PEC is distributing more than $13 million in capital credits to members in December

The Board of Directors voted to distribute up to $13.4 million in capital credits this year. This amount represents the maximum PEC can distribute under the Cooperative’s bond indenture.

Part of the unique relationship between a not-for-profit co-op and its members is that members share in a co-op’s financial performance. When revenues exceed expenses, the Co-op earns margins rather than profits. These margins are assigned to each member in the form of “capital credits.” Capital credits reflect your ownership in PEC, which uses capital credits to fund operating activities and reduce borrowing. When financial conditions allow, PEC returns these funds to members. Capital credits are based on the dollar amount of electricity that a member purchases, so the distribution amount varies from member to member.

The Board of Directors’ revised Capital Credits Policy allows for the following 2011 distribution:

- The estates of deceased members will receive an estimated total distribution of $600,000.
- Members who accumulated capital credits in 1977, 1978, and 1979 will receive 100 percent of their capital credits for those years. This distribution will be approximately $6.8 million.
- The total distribution for current members will be approximately $6.1 million. Members who accumulated capital credits in 2010 will receive a portion of their credits discounted to about 16 percent, which represents the net present value of their credits. Members may opt out of their discounted 2010 capital credits if they prefer to receive the full value of those credits in a future distribution, which PEC predicts to be on a 30-year cycle.

Opt-out process
Any member who accumulated capital credits in 2010 may opt out and elect to defer their discounted distribution until such date as the distribution at full value would otherwise occur.

How to opt out
1. Call PEC at 1-888-554-4732 within 30 days of the date your bill was issued.
2. Tell the Member Services representative you want to opt out of your 2010 capital credits distribution.
3. Answer a few simple questions so we can quickly identify your account and remove the bill credit from your December bill.
4. Once the bill credit is removed, you will be informed of your adjusted December balance.

Members who accept the discounted distribution do not need to take any action. Your portion of this distribution appears on your December bill as a bill credit.

Members who accumulated capital credits in 1977, 1978 and 1979 are receiving their distribution at full value for those years.
How to identify your capital credits distribution

Example of ‘77, ‘78, ‘79 and ‘10 distributions

The highlighted area shows where you will see your capital credits distribution. Area will not be highlighted on your actual bill.

Example of 2010 distribution

PEC is distributing more than $12 million in capital credits to members and former members in December. Capital credits accumulated in 2010 are being discounted to about 16 percent. Members may opt out of this distribution if they prefer to receive full value in a future distribution, which PEC predicts to be on a 30-year cycle. To learn more, call 1-888-554-4732.

More capital credits information is available at www.pec.coop.
PEC’s journeyman team of Brian Magott, Andy Ridge and Bubba Williams took third place overall in the Cooperative Division at the 28th annual International Lineman’s Rodeo.

PEC team takes third at international event

We are proud to honor and celebrate PEC linemen Chuck Wooldridge, Brian Magott, Andy Ridge and Bubba Williams, who represented the Co-op at the International Lineman’s Rodeo on Oct. 15 in Bonner Springs, Kansas.

More than 700 linemen from all over the world competed at the event. Wooldridge competed as an apprentice and PEC’s journeyman team of Magott, Ridge and Williams competed in four events, earning four perfect scores.

The team returned home with a third-place overall finish in the Cooperative Division.

“This was the first time in the history of PEC we had a team participate in the international event,” said PEC Chief Executive Officer RB Sloan, who made the trip to Kansas to support the team. “I had the opportunity to witness their performance, and the only word I can think of to describe their efforts is ‘phenomenal’.”

Co-op safety instructors Cody Jennings and Robby Lewis also traveled to Kansas to serve as judges and to attend the event’s safety and training conference.
Join the Co-op’s Facebook conversation!

“Like” us to keep up with your PEC community and take advantage of new social media features

At your Co-op, we are continuing to find new ways to quickly and easily inform, communicate and interact with you and 200,000 other members. PEC is now on Facebook, helping us interact with our PEC community online.

Since joining Facebook, PEC is able to share Co-op news and events, and members are able to share their feedback.

With Facebook, you can connect with your Co-op and fellow members, see the latest programs we offer and learn more about the benefits of Co-op membership.

Simply search for Pedernales Co-op to find us and start connecting today!

