

Presque Isle Electric & Gas Co-op

September/October 2017

MICHIGAN COUNTRY LINES



THE NEW GUYS

MI Local Hops Stands Out
In Growing Hops Industry

Meet Your Director Candidates & Vote—Pages 4, 5 and 9
PIE&G Special Board Meeting—Page 9

2016
Annual Report
Pages 12-13



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Muskegon

Adams Htg & Clg
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adamsheatingcooling.com

Muskegon

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mwphonline.com

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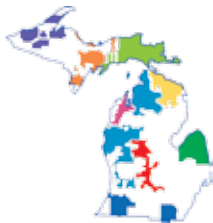
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dwgeothermal.com



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Michigan's Electric Cooperatives
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POSTMASTER: SEND ALL UAA TO CFS.

Association officers are **Robert Kran**, Great Lakes Energy, chairman; **Mark Kappler**, HomeWorks Tri-County Electric, vice chairman; and **Eric Baker**, Wolverine Power Cooperative, secretary-treasurer. **Craig Borr** is president and CEO.

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Please notify your electric cooperative. See page 4 for contact information.

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A \$50 Bill Credit!

I Remember...

We invite members to share their fondest memories.

Country Lines will pay \$50 for stories we publish.

Guidelines

1. Approximately 200 words
2. Digital photos must be at least 600 KB
3. Only one entry per household, per month
4. Country Lines retains reprint rights
5. Please include your name, address, email, phone number and the name of your electric co-op
6. Submit your memories online: countrylines.com or email to cdorr@meca.coop



Board Of Directors

Allan Berg, Vice-Chairman

1117 E. Heythaler Hwy., Rogers City, MI 49779
989-734-0044 • Term Expires 2017

Sandy Borowicz, Secretary

5341 Carlson Rd., Cheboygan, MI 49721
231-627-9220 • Term Expires 2018

John Brown, Chairman

21 W. Devereaux Lake Rd., Indian River, MI 49749
231-625-2099 • Term Expires 2017

Sally Knopf

1849 W. 638 Hwy., Rogers City, MI 49779
989-734-4196 • Term Expires 2018

Kurt Krajniak

7630 Wallace Rd., Alpena, MI 49707
989-884-3037 • Term Expires 2019

Brent Lucas

15841 Carr Rd., Posen, MI 49776
989-379-4694 • Term Expires 2019

Daryl Peterson, Treasurer

P.O. Box 54, Hillman, MI 49746
989-742-3145 • Term Expires 2018

David Smith

P.O. Box 180, Atlanta, MI 49709
989-785-5345 • Term Expires 2017

Raymond Wozniak

6737 State St., Posen, MI 49776
989-766-2498 • Term Expires 2019

President & CEO: Tom Sobek

tsobek@pieg.com

Presque Isle Electric & Gas Co-op

19831 M-68 Hwy., P.O. Box 308
Onaway, 49765

Business Office & Billing: **989-733-8515**
Toll-Free: **800-423-6634**

Gas Emergency Toll-Free: **800-655-8565**

pieg.com

2016 CEO Annual Salary \$201,018

Director Compensation Rate:

- \$750 per regular meeting
- \$200 per special meeting

New Memberships in 2016:

- Electric—1307
- Natural Gas—201

2016 non-member revenue \$137,188

Most PIE&G natural gas rates and charges are not regulated by the Michigan Public Service Commission.

Presque Isle Electric & Gas Co-op is an equal opportunity provider and employer.

Your Touchstone Energy®
Cooperative

Meet Your Candidates & Vote!

Just like you, these candidates are member-owners of this co-op. Your vote is important!

See instructions on the cover wrap of this magazine for voting details.

CHEBOYGAN DISTRICT



John F. Brown

Cheboygan

I reside in the Indian River area with my wife, Carlene. We have three children and two grandchildren. I am the owner of Brown's Saw Mill, have been a member of PIE&G since the early '80s, and currently serve as PIE&G's board chairman.

The electric business is a big part of our world and it influences everything we do. As a director, the issues currently being discussed are renewable energy, climate change, and what growth there is for the future of PIE&G. I believe that keeping the price of energy affordable and maintaining a reliable distribution system are important to all of us.

I would be honored to continue to represent the members of PIE&G.



Jack Douglas

Cheboygan

I was born and raised on a small farm in Hebron Township where I still live with my wife, Marie, of 34 years. We have two grown children and one grandson. A real estate broker for 35 years, I owned and operated Century 21 Douglas and Associates for 30 years.

I currently work at Berkshire Hathaway Home Services and received Leading Edge Society and Honor Society awards for outstanding sales performance. Involved in local government since 1976, I was elected Hebron Township supervisor for four years and treasurer for the last 20 years. I've served in leadership roles for over 12 years at St. Thomas Lutheran Church. I enjoy working around the farm and spending time with family and friends at vacation property on Paradise Lake.



Dawn Drolshagen
Cheboygan

After graduation from Cheboygan High School in 1998, I earned my degree in radio broadcasting from Specs Howard School of Media Arts. With my degree, I am also familiar with marketing, advertising, and fundraising. I feel this knowledge would be beneficial to PIE&G.

After working in food service for several years, last year I began working at the Cheboygan County Humane Society. I love working with and caring for animals.

