

The Spotlight

What's Inside

- New Fiber Division and Logo Announced
- \$1.437 Million in Capital Credit Refunds
- Co-op Obtains \$40,800 in Sales Tax Refunds



July 2021

DIRECTORS APPROVE \$1.437 MILLION IN REFUNDS TO MEMBERS

Capital Credits from 1989 and 2004 to be Retired

At their April meeting, PIE&G's board of directors authorized approximately \$1,437,600 in capital credit retirements. Members who received electric service in 1989 or 2004 will receive an amount of the above in proportion to their energy use. **Checks for the capital credit refund are expected to be mailed in the fall of 2021.**

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 natural 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 \$20.6 million in capital credits back to its members.

NEW FIBER DIVISION "PIE&G CONNECT" AND LOGO DEBUTS

Presque Isle Electric & Gas Co-op is as excited as you are to bring fiber internet to our service territory! The team at PIE&G has been working diligently behind the scenes to prepare for the first steps toward construction of blazing-fast fiber-to-the-home broadband service. We've formed a new division, separate from our electric and natural gas divisions, for our fiber operations called "PIE&G Connect".

And now for the big reveal (drum roll please): the PIE&G Connect fiber logo is here!



The logo is a collaborative effort that reflects the co-op's legacy, incorporating an historic feature of our Great Lakes while spotlighting the forward-facing vision that fiber broadband will usher in for the cooperative. The logo design includes an iconic lighthouse familiar to Michiganders along the shores of Lake Huron in northeastern Michigan. The lighthouse is embellished with crashing "waves" depicted by fiber strands, echoing the purpose of the new fiber division: to deliver the power of fiber internet to members. The colors of the logo draw from the cooperative's current branding, with the deep red of the existing PIE&G logo with added dark blue gradient accents.

Stay in the know! Follow us on Facebook, at pieg.com, in future Spotlights and in *Country Lines*.

2020 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 2020, PIE&G's electric operation produced a margin of over \$477,000 and its natural gas division produced a margin of \$607,000. In addition, PIE&G's power supplier, Wolverine Power Supply Cooperative, also allocated a margin of approximately \$1,244,000 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.

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

July 2021



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

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.

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 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.



CO-OPS OBTAIN STATE TAX REFUND FOR MEMBERS

\$40,800 for Sales Tax on Margins Returned

Several 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 2020, PIE&G generated positive margins for both electric and natural gas operations. Thus, sales tax refunds of over \$18,100 will be given back to electric members and over \$22,700 will be refunded to natural gas members. For members receiving a monthly billing, the **2020 tax refunds have been returned as a credit reflected on bills mailed in May 2021. 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.



PIE&G will be closed Monday, September 6th for Labor Day. Payments may be made anytime at our drop box in Onaway, online at pieg.com or by phone toll free at 1-866-999-4571.

Electric emergency: call 1-800-423-6634

Natural gas emergency: call 1-800-655-8565

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.

