

SAN BERNARD ELECTRIC COOPERATIVE, INC.



MEMBER HANDBOOK

Revision Date: 04/2019

Office Locations & Phone Numbers

Bellville Main Office
309 West Main St.
P.O. Box 1208
Bellville, TX 77418
(979) 865-3171
1-800-364-3171

Fieldstore Branch Office
29244 FM 1488
P.O. Box 1367
Magnolia, TX 77353
(936) 372-9176
1-800-364-3171

Columbus Branch Office
4285 Highway 71
P.O. Box 309
Columbus, TX 78934
(979) 732-8346
1-800-364-3171

Hallettsville Branch Office
1686 US Highway 90A East
P.O. Box 610
Hallettsville, TX 77964
(361) 798-4493
1-800-364-3171

SBEC offices are open 8:00am to 5:00pm, Monday through Friday, except for designated SBEC holidays. All SBEC offices have drive-up teller windows with night depositories for your convenience and safety. ***(Phones are answered 24 hours a day, 7 days a week)***

Welcome to San Bernard Electric Cooperative, Inc.

When you applied for electric service, you were asked to pay a membership fee. When you paid your membership fee, you joined San Bernard Electric Cooperative, a non-profit, member-owned cooperative that is dedicated to efficient management to provide you with reliable electric service at the lowest cost possible. Many people would say that being a member of San Bernard Electric Cooperative is the same as being a customer...but it is much more. Being a member of an electric cooperative carries much more responsibility than just being a customer of an electric company. The people who receive electric service from an electric cooperative are members of an organization that solely exists to provide a service that is needed by the member. San Bernard Electric Cooperative is a private enterprise business because it is not owned by the general public, nor is it owned by the government. It's owners are the San Bernard Electric Cooperative members who use the services. Along with being a member of SBEC, you have rights and responsibilities:

- The right to talk to cooperative management about any problem concerning SBEC.
- The right to attend the Annual Meeting held each May and to vote in the election of directors.
- The privilege to be interested, well-informed and active in SBEC's business.
- The responsibility to report hazardous situations or vandalism to SBEC property.
- The responsibility to keep your account current and help maintain the financial strength of your cooperative.
- You have the opportunity to voice your opinions for the cooperative on legislative matters affecting SBEC.

We in turn have a commitment to you to fulfill our obligations as a responsible business organization and to supply power at the lowest cost possible while maintaining the highest quality of service.

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About SBEC's Beginning

San Bernard Electric Cooperative, Inc. had its beginning in 1939, when several leaders from Austin and Colorado Counties became interested in securing electric service for their farms. As a result of their efforts, the cooperative was incorporated in November of 1939.

The cooperative derived its name from the San Bernard River, which is the common boundary between Austin and Colorado Counties. The first 89 miles of power lines were built in 1940 and energized on December 31st, 1940. They served 141 members in the rural areas of Colorado and Austin Counties. The construction was financed by a government loan through the Rural Electrification Administration (REA).

Currently the cooperative has over 3,600 miles of line serving over 25,000 meters in parts of eight Texas counties – Austin, Colorado, Fayette, Grimes, Harris, Lavaca, Montgomery and Waller. San Bernard Electric Cooperative, Inc. no longer borrows government loan funds. When financing is required for system construction, funds are obtained from Cooperative Finance Corporation (CFC) a financial cooperative.

San Bernard Electric Cooperative, Inc. is an electric distribution and transmission utility. The cooperative does not own or operate any electrical generating plants. Instead, power is purchased from generators that produce or supply the electricity that is distributed by San Bernard Electric Cooperative to its members.

Members of the cooperative control their own independent local electric business in a democratic American manner. Each member is entitled to one vote – and one vote only – in governing the affairs of San Bernard Electric Cooperative regardless of the number of kilowatt hours purchased. These members elect a Board of Directors, who are SBEC members, whose function is to develop the policies and procedures by which your cooperative is governed. This direct control by local citizens ensures that San Bernard Electric Cooperative is dedicated to the welfare of the area it serves, where its members live and work.

As it was in 1939, San Bernard Electric Cooperative will continue to work diligently to provide quality, reliable, affordable power to our members.

Economic Development and Public Relations

Economic and Community Development & Public Relations

SBEC maintains relationships with the chamber of commerce's, economic development corporations and other community organizations, within the service area, that are of like mind in community and economic development projects. SBEC remains a key player in supporting organizations in business recruitment, work force development, and the quality of life projects.

Grants: SBEC has grant resources for community projects which may be accessible depending on the type of community project.

Support of Local Organizations: SBEC supports all local volunteer fire departments, county fairs and livestock shows, is a member of chambers of commerce and supportive of other youth clubs.

Community Presentations: The SBEC works closely with community and civic groups to provide presentations on energy efficiency and conservation. These presentations will promote energy efficiency and conservation awareness. Other presentations involving current events of the cooperative are offered as well.

Safety Demonstrations: The SBEC works closely with area schools, youth organizations, civic groups, key accounts, contractors and emergency first responders by providing safety demonstrations. These demonstrations promote awareness of dangers existing around power lines and general safe habits around electricity. SBEC utilizes Hazard Hamlet, an educational and interactive display unit, as well as entertaining and informative videos when demonstrating to youth groups.

Youth Educational Programs: SBEC sponsors Powerhouse Energy Investigation Program, and energy education program designed for middle/junior high school science students in the area schools. Powerhouse teaches how electricity is generated, transmitted to their homes and used in their homes. Powerhouse allows students to make the connection between their households and the consumption of energy and natural resources as well as giving them knowledge to use energy efficiently – helping the environment.

Texas Co-op Power In The Schools: SBEC distributes the Texas Co-op Power magazine in middle /junior high schools throughout our service area for teachers and students. The magazine helps supplement the curriculum with interesting and timely articles specific to Texas.

Cooperative Principles

A cooperative is a voluntary, contractual organization of people having a mutual ownership interest in providing themselves a service on a not-for-profit basis.

Consumer cooperative businesses, like San Bernard Electric Cooperative, are special because they are owned by the consumers they serve, and because they are guided by a set of seven principles that reflect the best interest of their member/owners.

1st Principle: Voluntary and Open Membership

Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2nd Principle: Democratic Member Control

Cooperatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary cooperatives, members have equal voting rights – one member, one vote– and cooperatives at other levels are organized in a democratic manner.

3rd Principle: Members' Economic Participation

Members contribute equally to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. They usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing the cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

4th Principle: Autonomy and Independence

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

5th Principle: Education, Training and Information

Cooperatives provide education and training for their members, elected representatives, managers and employees so they can contribute effectively to the development of their cooperatives. They inform the general public – particularly young people and opinion leaders – about the nature and benefits of cooperation.

6th Principle: Cooperation Among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

7th Principle: Concern for Community

While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.

San Bernard Electric Cooperative has a long history of providing electric services and more to thousands of people. It's part of who we are to bring people together in a united effort to improve the quality of life for you, our members, and the communities where you live. We're in business to serve our members.

Board of Directors of San Bernard Electric Cooperative, Inc.

