

Pierce Pepin Propane Services acquired by River Country Cooperative

Ellsworth, WI [July 31, 2015] - Pierce Pepin Cooperative Services (PPCS) announced that its Board of Directors and management have an agreement for the sale of the propane assets of Pierce Pepin Propane Services (PPPS) to River Country Cooperative, Inver Grove Heights, Minn. The closing sale date will be August 31, 2015.

PPCS entered the propane business in the fall of 1999, positioning itself for the emerging fuel cell technology that was developing at that time. While the use of propane as feedstock for hydrogen fuel cell energy production did not develop, the residential housing market did. PPPS responded, filling a void at the time for the installation of safe and reliable propane services.

The propane industry has changed dramatically in the last few years with the increase in domestic production of oil and natural gas. What was once a propane supply affected regionally and nationally, is now heavily impacted by international demand as well.

The board and management recognized the need to strengthen supply sourcing, transportation and storage. Improving these elements provides the foundation for guaranteeing the rural customers who are dependent on propane with secure supply and stable pricing. With that in mind, we evaluated the options that would best meet these critical essentials and set about to secure them.

The result of this endeavor led us to discussions with cooperative providers of propane and eventually to negotiating a transaction with River Country Cooperative.

River Country Cooperative brings over 80 years of service to its members and over 45 years servicing the propane needs of rural members. Beyond their financial strength, River Country Cooperative also brings strength in propane logistics - sourcing, transportation, storage, technology - through their relationship with CHS and the various associations serving the propane industry.

“This transaction will benefit both cooperatives and honors one of the cooperative principles, ‘Cooperation among Cooperatives,’” said PPCS Board Chairman Roger Wiff. “Our number one priority is to provide safe, reliable electric service to our members. Divesting of the propane business, at this point, will help PPCS do that even better.

“We also believe this will benefit our propane customers by providing long-term benefits for supply and service and the opportunity to participate as member owners.”

More information about the acquisition will be available the week of August 3rd.

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About Pierce Pepin Cooperative Services

Pierce Pepin Cooperative Services is an energy services cooperative located in Ellsworth, Wisconsin, offering electric utility services to homes and businesses. As a Touchstone Energy Cooperative, Pierce Pepin Cooperative Services is committed to excellence, innovation and integrity, and is dedicated to helping its communities live better. For more information, call 1-800-924-2133 or visit www.piercepepin.com.