

# POWERLINE

NEWSLETTER FOR CO-OP MEMBERS OF CORN BELT ENERGY



## \$3 million in capital credits returned to members

Corn Belt Energy retired – or paid out – \$3 million to co-op members like you across portions of 18 counties served by the co-op.

When you signed up to receive electric service from Corn Belt Energy you became a member of an electric utility. While investor-owned utilities often return a portion of any profits back to their shareholders, electric co-ops operate on an at-cost basis. So instead of returning leftover funds, known as capital credits, to people who might not live in the same region or even the same state as you do, Corn Belt Energy allocates and periodically retires capital credits (also called patronage dividends, patronage refunds, patronage capital, or equity capital) to our member/owners based on how much electricity you purchased during a year.

Over our 82 year history, patronage funds have helped us keep rates affordable, reduced the amount of money we needed to borrow from outside lenders to build, maintain, and expand a reliable electric distribution system, and covered emergency expenses.

Corn Belt Energy's capital credit returns have typically been distributed in the form of a check. This year, Corn Belt Energy has

decided to expedite the process and return capital credit money to each member in the form of a bill credit to the member's account. To receive the capital credit retirement, the member must be an active and current member at the time of the capital credit return and must have received electricity from Corn Belt Energy in 2018 and 2019.

For more information about capital credits, please refer to the following frequently asked questions.

### WHAT ARE CAPITAL CREDITS?

An electric cooperative operates on an at-cost basis by annually "allocating" to each member, based upon the member's purchase of electricity, operating revenue remaining at the end of the year after all expenses have been paid. Later, as financial condition permits, some or all of these allocated amounts—capital credits—are retired. Capital credits represent the most significant source of equity for Corn Belt Energy. Since a cooperative's members are also the people the co-op serves, capital credits reflect each member's ownership in, and contribution of capital to, the

cooperative. This differs from dividends investor-owned utilities pay shareholders, who may or may not be customers of the utility.

### WHERE DOES THE MONEY COME FROM?

Member-owned, not-for-profit electric co-ops set rates to generate enough money to pay operating costs, make payments on any loans, and provide an emergency reserve. At the end of each year, we subtract operating expenses from the operating revenue collected during the year. The balance is called an operating "margin." Margins are allocated as capital credits.

### HOW ARE MARGINS ALLOCATED?

Margins are allocated to members as capital credits based on their electric kilowatt purchases from the

Corn Belt Energy returned **\$3 million** in capital credits to active members in June 2020.

## HOW DO CAPITAL CREDITS WORK?



Corn Belt Energy tracks how much electricity you have used and purchased throughout the year.



At the end of the calendar year, Corn Belt Energy evaluates the cooperative finances to determine if there is excess revenue.



Corn Belt Energy allocates the excess revenues as "capital credits" to members based on how much electricity you used and purchased.



If the financial conditions allow, Corn Belt Energy's Board of Directors will pay out the capital credits to members in the form of a bill credit.

cooperative—how much power the member used. Member purchases may also be called patronage.

### ARE CAPITAL CREDITS RETIRED EVERY YEAR?

Each year, the Corn Belt Energy Board of Directors makes a decision on whether to retire capital credits based on the financial health of the cooperative. During some years, the co-op may experience high growth in the number of new accounts, or severe storms may result in the need to spend additional funds to repair lines. These and other events might increase costs and decrease member equity, causing the board not to retire capital credits. For this reason, Corn Belt Energy's ability to retire capital credits reflects the cooperative's strength and financial

stability. The board alone decides whether to retire capital credits.

### HOW MUCH WILL BE RETIRED IN TOTAL IN 2020?

\$3 million was retired in 2020.

### HOW MUCH HAS CORN BELT ENERGY PAID IN TOTAL CAPITAL CREDIT RETIREMENTS SINCE IT BEGAN IN 1938?

Corn Belt Energy has paid nearly \$50 million in capital credits retirements to current and former members to date.

### HOW OFTEN DO MEMBERS RECEIVE CAPITAL CREDIT RETIREMENTS?

The Corn Belt Energy Board of Directors makes a decision each year whether or not to retire capital

credits. When the cooperative is strong enough financially and member equity levels high enough, the board directs staff to retire some portion of past years' capital credits.

### HOW WILL THE RETIREMENT WORK?

Active members as of the June 2020 retirement who purchased electricity in 2018 and 2019 will receive a bill credit on their account.

### WHAT IF I HAVE ADDITIONAL QUESTIONS?

If you have additional questions about the Corn Belt Energy capital credit retirement, please contact us at 1-800-879-0339.

## Monitor your hourly energy use

If you receive electricity from Corn Belt Energy, you can access your usage data online! As your electric co-op, we're here to help you use energy wisely, and SmartHub is a great way to track your usage, down to the hour.

### Getting Started

Go to [www.cornbeltenergy.com](http://www.cornbeltenergy.com) and log in to your eBill account by clicking the "Account Log-in" link along the top and enter your username and password. If you

don't have an account, setting up a new one is fast and easy.

Once you're logged in, click the "Usage&Billing" text link to access SmartHub.

You can view your electric consumption by month, day or hour. You can even overlay temperature data to see how the weather impacts your heating and cooling costs.

### For more information

For a quick video overview of how to use it, go to [www.youtube.com/cornbeltenergy](http://www.youtube.com/cornbeltenergy)

If you have questions or concerns about your electric consumption, call us at 800-879-0339 and speak to a member service representative during normal business hours.