DISTRICT ONE

Lori Walker

P.O Box 441, Hempstead, Texas 77445 (409) 656-1282

DISTRICT TWO

Karl Micklitz

P.O. Box 366, Brookshire, Texas 77423 (281) 375-5094

DISTRICT THREE

Bruce Pilcik

3003 Pilcik Road, Industry, Texas 78944 (979) 357-4700

DISTRICT FOUR

Norman Kiecke

1035 E. Hacienda, Bellville, Texas 77418 (979)877-5015

DISTRICT FIVE

Sammy Condra

2824 FM 949, Cat Spring, Texas 78933 (979) 732-5149

DISTRICT SIX

Vance Elliott

2251 Highway 90, Weimer, TX 78962 (979)484-4357

DISTRICT SEVEN

Charles Matula

240 CR 129, Hallettsville, Texas 77964 (361) 798-2429

DISTRICT EIGHT

Colt Haack

P.O. Box 2125, Prairie View, Texas 77446 (936) 857-3505

General Manager/President:

Mike Ables

P. O. Box 1208, Bellville, Texas 77418
(979) 865-3171 or 1-800-364-3171

Who to Contact at San Bernard Electric Co-op

Phone: (979) 865-3171 Toll free: 1-800-364-3171 E-mail: Info@sbec.org

Address Changes and Corrections.....	Billing
Application for Service.....	
Existing Location.....	Billing
New Service.....	Line Extension
Service Upgrades.....	Line Extension
Billing Adjustments.....	Billing
Capital Credits.....	Billing
Construction of Line.....	Construction
Credit Card Payments.....	Billing
Easements.....	Line Extension
Economic Development.....	Member Services
Electrical Problems and Outages.....	Dispatch

Call (979) 865-3171 or 1-800-364-3171
(Phones are answered 24 hours a day, 7 days a week)

Electronic Payment of Utility Bills.....	Billing
Energy Audits.....	Member Services
Key Accounts.....	Member Services
Legislative & Regulatory.....	Member Services
Meter Readings.....	Billing
Net Metering/Co-Generation.....	Engineering
On-line Bill Pay.....	Billing
Round-up.....	Member Services
SBEC Residential Energy Efficiency Programs.....	Member Services
Scholarships.....	Member Services
Area Lights.....	Billing
Sub-Metering.....	Member Services
Surge Protection Program.....	Member Services
Tree Trimming/ROW Clearing.....	Vegetation Management
Website.....	Member Services
Youth Tour.....	Member Services

Membership Meetings & Publications

Annual Meetings – SBEC holds its' annual meeting every year on the third Saturday during the month of May. At this meeting you have the opportunity to participate in the operation of your electric cooperative. By casting your vote at the annual meeting, you are electing a Board of Directors, who also are SBEC members, whose function is to set the policies and procedures by which your cooperative is governed. Qualifications for directors and additional information concerning the annual meeting are included in the San Bernard Electric Cooperative Bylaws.

Texas Co-op Power Magazine **Texas Co-op Power Magazine** – Spanning six decades, Texas Co-op Power has been a voice for the electric cooperatives that serve millions of Texans. It has been one of the best ways for cooperatives to stay in touch with members. Surveys show that Texas Co-op Power is where members get information about what's going on in their local cooperative and it's where they look for industry trends that directly affect them. Texas Co-op Power is like no other magazine in Texas. With a circulation to 1.3 Million Texas Electric Co-op Members – a larger circulation than Texas Highways and Texas Monthly – it's not only the most widely read magazine in the Lone Star State, but offers a unique perspective on rural and suburban Texas. With its' roots firmly set in the proud electric cooperative tradition and with its editorial eye on a fast-growing, rapidly changing state, Texas Co-op Power offers features on daily life in contemporary Texas. It has stories by some of the state's best writers, electric utility information and tips on cooking, recreation, gardening and things to do/places to go around the state. Members can also access Texas Co-op Power magazine online at www.texas-ec.org, then click the link, Texas Co-op Power or go to SBEC's website, www.sbec.org and click on the Texas Co-op Power link at the bottom of the page. SBEC utilizes the center pages of the magazine to keep the membership advised of the current events of your cooperative.

Typically Texas Cookbook – In 1971, Texas Electric Cooperatives, Inc. began distributing the Typically Texas Cookbook. More than 70,000 books have found their way into the homes of Texans and traveled across the nation to the White House, the Alaskan frontier, urban New York, Canada, and across the oceans to Australia, England, Germany and even Vietnam. Its appeal to many people, including gourmet cooks, was that the recipes produce basic, down home cooking, generally from ingredients already on the shelf just waiting to be used. After four reprints and two special editions, the original cookbook is no longer available.

In 1989, The Second Typically Texas Cookbook became available and has the same down-home and "good friend" touch which made the first book so popular. This cookbook as well is no longer available.

Currently we have the Texas Co-op Power Cookbook and the 60 Years of Home Cooking 1940 Texas Co-op Power 2000 Cookbook available for purchase. These are as much for anyone who enjoys cooking – or eating. They can be purchased at any SBEC office.

Application for Electric Service

Applications for electric service may be obtained by contacting San Bernard Electric Cooperative, Inc. in person or by telephone at (979) 865-3171 or 1-800-364-3171. When applying for electric service, all prospective members do so under the following terms and conditions:

1. If San Bernard Electric Cooperative's facilities exist, the applicant fills out an SBEC Service Application, pays a membership fee, connection fee, deposit and any other amounts that may be required.
2. If San Bernard Electric Cooperative needs to install facilities, the applicant requests an appointment with a staking technician to discuss the applicant's electrical needs, routing of the power line, location of the meter point and the line extension cost. The next step requires the applicant to fill out an SBEC Service Application, pay a membership fee, connection fee, deposit, line extension costs and any other amounts that may be required. All necessary right-of-way easements must also be secured at this time. After the engineering design is completed, all easements obtained, all fees paid, applications and any other necessary forms signed, the job will proceed to construction to be built at our earliest convenience.
3. The applicant agrees to comply with San Bernard Electric Cooperative's Articles of Incorporation and Bylaws and all amendments thereto and by such rules and regulations as adopted by the Board of Directors of SBEC.
4. The applicant agrees all member/customer wiring installations shall meet the requirements of the cooperative's service standards, the National Electric Code, the National Electric Safety Code, and any other local, county and state codes that may apply.
5. The applicant/member will, within 30 days after electricity becomes available at the service location, begin receiving a statement for payment of electrical service from SBEC. The applicant/member will purchase from SBEC all electric energy used on the premises at the rates determined by the Board of Directors of SBEC, regardless of whether a meter is in place at the service location.

Service Provisions

The cooperative shall extend electric service to each applicant under the Line Extension Policy in effect at the time service is requested. The following is excerpts from our current Line Extension Policy.

New Service

Application for new service may be made either in person or by calling San Bernard Electric Cooperative at (979) 865-3171 or 1-800-364-3171.

We take this opportunity to introduce you to the procedure for providing the electric service you are requesting and to our Line Extension Policies.

Our staking technicians are scheduled to meet with you at a specific time. It is essential that you keep this appointment, as we cannot proceed with your request for electrical service until the stakes are in place and you have provided us with the following information. (If you cannot keep this appointment, please give us 24 hours notice so we can best utilize the staking technicians' busy schedule).

1. Type of electrical load to be served (residence, mobile home, well, shop, etc.).

2. Size of electrical load to be served. You will need to provide an electrical load analysis or be able to provide the total AMP capacity required. IF YOUR ELECTRICAL REQUIREMENTS EXCEED 200 AMPS, WE REQUIRE AN ELECTRICAL LOAD ANALYSIS CALCULATED BY YOUR ELECTRICIAN PRIOR TO DESIGNING OUR ELECTRICAL LINES.
3. Exact physical location of the house, mobile home, or any other buildings to be served.
4. Permanent location of the meter. Our lines stop at the location you designate as your permanent metering point. The meter can be installed on your building, on your temporary pole with extra wire to go to the building after completion of the building, on our transformer pole or on our permanent meter pole. If you choose to use our transformer pole or meter pole, the meter will remain on this pole, and your electrician will run the service from the meter to your building. You are required to supply and install a meter loop for us to connect the service. If you designate the meter to go on our permanent pole, we will not connect to a temporary pole.
5. HAVE THE PROPERTY PINS PHYSICALLY LOCATED AND MARKED ON THE PROPERTY AND PROVIDE A COPY OF THE PLAT OF YOUR PROPERTY.
6. PROVIDE A COPY OF YOUR RECORDED DEED AND/OR CONTRACT OF SALE TO VERIFY OWNERSHIP OF PROPERTY AND ACQUIRE DEED INFORMATION TO PREPARE ANY RIGHT-OF-WAY EASEMENT NEEDED.
7. Member is responsible for locating and/or exposing all member owned underground electric lines, communications lines, water lines, sprinkler systems, sewer lines and septic systems.

