

From: [Edwin Scharlau](#)
To: [PEC Executives](#); [PECBoard](#)
Subject: Membership Number 197810 - August 10, 1984
Date: Wednesday, January 6, 2021 10:28:11 PM

WARNING: This email originated outside of Pedernales Electric Cooperative.
DO NOT click any links or open attachments unless you recognize the sender and know the content is safe.

PEC Board of Directors and PEC Executives:

Your consideration of this former PEC Member's concerns is appreciated.

On August 6, 1984 I applied for membership and service to our home on 10710 Pickfair Dr. Austin. Service continued to May 16, 2018. Almost 34 years. I faithfully paid my bills on time. I recall some calls when all of a sudden I began seeing Austin Franchise Fees. Frankly I did not understand the reason PEC ever agreed to that as my recollection is you dutifully refused to pay for other cities.

I know for many years I paid by bank draft and the last bill was paid on June 6 of 2018. I was driven to attempt to lower my electric bill as I made some sense to me and did so as I beleive it is each of our responsibility. First an up to date AC system and a nice rebate from PEC. Thank you. Also in two different years the installation of all new Renewal by Anderson Windows - about \$24K. My electric bill dropped annually considerably. You may find some interesting numbers if you review.

Now my gut biting concern from my Co-op of 34 years. Yes - Capital Credits. As I recall I may have had 2 to 5 as bill credit. In 2018 I received a check in the amount of \$72.48 and in 2019 \$37.47. I realize they vary. I was taken back as they seemed small to me.

I have letters beginning with August 13, 2010 letter:

Previous Cum Alloc	\$1,325.04	
+ 2009	309.34	\$1,634.38
Missing 2010		
2011 Allocation		202.29
2012 Allocation		167.05
2013 Allocation		153.73

If I was sent more letters I either misplaced or who knows.

On December 28, 2020 I began discussions with PEC staff regarding the fact I did not receive a check in December. Called on the Capital Credits number. Verified all my info on account - address of property in Austin and my current mailing address. In a sense - then - where is my check after talking to two or three different kind ladies. Advised that since, I am inactive no check as board decided at October meeting. First where is the communication. In those fine letters I received it states:

" PEC is your cooperative. That means we're more than just an electric provider and you're more than just a customer. As a PEC member, you are an owner with a financial interest in your Co-op, and capital credits are one of several benefits unique to cooperative membership."

At this moment this member - owner does not think I have been treated properly. No communication. No check.

Then I am advised it is possible for me to have a pay out of \$516.77. Now I am thinking - something is wrong. Frankly ticked. I press the issue of payouts over time. Yes - 30 as I recall being advises and \$1,706.69. Now that looks like a lot less the the numbers above and those numbers are not all.

I grew up in the country - know about co-ops a bit - farm kid - we had several co-ops and I help my parents manage their financial lives in their last years and co-op payments were faithful and on time and with communication.

I personally was a member of a electric co-op in far north Minnesota for 15 years - '84 - '99 and had electric heat in sub zero winters - occupied less in winter (temp lowered) and receive faithful checks each year of about \$180. I expect about 6 or 7 left.

So when I heard you want to pay me out at \$516. I was truly an unhappy camper. It is truly not fair. Doing the right thing is always the right thing to do. So do the right thing please.

Yes I am willing to accept a reduced payout now.

Here is what I would like to see:

1) review my numbers - add in what I am missing and or correct with explanation.

2) we should then have a number that is a close expectation of my capital credits.

I spent 35 years with a fortune 50 corporation and I know writing checks and mailing them and accounting for them as well as having liabilities on the books is an added issue. I often used the estimate that each check costs \$100. to handle in all of the many aspects.

Yes the concept of offering me a reduced payout is reasonable. Let us work this out. Former members (owners) should not be treated any different than current owners.

Finally on my last bill I was credited with the \$35. membership fee. As I recall PEC previously paid me back \$30. of that (perhaps in a reduced bill). Check it out. I did pay a \$60. nonrefundable fee at time of becoming and owner.

Let's communicate please. Need to have in your hands (off my chest) for now.

Happy New Year.

Respectfully,

Ed Scharlau 512-925-1299