I'm a very outgoing person and I feel I would be a good candidate for PIE&G's board to speak on behalf of members.

MONTMORENCY DISTRICT



**Charles
Arbour**
Hillman

I've lived in Montmorency County my entire life and graduated from Hillman Community Schools in 1977. I've been in business (Arbour Contracting) for 17 years. My wife, Elizabeth, and I have two beautiful daughters, ages six and 11.

I've been a trustee on the Hillman Board of Education from 2011–2017, presently as treasurer.

Last year I was appointed to the Montmorency County Road Commission—Board of Commissioners and currently serve as chairman.

I also serve as trustee on the Hillman Community Radio Board (now in its second year of operation), being involved from the beginning to complement the Hillman High School broadcasting class.

I care deeply about my community and northeast Michigan and enjoy public service. Thank you for your consideration.



**Donald
Edwards**
Atlanta

I would very much like to be your representative on the PIE&G board of directors. I have devoted my life to public service and my experiences include: U.S. Army (military police) 1972–1973, Michigan Army National Guard (over 20 years), Montmorency County Sheriff Dept. (over 37 years, eight years as sheriff), Atlanta School Board (eight years, six years as president), and Montmorency County Commissioner District 2: Briley Township.

I'm also a member of the American Legion, Fraternal Order of Eagles, Atlanta Lions Club, Atlanta Masonic Lodge (Past Master) and the FOP.

I have worked with large budgets in many of my positions including my present position as a county commissioner. It would be my privilege and honor to be your next representative. Thank you.



**David
Guest**
Atlanta

I was born and raised in Ann Arbor. I began my "Up North" life in 1966, becoming a permanent resident of Atlanta in 1974. My wife of 41 years, Mary Jo, and I have two grown children and a granddaughter. Our daughter Rachel is the principal of a junior high school, and our son Brian is a police officer.

I have sold Ford vehicles for 39 years, the last 34 years in Rogers City. I previously served on the Atlanta School Board; I'm a past president of the Eagles, and I've coached local Little League.

I'm well known and respected in PIE&G's service area, and will represent the membership with integrity and distinction.



**Dennis
Smith**
Atlanta

I grew up in Montmorency County, graduating from Atlanta High School in 1976. After attending Central Michigan University, I worked as a school teacher for several years in Posen, Atlanta, Hillman, and Tawas. I completed my Master of Science in public administration and began working with the Michigan State Legislature—first in the offices of former State Representatives Allen Lowe, Carl Gnodtke and Alan Cropsey—and later as a Legislative Rules Analyst providing oversight of state regulations, including those of the Public Service Commission. After 20 years in Lansing, I retired back to Atlanta, returning to my family home where we have been members of PIE&G for decades. I look forward to the opportunity to serve.

(Additional candidates on page 9)

Don't miss your co-op's

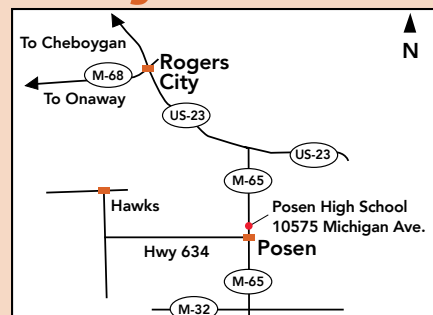
2017 Annual Meeting

Posen High School
Friday, Oct. 27
10 a.m.

Registration starts
at 8:30 a.m.

Lunch is provided

See you there!



*Just like you, these candidates
are member-owners of the co-op.*

Your vote is important!

\$100
prize drawing for
voting by mail, with
an additional \$50 if
you are present at
the meeting!

*See the back cover of this
magazine and the ballot cover
wrap for voting details.*

Michigan Co-ops Empower Future Leaders

Youth Tour Washington, D.C. Highlights

Designed to inspire the leaders of tomorrow, Youth Tour teaches the brightest students of Michigan about their past—and helps equip them with the skills they need to be Michigan's next generation of energy-minded leaders. Youth Tour offers a unique opportunity to build leadership and public speaking skills, enhance students' knowledge of the cooperative form of business, and build life-long friendships with other student-leaders from across the country.

Michigan's electric cooperatives sent 20 high school juniors and seniors to experience Youth Tour in Washington, D.C. this past June. The following pictures tell the story. ■

Information is available at
CooperativeYouthTour.com.



↑ Future Mitten State Leaders

The 20 selected students from across the state toured multiple landmarks, including a guided tour of the U.S. Capitol.

↩ Captivating Congressman

Students enjoyed meeting with several members of Congress, including Rep. Bill Huizenga from Michigan's 2nd District.





↩ The Lincoln Legacy

Part of Youth Tour involves learning about the great historical and political figures of our country. As these young women consider their futures, they will bring Lincoln's values of respect and fairness with them as they rise to become the next generation of Michigan leaders.

Never Forget

Several students found the names of family members or family friends on the Vietnam Veterans Memorial.



National Mall

A group of students gathered on the National Mall prior to legislative visits and an opening-night performance of "The Sound of Music" at the Kennedy Center for the Performing Arts.

↩ What's Next For Energy-Minded Students

National Rural Electric Cooperative Association staff briefed the students on the many opportunities available for those interested in living, working or studying in Washington, D.C.