From this information, our staking technicians will discuss the route you prefer across your property and then survey a route, stake the pole and guy locations, and determine the necessary engineering details to provide your service.

PLEASE NOTE: The cooperative shall provide up to two appointments to design the power line for electric service at no charge to the person requesting service. If the applicant requests a third appointment with a cooperative representative, a non-refundable contribution of \$150.00 will be assessed to the cost of the new service request. Once an applicant's job has been staked and the applicant requests a re-stake prior to construction, a non-refundable contribution of \$300.00 will be assessed to the cost of the new request.

FOR SAFETY PURPOSES, buildings, trees or other obstructions are not permitted in the path of the power line. We require a 20' wide (10 feet on each side of the power line) un-obstructed right-of-way that is free and clear of buildings, trees or other obstructions. The consumer is responsible to clear the right-of-way of all trees, stumps, brush, debris, and/or any obstacles along the route of the proposed extension to a width specified by the cooperative. The cooperative prohibits the party requesting service to clear the right-of-way of a third party property owner without a waiver from the cooperative. Any right-of-way being cleared by the cooperative on a line extension shall be at the member's expense.

Once the engineering details are completed and drafted onto a staking sheet, the job goes to our right-of-way department to prepare and secure all the easements and permits that may be needed. Any information you can supply us regarding this would be helpful. Power lines shall be constructed only on an unobstructed right-of-way covered by properly executed easements.

When the staking sheets are prepared, easements and permits, if any, are secured, service agreement is signed, and all fees paid along with a copy of your photo ID, then the job will be released to our construction department to be built at our earliest opportunity. You will need to have your service entrance equipment (commonly referred to as a meter loop) installed on the outside of your building if the meter is going on the building or assembled and on site for us to install if it is going on our pole. PLEASE NOTE: Should the meter loop not be ready to connect at the time of construction of the line and an additional trip is required to connect the service, a

non-refundable charge of \$60.00 will be assessed to the member. If the additional trip to connect the service is made after normal business hours a non-refundable charge of \$120.00 will be assessed to the member.

In order to avoid unnecessary delays during initial construction and future emergency line repairs, the cooperative shall require that the party receiving service grant permission for the cooperative to install its standard padlock where required to gain access to its lines when such gate or gap is kept locked by the property owner.

New Single Phase Line Extensions – The cooperative will extend single phase power lines, overhead or underground, to all residential, general (barn, water well, shop, etc.), and small commercial services as requested by the member. The member will be required to pay a contribution in aid of construction, in advance, equal to the average estimated unit costs for all units required to extend the service. The member will be required to sign a Five Year Electric Service Application and Agreement. Under the terms of the five year agreement, the member shall be obligated and responsible for continual service for the first year (12 months) and in order to continue to receive any refund/discount from the contribution in aid of construction monies paid shall maintain continual service for the remaining term of five years.

New Three Phase Line Extensions – The cooperative will extend three phase power lines, overhead or underground, to all residential, general (barn, water well, shop, etc.), small commercial and large commercial services as requested by the member. The member will be required to pay a contribution in aid of construction, in advance, equal to the total estimated cost to extend the service. The member will be required to sign a Five Year Electric Service Application and Agreement. Under the terms of the five year agreement, the member shall be obligated and responsible for continual service for the first year (12 months) and in order to continue to receive any refund/discount from the contribution in aid of construction monies paid shall maintain continual service for the remaining term of five years.

Temporary Line Extensions – The cooperative will extend a temporary power line to all applicants where the expected period of usage is twenty-four months or less, then removed, such as construction power, construction storage facilities, rock crusher and quarry activities and other similar activities. A non-refundable contribution in aid of construction will be required, in advance, for the total cost of the new construction and/or system improvements plus thirty-five percent (35%) to cover retirement labor, overhead and material losses less salvageable materials. Temporary pole use shall be limited to not longer than one year. For temporary services on a pole longer than a one year period shall require the installation of a permanent meter pole by the cooperative at the expense of the member.

Refunds of Contribution in Aid of Construction on New Extensions – The cooperative will refund the contribution for the service location, to the original member that maintains service in a continual manner, in the form of a credit on the monthly bill at a rate of thirty-five percent (35%) off the Delivery Charge for Residential/General Service rates or thirty-five percent (35%) off the Demand Charge on Large Power rates each month until they have received credit for the entire contribution paid or until their five year agreement has expired, whichever comes first. No refund credits will be given in excess of the original contribution paid. No refund/credits will be given after the initial five year contract term has expired. The refund/credits are non-transferable to another member or another account. If the original member discontinues service in his/her name, all refund/credits will become null and void. In the event additional members are connected from a line extension constructed as a result of a contribution in aid of construction within five years from the date applicant paid the contribution in aid of construction, upon request of the original applicant, the cooperative will make a pro-rata reimbursement according to the following provisions.

1. The additional extension must be made past the first pole of the original overhead extension or past the pad-mount transformer on an underground extension in which the member has paid a contribution in aid of construction for those facilities.
2. The pro-rata reimbursement for each additional extension shall not exceed \$500.00. When two or more members contributed to the original line extensions, the \$500.00 reimbursement will be divided equally among the qualifying members.
3. The original member shall not receive more than three additional line extension reimbursements, and in no event shall the sum of all refunds and credits exceed the original contribution.

Area Lighting – The cooperative will install, own and maintain area lighting facilities for the member provided the member signs the required Electric Service Application and Agreement agreeing to a contract term of not less than one year and pay a connection fee if the area light is going on an existing pole with existing secondary voltage. Should the area light be installed at the time the line construction is being done, the connection fee will be waived. The monthly rate for the area light shall be in accordance with the applicable rate schedule. Some models of area lights have a one time fixture charge. In the event the member desires the area light to be installed at a location where there is no existing wood pole with the appropriate secondary voltage available or there is no transformer, a contribution in aid of construction shall be assessed for the total cost of the additional facilities including transformer. An area light may not be available at all requested locations and the extra facilities in order to serve an area light where secondary voltage is not available shall be installed at the sole discretion of the cooperative at the member's cost described above. Manually operated switches will be installed at the request of the member, provided the member pays the full cost of the labor and material for the switch installation. Area lighting may not be available to the member at a location where persistent damage to the area light occurs.

Underground Service – The cooperative will provide underground facilities as requested by the member. The member will be required to pay a contribution in aid of construction equal to the estimated average cost per lineal foot with a one thousand dollar (\$1,000.00) minimum.

Relocation of Lines and Facilities – Relocation of electric power lines and electrical facilities shall be made at the sole option of the cooperative. In the event the relocation of lines and/or facilities is requested by a member, landowner, or other state, local or government body, the party making the request shall pay a non-refundable engineering fee of \$750.00, if required by the cooperative, to cover the engineering and right-of-way easement cost, design, prepare the necessary paper work, and acquire the necessary permissions in order to move or relocate the power lines and facilities. The engineering fee will be credited toward the total estimated cost if the member abides by the following requirements. Once SBEC has prepared the necessary paper work and cost estimate, the member requesting the line move shall pay the requested fees, execute any necessary easements and application for the line move within 60 days from the date the paperwork was mailed or given to the member. If the member fails to return the requested fees and paperwork within the 60 days, the non-refundable engineering fee shall be forfeited and no future credit of the engineering fee off the cost of relocation would be available if the member decides to pursue the line move at a later date.

Service Provisions – The consumer shall agree to a one year contract term and commence receiving electric service within thirty days after it is made available or shall commence paying to the cooperative the minimum monthly charge as specified in the applicable rate schedule as no meter billing.

