




Your Touchstone Energy® Cooperative 

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Ulysses, KS 67880
620-356-1211 or 800-794-9302
www.pioneerelectric.coop

**PIONEER ELECTRIC
COOPERATIVE**

NEWS

Pioneer Electric Cooperative, Inc.

Board of Trustees

- Melvin Winger** – President
- Alfred Alexander** – Vice President
- Perry Rubart** – Secretary/Treasurer
- Jim Bell** – Trustee
- Mike Brewer** – Trustee
- Fred Claassen** – Trustee
- Martie Floyd** – Trustee
- John Jury** – Trustee
- Charles Milburn** – Trustee

Staff

- Steve Epperson** – CEO
- Randy Magnison** – Executive Vice President, Assistant CEO
- Lindsay Campbell** – Executive Vice President and General Counsel
- George Bushnell** – Vice President of Engineering and Operations
- Chantry Scott** – Vice President of Finance and Accounting
- Anita Wendt** – Vice President of Energy Services
- Drew Waechter** – Editor

In Case of an Outage

If your electricity is off for more than a few minutes, call 888-551-4140. After-hours calls will be answered by dispatch and forwarded to standby personnel.

Moving Through the Cycle

Fall is a season of transition. The days shorten, the weather begins to cool and we harvest the labors from the previous year in hopes of bettering our lives for the future. Transition and change are vital for the continuation of a strong cooperative, and it all starts with our members.

As a cooperative member, you have a voice in the direction your cooperative travels. Your input at community events, meetings and in visiting with your cooperative's employees spurs new and exciting opportunities to grow and change.

One example is the removal of credit card fees for residential payments—a seed planted from the feedback of members, tended by the cooperative board, harvested by our employees and shared back to our membership. It was

you, our members, who spurred this change by requesting it on surveys and discussing it at various meetings and community outreach opportunities.

Another example is shown through the retirement and distribution of capital credits. Capital credits are excess funds returned to members after the cooperative has covered its expenses. These funds are allocated (or set aside) annually and kept on our books to help with long-term projects. When no longer needed, the cooperative retires (or pays) capital credits back to the members. This cycle shows your cooperative is in good financial standing and can continue to meet the changing needs of its membership.

This month, we thank you, our members, and excitedly wait for what next year will bring.

Connections Corner

The card that does it all! As a Pioneer Electric member, you have access to some great local discounts. Visit our office to grab your Connections Card! Check out our featured deals;

Corporate East Hotel, Ulysses

- ▶ Any length stay in a standard room at the rate of \$69 per night

Heavenly Blooms, Ulysses

- ▶ 10% off any fresh flower arrangement

Find more local co-op connections at pioneerelectric.coop!



Looking Back at Cooperative Month 2018

Each October, Pioneer Electric reflects on all of the great things we are thankful for. We are thankful for the employees for keeping the power flowing, our staff and board for their continued guidance, and for the principles that set us apart from other business. However, it is our members who we are most thankful for—the individuals who shape, empower and make Pioneer Electric what it is. We would like to thank those who joined us during this year's celebration. We are thankful and honored to be able to provide electrical service to friends, neighbors and family members.



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1. Dee Longoria, energy services coordinator, congratulates one of our prize winners at this year's Safety Fest.
2. Danny Law, manager of safety and compliance, takes some time to talk about electrical safety and pull some arcs for families at Safety Fest.
3. Pioneer Electric members enjoy a free lunch during cooperative month.
4. Grill master and Board of Trustees Member, Jim Bell, helps cook up hotdogs at Moscow. He and members of the Energy Services department enjoyed tailgating with families and supporting our local athletes.



4.

Member Notice:

The November Meeting of the Pioneer Electric Board of Trustees will be held at our Southern Pioneer Electric office (1490 General Welch Blvd., Liberal, Kansas). Southern Pioneer Electric is a wholly-owned subsidiary of Pioneer Electric Cooperatives servicing communities in southern Kansas. Members may call 800-794-9302 if they have any questions regarding the meeting.

PEC to Retire \$4 Million in Capital Credits

The Pioneer Electric Board of Trustees is proud to announce that the cooperative will return \$4 million back (\$1.8 million from Pioneer Electric and \$2.2 million from Sunflower Electric) to its members in the form of capital credit checks. Capital credit checks will be available for members to pick up during Member Appreciation Days (Dec. 4-6). Please note that Pioneer Electric will NOT distribute checks to members prior to the celebration. Checks not picked up during the event will be mailed on Dec. 7.

Each year, the cooperative allocates (or sets aside) a portion of a member's patronage (the amount of electricity purchased) that is in excess of operating expenses. These funds are kept on Pioneer books until such time it is retired (or paid) by the cooperative. For Pioneer, this retirement is done through a "hybrid" plan where a percentage of retirements are from the current year and the balance is from the oldest years on record.