Easy Ways to Save Energy At Home

Saving energy is a great way to control your utility bills—while also helping to preserve the environment! Just a few small actions can make a big difference. Read on to discover quick and easy ways to start saving energy at home today!



Maintain your heating and cooling systems. Check the filter every month and replace it at least every three months. Remove leaves, dirt, and other debris from around the outdoor components to improve air flow and efficiency.



Strategically open and close window coverings. On hot, sunny days, keep your home cool by closing blinds, window shades, and curtains—especially on the south and west sides of your home. In cooler weather, leave shades open to maximize heat from the sun.



Set a schedule on your programmable thermostat. Program temperatures to save energy while you're at work, sleeping, or away. In the summer, increase the temperature during these times to save on cooling costs. In the winter, lower the heat to save energy and money.



Seal air leaks. Prevent cool air from seeping out in the summer and warm air from escaping in the winter. Up to 30 percent of heating and cooling bills are consumed by air leakage!



Clean and dust key areas of your home. Vacuum air registers and vents to keep air flowing as efficiently as possible. Dust electronics and light bulbs to ensure they run at maximum capacity. Clean the track on your sliding glass door to maintain a tight seal.

As always, visit michigan-energy.org or call 877-296-4319 for additional energy-saving information and incentives. ■



Start saving energy today!

- **Turn off and unplug electronics.** There's still time to get outside!
- **Fire up the grill.** Enjoy great tasting food and keep your home cool.
- **Hang your clothes outside.** Save energy and enjoy the fresh scent!
- **Change your furnace filter.** Improve efficiency and indoor air quality.

ONLINE: michigan-energy.org
PHONE: 877.296.4319



Energy Optimization programs and incentives are applicable to Michigan electric service locations only. Other restrictions may apply. For a complete list of participating utilities, visit michigan-energy.org.

Meet Your Candidates & Vote!

(Continued from page 5)

PRESQUE ISLE DISTRICT



Allan Berg
Belknap Twp.

I was elected to the PIE&G board in 2008, and I am a lifelong resident of Presque Isle County. I receive residential electric, seasonal electric and natural gas service from PIE&G. I believe the availability of energy and energy costs are very important in our lives. I will ensure that management is making good, efficient decisions to combat the rising cost of energy and keep it affordable for the citizens in our communities.

With a bachelor's degree in accounting, a master's in administration, and three state licenses, I also bring over 20 years of government experience, including 10 years as Belknap Township supervisor, and work with many local townships throughout the district providing property tax administration services.

Together with my work experience and education, I will bring good leadership decisions to keep PIE&G innovative and will strive to deliver low cost energy to the membership.



Greg Diller
Rogers City

I've lived in the Presque Isle District since 1982 with my wife, Mary, a retired teacher at Onaway Schools. We have three grown children.

After earning degrees in economics, marketing, and finance, I began Mariner Financial Group in Rogers City. I developed and managed investment strategies for individuals and locally owned small businesses before retiring in 2010.

I also worked at The UAW Education Center Black Lake for 12 years during and after college, where I designed and operated a video production facility and ran sound and lighting. After the UAW's reorganization, I continued working as a lifeguard and night auditor.

I also retired from the U.S. Coast Guard Reserves as a lieutenant commander. I believe my experience would be valuable to PIE&G and the board of directors.

Notice To Members Of Presque Isle Electric & Gas Co-op

A special board meeting is set for September 26 at 9 a.m. at the cooperative's Onaway office.

The board of directors will consider changes to the cooperative's rates and tariffs at its meeting on Sept. 26 to be held at 19831 M68 Highway, Onaway, Mich. The meeting will start at 9 a.m. and is open to all members of Presque Isle Electric & Gas Co-op.

The session will begin with an opportunity for members to provide direct input to the board of directors. Time constraints on each member's comments will be at the discretion of the board chairman, but members are asked to keep comments to less than five minutes.

- The board will establish the 2018 Power Supply Cost Recovery Factor, to be applied to the cooperative's retail member-consumers' kilowatt-hour use. The Power Supply Cost Recovery Factor represents the power supply costs as established by the cooperative in conjunction with Wolverine Power Cooperative. The factor is established annually and reviewed monthly.
- The board will also consider revisions to the Consumer Standards and Billing Practices for Electric and Gas Residential and Non-residential Service.

Notices of changes or additions to the cooperative's rates or service rules shall be sent to all members, as required by P.A. 167, by first class mail or by publication in *Michigan Country Lines* at least 30 days prior to their effective date.

Participation: Any interested member may attend and participate. Persons needing any accommodation to participate should contact Presque Isle Electric & Gas Co-op at 800-423-6634 a week in advance to request mobility, visual, hearing or other assistance. Comments may also be made before the meeting date by calling CEO Tom Sobeck at 800-423-6634, or by email at tsobeck@pieg.com.

AMAZING APPLES

Fall's favorite fruit teams up with sweets and spices to bring you these comforting desserts.