Ownership – San Bernard Electric Cooperative shall retain ownership of all materials and facilities installed by the cooperative.

Miscellaneous Service Fees/Charges

Membership Fee - \$50.00 - This fee is charged when application is made for electric service.

Trip Fee - \$60.00 - This fee is charged as partial compensation, if the following services are required:

Unlock meter

Reconnect meter

After Hours Trip Fee - \$120.00 - This fee is charged as partial compensation, if the above services are required after normal working hours.

Collection Fee - \$60.00

Consumer Deposit – Deposit will be based on members' credit or an acceptable letter of credit from past utility. \$0.00 ... to ... 1/5 of annual usage (3 months avg. bill)

Returned Check Charge - \$27.50

Termination Notice Processing Fee - \$12.00 – A termination notice is processed on an account not paid by the due date of a bill.

Area Light Hook-Up Fee - \$60.00 plus possible fixture fee.

Meter Test Fee* - \$0.00 - * You may request a test of your electric meter if you believe that the meter is not accurately reflecting your actual electric consumption. This test will be made at no charge to you provided the meter has not been tested during the previous four years at your request. In the event you request a test more often than once in four years and the meter is found to be within the accuracy standard of 100%, plus or minus 2 percent, a \$60.00 fee will be charged.

Rate Schedule

Rate: RES 1 – Single Phase Residential Service

Base Charge : \$ 33.00

Delivery Charge : kWh used X .0285

Generation & Transmission Charge : kWh used X G&T factor

Rate: RES 3 – Three Phase Residential Service

Base Charge : \$ 50.00

Delivery Charge : kWh used X .0285

Generation & Transmission Charge : kWh used X G&T factor

Rate: GS1 – Single Phase General Service

Base Charge : \$ 35.00

Delivery Charge : kWh used X .02258

Generation & Transmission Charge : kWh used X G&T factor

Rate: GS3 – Three Phase General Service

Base Charge : \$ 60.00

Delivery Charge : kWh used X .02258

Generation & Transmission Charge : kWh used X G&T factor

Rate: COMM – Large Commercial Service over 50 kW

Base Charge : \$ 215.00

Delivery Charge : kWh used X .00900

Demand Charge : kW used X 3.00

Rate: PRIM - Large Power Primary

Base Charge : \$ 400.00

Delivery Charge : kWh used X .00450

Demand Charge : kW used X 3.50

Rate: IND – Industrial Over 450 kW

Base Charge : \$ 450.00

Delivery Charge : kWh used X .00500

Demand Charge : kW used X 3.50

Area Lights and Flood Lights

SBEC has available area lights, which offer you automatic dusk to dawn light for your convenience. For wattage and pricing refer to the list below.

Lamp Size	kWh	\$ Month	G & T Charge
Mercury Vapor			
175 Watt	70	\$6.15	At Cost
250 Watt	90	\$7.60	At Cost
400 Watt	140	\$8.55	At Cost
Lights no Longer available for repair/replace			
High Pressure Sodium			
100 Watt	40	\$7.60	At Cost
250 Watt	105	\$9.05	At Cost
400 Watt	175	\$9.05	At Cost
Lights no longer available for repair/replace			
Metal Halide			
50 Watt	65	\$7.60	At Cost
107 Watt	105	\$9.05	At Cost
157 Watt	175	\$9.05	At Cost
LED Lights			
50 Watt	19	\$10.00	At Cost
107 Watt	38	\$12.50	At Cost
157 Watt	156	\$15.00	At Cost

G&T charges apply monthly based on kWh for each light.

New Installations

A connect fee of \$60 will be charged on lights that are installed on an existing pole.

For installations requiring additional equipment, contact the Engineering Department for pricing.

Reconnecting Lights

A connect fee of \$60 will be charged to activate an existing light. If area light is activated when meter is connected, no charge will apply.

Mercury vapor area lights can no longer be replaced and are no longer available for new installations. When existing mercury vapor lights need to be replaced, the cooperative will install a comparable high pressure sodium device at no cost to the member.

Easements

Applicants for new service shall furnish to San Bernard Electric Cooperative, Inc., on the cooperative's application form and at no cost to the cooperative, an easement granting the cooperative the right to construct, operate, and maintain any facilities which the cooperative may be required to construct or install on the property of the applicant in order to furnish the required electric service, along with the right to replace, rebuild or remove said facilities and the right to serve others from these facilities. Similar easements will be required to construct or uninstall its facilities in order to serve the applicant. Any cost incurred or monetary consideration involved in connection with obtaining the necessary easements and permits for the cooperative to extend service from its system will necessarily have to be borne by the applicant for such service.

The following information is necessary for San Bernard Electric Cooperative, Inc., to prepare easements. (Easements are required on all new primary lines)

Signed and dated copy of the following to show proof of ownership of property:

- Warranty Deed
- Partition Deed
- Gift Deed
- Probated Will
- Contract for Deed
- Contract for Sale
- Map or plat of property by licensed land surveyor

For questions or information concerning easements please contact SBEC in our Bellville Office at (979) 865-3171 or 1-800-364-3171.

Vegetation Control Maintenance

Trees and power lines:

We know trees are an essential part of the charm of Texas. Trees are also vital to our economy, but trees are dangerous when they contact power lines. Regular trimming to direct growth away from lines helps prevent the outages and damage trees can cause. Mowing right-of-ways keeps brush, vines and saplings from developing and clears a path for SBEC personnel performing maintenance and repair work.

The skilled contractors working for SBEC are committed to establishing the clearance required to bring you years of dependable electric service, while retaining the beauty and value of your trees.

The following information will help answer your questions about our right-of-way clearing policies and procedures. If you need more information, please call us in our Bellville office at (979) 865-3171 or 1-800-364-3171.

How do SBEC's contractors decide which trees need trimming and how much to cut?

Re-clearing the right-of-way means that we will remove all trees, brush and other vegetation within SBEC's 20' (twenty foot) easement, which is 10' (ten feet) either side of the center line of our distribution power line.

How often will right-of-ways be cleared?

Tree-trimming contractors rotate periodically throughout our service area.

Because underbrush develops faster, it must be cleared more often than side trimming. We try to clear under brush with our tractor crews. SBEC supports an aggressive right-of-way program to keep maintenance costs down and service reliability up.

Are chemical sprays used to control trees or underbrush?

Yes, we use several herbicides and growth inhibitors to help maintain the vegetation in our right-of-ways. The most common method we use is the cut stump treatment in which the herbicide is applied directly to the stump. This method has the best results and helps insure that there is no off site damage to any other vegetation.

What types of equipment are used to clear the right-of-ways?

The most common pieces of equipment used are bucket trucks, chain saws, tree saws and pruning tools. SBEC also utilizes a tractor equipped with a brush hog to mow undergrowth.

What happens to the debris?

SBEC's contractors strive to leave right-of-ways as neat as they were before the work started. Debris produced by the trimming will be shredded with a tractor on-site where appropriate, or chipped and hauled away for disposal.

Your cooperation will help us in our efforts to prevent tree-related outages and keep right-of-way maintenance costs down.

- Don't store items in right-of-way areas, even for short periods. Right-of-ways must be kept unobstructed at all times to allow access for trimming, maintenance, and repair crews. Personal property in right-of-way areas should be removed.
- When planting trees or shrubs, remember to stay far enough from right-of-ways to ensure that future growth will not interfere with power lines.
- Keep landscaping elements out of designated right-of-ways.

- Report dead, weak or damaged trees near power lines to SBEC promptly so we can remove them before they cause an outage.

Thank you for your patience and understanding during our right-of-way trimming. If you need more information, please call SBEC in our Bellville office at (979) 865-3171 or 1-800-364-3171; write to San Bernard Electric Cooperative, Inc., Attn: Vegetation Control Department, P.O. Box 1208, Bellville, TX 77418; or send an e-mail to info@sbec.org.

