

Sam Houston Electric Cooperative maintains over 6,000 miles of line that distribute electricity to more than 50,000 member-owners in parts of 10 counties, including Angelina, Hardin, Jasper, Liberty, Montgomery, Polk, San Jacinto, Trinity, Tyler and Walker counties.

It's all about our member-owners at Sam Houston Electric Cooperative. And it always has been. Since the beginning more than 65 years ago, our member-owners have governed Sam Houston EC and their electric needs. Unlike investor-owned utilities where the focus is on profit, Sam Houston EC's focus is to provide reliable service at the lowest possible cost.

As part of the cooperative business model our members are privy to special benefits of membership, such as capital credit rebates, the opportunity to be heard at the Co-op Annual Meeting and electing our 11-member Board of Directors that represents members' electric and community interests.

The Co-op's job doesn't stop once electricity is delivered to members' homes and businesses. We also provide a variety of value-added member services and community services. We are members of this community and have a vested interest in serving our friends and neighbors however possible—be it through education initiatives or economic development programs.



connections cont.

- You demonstrate a satisfactory credit rating by appropriate means, including but not limited to the production of generally acceptable credit cards, letters of credit reference, or the names of credit references which may be quickly and inexpensively contacted by the Cooperative.
- You furnish, in writing, a satisfactory guarantee to secure payment of bills for the service required. The guarantee shall be for the amount of deposit the Cooperative would normally seek on the account. If you are not delinquent in the payment of current bills, and after you have paid bills for service for 12 consecutive residential billings without having more than two occasions in which a bill was delinquent, the Cooperative shall void and return any document or Letter of Guarantee.
- You are 62 years of age or older. In which case you will be considered to have established credit if you do not have an outstanding account balance for the same utility service which accrued within the last two years.

When it is necessary to establish credit with the Cooperative, credit history will be applied equally for a reasonable period of time to a spouse or former spouse who shared the service and credit history.

You may be required to make a deposit if credit has not been established satisfactorily to the Co-op. This applies to residential, commercial or industrial applicants. The Cooperative may also require a deposit to protect it against the assumed risk for temporary service, seasonal service or weekend residences.

RECONNECTION

If your service is terminated, you may reestablish service when all amounts due to Sam Houston Electric Cooperative are paid, or you execute a deferred payment agreement.

VOLUNTARY DISCONNECTION

If you are moving or otherwise choose to have your service disconnected, please contact our business office as soon as possible to arrange for disconnection and a final meter reading.

TERMINATION OF SERVICE

Your electric service may be disconnected after proper notice for the following reasons:

- Failure to pay an outstanding bill in full within 26 days of issuance or failure to meet the terms of a deferred payment plan.
- Violation of Sam Houston Electric Cooperative's rules for the use of service in such a manner that interferes with the service of others or the operation of nonstandard equipment, provided that the Cooperative will make every attempt to notify you of the problem and allow you to remedy the situation.
- Failure to comply with Sam Houston Electric Cooperative's deposit and/or fee requirements.

Sam Houston Electric Cooperative may disconnect service at once and without notice:

- In instances of tampering with meters or equipment, bypassing the same or other instances of diversion.
- Where a dangerous condition exists.

GETTING YOUR DEPOSIT BACK

Following disconnection, the Cooperative will promptly and automatically refund deposits, plus accrued interest, or the balance, if any, in excess of the unpaid bills for service furnished.

When a member has paid for service for 12 consecutive residential bills or for 24 consecutive commercial or industrial bills without having service disconnected for nonpayment, without having more than two delinquent bills, and is not delinquent in the payment of current bills, the Cooperative will refund the deposit plus accrued interest in the form of cash or credit to the member's bill, or void the guarantee.

Subject to the provisions above, deposits may be held for the term of service as rendered necessary by the Cooperative.



your bill of rights...

MEMBER RIGHTS & RESPONSIBILITIES

As a Sam Houston EC member, you have the right to:

Receive adequate and dependable electric service. From maintenance to upgrades, a daily part of our work at Sam Houston EC is to take proactive steps that help prevent unnecessary power interruptions.

Privacy. Sam Houston EC complies with the Open Records Act. However, we respect the privacy of our members. Therefore, the information in our member files is considered confidential.

Be heard at member meetings. On the condition that you observe rules of parliamentary procedure, you are entitled to be recognized and provided an opportunity to speak at meetings.