Photos—831 Creative

Apple Cheesecake (pictured)

Rebecca Cronk, Presque Isle

- 1 cup butter
- 1¼ cups sugar, divided
- 1½ teaspoons vanilla, divided
- 2 cups flour
- 1 8-ounce package cream cheese, softened
- 1 egg
- 5–6 Macintosh apples, peeled and thinly sliced
- 1 lemon, juiced
- 2 teaspoons cinnamon
- ¼ cup almond slices

Preheat oven to 450 F. For the crust, blend 1 cup butter, ⅔ cup sugar, ½ teaspoon vanilla and 2 cups flour. Press into an 8-inch spring form pan—¾ of the way up the pan. For the filling, blend the cream cheese, ¼ cup sugar, remaining 1 teaspoon vanilla and 1 egg. Pour over the crust evenly. For the topping, add the thinly sliced apples to a bowl with juice from a lemon. Stir to coat. Add the remaining ⅓ cup sugar and 2 teaspoons cinnamon. Stir to coat and layer the apples on top of the filling in the pan. Sprinkle almond slices on top. Bake at 450 F for 10 minutes, then lower to 400 F for 20–25 minutes.

▶ Watch a video of this recipe at <https://goo.gl/hbYd7p>

Apple Dapple Cake

Judy Farley, Midwest Energy

For the cake:

- 1½ cups oil
- 3 eggs
- 2 cups sugar
- 2 teaspoons vanilla
- 3 cups flour
- 1 teaspoon baking soda
- 1 teaspoon salt
- ½ teaspoon cinnamon
- 1 cup walnuts, chopped
- 3 cups apples, peeled and chopped

For the sauce:

- 1 cup brown sugar
- ½ cup butter
- ¼ cup milk



Preheat oven to 350 F. Cream oil, sugar, eggs and vanilla. Sift together flour, baking soda, salt and cinnamon; add to creamed mixture. Beat well. Fold in nuts and apples. Bake in a well-greased Bundt pan for

1 hour and 10 minutes. When cake is almost done, mix sauce ingredients in a saucepan. Bring to a boil; boil for 3 minutes. Pour sauce over hot cake and let cake remain in pan for 2 hours. Then turn cake right side up on serving plate.

Apple Butter

Jane Ellison, Great Lakes Energy

- 5½ pounds apples—peeled, cored and finely chopped
- 4 cups white sugar
- 2 teaspoons ground cinnamon
- ¼ teaspoon ground cloves
- ¼ teaspoon salt



Place the apples in a slow cooker. In a medium bowl, mix the sugar, cinnamon, cloves and salt. Pour the mixture over the apples in the

slow cooker and mix well. Cover and cook on high 1 hour. Reduce heat to low and cook 9 to 11 hours, stirring occasionally, until the mixture is thickened and dark brown. Uncover and continue cooking on low 1 hour. Stir with a whisk, if desired, to increase smoothness. Spoon the mixture into sterile containers, cover and refrigerate or freeze.

MI
co-op
KITCHEN

Submit your favorite recipe for a chance to win a \$50 bill credit and have your recipe featured in *Country Lines*:

**“Healthy Salads”
due November 1**

Go to micoopkitchen.com for more information and to register.



Fred “The Beervangelist” Bueltmann is the vice president of brand and lifestyle at New Holland Brewing Co., as well as a nationally-recognized expert on beer and food. He offered up this delicious beer-brined chicken recipe from his cookbook, *“The Beervangelist’s Guide to the Universe.”* <http://beervangelist.net/book/>

Beer-Brined Jerk Chicken

This dish requires some forethought and a few days, so plan accordingly.

Brine:

- 2 quarts IPA or pale ale
- 2 quarts chicken stock
- 1 quart water
- 1 cup kosher salt
- ¼ cup brown sugar
- 1 onion, peeled and julienne
- 6 cloves garlic, crushed
- 1 cup chopped cilantro
- 2 tablespoon whole black peppercorns
- 3 bay leaves
- 4 chickens, butchered to grill

Place the water, salt, onion, garlic, parsley, peppercorns, and bay leaves on the stove and simmer for 10 minutes. Remove from the heat and chill completely. Add the beer and stir thoroughly, then add the chicken. Let sit refrigerated for 8–24 hours. Remove the chicken from the brine and rinse under cold water. Pat dry and keep cold.

Jerk Marinade:

- 1 tablespoon ground allspice
- 1 tablespoon dried thyme
- ½ tablespoon black pepper
- ½ tablespoon sage
- 1 teaspoon ground nutmeg
- 1 teaspoon ground cinnamon
- 1 teaspoon ground ginger
- 12 cloves garlic
- 2 tablespoon dark molasses
- ¼ cup peanut oil
- ¾ cup apple cider vinegar
- ½ cup lime juice
- 3 green onions, minced
- 1 large yellow onion, minced
- 3 habanero peppers, stemmed
- ¼ cup dark soy sauce

Combine the above ingredients in a food processor and puree until smooth, about 2 minutes. Pour the marinade over the chicken and refrigerate overnight (two nights is best), turning once or twice to redistribute the marinade. Place the chicken on the grill and cook over medium heat, turning often, until done, about 25 minutes. Let rest for 5 minutes and serve.

Read the full story about MI Local Hops on page 14 and find this recipe and more at micoopkitchen.com.

Your Co-op's 2016 Annual Report



John Brown
Chairman



Tom Sobeck
CEO

To Our Member-Owners:

We are pleased to report that 2016 was another favorable year for your cooperative. Both natural gas and electric operations continue to provide positive margins. However, after a rate decrease last year, 2016 natural gas margins fell short, which in turn will call for a rate increase later in 2017. We plan to implement a natural gas rate increase once we have regulatory approval to do so. We expect that to happen in the coming months.