Your Electric Meter and Meter Readings

SBEC has over 25,000 meters spread over an eight county area. Some are in more populated urban areas while the rest are in remote farming and ranching areas.

As the electricity passes through the electric meter it measures the kilowatt-hours you use. The six numerical figures on the face of your meter enable the cooperative to determine the amount of electricity you consumed and then determine your bill. All meters are read remotely on a monthly basis. Advanced Metering Infrastructure (AMI) are types of meters that are read via electronic means. Readings are obtained electronically and posted to the members accounts monthly. Even though our meters are remotely read each month, we still require access to our meters and equipment. If you have a locked or electric gate, or dogs that will bite, please contact SBEC in our Bellville at (979) 865-3171 or 1-800-364-3171 so we can gain access safely.

SBEC manually reads each meter on its system on a rotating basis. The cooperative personnel record the reading and check for any signs of tampering, including broken meter seals, locking devices or any hazards. Hazards include (but are not limited to) T.V. antennas, satellite dishes or a member installed security light. None of these items are allowed on SBEC poles. The reason for this restriction is the possibility of electrical contact by a member or the hazard being an obstruction should an SBEC employee need to climb the pole. Hazards may include any improper wiring that does not meet the requirements of the cooperative's service standards, the National Electric Code, the National Electric Safety Code, and any other local, county and state codes that may apply, a meter that has been enclosed and is inaccessible to SBEC employees, and right-of-way violations such as buildings or pools under an SBEC line.

PLEASE REMEMBER: If it is necessary to remove your meter, please contact your local cooperative office and arrangements will be made to assist you. Unauthorized meter removal or meter tampering is unlawful and it is hazardous, possibly resulting in severe injury or death to anyone attempting to by-pass or alter the cooperative's equipment.

Meter Test

You may request a test of your electric meter if you believe that the meter is not accurately reflecting your actual electric consumption. This test will be made at no charge to you provided the meter has not been tested during the previous four years at your request. In the event you request a test more often than once in four years and the meter is found to be within the accuracy standard of 100%, plus or minus 2 percent, a \$60.00 fee will be charged.

Payment of Your Electric Bill

“When”, “Where” and “How” to Pay Your Bill

Bills are due and payable upon receipt. Failure to receive a bill does not exempt a member from payment. The area where your meter is located determines which office handles your billing questions. A bill is considered delinquent if not received in the SBEC office by 5:00pm on the due date stated on your bill. A bill is subject to disconnection if not paid within 26 days of issuance. Payment of bills may be made by mailing in the return envelope provided with your monthly electric bill, or in person at any of the following locations.

Bellville Main Office
309 West Main St.
P.O. Box 1208
Bellville, TX 77418
(979) 865-3171
1-800-364-3171

Fieldstore Branch Office
29244 FM 1488
P.O. Box 1367
Magnolia, TX 77353
(936) 372-9176
1-800-364-3171

Columbus Branch Office
4285 Highway 71
P.O. Box 309
Columbus, TX 78934
(979) 732-8346
1-800-364-3171

Hallettsville Branch Office
1686 US Highway 90A East
P.O. Box 610
Hallettsville, TX 77964
(361) 798-4493
1-800-364-3171

SBEC offices are open 8:00am to 5:00pm, Monday through Friday, except for SBEC designated holidays. All SBEC offices have drive-up drop boxes or drive-up teller windows and night depositories for your convenience and safety.

SBEC offers automatic monthly bank draft or credit card draft of your account(s) by visiting your local branch office and submitting the form or signing up online. See the following page for full details on online registration.

You can make a one time credit card or electronic check payment online at www.sbec.org.

Another option available is to call 1-844-201-7199 to access our automated phone payment system. **Note: Please have your SBEC account number available for use with this system.**

Payments, accompanied with a current bill stub, may also be made at the following banking institutions:

Columbus State Bank – Columbus

First State Bank – Columbus

Peoples State Bank – Hallettsville

Prosperity Bank – Hempstead

Hill Bank & Trust – Weimar

Wal-Mart Stores in your area at the Customer Service Counter – Pay by cash or debit card. A service fee of .88 cents will be added. Please allow 3-4 days for payment to post to your account.

Bill Payment Options

Average Monthly Payment – Average Monthly Payment (AMP) is offered to all cooperative residential and small general service accounts with 12 months of billing history.

AMP is not a reduced electric rate. Each month the member is billed for the actual kilowatt-hours used; however, the monthly payment is an average based on the most current 12 months of billing history. The AMP payment will change slightly each month because the oldest history month drops off while the newest history month is added, giving the **Average Monthly Payment**.

Online Member Portal – Smart Hub. This member portal makes it even easier to stay connected to SBEC via today's internet technologies. Customers can now manage payments, notify customer service, sign up to receive notifications, check usage, stay up to date, and much more, all from your web browser, iPhone, iPad, or Android device. The Smart Hub Member Portal is located on the SBEC website homepage, www.sbec.org. To download the new Smart Hub app for your mobile device, simply search for "SmartHub" in the Apple App Store® or in the Android® Market. The app is free to all our members.

Smart Hub Member Portal - requires email for username and secure password.

Smarthub PAYNOW –payments only. Account number & last name/business name required.

Auto-Pay – You can have your monthly bill automatically paid by a re-occurring bank draft or credit card payment. The total amount due will be drafted from your checking or credit card on the due date. When registering please pay current bill as Auto-Pay will not take effect until the next monthly billing. Sign up through the Member Portal under Billing and Payments or on your mobile app or iPad.

Pay-By-Phone - You can call (844) 201-7199 and interact with the voice response system by using the keypad to enter information to make a payment. You will need your SBEC account number to access your account information.

Using one of these payment methods allows you to make a payment with piece of mind knowing that your information is secure. As always, if you have questions or concerns about your account, please give us a call or stop by one of the offices and speak to a customer service representative.

Understanding Your Electric Bill

1. **Account # or Invoice #:** Number used to identify you as a member.
2. **Due Date:** Last day current charges can be paid before a late charge is assessed.
3. **Service Address:** The address where the meter is located / Description of what meter serves. The mailing address is where the bill is sent.
4. **Rate:** Identifies the billing value that applies to the metered service.
5. **Service From/To:** Represents the beginning and ending reading dates for the current billing period.
6. **Reading Previous/Present:** Readings used to calculate the kWh usage for the current billing period.
7. **Multiplier:** Used in certain metering applications to multiply the kWh & kW reading for actual usage.
8. **kWh Used:** Amount of kilowatts used during the current billing period.
9. **Delivery Charge:** SBEC's cost to distribute electricity to your location (per kWh).
10. **G&T Charge:** This charge reflects the amount SBEC pays to purchase power for our members. This charge is then passed onto the member with no markup.
11. **Base Charge:** A fixed monthly charge that reflects cost to have facilities in place and available for use. This monthly charge remains the same, regardless if electricity is used. The facilities charge helps to cover the cost of billing and maintenance of electrical equipment and meters.
12. **Area Light Charge:** Monthly charges for area light(s) plus G&T charges.
13. **Round-Up:** Members helping members by rounding up their bill to the nearest dollar. The extra charge goes in the fund to help members in need.
14. **Current Charges:** Total charges for the current billing period only.
15. **Total Amount Due:** Total amount of current charges and prior balances (if any).

OTHER SPECIAL CODES YOU MIGHT FIND ON YOUR BILL:

Bill Type: Describes the type of bill such as Budget or Final.

Demand Usage: Maximum kW demand used during the current billing period (Not used on residential services).

Sales Tax: State and local sales tax (if applicable) based on current charges.

Misc Charge/Credit: A monthly billing charge not associated with electric usage such as Internet Service or Deferred Payments.



