

CONNECTIONS NEWSLETTER

YOUR TRUSTED ENERGY PARTNER

AUGUST 2019



ADAMS-COLUMBIA
ELECTRIC COOPERATIVE



A Touchstone Energy® Cooperative

Patronage Capital Retirements

ADAMS-COLUMBIA ELECTRIC COOPERATIVE

Your source for Co-op news and information.

PATRONAGE CAPITAL RETIREMENTS

WHAT IS PATRONAGE CAPITAL?

To answer this, you have to know a bit about co-ops. Co-ops are not for profit organizations that are owned by their members. This means they do not exist to generate profits for a group of investors. As a co-op, ACEC's job is to bring our members reliable power and other services at an affordable cost.

NOW, ON TO PATRONAGE CAPITAL.

This is something that is unique to co-ops. Remember, we are not for profit, so basically, any profit we would make is returned to our members. This is called Patronage Capital. It's what's left of the revenue after all the expenses have been paid at the end of the year. We divide this among all members based on the amount you pay on your bill. Think of it this way, if you use a lot of energy every year - you get a bigger piece of the "patronage pie". This is your Patronage Capital Allocation and you saw this notice on your bill in the spring.

PATRONAGE CAPITAL RETIREMENTS.

The next part is the actual refund. Unfortunately, we cannot return the total allocation amount to our members immediately - the co-op would not be able to function. We have to keep some funds on hand for operating expenses and co-op needs, like equipment maintenance and repairs from storm damage.

SO HOW MUCH GETS RETURNED?

The Board of Directors evaluates the financial needs of the co-op every year and determines how much patronage can be returned to members. This year the board authorized \$2.2 million for retirements. Most co-ops are on a 20-25 year schedule for retirements. Here's a scenario of how it works: if we're looking at a 20-year schedule and the year is 2020, you would receive a retirement for all the patronage you were allocated in the year 2000. This year ACEC will be returning patronage remaining from the years of 1999, 2000, and a portion of 2001.

REMEMBER...

Patronage Capital is yours to keep! Any allocation you receive will be returned to you whether you remain an ACEC member or move off our lines. So, be sure to update your address and keep it current.

Save
THE
Date

FALL FEST

Join us for Fall Fest on Saturday, October 5! This event will be held at Leatherberry Acres in Baraboo. There will be fun for the whole family including great activities like a corn maze, petting zoo, pumpkin cannon, and so much more. Look to future publications for more information!

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NEWS & INFORMATION

THE COOPERATIVE DIFFERENCE

In the 1930s, electricity was mainly found in cities, but that was just about the only place. Why? Because the companies that provided service knew it would cost too much to serve rural areas. Cities guaranteed lots of customers in one area. Bringing electricity to farmers was just out of the question, which left as many as nine out of 10 rural homes without electricity.

In 1935, President Roosevelt signed Executive Order No. 7037 establishing the Rural Electrification Administration (REA). This order drove a program which would lend federal aid to build lines and bring electricity to these rural locations. However, even with the lending program, existing investor-owned electric companies were not interested. Why spend so much money to bring electricity to just a few customers?

Farmers and neighbors in rural areas started holding meetings to see how they could bring electricity to their homes. These people banded together creating, you guessed it, a cooperative! Thanks to these co-ops and the REA funds used to build lines, by 1953, 90 percent of U.S. farms had electricity.

Today, electric co-ops continue with the same values. Our purpose remains to bring our members reliable electric service at the lowest possible cost. When you think cooperatives, we hope you think neighbors, farmers, and friends.

Going the Extra Mile

Electric cooperatives maintain more miles of power lines per consumer than other types of electric utilities. Even though they serve fewer consumers and acquire less revenue, electric co-ops always go the extra mile to power the communities they serve.



Electric Co-ops



Consumers served per mile: **8**
Revenue: **\$19,000**

Other Electric Utilities



Consumers served per mile: **32**
Revenue: **\$79,000**

Sources: EIA, 2017 data. Includes revenue and consumer averages per mile of line.



STUFF THE BUS

Every year ACEC helps collect donations of school supplies for local students in need. The goal is literally to "stuff a school bus" with school supplies!

If you would like to donate, you can drop off school supplies at our Friendship office.

The school supplies drive begins July 15th and ends August 9th.

Items listed below are especially needed.



- Notebooks
- Folders
- Filler paper
- Backpacks
- Erasers
- Headphones
- Markers
- Pencil pouches
- Colored pencils
- Watercolors
- Scissors
- Glue sticks



SEPT 02

Labor Day
Our office will be closed for the holiday.

SEPT 17

Jay's Discussion Days
Visit our CEO, Jay Porter, between 8:00am - 11:00am in Wautoma - N1519 State Rd 22, and between 1:00pm - 4:00pm in Pardeeville - W6290 State Rd 33

SEPT 05

Fall Fest
Save the date for Leatherberry Farms!

CALENDAR OF EVENTS

