial Scholarship, valued at \$500, was awarded to Ashley Wirgau of Rogers City.



CELEBRATE INDEPENDENCE DAY!

Our office will be closed **Tuesday, July 4th** in observance of Independence Day.

NATURAL GAS PIPELINE LEAK SURVEYS UNDERWAY



PIE&G crews will be travelling a portion of its natural gas service territory again this year to conduct leak surveys. Employees conduct this survey on foot and with a mobile ATV mounted unit as part of PIE&G's routine maintenance and damage prevention

programs. The surveys allow PIE&G to find leaks that are very small so that repairs can be made before the leaks become a danger. PIE&G performs ongoing leak surveys on a five year rotation across its entire service area. Areas impacted this year will be:

**Atlanta • Canada Creek • Hawks
Millersburg • Ocqueoc • Onaway**

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.