San Bernard Electric Cooperative, Inc.
 PO Box 1208
 Bellville, Texas 77418

Your Touchstone Energy® Cooperative

(979)-865-3171 or (800) 364-3171
 www.sbec.org
 Pay-By-Phone 844-201-7199

JOHN Q. PUBLIC 5 180
 1111 COUNTRY RD C-1
 ANYTOWN, TX 99999-999

(1) Account #	1234567
(2) Statement Date	08/10/2022

Service Summary	
Previous Balance	\$180.00
Payment Received - Thank You	\$180.00 CR
Balance Forward	\$0.00
Current Amount Due	\$250.00
Total Amount Due	\$250.00

Message From SBEC



Account # 1234567 (3) Address: 1111 COUNTRY RD Service Type: RESIDENCE

Meter No.	(4) Rate	(5) Services From To	Days	(6) Readings Previous Present	Meter Multiplier (7)	KWH Used (8)	Balance Forward	Current Charges
1N1111111111	RES1	07/06/22 08/06/22	30	218563 220205	1	1642	\$.00	\$250.00



(9) Delivery Charges	1,642 kWh	x \$0.0285 =	\$ 46.80
(10) G&T Charge	1,642 kWh	x \$0.0965 =	\$ 158.45
(11) Base Charge			33.00
(12) Area Light Charge			10.90
(13) Round Up			.85
(14) Current Charges			\$ 250.00

COMPARISONS	Days	Total kWh	Avg kWh	Avg Temp
CURRENT BILLING	30	1642	55	63
PREVIOUS BILLING	31	1318	43	71
LAST YEAR BILLING	30	1876	63	62

Return this portion with your payment

GO PAPERLESS SIGN UP ON SMARTHUB



(15) Account Number	1234567
Current Amount Due	08/30/2022 \$250.00
Amount if Paid After	08/30/2022 \$262.00

JOHN Q. PUBLIC
 1111 COUNTRY RD
 ANYTOWN, TX 99999-999

Address & Phone Update

Pay your bill 24/7 at sbec.org with Smarthub
 By Phone: call 844-201-7199 and use your account #

San Bernard Electric Cooperative, Inc.
 PO Box 1208
 Bellville, Texas 77418



461110002911702000019400000019400121020219

Termination Notice

A termination notice is processed on an account not paid by the due date of a bill. A termination notice processing fee of \$12.00 will be added to the outstanding bill at this time. The member is allowed 10 days from the date of the notice to make payment or the account becomes subject to disconnection. If payments are collected in the field, a collection charge will be added to your outstanding bill. If disconnected, the member is required to pay all delinquent bills including reconnect fees and possibly a consumer deposit equal to 1/5th of the annual billing.

Operation Roundup

A program designed by San Bernard Electric Cooperative for members to help members in need and support non-profit organizations in the communities we serve.

As a member of the SBEC you have a choice of assisting members who need help. These are most often the elderly or disabled members on a fixed income. In some cases these members may have had a crisis situation leaving them without the funds to pay their electric bill. Your contribution will also provide support to local non-profit organizations such as fire departments.

By participating in Operation Round Up, SBEC will round off the member's bill to the next higher dollar. For example; if your bill is \$126.50 SBEC will round it up to \$127.00. The difference of .50 cents goes directly to the Operation Roundup Fund. **When you sign up for service from SBEC you are automatically enrolled in Operation Round Up. to opt-out of the program please call the Bellville office at (979)-865-3171 or (800)-364-3171.**

Members calling in for assistance will be interviewed to qualify for assistance. The interviewer will need to know the: members' total income, sources of income, if they are disabled, documentation of disability, is this an emergency crisis, documentation of proof of the crisis, age, how many live in household. Funds are distributed fairly and appropriately according to the guidelines set forth by SBEC, without regard to race, national origin, age, physical handicap, religion, and lifestyle.

- The recipient must be a SBEC member.
- Funds are applied to the SBEC member's utility bill.
- Fund limit per SBEC member is \$150.00 per request for a total of \$500.00 per year.
- Applicant is interviewed by a SBEC employee over the telephone.

To receive assistance from the program please call the Bellville office, (979) 865-3171 or 1-800-364-3171.

SBEC's Website

Check out our interactive website at SBEC.ORG for information and resources about San Bernard Electric Cooperative and your community.

You'll find:

- Billing Information
- Board of Directors
- Career Opportunities at SBEC
- Contact Us (page for comments)
- Energy Efficiency Information/Energy Audit Link
- Local School Links
- Information on Deregulation
- Touchstone Energy Links
- Legislative Links
- Local Chambers of Commerce Links
- All this and much more information, resources and other services offered by SBEC
- Local Weather Link
- New Home Construction Information
- Office Locations
- On-Line Bill Pay
- Rate Schedules and Fees
- Residential Energy Efficiency Program Information
- SBEC By-Laws
- SBEC History
- Safety Information
- Surge Protection Program Information
- Vegetation Control Maintenance Info.

SBEC's Facebook Page

Check out our Facebook page at www.facebook.com/sbecoop to be advised of the current events of the cooperative, major power outages and restoration efforts, as well as useful and important information to the membership and general public.

As you utilize our Facebook page, we remind you that this is not the appropriate place to report an outage or submit a service request. To report an outage or submit a service request, please call our 24-Hour Dispatch Center at 1-800-364-3171. Additionally, because of privacy laws, we cannot discuss a member's bill and/or account on a social media forum. Please give us a call at 1-800-364-3171 and we'll be happy to discuss any questions you might have. Or, stop by one of our offices and visit with a customer service representative.

Finally, we reserve the right to allow or not allow public commenting on content posted to the Cooperative's Facebook page.

Power Interruptions and Outages

Automated Outage Reporting

In April 2002, SBEC implemented an outage management system. This system will be answered by SBEC's Interactive Voice Response system (IVR). During a major power outage, this system will be able to handle hundreds of members trying to alert SBEC. It will assist SBEC to respond faster and more effectively. When the flow of electricity to your home is disrupted for whatever reason (storms, equipment failure, etc.), the outage system will function as follows:

- Call SBEC and report the outage
 - The system recognizes your telephone number and pinpoints your location
 - The system asks you to verify your location and accesses your information
 - SBEC dispatches a repair crew

SIMPLE EFFICIENT Outage Reporting. The call should last approximately one minute. Through a computerized mapping network, SBEC receives the information we need quickly. The system will show our dispatchers where the problem originates: substation, circuit, transformer or meter.

The key tool for the system is SBEC's database. The system utilizes our database and recognizes your account first by the telephone number. If we already have your phone number entered into the system, it will: automatically recognize and pinpoint your location, ask for verification and access your account information. If your phone number is not on file, it will ask for your phone number, meter number, and/or account number. This will allow the system to recognize your account. This will lengthen the duration of your call somewhat. Hopefully you'll never have to report an outage, but just in case your power does go out, you'll want SBEC to be notified as quickly as possible so repairs can begin immediately.

You can help us make this process quick and efficient as possible by sending SBEC your correct phone number (for each account/s). Please send us your phone number by emailing us at info@sbec.org or calling us at 1-800-364-3171.

SBEC will not use your phone number for any other reason. Your number and personal information will be protected by our member privacy policy.

Non-Automated Outage Reporting

1. Check your circuit breakers or fuses to determine if the trouble is not in your own system.
2. Have the upper portion of your bill handy so you can give the dispatcher the following information:
 - a. the name on the account
 - b. the location or address of the outage
 - c. the possible cause if known

To report an outage 24-hours a day, 7 days a week, phone the following:

Bellville area: (979) 865-3171

Columbus area: (979) 732-8346

Fields Store area: (936) 372-9176

Hallettsville area: (361) 798-4493

Other areas: 1-800-364-3171

Nights, Weekends or Holidays call:

(979) 865-3171 or 1-800-364-3171

If the outage is the responsibility of the cooperative there will be NO CHARGE. If the cooperative responds to a call and it is determined that the outage is on the member's side of the meter, such as a tripped breaker or a blown fuse, etc., you may be billed for a trip fee (see fee structure on page 14).

