

The Spotlight



What's Inside

- \$1.457 Million in Capital Credits to be Refunded
- \$13,840 in Sales Tax Refunded to Gas Members
- \$16,000 in High School Scholarships Awarded

June 2022

2022 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 2021, PIE&G's electric operation did not produce a margin, but its natural gas division did produce a margin of \$368,087. In addition, PIE&G's power supplier, Wolverine Power Supply Cooperative, also allocated a margin of approximately \$1,506,148 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.

ADVANCED METERING AND FIBER UPDATES



The Advanced Metering Infrastructure (AMI) project has resumed after the



winter break as meters and more 100-foot towers (manufactured for PIE&G by Moran Iron Works of Onaway) will be installed. Communications equipment mounted high on the towers will help PIE&G collect meter readings, detect outages for faster response and restorations, and identify potential issues

for repairs or maintenance. So far, PIE&G has installed approximately 17,000 advanced meters (about half of its system). The new system will provide members with the most advanced, secure, and reliable technology available.

On the fiber front, PIE&G continues to develop its digital maps of the electric distribution system and construction of the network has begun in the Onaway area. PIE&G has several "pilot" connections made and is currently testing the system and processes.

Together with the new building, AMI will allow PIE&G to provide members with modern, enhanced services, add efficiencies to daily operations and will help improve reliability. Access to high-speed internet has become a staple in daily life and is as essential as our electricity and natural gas service. Watch for updates at pieg.com, on Facebook, or in Spotlight and *Country Lines*.

DIRECTORS APPROVE \$1.457 MILLION IN REFUNDS TO MEMBERS

Capital Credits from 1990 and 2005 to be Retired

At their April meeting, PIE&G's board of directors authorized approximately \$1,457,000 in capital credit retirements. Members who received electric service in 1990 and/or 2005 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 2022.**

As a member-owned, not-for-profit organization, when PIE&G revenues exceed expenses, "capital" is generated which is refunded as "credits" to individual members on a pro rata basis, depending on their purchases of energy or services.

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 \$23 million in capital credits back to its members.

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

CO-OPS OBTAIN STATE TAX REFUND FOR MEMBERS

\$13,840 for Sales Tax on Natural Gas 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 and now the State of Michigan returns sales tax assessed to PIE&G on positive operating margins.

For 2021, PIE&G generated positive margins only for its natural gas operations. Thus, sales tax refunds of over \$13,840 will be refunded to natural gas members. The **2022 tax refunds have been returned as a credit reflected on monthly bills mailed in May 2022.** Although the individual refund may be small, still it reflects PIE&G's commitment to keeping members' services affordable.

\$16,000 IN HIGH SCHOOL SCHOLARSHIPS AWARDED

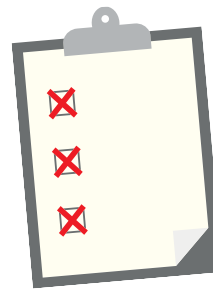
The PIE&G Communities First Fund Board of Directors is pleased to announce fifteen (15) scholarship awards of \$1,000 each to the following area high school seniors:



- **Alpena**
Brett Budnik and Jilian Pilarski
- **Cheboygan**
Camille Aper, Kaleb Blaskowski, Zoey Chamberlain, Hailey Pasney, Henry Stempky, and Kyla Thater
- **Hillman**
Brady Firman, Sean Henigan, and Aden Sobeck
- **Posen**
Elizabeth Romel and Leah Themel.
- **Rogers City**
Ila Bisson and Brady Myers

In addition to the above awards, the A. Barkley Travis Memorial Scholarship, valued at \$500, was awarded to Emily White from Johannesburg Lewiston High School. The Peterson Vocational School Scholarship, valued at \$500, was awarded to Jason Thornberg from Atlanta Community High School.

2022 NATURAL GAS PIPELINE LEAK SURVEYS UNDERWAY



PIE&G crews will be traveling a portion of its natural gas service territory soon 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 leak surveys each year for its commercial accounts and performs ongoing residential leak surveys on a five-year rotation across its entire service area.

Areas impacted this year will be: Onaway (south), Canada Creek Ranch, Millersburg and Black Lake areas.

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.



Our office will be closed on Monday, July 4th in observance of the Independence Day holiday. Access your account anytime online at pieg.com or by calling 1-888-999-4571.