

Member Handbook 2018

It's all about our member-owners at Sam Houston Electric Cooperative. It always has been, and it always will be. Our member-owners have governed Sam Houston EC and their own electric needs since our founding in 1939. Unlike investor-owned utilities, where the focus is on profits, Sam Houston EC is not-for-profit, and focuses on providing reliable service and low-cost power.

MEMBERSHIP IN THE COOPERATIVE PROVIDES special benefits such as capital credits, and the opportunity to be heard at the Co-op Annual Meeting and to elect our 11-member Board of Directors.

THE CO-OP'S JOB DOESN'T STOP ONCE ELECTRICITY IS DELIVERED. We provide value-added member and community services, and we are members of this community with a vested interest in serving you—be it through education initiatives or economic development programs.

YOUR BOARD OF DIRECTORS



DON BOYETT
District 1



LYNN HENDRIX
District 1



MILTON PURVIS
District 1



CASEY EVANS DAVIS
District 1



JAMES ELMORE
District 2



GARY JENKE
District 2



ROBERT C. BOYD
District 3



KATHERINE HARDIN
District 4



CHUCK TURNER
District 4



W.E. "ERNE" MILES
District 5



JIM SEALE
District 5

The Board of Directors is the guiding light of Sam Houston Electric Cooperative. Made up of active and engaged community members, the Board keeps its finger on the pulse of what's important.

District 1—Angelina, Polk and Trinity Counties
District 2—San Jacinto County
District 3—Tyler and Jasper Counties

District 4—Hardin and Liberty Counties
District 5—Montgomery and Walker Counties

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, Sam Houston EC is proactive in preventing unnecessary power interruptions.

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

BE HEARD AT MEMBER MEETINGS. You are entitled to be recognized and provided an opportunity to speak at meetings on the condition that you observe the rules of parliamentary procedure.

YOUR SHARE OF CAPITAL CREDITS. The Cooperative distributes excess capital to its members as financial conditions permit.

INFORMATION ABOUT SAM HOUSTON EC. Our member service representatives are happy to provide you with information about the Co-op's operating procedures, rates, tariffs, 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, construction, or any other reason, 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. We want to hear from you. Contact a member service representative at 1-800-458-0381.

SERVICE WITHOUT DISCRIMINATION. We ensure that Cooperative members will not be discriminated against based on 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 a discontinuance of service, you may not be required to pay a deposit if you meet the requirements for waiving deposits, as detailed in Sam Houston EC's deposit policy. The basic guidelines are outlined below. For complete details of the deposit policy, visit SamHouston.net or call us at 1-800-458-0381.

You may be exempt from paying a deposit for residential service if any one of the following conditions are met:

- You can provide an acceptable letter of credit showing all of the following:
 1. You have been a customer of any electric utility for the same kind of service within the last two years;
 2. You are not delinquent in payment of any such electric utility service account;
 3. During the last 12 months of service, you were not late more than twice in paying a bill; and
 4. You did not have service disconnected for nonpayment.
- You can demonstrate a satisfactory credit rating by an acceptable credit agency, as defined by Sam Houston EC.
- You are medically indigent.
- You are a member who currently has service with the Cooperative; the deposit for additional service will be waived if:
 1. You have not been late more than twice in paying a bill in the last 12 months of service; and
 2. You have not been disconnected for nonpayment.
- You are 62 years or older and do not have an outstanding account balance within the last two years with Sam Houston EC or another electric utility for the same type of service.
- You show proof of having been a victim of family violence.

RECONNECTION - If your service is terminated, you may reestablish service when all amounts due to Sam Houston Electric Cooperative are paid.

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.

myPREPAY PROGRAM - Sam Houston Electric Cooperative is proud to offer "pay as you go" electricity by signing up for myPrePay. There's no difference in the service you'll receive—just in HOW and WHEN you pay for it. You're in control. You can pay \$10 at a time, or you can pay enough to cover several months. myPrePay offers Sam Houston EC members electric service without deposits and reconnect fees. Each payment transaction must be a minimum of \$10. And best of all, there's no deposit required for myPrePay accounts. To learn more, give a member service representative a call at 1-800-458-0381.

LANDLORD CONNECT PROGRAM - Active Sam Houston EC members who own rental property may wish to participate in the Landlord Connect Program, which automatically puts a rental property's service back into the landlord's name when a renter requests a disconnect. The landlord will be charged only a \$25 fee for transferring service from the tenant. To participate in this program, please contact the Co-op to fill out a Landlord Agreement.

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 30 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; or
- 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; or
- 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 and 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 a check, or credit to the member's bill.

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

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PAYMENT OPTIONS

HOW WOULD YOU LIKE TO PAY?

BILLING AND PAYMENT BASICS - Sam Houston Electric Cooperative statements are mailed monthly. Payment is due 20 days after issuance. A bill is considered delinquent if payment is not received at Sam Houston EC by 5 p.m. on the due date indicated on your statement.

GROUP BILLING - Members with multiple accounts can receive a single itemized statement each month that includes a total payment due for all their accounts with the Cooperative. For more information, contact Sam Houston EC at 1-800-458-0381.

EASY WAYS TO PAY

Sam Houston EC provides a variety of payment options designed to simplify bill paying.