Life Support Information

SBEC has a special concern for the safety and well being of our members. There are many instances when our members are home using special life support equipment. If you, your relative, neighbor or friend fall into this category, please contact your Physician and have them fax or mail a statement of necessity for electricity to the Bellville office. A Life Support Information sheet will be mailed so that the important information can be obtained for our files. When a dangerously long outage occurs, these members can be notified of the possible hazardous conditions.

Disconnect for Ill and Disabled Rule states that no electric utility may disconnect the service to a delinquent residential customer permanently residing in an individually metered dwelling unit when that customer establishes that disconnection of service will result in some person's residing at that residence becoming seriously ill or more seriously ill if service is disconnected. Each time you seek to avoid disconnection of service under this rule, you must have your attending physician call or contact the cooperative within 16 days of issuance of the bill to report your condition. You or your physician must provide a confirmation letter to the cooperative within 26 days of issuance of the bill. The refrain against disconnection of service by this rule will last 63 days from the issuance of the bill unless a lesser period has been agreed upon. If you make a request to avoid termination under this provision, you must enter into a deferred payment contract.

Your physician will need to provide a current letter, explaining your condition, every 12 months (1 year) to continue to be eligible for this program.

Member Services

Energy Audits

Free energy audits are available to our members by request. Member Services personnel can review your home energy usage and advise you on effective ways to use electricity more efficiently. Complimentary Energy Tips brochures are available to our members which offer valuable tips that will save you energy and money and in many cases help the environment by reducing pollution and conserving natural resources.

On-Line Energy Efficiency Information:

- **Touchstone Energy: Together We Save Energy Savers:**
<http://www.touchstoneenergy.com/together-we-save>
- **Tips on Saving Energy & Money at Home:**
www.eren.doe.gov/consumerinfo/energy_savers

Capital Credits

Capital Credits

The San Bernard Electric Cooperative philosophy with regard to capital credits takes the form of an agreement between the cooperative and the member. As with any business, the cooperative needs equity capital. It is the member who agrees to provide this equity capital through the rates the member pays for electric service. By paying an amount greater than the cost to provide this service, the cooperative will realize a margin. The accumulation of margins is how the cooperative builds equity. The cooperative agrees to use this equity to help finance new construction and improvement to the system and, at some future date, the cooperative may return the equity back to the member. The cooperative also agrees to operate on a not-for-profit basis and the members have a say in the affairs of the cooperative through the directors elected to represent them.

What are capital credits?

Patronage Capital (also known as capital credits) are the margins (profits) that San Bernard Electric Cooperative realizes each year. Your cooperative's margin is any money left after all operating expenses have been paid. Since members are owners of the cooperative, all of that money will be allocated to the member/owners accounts based on energy used by the member.

What is the capital credit allocation process?

At the end of each operational year, capital credits are allocated based on the margins (revenues minus expenses) achieved in a given year and then pro-rated among the members based on the amount of energy each member contributed in purchasing electric service. The allocation of capital credits is merely a notification to a San Bernard Electric Cooperative member that the cooperative realized a margin (profit) for the fiscal year and in accordance with its bylaws, is allocating a pro rata share of the margin to the member, based on the member's KWH usage.

When are capital credits paid?

The payment of capital credits is determined each year by the San Bernard Electric Cooperative Board of Directors, selected by the membership. The payment of capital credits varies and is based on the cooperative's financial condition allowing such payment without jeopardizing the financial stability of the organization and without causing an otherwise unnecessary increase in rates.

The electric utility industry is a very capital-intensive industry, thus it takes a great deal of capitalized funds to construct and maintain the system. In the same way that a homeowner utilizes "borrowed" capital over a 20 or 30 year period in order to purchase a house, an electric utility needs long-term capital funds – some of which are supplied by members via retained capital – in order to remain financially solvent and thus continue to provide the most reliable electric service which consumers demand at a reasonable price.

In the meantime, the funds remain invested in the cooperative plant, credited to each member's account. If you move or no longer have service with San Bernard Electric Cooperative, you should keep your address current with the cooperative so you can receive your capital credit notices and refunds when they are paid.

Residential Safety Checklist

Here are ten quick checks you can make in your home today to help make it more electrically safe:

✓ **OUTLETS**

Check for outlets that have loose-fitting plugs that can over-heat and lead to fire. Replace any broken wall plates. Make sure there are safety covers on all unused outlets that are accessible to children.

✓ **CORDS**

Make sure cords are in good condition – not frayed or cracked. Make sure they are placed out of traffic areas. Cords should never be nailed or stapled to the wall baseboard or to another object and they should not have any furniture resting on them.

✓ **EXTENSION CORDS**

Check to see that the cords are not overheated. Additionally, extension cords should be used only on a temporary basis. They are not safe as permanent household wiring.

✓ **PLUGS**

Make sure the proper type plug is in each outlet. If you are using three-prong plugs in a room with two-conductor outlets, do not cut off the ground pin (the third-bottom prong) from the plug; this could lead to an electrical shock hazard. A better solution is to use a two-prong adapter. Never force a plug into an outlet if it doesn't fit. This could lead to fire or shock. Plugs should fit securely into outlets and outlets should not be overloaded.

✓ **GROUND FAULT CIRCUIT INTERRUPTERS**

GFCIs can prevent many electrocutions. They should be used in any area where water and electricity may come into contact. Test GFCIs regularly according to the manufacturer's instructions to make sure they are working properly.

✓ **LIGHT BULBS**

Check the wattage of all bulbs in lighting fixtures to make sure they are the correct wattage for the size of that fixture. Replace bulbs that have higher wattage than recommended. If you don't know the correct wattage, check with the manufacturer of the fixture. Make sure bulbs are screwed in securely – loose bulbs may overheat.

✓ **CIRCUIT BREAKERS/FUSES**

Circuit breakers and fuses should be correctly sized for the circuits. If you do not know the correct fuse size, have an electrician identify and label the sizes. Never replace a fuse with anything but another correct fuse size.

✓ **WATER & ELECTRICITY DON'T MIX**

Don't place any electrical appliance near water; i.e. a sink or a bathtub. Appliances that are used near water should be unplugged when not in use. If you have an appliance that is wet, unplug it and don't use it until it's been checked by a qualified repair person.

✓ **APPLIANCES**

If one appliance repeatedly blows a fuse or trips a circuit breaker, or if it has emitted an electric shock, unplug it and have it repaired or replaced.

✓ **ENTERTAINMENT/COMPUTER EQUIPMENT**

Check to see that the equipment is in good condition and working properly. Look for

cracks or damage in wiring plugs and connectors. It is recommended that surge suppression equipment is used on these units.

Deregulation

What Deregulation Means to Consumers

On January 1, 2002, Texas Senate Bill 7 allowed Texans to choose power generation suppliers. This is commonly known as ELECTRIC DEREGULATION. The objective of deregulation is to allow the competitive markets to function and regulate only the electricity components that are monopolistic and require government intervention.

Your electric bill is made up of three parts and deregulation impacts only one of them. The three parts of your electric bill are: generation, transmission and distribution. Electric deregulation changes how power generation will be bought and sold. It does not change how power will be transmitted or distributed.

Generation is the actual production of electric power, either by hydroelectric dams, coal or natural gas-fired plants, nuclear power plants, wind turbines, solar cells or other means.

Transmission is the process of moving power from the point of generation (power plant) to the point of distribution (a substation). This is done by high-voltage transmission lines carrying huge amounts of electricity – up to 400,000 volts.

Distribution is the process of getting power to the consumer. This is the network of lines that connects the transmission delivery point (a substation) to homes, stores, offices, factories – anyone that purchases retail electricity.

