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EnerStar Welcomes New Apprentice Lineman

Last month, EnerStar welcomed Connor McCollum to the co-op family in the position of apprentice lineman.

Connor is a 2016 graduate of Charleston High School and later graduated from the North American Lineman Training Center, located in Mc Ewen, Tenn. There he earned his lineman certificate.

We are happy to have him with us and wish him the best of luck as he works through his apprenticeship.



A Touchstone Energy® Cooperative

11597 Illinois Highway 1
Paris, IL 61944
800-635-4145
Monday through Friday
7:30 a.m. to 4:30 p.m.



Focused on YOU.

Electric cooperatives were created to serve their members. Because we're a co-op, we're able to adapt to our community's unique needs. That's the power of co-op membership.

**OCTOBER IS NATIONAL
CO-OP MONTH**

PAYMENT OPTIONS FOR ENERSTAR MEMBERS

As a member-owned and operated electric cooperative, EnerStar Electric Cooperative exists to serve you. We offer several convenient ways to pay your monthly billing statement. And if you need to set up a payment plan that works for your budget, get help making ends meet, we have options to assist you. Let's work together to find the right choice for you!



ONLINE AT ENERSTAR.COM

EnerStar members have the option to pay their bill online by logging in to the member portal. Click on "Manage My Account" at the top of the page. Members can pay online with a debit/credit card or e-check. There are NO fees to make an online payment on our website. Remember, if you use a different third-party payment system that you find online, please be aware that payments made through these systems are delayed and can take up to a week before EnerStar receives the payment. There are often fees associated with these services.



SMARTHUB APP

EnerStar members rave about our SmartHub app! The free, secure app lets members see their billing and usage history and allows them to manage their account. Everything you can do online, you can do through the app, even report a power outage with a click of the button.



AUTOPAY

Save time and make things easy with Autopay, either through e-check or your debit/credit card. Sign up online or via our SmartHub app.



PAY BY PHONE

Simply call 888-999-4201 and use our free automated payment system. You can even store your payment source for future use.



PAY BY MAIL

Return your payment in the envelope enclosed with your billing statement. Be aware of mail times that sometimes can be delayed. We post payments each business day.



REMOTE PAYMENT LOCATIONS

EnerStar members can use either MoneyGram or InComm to make instant cash payments. Locations include Walmart, Dollar General, CVS and more. There is a fee charged by the provider of \$1.50.

*Sign up for
paperless get a \$5
bill credit!*

Capital credits – things for members to know

EnerStar Electric Cooperative is a not-for-profit cooperative, and if you receive electric service from us, you are a member-owner! Unlike other electric utilities, your co-op exists to make sure your needs are always met, not to make a profit.

At the end of the year, after the revenues have been collected, all the expenses have been paid, and the books have been audited, the remaining margins (called profits outside the nonprofit world) are allocated to members based on their previous year's usage from the co-op. We call these allocations "capital credits," and it is something truly unique to member-owned cooperatives!

What are capital credits?

Capital credits represent the member's individual share of ownership, or equity, in EnerStar. The allotted amount is held in each members' capital credit fund. It is not cash and cannot be used towards payment on your account.

What are capital credits used for? Capital credits help finance a variety of long-term capital needs including trucks, poles, power lines, inventory, equipment, transformers, and power line construction and maintenance ... all those things needed to provide you with safe, reliable electricity. Until refunded, they remain assigned to you as a credit on our books with the intent that this capital will be repaid in later years.

When are capital credits refunded? The co-op board of directors, elected by the co-op membership, reviews the financial health of the cooperative each year to determine if it is financially feasible to authorize a retirement. Capital credits can only be redeemed in cash when authorized by the board of directors through a general retirement or a special estate retirement.

EnerStar has refunded over \$8.3 million dollars to its members. This is done in a combination of two processes: general retirements and special retirements to decedent estates.

