

HOT LINES



Midwest Electric, Inc.

A Touchstone Energy® Cooperative 

May 2019

News about your community and cooperative

419.394.4110 | 1.800.962.3830
www.midwestrec.com

IMPORTANT MEMBER INFO

MIDWEST ELECTRIC AND PAULDING PUTNAM ELECTRIC CO-OPS CONSIDER CONSOLIDATION



The boards of Midwest Electric and Paulding Putnam Electric Co-op (PPEC) have voted to conduct a comprehensive study of consolidating the two organizations. If the study results are positive and both boards agree to proceed with a consolidation, the decision would go before the membership of both cooperatives for a final vote.

An initial study by National Rural Utilities Cooperative Finance Corporation (CFC) estimates \$11 million to \$13 million in savings over a 10-year period. Currently, the two electric co-ops have a shared service program where they share a communications coordinator and an energy auditor. "It has been very beneficial in terms of cost savings and provides a glimpse of what could be possible with a full consolidation," stated Midwest Electric CEO Matt Berry.

"A full study will be more comprehensive than the initial CFC study and will help answer specific questions such as where the savings would come from. Ultimately, the primary reason is meaningful, long-lasting financial savings for our members," said Paulding Putnam Electric Co-op CEO George Carter.

The new study will be conducted this spring by the National Rural Electric Cooperative Association and will take 8 weeks to complete. Throughout the coming months and after the study, both co-ops will communicate results with their members and employees at meetings and through a variety of communication channels. Feedback, questions, and concerns will be solicited throughout the process.

At the end of the study process and after seeking member input, each board will determine whether to proceed with a recommendation to consolidate. If both boards recommend consolidation, the members of both cooperatives will vote on a proposal.

"Midwest Electric and Paulding Putnam Electric are small electric cooperatives — smaller than average," said Berry. "That poses unique economic challenges, yet opens the door for us to consider alternative operational models. Because the delivery of cost-effective value is a priority for both organizations, we believe it's in our members' best interest that we thoroughly investigate whether a consolidation can deliver beneficial results to our members."

"A decision to proceed with a full study is absolutely the right decision for both boards," stated Carter. "They're being very measured and thoughtful, and not rushing into anything. They're taking a considerable amount of time to ponder this. This is the most important decision the board will ever make. They're in a position where whatever decision they make, whether go or no-go, has a huge impact on the cooperative, its members, and its employees."

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Midwest Electric serves 10,772 members in West Central Ohio, while Paulding Putnam Electric Cooperative serves 13,063 in Northwest Ohio and Northeast Indiana. The two co-ops' service territories meet at Van Wert and Putnam counties. Stay tuned to learn more about this study and potential joint venture.



Matt Berry, CEO



Midwest Electric, Inc.

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pa ulding putnam
ELECTRIC COOPERATIVE, INC
Your Touchstone Energy® Cooperative 

Please contact me if you have any questions. You can call 800-962-3830 or email mberry@midwestrec.com.

CALL OUR
OFFICE TO
RSVP BY
MAY 29!

2019 ANNUAL MEETING

Saturday, June 1

St. Marys Memorial High School, State Route 66 and U.S. 33
8:15 a.m. — Registration and breakfast • 9:15 a.m. — Meeting

Annual Meeting

- \$3,000 in cash prizes
- Kids' activities
- Free breakfast buffet
- **NEW \$1,000 scholarship drawing**
- Any member or child of a member is eligible who will be a college or trade school student in fall 2019. Entrants must enter at the Annual Meeting and be present to win.
- Energy industry update; Q&A with co-op leaders
- Co-op Owners for Political Action: learn how you can affect legislation that affects your cooperative



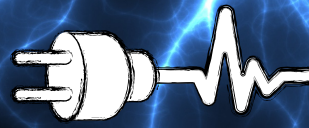
Health Fair

Grand Lake Health System will hold a health fair at Midwest Electric's June 1 Annual Meeting. Several tests will be offered, some for free and some requiring payment, and a drug take back service will be available. For fee services, please pay Grand Lake Health System at the meeting.

- Body Mass Index (BMI)FREE
- Heel Bone DensityFREE
- Blood Pressure/Pulse Ox.FREE
- DermaScan.FREE
- Iron (Anemia Screen) \$10
- Diabetes Screening (A1C) \$25
- Comprehensive Metabolic Panel, including glucose (8-hour fast) \$25
- PSA Screening. \$35
- Thyroid Screening. \$40
- Cardiovascular Risk Assessment (12-hour fast) \$20
- Vitamin D Deficiency \$35
- C-Reactive Protein \$25

Drug Take Back Program

The Auglaize Sheriff's Department will be available to take expired, no-longer-used medications as part of the Grand Lake Health/Auglaize County Sheriff's Drug Take Back Program.

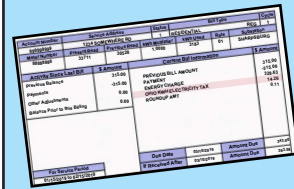


Ohio kWh Tax to be printed on bills starting next month

It's the same

amount due.

This is not a new charge and not an increase. We are simply printing the Ohio kWh Tax separately for additional transparency. Visit midwestrec.com for details.



WATCH FOR YOUR ELECTION BALLOT IN THE MAIL



Your ballot for the 2019 Midwest Electric Board of Directors election is coming soon. Members are allowed to vote for all districts. You will also be asked to vote on proposed Code of Regulations changes, which we believe will allow for more fairness on who can serve on our board (details at midwestrec.com > My Co-op

> Co-op Board and Annual Meeting > Code of Regulations).

You may vote by mail with the ballot and return envelope that will be sent to you OR online at midwestrec.com. Your ballot must be received by our voting firm by 8 a.m. on May 29. Do not include any payments with your ballot; do not send it to our St. Marys office.



Allow us to install a radio-controlled switch on your central AC and earn a \$12 annual rebate. Existing equipment will receive a one-time clean and checkup (\$100 value). You can also get a \$100 rebate for purchasing an ENERGY STAR central AC or mini-split unit with a minimum 14 SEER rating, as long as you install a Cool Returns switch.

Call 800-962-3830 for details.

Community Calendar

- ◆ May 2 **Red Cross Blood Drive**, Eagles Hall, Delphos, 10:30 am - 4:30 pm
- ◆ May 3-4 **Spring Fest**, Van Wert County Fairgrounds, vendors, crafts, food, and kids games! Friday (4-9 pm), Saturday (10 am - 7 pm)
- ◆ May 4 **The Sound of Music**, Niswonger Performing Arts, Van Wert (419-238-6722)
- ◆ May 4-5 **Tri-State Gun Show**, Allen County Fairgrounds (419-647-0067)
- ◆ May 5 **Fort Recovery State Museum**, Dedication 15 Wayside Battlefield Exhibits (419-375-4384)
- ◆ May 11 **Bluffton's 49th Annual Arts & Crafts Festival**, easy access from I-75 at exits 140 and 142. Free activities, pony rides, live entertainment, llama display, book sale, farmers market, and 60 vendors (419-369-2985)
- ◆ May 11 **Buds Corvette Cruise-In**, 9 am - 3 pm, 1415 Commerce Dr., Saint Marys (800-688-buds)
- ◆ May 23 **Lima Goes Red Ladies Night**, UNOH Event Center, 1450 N. Cable Road, Lima, 6-9 pm, \$50 admission, proceeds go to American Heart Association (419-998-8807)