Your share of capital credit refunds. The Cooperative distributes excess capital to its members as financial conditions permit.

Information about Sam Houston EC. Our Member Services Representatives are happy to provide you with information about the Co-op's operating procedures, rates, tariff, special services and programs.

Have your property treated with care by Sam Houston EC personnel. When it is necessary for our employees to access your property for maintenance, meter reading or construction, special care will be taken to ensure that we leave the area as undisturbed as possible.

Be heard if you have a dispute or complaint with Sam Houston EC. If you have a concern, we want to hear from you. Contact a Member Services Representative.

Service without discrimination to race, color, sex, nationality, religion or marital status.



connections

GETTING CONNECTED, RECONNECTED OR DISCONNECTED

ESTABLISHING CREDIT FOR SERVICE

If you are applying for service for the first time or reapplying after discontinuance of service, you will not be required to pay a deposit if:

- You can provide a letter of credit for the same kind of service for a period of 12 months within the last two years for residential or 24 consecutive months for commercial service.
- You are not delinquent in payment of any such utility service account.
- You have not had more than two occasions in which a bill for such utility service was paid after becoming delinquent in the last 12 months.
- You have never had service disconnected for nonpayment.



member handbook

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payment programs

HOW WOULD YOU LIKE TO PAY FOR THAT TODAY?

Billing & Payment Basics

Sam Houston EC statements are mailed monthly. Payment is due 16 days after issuance. A bill is considered delinquent if payment is not received at Sam Houston Electric Cooperative by 5 p.m. on the due date indicated on your monthly statement.

Payment Options

As a service to our members, Sam Houston EC provides a variety of payment options designed to simplify bill paying. For more information about any of these programs, contact a Member Services Representative.

Will That Be Cash, Check or Charge?

Payments can be made in person at one of our branch offices, on-line at our Web site (www.samhouston.net) or via phone (1-800-458-0381) by calling with a credit card number or personal check. Visa, MasterCard and Discover card payments are accepted.

Even Monthly Payments Help You Balance Your Budget

Qualifying accounts can divide anticipated annual electric costs out evenly over the year, ensuring that your bill doesn't fluctuate from month to month. Even monthly billing is a great way to combat the impact fluctuating energy usage can have on your monthly budget.

Automatic Bank Drafting Takes Care of Itself

When you enroll in our automatic payment program, Sam Houston EC will draft your bank account or charge your credit card in the amount of your electric bill each month. Sign up for this safe and free program. We'll take it from there.

The Deferred Payment Plan Can Help in a Pinch

Members who maintain a payment record with no more than two termination notices during the preceding 12 months are eligible to request a deferred payment plan which allows payment of outstanding debt in monthly installments.

energy services

SURGE PROTECTION, SECURITY, EFFICIENCY AND ACCURACY

Whole Home Surge Protection

Sam Houston Electric Cooperative offers the SYCOM whole home surge protection system to protect in-home appliances and electronics from surges caused by lightning or other sources. Unlike most store-bought plug-in protectors, this system reduces high-voltage spikes before they enter your home. The device is easily installed by a Sam Houston Electric Cooperative representative for \$29.95 and costs just \$5.95 each month following installation (plus applicable sales tax).

Security Lighting

Sam Houston EC offers commercial-grade area/security lighting. These lights automatically come on at dusk and turn off at dawn. Service costs include all maintenance and will appear on your monthly bill. Sam Houston Electric Cooperative security lights are more energy efficient and less expensive than alternatives you might purchase and install yourself.

Energy Audits

Free energy audits are available to all our members. This service enables a better understanding of how your energy dollars are spent and pinpoints ways to reduce energy usage and save money. An energy audit includes a home or business inspection and a personalized report of recommended actions for improved energy efficiency.

Meter Reading and Testing

The Co-op's meter readings are the basis of your monthly billing. Meters are read monthly unless circumstances warrant more frequent readings. If we are unable to read your meter, billing will be estimated until an actual reading is obtained, at which time an adjustment will be made to your account if necessary. If you believe your meter is inaccurate, you may request a meter test. Meter tests are free of charge, provided a similar request has not been made during the previous four years.

