



# The CHECK'S in the Mail!

If you were a member in 2010 and haven't received your CAPITAL CREDIT check or bill credit--YOUR check will NOW be mailed in June. Due to the overwhelming response of checks already picked up by members and for cost effectiveness, the timeline has been moved from August to June. We will not be having additional events to distribute checks.



A Touchstone Energy Cooperative 

To Pioneer, you're more than just a customer – you're also a **member & part-owner in the Cooperative**. Patronage capital, or capital credits, represents your equity ownership in the Cooperative.

A part of your electric bill payment is retained by the Cooperative as margins, or money left over after all bills have been paid. Pioneer uses margins for capital expenditures, such as building or replacing lines, new substations, and other electric infrastructure investments. After being used by the Cooperative as working capital, the money is returned to members as patronage capital.

Patronage capital is similar to earning a dividend from a company in which you own stock. Patronage capital is allocated to members in proportion to the dollar amount of electricity each member uses. Pioneer Electric Cooperative has a strong record of annually returning patronage capital. With this year's record retirement of \$2.8 million we will have refunded nearly \$27 million.

Member-owned, not-for-profit electric cooperatives like Pioneer set their electric rates to bring in enough money to pay operating costs, make payments on any loans and provide an emergency reserve. At the end of each fiscal year, we subtract operating expenses from the total amount of money collected during the year and this balance is our "margins." This Member Economic Participation is one of the seven Cooperative Principles.