



CAPITAL CREDIT ALLOCATION NOTICE

In August, current Price Electric Cooperative members will receive their annual capital credit allocation notice. As a not-for-profit organization, any excess revenue, called margins, is returned to members in the form of capital credits. The Capital Credit Allocation Notice that you will receive in the mail will let you know the amount of the capital credits that you earned in 2017, as well as your capital credit balance from past years. It is only a notification of your capital credit funds, not a payment notice—capital credit allocations do not have a cash value until the actual retirement of the capital credits is authorized by the board of directors.

Life Cycle of Capital Credits

1. **Allocation:** For each year you are a member of the cooperative, you earn capital credits, which are your share of the co-op's margins for that year. PEC sends each member a notice of capital credit allocations in August of each year for the prior year, plus the balance from any previous years.
2. **Rotation Period:** Between the time that the funds are assigned and released (currently a 30-year cycle), the co-op uses the funds for operational expenses such as line maintenance or storm recovery expenses, reducing the need to borrow funds for these expenditures.
3. **Retirement:** When the capital credits reach the end of their rotation period, the board of directors reviews the co-op's financial health and may elect to "retire," or return, capital credits to members via electric bill credit or a check.

Capital Credit FAQs

Can I use capital credits to pay my bill?

The amount noted in your 2017 allocation notice cannot be used to pay your current electric bill. However, when the board elects to retire capital credits and return them to members, active members receiving capital credit funds will receive them as a bill credit, generally in the fourth quarter of the year.

When will I receive the funds that are listed on the allocation notice?

The board of directors decides when it is financially feasible for capital credits to be returned to members while maintaining adequate reserves of capital for business expenses. Currently PEC is on a 30-year rotation of distributing capital credits. Most years, PEC has employed a disbursement strategy in which members who have had outstanding capital credits for the longest period received payments. In 2017, all capital credits through 1989 and a portion of 1990 were retired and returned to members from that time. Current members receive a bill credit and inactive members receive a check.

If I move off of Price Electric's lines, do I forfeit all of my capital credits?

Capital credits are yours to keep, even if you are no longer receiving service from PEC. This is why it is important for you to notify PEC if you move or if your contact information would change. You can also designate someone that PEC could contact if you are unreachable.

If someone doesn't claim their capital credit monies, does PEC just keep them?

Capital credit monies cannot be retained by Price Electric for operational or capital expenditures. Unclaimed or donated capital credit funds are transferred to the Federated Youth Foundation to be used for PEC scholarships and charitable donations.

What happens if someone passes away before they have received all of their capital credit funds?

The member's heirs are eligible to receive any remaining capital credit funds. Heirs will need to provide PEC with documentation verifying their claim to the funds. In order to assist the member's heirs in closing the account, PEC gives heirs the option of either adhering to the regular capital credit retirement schedule or receiving a special one-time payout that is discounted based on the age of the capital credits.



CONGRATULATIONS



2018 scholarship recipients

Price Electric is proud to announce our 2018 scholarship recipients. Each school in PEC's service area was eligible to award two \$1,000 scholarships to graduating seniors whose parents/guardians are PEC members; one \$2,500 scholarship was awarded to a student pursuing the lineworker apprentice course; and two \$1,000 at-large scholarships were awarded to students not attending a local high school. These scholarships were awarded based on academic achievements, community involvement, and plans for post-secondary education.



Jesse Bauer
Mayville High School
(At-Large Scholarship)



Katelyn Chapman
Phillips High School



Jacob Giannoni
Phillips High School



Wesley Kovarik
Chequamegon
High School



Karl Lind
Prentice High School



Keesha Lucia
Rib Lake High School



Jenna Marose
Chequamegon
High School



Gabriella McCorison
Butternut High School



Mia Parisi
Prentice High School



Trevor Pollitt
Butternut High School



Kylie Weise
Rib Lake High School



Dawson Weik
Chequamegon High
School (Electrical
Distribution/Lineworker
Apprentice Course)

Photo Not Available: **Elizabeth Folz**, Stratford High School (At-Large Scholarship)

MEMBER SERVICE CENTER OPEN FOR BUSINESS



July was another exciting month for PEC. After months of anticipation, the new Member Service Center opened its doors on July 23. Months of hard work and planning by the employees and board of directors helped the transition to the new building run smoothly.

To celebrate and welcome members to the new facility, several events are planned for the coming months. Future issues of this magazine will feature a complete schedule of events for the rest of the year, including our ribbon-cutting ceremony, Breakfast in the Northland, and monthly giveaways for members.



SCHOOL SUPPLY DRIVE

PEC is excited to support local students and schools this fall by hosting our annual school supply drive—and members are invited to help! From August 1–31, bring school supplies (folders, notebooks, pencils, pens, crayons, markers, rulers, etc.) to the Price Electric office and enter to win a \$25 bill credit for your donation.





Price Electric Puzzler

How closely are you reading your issue of *WEC News*? Each month, we will present a question whose answer can be found in the issue. Return the answer, and you could receive a \$25 bill credit!

Please drop off or mail your answer to Price Electric or email your answer to info@price-electric.com. A winner will be drawn from all correct entries on August 31.

The winner of the June PEC Puzzler is Jim Sowatzke. Congratulations!

When does PEC's school supply drive start?

Answer

Name

Account Number

Phone

Please return to Price Electric Cooperative,
W6803 Springs Drive, P.O. Box 110,
Phillips, WI, 54555

KIRCHMEYER RETIRES

Roy Kirchmeyer recently retired from Price Electric, after a 29-year career that spanned four decades. Roy joined the PEC family in 1989, and was a steadfast figure throughout the years. Although he will be greatly missed, we wish him a long and enjoyable retirement!



As more members transition out of having landline phones and into using cell phones, many of the phone numbers in PEC's records are out-of-date. If your contact information has changed, please let us know—we want to be able to contact you in the event of planned outages, maintenance, or billing inquiries. Simply call PEC at 800-884-0881 or 715-339-2155 or email info@price-electric.com to update your account. Thank you for your assistance!

REBATE UPDATE

So far in 2018, PEC members have received **\$2,176** in energy efficiency rebates from Price Electric and Dairyland Power Cooperative, and **\$12,121** in incentives and savings from Focus on Energy initiatives. Please contact Price Electric or visit www.price-electric.com for more information on how you can take advantage of energy efficiency incentives available for PEC members!



William L. Caynor Sr., President/CEO

W6803 Springs Drive, P.O. Box 110, Phillips, WI 54555
715-339-2155 • 800-884-0881
www.price-electric.com

Office Hours: Monday–Friday, 7:30 a.m.–4 p.m.

Theresa Raleigh, Editor



**Price Electric
Cooperative**

Your Touchstone Energy® Partner