Get the latest PEC news, updates and information by following us on Facebook, Twitter, LinkedIn and YouTube, or simply subscribe to our RSS feed.

What’s your PEC memory?

The Co-op’s 75th anniversary is quickly approaching! Help us celebrate, remember and preserve the memories of our Co-op by sharing your stories.

Explore the history of PEC at www.pec.coop/history. Call (830) 868-4961 or email your story and photos to PECmemory@peci.com.

What do you think about rates?

We will kick off a new cost-of-service study early in 2012.

Your opinion is valued! There will be opportunities for input. Stay tuned for more information.
Celebrate the holiday season with safe holiday décor and lighting, as the holiday season brings an increased risk for home electrical accidents and fires. Prevent danger by following our holiday safety tips.

Outdoor safety tips
- Inspect light strands and other electrical decorations. Cracked or frayed wires can lead to shock and potentially start a fire.
- Check the box or packaging to ensure lights are approved for outdoor use.
- Never nail or staple light strings or extension cords, as doing so can lead to electrical shock or burns. Use plastic clips that can snap to eaves and shingles.
- Before hanging lights, check how many strands can be connected. It’s recommended to not string more than three incandescent strands together.
- Watch out for electrical wires when decorating! Contacting high-voltage lines can lead to serious injury or death.

Indoor safety tips
- Do not overload outlets, extension cords or power strips.
- Never run extension cords or wires under carpets or rugs, which can cause fraying.
- If you celebrate with a natural Christmas tree, make sure the tree is properly watered. A dry tree is more likely to catch fire.
- Turn all electrical decorations and lights off before leaving your home or going to bed.

Avoid the hazards of holiday decorating

Offices closed for the holidays

In observance of the upcoming holidays, all PEC office lobbies and drive-through lanes will be closed the following days:

Christmas, Monday, December 26
New Year’s Day, Monday, January 2

We are available 24/7 at 1-888-554-4732 and through our website, where you can conveniently pay your PEC bill or request services. Enjoy the holidays and have peace of mind — our crews will be on standby in case of electric service emergencies. We wish you and your family a safe and happy holiday season!
Recycle your tree and spread cheer all year long

The Co-op is recycling natural, undecorated Christmas trees again this year.
This free service is part of our Green Works conservation initiative and continued efforts to enrich our local communities. We will mulch donated trees and distribute the chips to enhance and beautify playgrounds and parks throughout our 8,100-square-mile service area.

We encourage members and the community to drop off their trees from Dec. 27, 2011, to Jan. 6, 2012, during regular business hours at our following offices: Bertram, Canyon Lake, Cedar Park, Junction, Kyle, Lake Travis, Liberty Hill, Manchaca, Marble Falls and Oak Hill.
Visit us online at www.pec.coop for directions to our offices.

PEC’s energy-efficient lights shine all month long!

The Co-op continues the tradition of brightening the holidays with its brilliant display of energy-efficient white lights. We invite you to visit our E. Babe Smith Headquarters Building through New Year’s Eve to enjoy the festive and energy-wise display.
A little heat can go a long way

Small space heaters can be a smart, cost-effective way to heat a single room, rather than your whole house. Look for space heaters that are both energy efficient and safe:

- Purchase heaters that have current safety features. Make sure the heater has the Underwriter’s Laboratory (UL) label attached to it.
- Choose a thermostatically controlled model to avoid overheating and wasting energy.
- Look for a unit with a tip-over safety switch, which shuts off the heater if it is tipped over.

Energy-saving incandescents
These new bulbs have a capsule inside that holds gas around a filament, which makes the bulb 25 percent more efficient and last up to three times longer than traditional incandescent bulbs.

Compact fluorescent lamps (CFLs) ENERGY STAR-qualified
CFLs use 75 percent less energy, last 10 times longer than traditional bulbs and typically pay for themselves in nine months.

Light emitting diode (LED)
LED bulbs use up to 80 percent less energy than the old incandescents they replace and last 25 times longer.

Savings
Beginning in 2012, light bulbs sold in the U.S. will typically use about 25 to 80 percent less energy. Upgrading 15 incandescent bulbs in your home could save about $50 per year!

QR codes take you straight to the source
Look for QR (short for quick response) codes in future Co-op communications! Simply download a QR reader on your cell phone, and it will scan the code and send you directly to information on our website, www.pec.coop.