

HIGHLINES

December 2018

A publication for members of Pella Cooperative Electric

PCEA Members Will Receive \$247,344 in Capital Credits

The Pella Cooperative Electric Board of Directors recently approved the retirement of \$247,344 in capital credits due to the cooperative's strong operational and financial conditions over the last year. Members who purchased electricity from the cooperative during **1998, 2001** and **2017** can expect to see their capital credits reflected on their electric bills this holiday season.

In the cooperative business model, capital credits are similar to dividends in an investor business model. Each member's share of the capital credits retirement is based on their electric usage during the year being retired. The amount is above and beyond what PCEA required to offset the cost of debt for the construction and maintenance of electric distribution system. This working capital represents the members' ownership equity in PCEA.

Per cooperative bylaws, PCEA's member-elected board determines the amount of margins retired each year based on the cooperative's financial condition and other considerations.



If or when you move outside PCEA service territory, please keep us informed of your current address so you can receive your capital credits when they are retired.

PCEA Seeks Board Candidates for District 3, At-Large

This year, two positions on Pella Cooperative Electric's Board of Directors will be up for election at the next annual meeting Tuesday, April 2, 2019. If you have ever thought about serving on a board and would be interested in helping drive the direction of your cooperative, consider running for a director's seat.

All PCEA Board terms are three years. District 3, currently represented by **Steve Inskeep**, and an At-Large position filled by **Bob Van Soelen**, will be on the ballot. District 3 represents members to west and southwest portion of the service territory and the At-Large position represents the entire service territory.

The current board has assembled a nominating committee that will help identify qualified candidates interested in putting their name on the ballot. But any member who can get more than 50 signatures can petition their name to be on the ballot as described in the PCEA bylaws, Article III, Section 3:

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What does it mean for you?

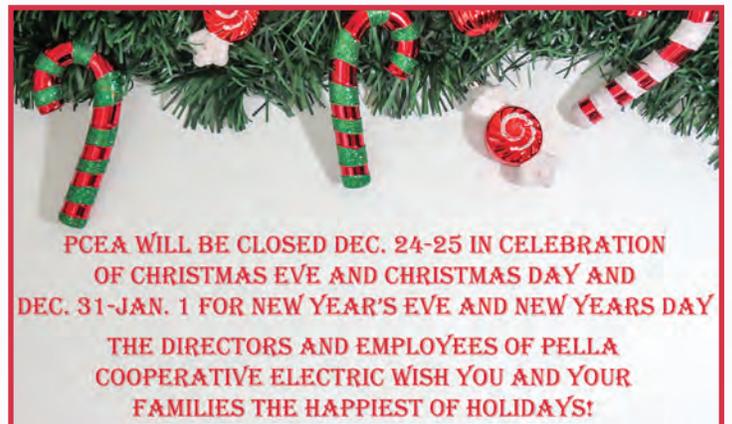
Cooperative members share in the ownership, construction, maintenance and prosperity of their electric cooperatives. When financial conditions allow, every member gets a piece of the pie. Usually in December each year, members will receive their "piece" after the PCEA Board of Directors approve a capital credit retirement.

Here is how it works:

1. When you move into a home or establish a business in the PCEA service territory, you become a member of the cooperative.
2. A capital credit account is established in your name and PCEA uses this to record your investment in the cooperative.
3. Each year, any funds remaining after expenses have been paid are allocated to your capital credit account. Notice of this allocation appeared on your electric bill in the message box.
4. Capital credits are based on the amount of electricity you use, so your allocation varies each year. Businesses typically build up more capital credits than homeowners.
5. Each year, the board evaluates the financial condition of the co-op to determine if we can retire capital credits and if so, what years and percentages we will retire.

When the board decides to retire capital credits, we calculate the amount we need to pay each member. Anyone who was a member-consumer in the retirement years will receive a capital credit retirement.

Please note: Returns less than \$25.00 on inactive accounts will be accumulated until they equal at least \$25.00 or it is to be the last payment. Active members will receive a credit on their bill and past members will be issued a check.



PCEA Names Nominating Committee

The 2019 Nominating Committee has been selected and has started working on finding director candidates for two board positions whose terms expire at the 2019 Annual Membership meeting in April. Thank you to these members for their willingness to serve: **Glen Vander Schel, Marty Van Vliet, LeeAnn Huff, Willard Prather, Kim Vande Voort, Cathy Steenhoek, Gary Van Genderen, Douglas Maasdam, Tim Smith and Carl Van Zee.**

The Nominating Committee considers the points below when reviewing qualifications for candidates.