- 1. General retirements** — General retirements of capital credits normally cover a certain time period. If your account was active and you were paying an electric bill during the authorized year(s) of the retirement, EnerStar will mail you a capital credit refund check.
- 2. Special retirements to decedent** — Special estate retirements are the early retirement of capital credit accounts to a deceased member's estate before they have been retired. If the membership is joint, both members must be deceased to receive the refund. To request an early special retirement, the legal representative of the estate should contact the cooperative. There are two options available for the payment of capital credits:
 - **Option 1** — Normal retirement. Simply stated, the capital credits will be retired using the same rotation cycle as all other members at 100% value.
 - **Option 2** — Early retirement. A lump-sum payment is offered. If selected, a calculation is first performed to determine the current discounted value of the future payments discussed in Option 1.

More information on capital credit retirements for decedent estates

Processing the retirement of capital credits for a decedent's estate is governed by Illinois law and the cooperative bylaws. Should you still have unretired capital credits in the cooperative at the time of

your death, an EnerStar representative will work with your heirs on the paperwork required.

An alternative, less cumbersome method of distributing the capital credits of a deceased member is available through an Illinois statute called The Uniform TOD [Transfer on Death] Security Registration Act. This law allows the member to designate a beneficiary for his/her capital credit account by filling out a beneficiary designation form.

Payable on Death (POD) Form

We encourage you to complete a POD form. You can tear out this sheet in the magazine and complete the form on the next page. We will also be enclosing POD forms in the October billing statements. Simply mail it back to the office or drop it in with your payment.

Upon the death of the member, the beneficiary should contact EnerStar, at which time we will review their refund options. Capital credits will be paid to the designated beneficiary with no further paperwork other than a copy of the death certificate of the member (or members if it was a joint membership) and proof of identity of the designated beneficiary. This simple process saves much time and effort later.

If you ever want to change or cancel the beneficiary in the future, simply contact the EnerStar Member Services Department. The form can be rescinded or the beneficiary changed at any time the member so chooses.

Have further questions? Call us at 800-635-4145 or email billing@enerstar.com. Also of special note, consult legal counsel for specific advice on this issue as well as all other matters of estate planning.

Payable on Death - Designation of Beneficiary

Illinois Uniform TOD Security Registration Act 815 ILCS 10/0.01 et. seq.



Member Information: (Please print legibly)

| | | | |
|---------------------------------|--|-------------------|--|
| Customer Number | | Account Number(s) | |
| Name | | | |
| Name <i>(if shared account)</i> | | | |
| Address | | | |
| City State Zip | | Phone | |

I, _____ / _____
(Member Name) (Joint Member Name, if shared membership)

of _____, _____ pursuant to the terms of
(Address) (City, State, Zip)

the Uniform TOD Security Registration Act, designate the following as the beneficiary of my capital credit account with EnerStar Electric Cooperative to be paid upon my death to:

Primary Designated Beneficiary:

(If shared member wishes to name a different beneficiary, contact EnerStar to request an additional form.)

| | | | |
|----------------|--|--------------|--|
| Name | | | |
| Address | | | |
| City State Zip | | | |
| Telephone | | | |
| Date of Birth | | Relationship | |

Secondary Designated Beneficiary:

(If the primary beneficiary predeceases the member/s, the secondary beneficiary accedes to the primary position. Optional.)

| | | | |
|----------------|--|--------------|--|
| Name | | | |
| Address | | | |
| City State Zip | | | |
| Telephone | | | |
| Date of Birth | | Relationship | |

EnerStar Electric Cooperative is authorized to register ownership of my capital credit account with EnerStar in my name and pay on death to the primary beneficiary named above or to the secondary beneficiary should the primary predecease me. This designation remains in effect until amended or revoked by me via written instructions to do so.

Member Signature

Member Signature *(if shared membership)*

Date

Date

Send completed form to: EnerStar Electric Cooperative, 11597 IL Hwy 1, Paris, IL 61944