Our electric members continue to benefit from positive margins and the board of directors' commitment to the cooperative business model as we will again retire and return patronage capital to you. This year the cooperative will return \$2,623,000 in the form of capital credit refunds to the membership.

In keeping with our mission, we continue to invest in and rehabilitate the infrastructure that delivers energy to you. In 2016, our total utility plant investments exceeded \$2.7 million.

On behalf of the board and our employees, we thank you for your trust and support. We are pleased to have the opportunity to serve you.

Respectfully,

John Brown
Chairman of the Board

Tom Sobeck
President & Chief Executive Officer



Where Your Energy Dollar Goes:



2016 Statistical Summary:

	ELECTRIC	NATURAL GAS
Active Meters	33,305	9,272
Energy Sold	238,718,475 kWh	6,677,958 CCF
New Services	187	109
Miles of Line	3,837 (overhead) 1,040 (underground)	593

Treasurer's Report



Daryl Peterson

Presque Isle Electric & Gas Co-op's Statement of Operations and Balance Sheet for the years ending December 31, 2015 and 2016 are included in this annual report. As indicated by these financial reports, the cooperative has completed another successful year. Our electric and natural gas operations continue to provide competitive energy alternatives for our members.

Our independent auditor, Harris Group, has confirmed that the financial statements and records presented to them accurately reflect the financial position of the cooperative. The reports of the results of our operations are in conformity with generally accepted accounting principles.

It has been my distinguished pleasure to serve as treasurer for the past year.

Daryl Peterson, Treasurer

Statement of Operations

	2015	2016
OPERATING REVENUES	\$43,840,025	\$43,134,964
OPERATING EXPENSES		
Cost of Purchased Power	24,747,830	24,382,270
Operations & Maintenance Expense	9,721,568	10,196,423
Depreciation	3,599,611	3,679,291
Interest	2,412,002	2,443,147
Taxes	1,086,199	1,124,918
Total Operating Expenses	<u>41,567,210</u>	<u>41,826,049</u>
Member Capital Contribution	2,272,815	1,308,915
NON-OPERATING MARGINS		
Capital Credits—G&T and Other	2,027,832	2,166,013
Non-Operating Margins - Other	<u>(247,972)</u>	<u>(181,406)</u>
NET MARGINS	4,052,675	3,293,522

Balance Sheet

ASSETS		
Total Utility Plant	134,265,482	136,969,890
Accumulated Depreciation	(57,822,400)	(60,747,421)
Net Utility Plant	76,443,082	76,222,469
Investments in Associated Organizations	25,439,018	24,733,009
Cash & Cash Equivalents	2,031,248	3,494,617
Accounts Receivable	4,550,055	4,645,457
Materials & Supplies	1,439,184	1,508,895
Other Assets	452,143	397,673
Deferred Debits	<u>252,010</u>	<u>221,083</u>
Total Assets	110,606,740	111,223,203
EQUITIES & LIABILITIES		
Margins & Equities		
Patronage Capital	51,083,100	52,470,101
Other Equities	<u>(1,319,079)</u>	<u>(1,319,079)</u>
Total Margins & Equities	49,764,021	51,151,022
Liabilities		
Long Term Debt	46,629,653	50,609,285
Notes Payable	5,000,000	0
Accounts Payable	8,953,251	9,136,001
Other Current & Accrued Liabilities	259,816	326,895
Total Liabilities	<u>60,842,720</u>	<u>60,072,181</u>
TOTAL EQUITIES & LIABILITIES	110,606,740	111,223,203

THE NEW GUYS

MI Local Hops Stands Out In Growing Hops Industry

By Rob Marsh



Before your bartender at the local beer tap fills an empty pint glass or you snatch up a six-pack of brew at your hometown liquor store, you may be surprised to learn that many of your favorite beers began their journey to the tap in the rich, fertile soil of Michigan.

Located in Williamsburg, Mich., and a member of Cherryland Electric Cooperative, MI Local Hops (MLH), is a 280-acre farm (plus an additional 100 acres the company cooperatively manages with other growers) with the capability to harvest up to 350,000 pounds of hops annually. At the farm, rows of twisty vines creep up trellises, each in an effort to produce bitter cones that are the heart and soul of almost any Michigan beer.

"The hops industry has become a bit like the music industry," said Mike Moran, sales and marketing manager of MI Local Hops. "Everyone's looking for the next big thing. The next exciting flavor.

But those flavors need to be consistent and dependable. We know the wow factor is nothing without the quality."

A century ago, Michigan's hops industry was decimated by downy mildew. However, with advancements in modern farming and the determination of local hops growers, Michigan is now one of the top growing regions for hops in the United States.

MI Local Hops is now the largest hop farm east of the Rocky Mountains. The magnitude of that statement isn't lost on the owners, as they build the infrastructure to support and sustain that accomplishment.

With "local" in the name, MLH is supplying some of the Midwest's biggest beer players. Providing hops to Bell's, Founders and New Holland, all of whom are based in Michigan but offer national distribution, the Michigan hops agriculture boom has swept the state and the Midwest.