Any person, to become and remain a Directors of the Cooperative shall, among other things:

1. Comply with applicable requirements of law, the Cooperative's Articles of Incorporation and Bylaws, the Cooperative's duly adopted policies, and the Cooperative's duly made decisions;
2. Assume a fiduciary duty to act, in good faith, in the best interests of the Cooperative and its members;
3. Be loyal to the Cooperative and not have conflicting commercial or personal interests;
4. Possess the minimum knowledge and skills necessary to manage the affairs of the Cooperative;
5. Be willing to devote such time and effort to the duties of a Director as may be necessary to manage the Cooperative's affairs;
6. Be able to represent the entire membership on an impartial basis;
7. Be willing and able to attend regularly scheduled and special meetings of the Board of Directors, national, state, and other meetings of organizations with associated interests that further the Cooperative movement; training institutes or seminars which will aid in keeping him/her well informed on matters affecting the Cooperative; and
8. Not use, or cause to be used, his/her position as Director to further any political or business ambition.

'Tis the Season... to Stay Safe



This is the season to be jolly, but many times others are more concerned about their jolliness than yours!

When out and about this holiday season, remember these shopping safety tips:

- Always be aware of who is around you. Keep your eyes peeled!
- Do not leave anything visible in your car. Be sure to lock the car, close the windows, and hide shopping bags and gifts in the truck.
- Shop early in the day to avoid excessive crowds. If you must shop in the evening, shop with a friend.
- Keep your money safe.
- Carry your purse in front of you, next to your body, with

the purse flap against you.

- Carry your wallet in your front pocket.
- Carry only the charge cards you will need.
- Do not carry large sums of cash. When charging an item, ensure you get your credit card back.
- Don't overload yourself with packages and don't allow your attention to be distracted from your purse or packages.
- Park in well-lit areas, as close as possible to store entrances.
- Be particularly aware of persons in the parking lot, especially anyone near your car.
- Try not to park next to large vehicles (such as vans, trucks, and SUVs) where people could surprise you.
- Shopping with kids? Teach your children to go to a store clerk and ask for help if you become separated in a store or shopping mall.
- Don't hesitate to notify store security if you see suspicious activity.
- If you have to wait for a ride, wait in a busy, well-lit place.
- If you are a victim of a crime, report it to the police immediately.

Stay safe this holiday season and enjoy the time with family and friends.

Pella Cooperative Electric
Your Touchstone Energy® Cooperative

Sometimes, keeping up with the Joneses is about keeping your electric bills down.

When you save energy, it helps our entire co-op lower its costs. Find out what you can do at TogetherWeSave.com, and spread the word to your neighbors.



Don't Space Out About Using Electric Space Heaters

When used properly, space heaters can make your living area nice and cozy. While space heaters may be a good option to supplement your home heating, they can also increase your electric bill when used regularly. If you must use an electric space heater, use it in a small area. Space heaters are not designed to heat your entire home.

Before purchasing an electric space heater, it's important to know how many watts the space heater draws. The higher the wattage, the more heat it will deliver but the more it will cost to operate. Most portable heaters do not exceed 1,500 watts because a higher wattage would overload a typical 15-amp outlet and likely trip a breaker or blow a fuse.

Know the size of the room you plan to heat with your electric space heater. A 1,500-watt heater can heat a room that's about 150 square feet. We do not recommend the use of multiple electric space heaters because that could dramatically increase your electric bill.

For example, one 1,500-watt electric space heater used 5 hours a day at .101 cents/kwh costs approximately \$1.21 per day to run. It might not sound too expensive until you multiply that by 31 days per month which would add \$36.87 to your bill.

Please remember that space heaters can be expensive to run, and they can also be dangerous if they are not carefully monitored. To significantly reduce the risk of fires, many manufacturers equip their electric heaters with cool-to-the-touch surfaces and other advanced safety features for secure operation. Some space heaters feature an internal switch that automatically shuts off the power if the heater is accidentally tipped over or knocked down.

Overheat protection, another invaluable safety function, is also included with most newer space heater units. This switch serves as a sensor that automatically turns the heater off if the internal components reach an unsafe temperatures.

Always read the manual of your space heater and make sure you are using it properly.



Wrapping up the Holidays

PREVENTING WINTER FIRES

Nearly half of home fires occur during the months of December, January, and February. Keep your home and family safe after the holidays with these post-holiday year-end tips.