Upgrades

If you're planning to upgrade the electrical service facilities at your home or business, call Sam Houston EC first. Our experts keep up with ever-changing specifications and electrical codes. So, we can help make the transition a smooth one by advising you on code compliance and cost efficiency.

service charges & rates

MAKING SENSE OF RATES

We're not in business to profit—The rates we charge are to cover actual costs, not produce profit margins. Sam Houston EC's bottom-line commitment is to delivering electricity at the lowest possible rate.

Cooperation Works—To ensure that we purchase power at the lowest possible cost, Sam Houston EC works with 10 other co-ops in East Texas to purchase electricity from generation and transmission (G&T) cooperatives at a bulk rate.

Diversified Fuel Sources—Our "mix" of electric-generation sources is distributed over a variety of natural resources, rather than relying too heavily on any particular source. That said, much of the electricity we deliver is generated from coal, which gives us an advantage over many electric providers who rely more heavily on natural gas, which has seen dramatic price increases in recent months and years.

Maintaining Stable Rates—Sam Houston EC members have long enjoyed lower rates per kilowatt-hour than consumers of other providers in nearby areas. In an increasingly volatile energy market, where the cost to purchase power, maintain our delivery system and distribute power is on the rise, Sam Houston EC will continue to do everything possible to maintain stable rates.

However, the Power Cost Recovery Factor (PCRF) can impact member bills. The PCRF represents the fuel cost, or the cost of resources used to generate electricity. Sam Houston EC purchases from electric generation suppliers. Changes in the PCRF ensure that the Co-op can cover its costs to purchase power and that those costs are in line with changes in the marketplace.

EFFECTIVE 6-1-2005

Service	Rate	Consumer Charge	Demand Charge (Or Capacity Charge)	Energy Charge (Per KWH)
Residential	R01	\$ 9.75		May/Dec All KWH 7.49c Nov/April All KWH 6.99c
Small General Service Single Phase		SG1	\$ 10.25	7.39c
Small General Service Three Phase		SG2	\$ 29.50	7.39c
General Service Single Phase	G1	\$ 10.25	\$5.25 Per KW (Over 10 KW)	6.29c
General Service Three Phase	G2	\$ 29.50	\$5.25 Per KW (Over 10 KW)	6.29c
Large Power Security Light	L1/L2 NM	\$125.00 \$ 7.28 Per Light	\$6.00 Per KW	5.15c

NOTE: No KWH are included in basic consumer charges. Applicable Power Cost Recovery Factor and taxes are additional.

SERVICE	CHARGE
Connection/Change Billing Name	\$25.00
False Call for Service	At Cost
NSF Check	\$25.00
Late Payment Charge	5%
Fees/Deposit	
Membership Fee	\$ 5.00
Residential Deposit	(1)
Commercial Deposit (50 KVA or Less)	(1)
Commercial Deposit (More Than 50 KVA)	Per Agreement

(1) The Cooperative may require a deposit in a minimum amount of \$200.00, or an amount equal to 1/6 of the estimated annual usage to any classification of consumers. Residential deposits may be waived or returned upon presentation of an acceptable Letter of Credit or Letter of Guarantee.

Collection of Delinquent Accounts (Per Account)	\$25.00
Disconnect Service for Nonpayment	\$25.00
Temporary Service Charge	\$25.00
Meter Tests - Residential (if Meter Was Tested within Last 4 Years)	\$15.00
Meter Replacement or Repair as a Result of Damage Caused by Meter Tampering or Bypassing	At Cost
Taxes (as Levied by State, City, County or Other Entities)	At Cost
Reconnection After Hours	\$50.00

Rates and fees are subject to change.

Livingston Headquarters
1501 East Church Street
P.O. Box 1121, Livingston, Texas 77351
936-327-5711

Woodville Branch Office
1424 Highway 287 North
P.O. Box 2280, Woodville, Texas 75979
409-283-8251

Coldspring Branch Office
14201 Highway 150 West
P.O. Box 1726, Coldspring, Texas 77331
936-653-5400



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community services

BEYOND ELECTRIC SERVICE

Scholarship Program

High school seniors whose parent or legal guardian is a current member of the Cooperative are eligible to apply for the Co-op's annual scholarship program. In May of 2005, twenty-two \$2,000 scholarships were awarded. Scholarship awards are funded by unclaimed capital credits returned by the State of Texas. Interested students can contact a Member Services Representative for information or download a scholarship application at www.samhouston.net.