Still, remaining a local supplier is especially important to MI Local Hops. That sentiment is also felt by the local breweries that receive the crop each season. New Holland Brewing Co., out of Holland, Mich., uses MLH hops exclusively in their flagship beer: Mad Hatter, Midwest IPA.

"We have a lot of Michigan pride and want to support local agriculture, but we also want to have the highest quality ingredients," said Head Brewer Jason Salas of New Holland Brewing Co. "Michigan hop growers have been demonstrating to us their commitment to the brewing industry by turning out unique, high-quality products that allow us to develop beers worthy of our industry. As a brewer, that means a lot."

MI Local Hops has grown from being the "new guys" to a significant force in Michigan's growing hops industry. ■



Pictured L to R are several of the MI Local Hops team members: Dan Taber, chief operating officer; Tim Prentice, project and facility manager; and Mike Moran, sales and marketing manager.



The former High Point Golf Course in Williamsburg is now home to MI Local Hops.

**STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

**NOTICE OF HEARING FOR THE REGULATED NATURAL GAS DIVISION CUSTOMERS
OF PRESQUE ISLE ELECTRIC & GAS CO-OP CASE NO. U-17945-R**

- Presque Isle Electric & Gas Co-Op (Presque Isle) requests Michigan Public Service Commission (Commission) approval to reconcile its gas cost recovery (GCR) costs and revenues for the 12-month period ended March 31, 2017, for its Regulated Gas Division.
- The information below describes how a person may participate in this case.
- You may call or write Presque Isle Electric & Gas Co-op, 19831 M-68 Highway, P.O. Box 308, Onaway, Michigan 49765, 800-423-6634 for a free copy of its application. Any person may review the application at the offices of Presque Isle Electric & Gas Co-op.
- The first public hearing in this matter will be held:

DATE/TIME: Thursday, September 21, 2017, at 9:30 a.m.

This hearing will be a prehearing conference to set future hearing dates and decide other procedural matters.

BEFORE: Administrative Law Judge Mark Cummins

LOCATION: Michigan Public Service Commission, Lansing, Michigan

PARTICIPATION: Any interested person may attend and participate. The hearing site is accessible, including handicapped parking. Persons needing any accommodation to participate should contact the Commission's Executive Secretary at 517-284-8090 in advance to request mobility, visual, hearing or other assistance.

The Commission will hold a public hearing to consider Presque Isle's June 1, 2017, application to reconcile its 2016/2017 GCR costs and revenues for the 12-month period ended March 31, 2017, for its regulated natural gas division. Presque Isle represents that the Company experienced an under collection (gas costs exceeded gas revenues) of \$122,428. Presque Isle states that it is currently collecting the under collection through its GCR plan, authorized by the Commission in Case No. U-18156.

All documents filed in this case shall be submitted electronically through the Commission's E-Dockets website at michigan.gov/mpscdockets. Requirements and instructions for filing can be found in the User Manual on the E-Dockets help page. Documents may also be submitted, in Word or PDF format, as an attachment to an email sent to mpscdockets@michigan.gov. If you require assistance prior to e-filing, contact Commission staff at 517-284-8090 or by email at mpscdockets@michigan.gov.

Any person wishing to intervene and become a party to the case shall electronically file a petition to intervene with this Commission by September 14, 2017. (Interested persons may elect to file using the traditional paper format.) The proof of service shall indicate service upon Presque Isle's attorney, Jason T. Hanselman, Dykema, Gossett PLLC, Capitol View, 201 Townsend Street, Suite 900, Lansing, Michigan 48933.

Any person wishing to appear at the hearing to make a statement of position without becoming a party to the case may participate by filing an appearance. To file an appearance, the individual must attend the hearing and advise the presiding administrative law judge of his or her wish to make a statement of position. All information submitted to the Commission in this matter becomes public information, thus available on the Michigan Public Service Commission's website, and subject to disclosure. Please do not include information you wish to remain private.

Requests for adjournment must be made pursuant to the Michigan Administrative Hearing System's Administrative Hearing Rules R 792.10422 and R 792.10432. Requests for further information on adjournment should be directed to 517-284-8130.

A copy of the Presque Isle's request may be reviewed on the Commission's website at michigan.gov/mpscdockets, and at the office of Presque Isle Electric & Gas Co-Op. For more information on how to participate in a case, you may contact the Commission at the above address or by telephone at 517-284-8090.

Jurisdiction is pursuant to 1909 PA 300, as amended, MCL 462.2 et seq.; 1919 PA 419, as amended, MCL 460.54 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; 1982 PA 304, as amended, MCL 460.6h et seq.; and the Michigan Administrative Hearing System's Administrative Hearing Rules, 2015 AC, R 792.10401 et seq.