Deregulation affects only power generation (not transmission or distribution). Originally most of the investor-owned utilities generated, transmitted and distributed electricity to their customers. Deregulation requires them to separate those parts of their business which supplies power. This divestiture creates the “POWER MARKET” where power suppliers will be able to sell their electricity to the highest bidder.

Cooperatives

There are sixty-seven distribution electric cooperatives in Texas. Another eleven Texas cooperatives generate and transmit electricity, but they only sell electricity wholesale to distribution cooperatives. San Bernard Electric Cooperative is a distribution cooperative; it distributes electricity from power suppliers to the members. The cooperative does not manufacture electricity. As a wholesale customer (of the power supplier) SBEC pays for both electricity generation and transmission, passing these costs on to the member.

Cooperatives Have a Choice in Deregulation

Texas Senate Bill 7 exempted cooperatives and municipalities from deregulation. Why? This is due to the fact that the services and facilities are owned by the members/customers and run on a democratic business model. SBEC’s members elect their own Board of Directors, which in turn set cooperative policy. Does this mean that cooperatives cannot deregulate? Absolutely not! It means that cooperatives and municipalities may choose to “opt in or out” of deregulation, unlike investor-owned utilities who do not have a choice. This gives SBEC the opportunity to wait and study the deregulated market to determine if deregulation will benefit the members.

The Advantage of Waiting

Regardless of whether SBEC ultimately “opts in or out” of deregulation, it will remain your power distributor. If we become deregulated and buy power at market prices, the generation part of your bill will reflect the generation cost. The other parts of your bill (transmission and distribution) will be unaffected.

Before deciding, SBEC wants to know if deregulation has raised or lowered rates for other Texas power customers, especially in rural areas. As previously stated, investor-owned utilities are privately owned, unlike cooperatives that are owned by their members. Your SBEC Board of Directors is elected to set policy that most benefits the members.

Make Sure it's Right

SBEC intends to continue serving its members as we have since 1939. We intend to keep providing the same world class customer service, personal attention and competitive rates our members have come to expect.

If deregulation is right for our members, we intend to go ahead. But not until we make sure it's right!

Distribution is the process of getting power to the consumer. This is the network of lines that connects the transmission delivery point (a substation) to homes, stores, offices, factories – anyone that purchases retail electricity.

Deregulation affects only power generation (not transmission or distribution). Originally most of the investor-owned utilities generated, transmitted and distributed electricity to their customers. Deregulation requires them to separate those parts of their business which supplies power. This divestiture creates the “POWER MARKET” where power suppliers will be able to sell their electricity to the highest bidder.

Cooperatives

There are sixty-seven distribution electric cooperatives in Texas. Another eleven Texas cooperatives generate and transmit electricity, but they only sell electricity wholesale to distribution cooperatives. San Bernard Electric Cooperative is a distribution cooperative; it distributes electricity from power suppliers to the members. The cooperative does not manufacture electricity. As a wholesale customer (of the power supplier) SBEC pays for both electricity generation and transmission, passing these costs on to the member.

Cooperatives Have a Choice in Deregulation

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Glossary of Terms

Senate Bill Seven: Legislation that gave customers of Texas' investor-owned utilities the right to choose a retail electricity provider.

IOU: Investor Owned Utility

TDSP: Transmission Distribution Service Provider – local distribution company.

REP: Competitive Retail Electric Provider – sells electricity to customers.

AREP: Affiliated Retail Electric Provider of the local distribution company.

PUCT: Public Utility Commission of Texas.

Renewable Energy: Electricity that is made from “environmentally friendly” fuel sources, such as wind, water and biomass or solar.

Aggregator: Entity registered with PUCT to bring a group of customers together to buy electricity in bulk.

Switch: IOU customer that has switched retail electricity suppliers.

Move-In: IOU or new customer that has moved into a TDSP's service territory.

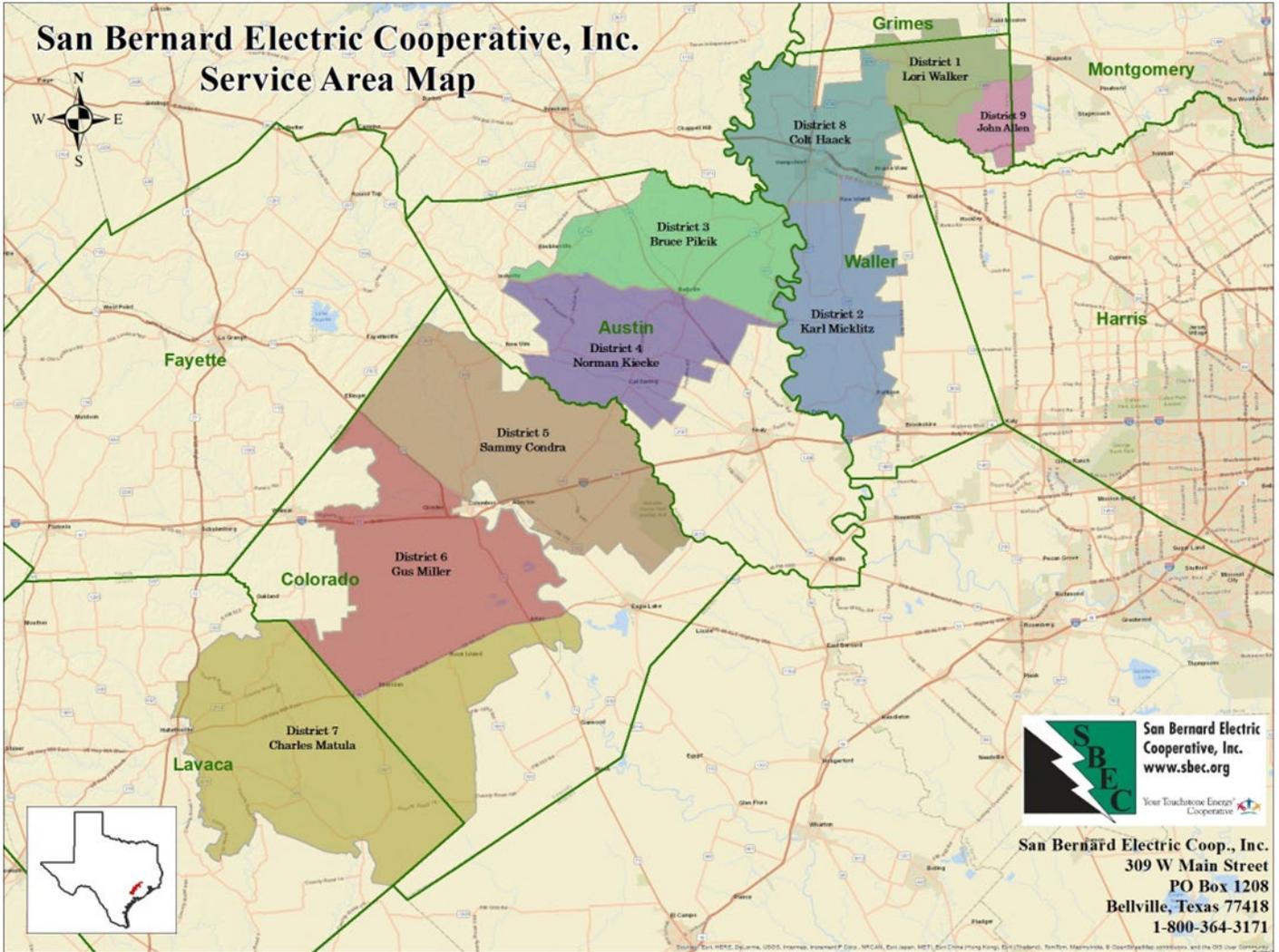
Move-Out: IOU customer that moves out of a TDSP's service territory.

POLR: Provider of Last Resort.

ERCOT: Electric Reliability Council of Texas

WEBSITE: powertochoose.org

San Bernard Electric Cooperative, Inc. Service Area Map



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