Helping Hands

The nonprofit Helping Hands Program assists members who are unable to pay their electric bills due to financial hardship. The program is funded entirely by donations from Sam Houston EC member-owners, employees and Directors. Since 1992, we have collectively donated more than \$150,000 to those in need. Donations are distributed by local service agencies to the same county from which they are received. Members can receive assistance once per year, and the amount of assistance can be up to \$100.

Educational Programs

Sam Houston Electric Cooperative sponsors presentations on electricity and electric cooperatives for local elementary school students, youth groups and civic organizations. In fact, nearly 12,000 students have attended these programs in the last two years.

contact us

CALLING SAM HOUSTON EC

Automated Phone System

To help us serve you better, we utilize an automated phone system. This system helps us process more calls than would be humanly possible. It's easy to use! Just call your local branch office or 1-800-458-0381 toll free, follow the voice prompts and have your customer account number ready. It's your ticket to faster service!

To Report an Outage

To report an outage, call your local branch office and follow the voice prompts. Be sure to have your customer account number ready. Never assume someone else will call to report an outage. By reporting outages promptly, you help us pinpoint problem areas, which allows our crews to restore your power faster.

Questions About Your Bill

If you have a dispute regarding the amount of your electric bill, you may request a supervisory review by the Cooperative. If you do not participate in such a review, electric service may be disconnected provided notice of disconnection has been issued. The Cooperative must complete its determination within 60 days.

Problems or Concerns

If you have a problem or concern about any action of the Cooperative, you may request a supervisory review. If you are dissatisfied with the supervisory review, you may submit your complaint to the Management Team. The Management Team's decisions are reviewed by the Board of Directors at regularly scheduled board meetings.

emergency services

WHEN THE POWER GOES OUT—SO DO WE

Despite preventive measures the Co-op takes to maintain rights-of-way and sustain our electric distribution system—storms, fallen trees or equipment failures still cause power outages from time to time. Regardless of the cause, rest assured the power restoration process starts as soon as an outage is reported. Our Member Services Representatives, Dispatch Department and Line Technicians are committed to getting your lights back on as quickly as possible.

TIPS FOR MANAGING AN OUTAGE SITUATION

Have an outage kit on hand.

Store essentials such as a flashlight, first-aid kit and nonperishable food in a central location where it can be easily located and help ease the inconvenience of an outage.

Call the Cooperative and report the outage.

Member calls help us locate the outage source and restore power faster. Remember, cordless phones require electricity. So, it's important to have a regular phone or cell phone handy.

Tune in to local radio broadcasts for updates.

Load fresh batteries into your portable radio or TV and tune in to broadcast resources for up-to-date information about the restoration process or current weather reports.

If you or someone in your home requires life-sustaining equipment...

Please notify the Cooperative if you, a family member, a tenant or anyone in your home is dependent upon electrically-powered medical equipment. Likewise, if your situation changes and the equipment is no longer needed, please notify us so that we may keep your account current.

contact information

The information included in this handbook is available in Spanish upon request.

Información en este libro es disponible en Español.

To review a complete copy of Sam Houston Electric Cooperative's Bylaws, please visit www.samhouston.net.

Business Hours

Monday-Friday,
7:30 a.m. - 5:00 p.m.
Horario de Oficina
Lunes a Viernes,
7:30 a.m. - 5:00 p.m.

Call Center

Monday-Friday,
7:30 a.m. - 6:00 p.m.
Saturday, 8:00 a.m. - 4:00 p.m.
Lunes a Viernes,
7:30 a.m.-6:00 p.m.
Sabado, 8:00 a.m. - 4:00 p.m.
24-Hour Dispatch

Livingston Branch Office

1501 East Church Street
P.O. Box 1121
Livingston, Texas 77351-1121
Local: 936-327-5711

Woodville Branch Office

1424 Highway 287 North
P.O. Box 2280
Woodville, Texas 75979-2280
Local: 409-283-8251

Coldspring Branch Office

14201 Highway 150 West
P.O. Box 1726
Coldspring, Texas 77331-1726
Local: 936-653-5400

Long Distance

1-800-458-0381

Web Address

www.samhouston.net

DO WE HAVE YOUR CURRENT CONTACT INFORMATION?

In order for us to serve you best, it's important that we know how to contact you. If you've recently moved, you can update your address and phone information on-line at www.samhouston.net or contact a Member Services Representative via phone.