June 1, 2017

Storm-Related Tree Cleanup

PIE&G employs professional, licensed contractors for tree clearing and trimming in the rights of way. These contractors dispose of trimmed branches and tree limbs in the most economic and practical manner possible. It is customary during regular line clearing activity that crews will remove branches and limbs within maintained or landscaped areas and leave the wood for use by the property owner. In unmaintained areas, crews will leave wood, branches and limbs for use by the property owner or to decompose naturally. PIE&G does not remove stumps after tree removal. During emergency power restoration activities, crews clear trees off and away from our lines in order to make safe and prompt repairs to restore electricity. **PIE&G does not return to remove wood, branches and limbs that were removed during outage restoration efforts.**

Public Act 295: The Clean Renewable And Efficient Energy Act

2016 Annual Energy Optimization Report Presque Isle Electric & Gas Co-op MPSC Case Number U-17785

Presque Isle Electric & Gas (PIE&G) contracted with the Michigan Electric Cooperative Association (MECA) to administer the Energy Optimization efforts in order to comply with PA-295. MECA filed a four-year Energy Optimization plan with the MPSC on August 3, 2015, as required by PA 295. This EO plan was approved by the MPSC on December 8, 2015, and we began implementing our 2016–2019 EO Plan January 1, 2016. WECC was selected to implement all Residential, Commercial, and Industrial Programs, and the Energy Optimization website www.michigan-energy.org. WECC has subcontracted with JACO, Michigan Energy Options, Franklin Energy, Morgan Marketing Partners, and Honeywell to assist with the implementation of the EO Programs. MECA contracted with KEMA as the independent, third party evaluation contractor for the certification of kWh savings.

In 2016 PIE&G collected \$512,535 through the Energy Optimization Surcharge and spent \$527,833 resulting in an under-collection of \$15,298. Presque Isle achieved 3,083 MWh of energy savings in 2016 and carried forward 62 MWh from 2015 into 2016 for a total reported energy savings of 3,145 MWh for 2016. The full report can be obtained at your cooperative's headquarters and www.michigan-energy.org or <http://efile.mpsc.state.mi.us/efile>.

Notice To Members Of Presque Isle Electric And Gas Co-Op

Case No. U-16596 2016 Renewable Energy Plan Annual Report Summary

2008 PA 295, as amended, requires all Michigan electric utilities to get 10 percent of their power supply from renewable sources by 2015. Under this requirement, Presque Isle Electric and Gas Co-op (PIE&G) submits an annual report to the Michigan Public Service Commission (MPSC) regarding its Renewable Energy Plan. In 2016, PIE&G acquired a total of 11,111 renewable energy credits (4,445 credits from Harvest Wind Farm, LLC, 2,783 credits from Thunder Bay—Four Mile, 3,613 credits from Deerfield Wind Farm and 1 credit from SpartanSolar) and 2 incentive credits from SpartanSolar. All credit transfers were directed through PIE&G's wholesale power supplier, Wolverine Power Supply Cooperative, Inc. Wolverine will continue to generate renewable energy and bank unused renewable energy credits for future use and compliance with statutory renewable portfolio standard requirements on behalf of all of its members. A full copy of the cooperative's Renewable Energy Plan annual report that was filed with the MPSC is available on the cooperative's website at pieg.com or by request at the cooperative's office.

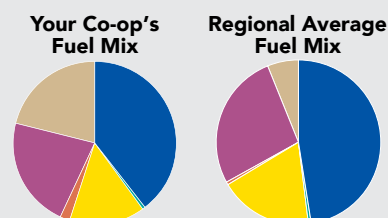
FUEL MIX REPORT

The fuel mix characteristics of Presque Isle Electric & Gas Co-op as required by Public Act 141 of 2000 for the 12-month period ended 6/30/17.

COMPARISON OF FUEL SOURCES USED

Regional average fuel mix used		
Your co-op's fuel mix		
FUEL SOURCE		
Coal	41.4%	47.7%
Oil	0.5%	0.6%
Gas	14.3%	18.1%
Hydroelectric	1.9%	0.8%
Nuclear	21.1%	26.7%
Renewable Fuels	20.8%	6.1%
Biofuel	0.6%	0.8%
Biomass	0.4%	0.5%
Solar	0.2%	0.1%
Solid Waste Incineration	0.1%	0.1%
Wind	19.1%	4.1%
Wood	0.4%	0.5%

NOTE: Biomass above excludes wood; solid waste incineration includes landfill gas; and wind includes a long-term renewable purchase power contract in Wolverine's mix.



EMISSIONS AND WASTE COMPARISON

TYPE OF EMISSION/WASTE	lbs/MWh	
	Your Co-op	Regional Average*
Sulfur Dioxide	6.0	7.6
Carbon Dioxide	1,795	2,170
Oxides of Nitrogen	1.6	2.0
High-level Nuclear Waste	0.0069	0.0083

*Regional average information was obtained from the MPSC website and is for the 12-month period ended 12/31/2016.

Presque Isle Electric & Gas purchases 100 percent of its electricity from Wolverine Power Cooperative, which provided this fuel mix and environmental data.

Restoring The Great Lakes Lighthouses

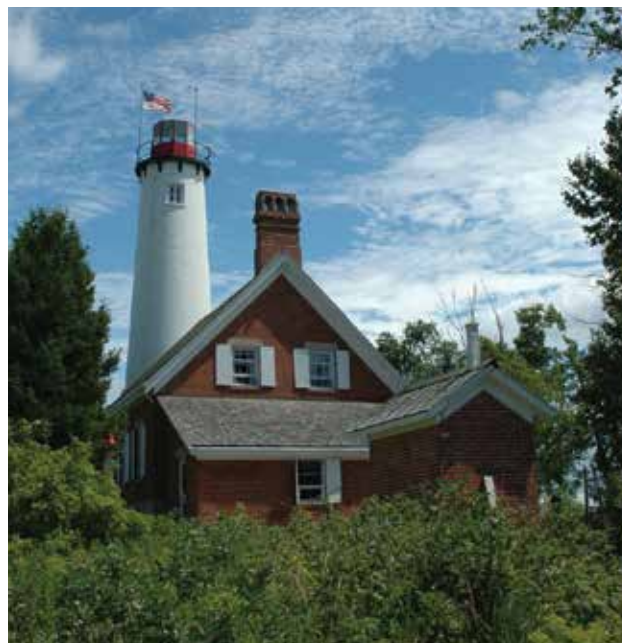
Scattered along Michigan's shoreline and numbering over 200 at their peak, the Great Lakes lighthouses once served as a beacon of hope to the weary seafarer. Today only 124 lights still stand, many in desperate need of repair. Enter the Great Lakes Lighthouse Keepers Association (GLLKA).