- 25%** of holiday fires are caused by decorations
- 210** home fires a year are caused by Christmas trees
- Never** leave holiday decorations on while sleeping or away from home
- Fires caused by Christmas trees are usually deadlier than other fires
- Inspect and dispose of any damaged decorations
- Decorations are temporary, remove them after the holidays
- Separate and label indoor and outdoor decorations
- Arc-Fault Circuit Interrupters can prevent 50% of home electrical fires
- Store decorations in a dry location that is safely out of reach of children and pets

1st WEEK Remove, inspect and store all holiday decorations by the 1st week of January

ESFI.org | www.facebook.com/ESFI.org | www.twitter.com/ESFI.org | www.youtube.com/ESFI.org

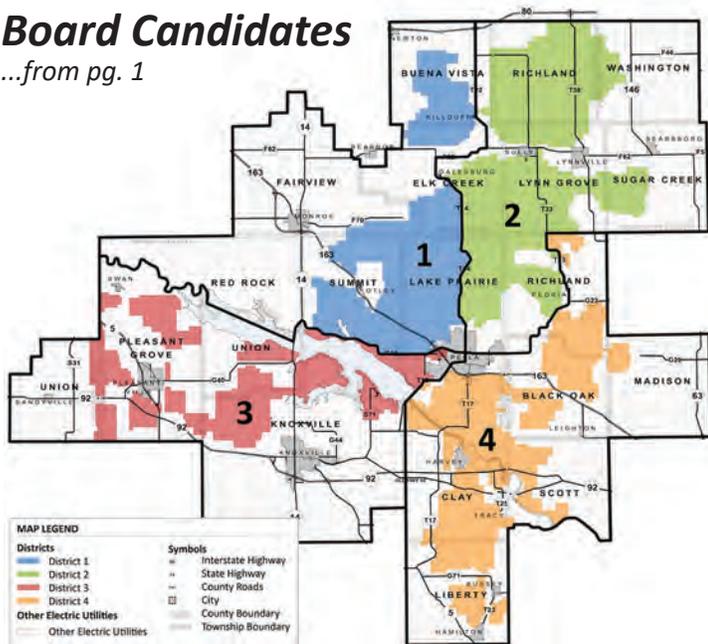
Bright Idea



Heading out of town for the holidays? Remember to unplug electronics that draw a phantom energy load. Some gadgets, like TVs, gaming consoles, chargers and DVD players use energy when plugged into an outlet – even when they're not in use. *Source: energy.gov*

Board Candidates

...from pg. 1



"Any fifty (50) or more members may make other nominations in writing over their signatures not less than thirty-five (35) days prior to the meeting at which the directors are to be elected, and the Secretary shall post the same at the same place where the list of nominations made by the committee is posted; such nominations made by such members to be subject to the same qualifications, district and residence requirements as nominations by the Nominating Committee heretofore prescribed."

The board takes the business of Pella Cooperative very seriously and provides a voice for our members on matters of operational policy and procedures. Voting will take place at the 2019 annual meeting.



Heat your home safely.

Efficient electric heat pumps and water heaters don't use a flame – eliminating the risk of carbon monoxide poisoning, exhaust fumes and gas leaks. Visit our website to learn more about the benefits of going electric – and find rebates on new equipment.

Pella Cooperative Electric

Your Touchstone Energy® Cooperative



It Takes 70 Billion Kilowatt Hours a Year to Run the Internet



America's myriad server farms and data centers operate 100 million drives that hold 350 million terabytes of data – everything from your decade-old emails to the collected offerings of Netflix.

A report from the Department of Energy's Lawrence Berkeley National Laboratory figures that those data centers use an enormous amount of energy – some 70 billion kilowatt hours per year. That amounts to 1.8 percent of total American electricity consumption. At an average cost of 10 cents per kilowatt-hour, the annual cost of all that juice is on the order of \$7 billion.

Seventy billion kilowatt hours is such a giant number that it's helpful to put it into some other terms. For comparison purposes, 1 kWh is enough power to keep 10 100-watt light bulbs illuminated for one hour, or to keep your smartphone charged for an entire year.

To generate 70 billion kilowatt-hours, you'd need power plants with a baseload capacity of 8,000 megawatts — equivalent to about eight big nuclear reactors, or twice the output of all the nation's solar panels.

Sliced up per capita, the average American uses about 200 kWh a year for internet use, costing about \$20. For those of you obsessed with carbon footprints, your internet use is responsible for the emission of about 300 pounds of carbon dioxide per year.

But our internet addiction is only growing. According to Nielsen, the average adult in the United States spends 10 hours and 39 minutes a day consuming digital media. That's up an hour a day in the past year. And we're spending most of that additional time peering at our smart phones, which now occupy us for an hour and a half each day.

Source: Forbes

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Pella Cooperative Electric is a not-for-profit, member-owned electric cooperative. The co-op exists to provide electric service at cost. It is the members (anyone who gets electricity from the cooperative), not outside investors, that own and control the co-op. Cooperatives are governed by a member-elected Board of Directors. This institution is an equal opportunity provider and employer.

Board of Directors: Bryce Arkema, Darrell Boot, Carroll Hoksbergen, Steve Inskeep, Bob Van Soelen, Norman Van Zante, Duane Ver Ploeg, and CEO Jon Miles.