Before retiring the patronage, the Board of Trustees and Management evaluate the current state of the cooperative. Provided a retirement will not impair the financial health of Pioneer Electric, the Board then votes on whether to retire (or pay) this allocated (or set aside) patronage. If approved, the cooperative returns the accumulated credits back to members in the form of capital credit checks.

2018 will be the first year in which members will also receive retired capital from Sunflower Electric Power Corporation. Sunflower is Pioneer Electric's wholesale power provider and is, in itself, a generation and transmission (or G&T) cooperative. Much like Pioneer, Sunflower may also retire past allocations back to its members, which includes Pioneer; who will in turn pass these along to its members. The Sunflower Board of Trustees approves the retirement of these G&T capital credits based on its review of Sunflower's equity position and financial health.

Common Capital Credit Questions

Why can't my capital credit allocations be refunded all at once?

The cooperative uses these retained capital credits to fund new electric plant and reliability investments. This helps keep the cooperative financially sound and helps maintain rate stability. If capital credits were returned all at once, it could dramatically increase rates for all Pioneer Electric members.

Why didn't I receive a capital credit check last year?

Members may not receive a capital credit check if the retired amount is less than \$5. In that case, the capital will roll over to the following year or until your capital credits add up to more than \$5. Additionally, members with an outstanding balance of more than 30 days past due will have their capital credits applied to their account.

What happens to my capital credits if I'm no longer a Pioneer Electric member?

Pioneer Electric will mail future retirements tied to your account to the mailing address we have on file. An invalid mailing address will result in the delay or inability to send capital credits. Past members can find a list of unclaimed capital credits on our website (pioneerelectric.coop). Those individuals will then need to contact our office and speak with a customer service representative for additional information.

Member Appreciation Days

Join us for food, prizes and great conversation as we celebrate the people who power Pioneer Electric, our members! Pioneer Electric will be at the following locations distributing capital credit checks this December.

Dec. 4

8 a.m. to 5:30 p.m.

Pioneer Electric's Basement
Ulysses

Dec. 5

9:30 to 11 a.m.

United Methodist Church
Manter

2 to 3:30 p.m.

Rolla Senior Center
Rolla

Dec. 6

9:30 to 11 a.m.

Lock Port Community Building
Colusa

2 to 3:30 p.m.

Moscow Senior Center
Moscow



It's Time to Leave Convenience Fees in the Dust

Convenience fees—no one likes them (including us), and starting in November members of Pioneer Electric will have the ability to avoid those pesky fees when making payments on a residential account.

“You asked and we listened,” said Anita Wendt, vice president of energy services. “Members taking service under the Pioneer’s residential rate tariff now have the freedom to avoid convenience fees when making payments toward their residential accounts whether by credit/debit card, e-Check, through MoneyGram, by app or online. We hope this will encourage members to take advantage of our various payment options and find one that fits the needs of their lifestyles.”

Previously, members paid an additional \$3.95 convenience fee when making payments involving e-Check or credit/debit cards. This was used to offset the transaction fees charged for e-Checks or by credit/debit card providers each time a member used these options to make a payment. When the convenience fee was initially implemented, Pioneer Electric could not rely on electric revenue to help offset the cost of members using these payment methods. However, member feedback and discounts provided by these credit card companies prompted Pioneer Electric to review this procedure.

“Many large stores and retail businesses embed the service charge for these payment transactions into the price of the goods, products and services they provide,” Wendt said. “However, utilities histori-

cally could not embed and recover the cost in an effective manner. But, with the declining transaction fees, we saw other utilities managing these costs and we looked to see how we could implement this at Pioneer Electric.”

Members under commercial (large and small) or irrigation classifications will also notice a change under the new payment procedure. These member rate classes will no longer be able to utilize payment methods involving credit/debit cards because these payment transactions produce a large charge (a percentage of the total bill) from these companies. The transaction cost would then be shared among the members of that rate class, potentially causing a noticeable increase in rates. However, members of these rate classes will be able to take advantage of e-Check, Auto-pay (ACH) or traditional check payment options.

“Managing rates is always a concern for us,” Wendt said. “We looked at various scenarios and we felt this gave the most flexibility to members and ensured a minimal impact on electric bills. We hope this will encourage members to try other payment options they may not have used in the past. Change comes from our members. We are more than a utility; we are a service company. We strive to give our members the best experience with their cooperative and that wouldn’t be possible without their input.”

Members with questions regarding these changes may call our office at 620-356-1211 for additional information and assistance.

Power to Pay...Your Way!

Enjoy the flexibility of all of our various payment options without the added convenience fees. Some payment options not available to all rate classes.



By phone

Pay anytime by calling 866-999-4505. Members must have their account number to pay by phone.



By App

Pay through the SmartHub application. Visit pioneerelectric.coop for more information.



Online

Pay online at pioneerelectric.coop. Members will need to create a SmartHub login to pay online.



With MoneyGram

Make cash payments at any MoneyGram location. Instructions available at pioneerelectric.coop



By e-Check

Pioneer Electric will accept payments through e-Check. Members will need to create a SmartHub login to pay online.