Founded in 1983, the GLLKA's mission of preserving lighthouses and the stories of those who kept them while fostering a new generation of preservationists came to life when given license to restore St. Helena Island Light Station in 1986. Built in 1873 off the coast of St. Ignace, constant exposure to the elements left St. Helena vulnerable. Abandoned, she endured years of vandalism and theft requiring the removal of several outbuildings. What remained of the station continued deteriorating.

Before arrangements were made for the complete demolition of the structure, members from GLLKA requested permission to restore St. Helena. With the help of countless volunteers including Boy Scout Troop 4 from Ann Arbor, St. Helena slowly came back to life.

Inspiring awe and admiration from thousands of guests each year, the original restoration project began nearly three decades ago. While the threat of theft and vandalism have declined, the elements continue taking a toll. Fortunately, GLLKA volunteers are committed for the long haul, tirelessly maintaining the facility for another generation to enjoy.

In the meantime, GLLKA President Rick Mixer offers guidance and support to groups wanting to preserve lights in their region. In some cases he



can even find old blueprints, making the renovation a true labor of love for those involved in restoring these facilities to their original glory.

Today Great Lakes lighthouses are towering symbols of strength and resilience, often shouldering a much deeper meaning to guests who visit each year. "They brought lost mariners home," explained Mixer. "They represent hope, and we all need a little of that."



Jack O'Malley

Visit gllka.com for information on GLLKA's current projects, a list of lighthouses, and ways to help with the restoration efforts. ■



«« Where In Michigan Is This?

Identify the correct location of the photo on the left by September 15 and be entered into a drawing to win a \$50 electric bill credit. Enter your guess at countrylines.com or send by mail to: *Country Lines* Mystery Photo, 201 Townsend St., Suite 900, Lansing, MI 48933. Include the name on your account, address, phone number, and the name of your co-op.

Our Mystery Photo Contest winner from the July/August 2017 issue is Susan Scherer, a Great Lakes Energy Cooperative member, who correctly identified the photo as a Beaver Island outdoor concert at Baroque on Beaver.

Winners are announced in the following issues of *Country Lines*: January, March, May, July/August, September and November/December.



July/August Photo

Why Is My Roof Failing?

Are you wondering why the roof you had installed less than 15 years ago is failing? You're not alone. Like many homeowners, you listened when the sales guy told you to buy top-of-the-line, 40-year, heavy architectural shingle so you would never have to worry about your roof again. But now you're worried. What happened?



Failed asphalt shingles cracking and peeling.

Did You Miss The Warnings?

Home improvement experts like Bob Vila have been warning consumers for years about bogus asphalt warranties, "While asphalt shingles come with warranties ranging from 20 to as long as 45 years, roofers and builders remain skeptical of those warranties. Since warranties are a marketing device, they are not a reliable predictor of lifespan. In the past decade, there have been many complaints of asphalt shingle failure long before warranties expired."

Manufacturers have also been telling homeowners that today's shingles will not perform like shingles

of old. As far back as 1999, the Certainteed Corporation made the following statement in their own publication: *"Due to the severity of the roof environment, even a one-year-old roof may look different from a roof that was just installed. While you may have first noticed the cracks or blistering from the ladder as you were cleaning the gutters, please be mindful that these normal weathering characteristics may not be visible when you view your roof from your front lawn or driveway."* (Quoted from 1999 Certainteed Corp. "The Lifecycle of Your Roof.")

Why Is My Asphalt Roof Failing?

Asphalt shingles become dried out by heat and the sun's ultraviolet rays. Eventually, the drying of the heavy oils in your shingles causes the fibers to shrink, exposing the nail heads under the shingle flaps. The shrinkage also breaks up the surface coating of sand granules adhered to the underlying asphalt-coated paper. Without the protection of the embedded granules, the paper begins to tear itself apart.

Once the nail heads are exposed, water running down the roof can seep into your attic around the nail shank, resulting in the rotting of your roof deck. This can cause

moisture damage to your interior ceilings and walls.

What Can You Do?

Since at least 1999, the asphalt roofing industry has known of the problems with modern shingles. The solution is simple: make a shingle like they did 40 years ago. However, in order to do that, the oil content of their shingles would need to be dramatically increased and that would make the product cost prohibitive.

While the asphalt industry has its problems, the metal roof industry continues to grow in market share. This growth has been fueled in part by the shortcomings of asphalt roofs. However, consumers attest that the beauty and maintenance-free benefits homeowners get by installing a metal roof are the true reason for the industry's growth.



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