# Corn Belt Energy supports COVID-19 relief efforts locally

Corn Belt Energy's Board of Directors approved a grant of \$15,000 for the Feeding B-N and Beyond program and a grant of \$5,000 for the Starved Rock Community Foundation's COVID-19 Recovery Fund as a part of the Sharing Success program.

The Sharing Success program, a matching grant opportunity in partnership with CoBank, is one of Corn Belt Energy's most unique community programs and is designed to enhance the vital role that electric cooperatives play in individual communities across the country.

"The COVID-19 pandemic has created unprecedented challenges for local communities. Because of this, CoBank has increased the Sharing Success matching and increased the amount in which partnering electric cooperatives may contribute. As the name implies, the Sharing Success program is an opportunity for Corn Belt Energy to share its own financial stability with deserving organizations throughout our communities," stated Don Taylor, Corn Belt Energy President & CEO.

This year, the increased amount allowed Corn Belt Energy and

CoBank to donate a total of \$20,000 to provide COVID-19 relief to local communities served by Corn Belt Energy.

The Corn Belt Energy Sharing Success grant for the Feeding B-N and Beyond program, which is managed by the United Way of McLean County, will support school food program supplementation, grass roots efforts such as "Feed Blo-No Kids", and create support for those disrupted by the COVID-19 pandemic. To date, Feeding B-N and Beyond has supported five school districts by purchasing over 1,500 pounds of fresh produce, served over 74,775 meals, and provided over 1,150 food boxes and 800 masks to local volunteers.

Corn Belt Energy's Sharing Success grant for the Starved Rock Community Foundation will go to support the Starved Rock Country COVID-19 Recovery Fund to help support those directly impacted by COVID-19.

"We are fortunate to have the generous support of CoBank and we are thankful for the contributions enabling us to help make our communities a safer, better place to live, and help those in need during a time of crisis," stated Taylor.



**Ashley Dillman**  
Work Order Specialist

*How long have you worked at Corn Belt Energy?*  
**Less than 1 year**

*What is your role at Corn Belt Energy?*  
**I work in accounting, keeping track of work order and material expenses. I also help with fleet expenses.**

*What aspect of your role do you enjoy the most?*  
**The work environment and the people. I also enjoy the fact that every day is different.**

*If there is one piece of advice that you could share with our members, what would it be?*  
**My personal advice would be to always be kind to one another.**

*Corn Belt Energy puts SAFETY FIRST. What safety tip would you share with our members?*  
**I would recommend that everyone learn CPR and first aid.**

*What are your hobbies and outside interests?*  
**I like to read, go to movies, and attend concerts. I also like trying new foods.**

*Who or what inspires you?*  
**My children Reygan and Noah inspire me to always keep trying, keep pushing forward, and to be the best person I can be.**

*If you had to select a hashtag to describe yourself, what would it be?*  
**#boymom**

*Is there anything else that you would like to share with our members?*  
**I'm really glad to be part of the Corn Belt Energy team, and am looking forward to growing and learning in my role here.**

## ENERGY EFFICIENCY REBATES

Find energy efficient rebates and incentives that may apply to your home, business, farm or school. The Corn Belt Energy rebate programs include: HVAC, heat pump water heaters, air source heat pumps, geothermal as well as commercial and industrial.

**Learn more about the rebates offered by contacting Corn Belt Energy at [www.cornbeltenergy.com](http://www.cornbeltenergy.com) or by calling us at 800-879-0339.**



## Summer safety tips

### Avoid power lines

Overhead wires enter houses and buildings at places called service drops. Service drops are not insulated, so never attempt to touch these wires.

Storms or accidents can sometimes cause power lines to fall to the ground. Assume any wire lying on the ground is carrying electricity and stay away from it. If you spot a downed wire, immediately call your local police and Corn Belt Energy, and keep others from getting near the downed wire until help arrives.

### Tree safety

Tree limbs that grow up near power lines can be unsafe. If you climb such a tree, you could get hurt from electrical shock. Never trim trees

near power lines – if you see a tree growing too close to power lines, contact Corn Belt Energy to report it.

### Hot tubs and pools

Water and electricity never mix! Keep electronics like radios away from pools and hot tubs, and watch for overhead power lines when cleaning pools, sailing or fishing. Never install pools underneath or near power lines. Never touch an electrical appliance if you are wet; always dry off completely.

### Outdoor electronics

Be careful when using electrical appliances outdoors. Whether it's a bug zapper, an electric charcoal lighter, or a radio or CD player, use



outlets that have weatherproof covers and ground fault circuit interrupters (GFCI) to prevent serious shock injuries. Use portable GFCIs for outdoor outlets that don't have them.

### Kites and balloons

Since overhead power lines are not insulated, a kite or balloon string can conduct electricity to the ground. If a kite gets stuck in a tree that is near power lines, do not climb up to get it. Fly kites and model airplanes in large open areas like a park or a field.

If you have any questions about safety around power lines, transformers or other electrical equipment, please call us at 800-879-0339.

## CONTACT US

1-800-879-0339 | [cbec@cornbeltenergy.com](mailto:cbec@cornbeltenergy.com) | [www.cornbeltenergy.com](http://www.cornbeltenergy.com) |    
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