- 1 PAY WITH CASH, CHECK OR CREDIT** - You can make payments at one of our branch offices, online through your *mySamHouston* account or via phone (1-800-458-0381) with a credit card and selecting option No. 2. Visa, MasterCard and Discover cards are accepted. You can also make payments through our mobile *mySamHouston* app—available for download.
- 2 EVEN MONTHLY PAYMENTS HELP 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 reduce the impact fluctuating energy use can have on your monthly budget.
- 3 AUTOMATIC PAYMENTS ARE EASY** - When you enroll in our safe and free 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.
- 4 FIDELITY EXPRESS PAYMENT CENTERS** - Sam Houston EC has teamed up with Fidelity Express to offer members the ability to pay their bills with cash, check or money order at conveniently located payment stations in stores and businesses throughout the Co-op's service area. There is a \$1.50 fee per transaction for this service. For payment station locations, visit SamHouston.net or give us a call.
- 5 THE DEFERRED PAYMENT PLAN CAN HELP IN A PINCH** - Members who maintain a payment record with no more than two delinquent notices during the preceding 12 months are eligible to request a deferred payment plan, which allows payment of an outstanding debt in monthly installments.
- 6 myPREPAY REQUIRES NO DEPOSIT** - Electric service can be established without deposits and reconnect fees with *myPrePay*. Each payment transaction must be a minimum of \$10.

ENERGY SERVICES

SURGE PROTECTION, AREA LIGHTING, EFFICIENCY AND ACCURACY

WHOLE-HOME SURGE PROTECTION - Sam Houston Electric Cooperative offers whole-home surge protection equipment 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).

AREA LIGHTING - Sam Houston EC offers commercial-grade LED area 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 area lights are often more energy efficient and less expensive than alternatives you might purchase and install yourself.

ENERGY AUDITS - Energy audits are available free to all our members. This service enables a better understanding of how your energy dollars are spent, and pinpoints ways to reduce your energy use 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. 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 would like to validate the accuracy of your meter, 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. We can help make the transition a smooth one.

mySAMHOUSTON MOBILE APP - Access to your *mySamHouston* account is now available through a free mobile app for your Apple or Android smartphone. Download it today and start enjoying the benefits of *mySamHouston* wherever you go!

SERVICE CHARGES & RATES

MAKING SENSE OF RATES

Sam Houston EC wants to help its members use less energy while also saving money. You can reduce your annual electric costs up to 30% by taking steps to conserve. Find out how the little changes add up at TouchstoneEnergy.com.

WE'RE A NOT-FOR-PROFIT BUSINESS

Our primary focus is to look out for your best interests. Sam Houston EC's bottom-line commitment is delivering reliable power at some of the most reasonable rates around, without markups or unexpected fees.

DIVERSIFIED FUEL SOURCES

Our mix of electric generation sources is distributed over a variety of natural resources. The electricity we deliver to our members is generated by coal, natural gas, wind and hydropower. We're keeping an eye on the future as well, with renewable green projects such as more hydropower. By diversifying our generation sources, we are able to ensure reliable, low-cost electricity for years to come.

MAINTAINING STABLE RATES

Our not-for-profit cooperative business model helps us provide our members with safe, reliable and cost-effective electricity. In an increasingly volatile energy market, where the costs to purchase power, maintain our delivery system and distribute power are on the rise, Sam Houston EC will continue to do everything possible to maintain stable rates.

COOPERATION WORKS

Sam Houston EC works with nine other co-ops in East Texas to purchase electricity from generation and transmission (G&T) cooperatives at a bulk rate. Working with other cooperatives to produce and purchase electricity helps control wholesale power costs and save you money.

UPDATED 05-01-2018

Service	Charge
Connection Fee (trip required)	\$75.00
Connection Fee (no trip required)	\$25.00
Connect Security Light (existing pole)	\$50.00
False Call for Service (business hours)	\$75.00
False Call for Service (after hours)	\$150.00
Trip Fee (business hours)	\$50.00
Trip Fee (after hours)	\$150.00
Late Payment	5%
Insufficient Funds Check	\$25.00
Trip Reconnect Fee (business hours)	\$75.00
Trip Reconnect Fee (after hours)	\$150.00
Remote Reconnect Fee	\$25.00
Meter Test—Single-Phase ¹	\$75.00
Meter Test—Three-Phase ¹	\$150.00
Meter Tampering	\$300.00
Non-Standard Meter Setup Fee	\$125.00
Non-Standard Meter Monthly Fee	\$50.00
Prepaid Metering Monthly Fee	N/A
Special Pole Fees:	Actual Cost ²
• Moving poles	
• Moving/Installing anchors and guy anchors	
• Moving/Raising lines to provide temporary clearance	

Special Services Actual Cost ²

¹ If the meter has passed a test in the last four years. No cost if meter fails.

² Actual cost of material and labor plus standard mileage fee.

UPDATED 05-01-2018

Service	Rate	Base Charge	Demand	Energy Charge*	Delivery Charge (per kWh)	Delivery Charge (per kW)	PCRF
Residential	R01	\$19.75	N/A	0.0774	0.0310	N/A	N/A
Small General Service Single-Phase	SG1	\$20.50	N/A	0.0717	0.0389	N/A	N/A
Small General Service Three-Phase	SG2	\$39.50	N/A	0.0717	0.0413	N/A	N/A
General Rate Service Single-Phase	G1	\$20.50	\$0 for first 10 kW \$4.15 over 10 kW	0.0609	0.0374	\$0 for first 10 kW \$1.60 over 10 kW	N/A
General Rate Service Three-Phase	G2	\$39.50	\$0 for first 10 kW \$4.15 over 10 kW	0.0609	0.0398	\$0 for first 10 kW \$1.60 over 10 kW	N/A
Large Power Service	L1/L2	\$175.00	\$5.07	0.0555	0.0305	\$1.18	N/A
Large School Service	LSS	\$150.00	\$2.98	0.0557	0.0227	\$1.77	N/A
Outdoor Lighting Service LED (150 Watt equivalent)		\$9.75	N/A	N/A	N/A	N/A	N/A
Outdoor Lighting Service LED (250 Watt equivalent)		\$17.10	N/A	N/A	N/A	N/A	N/A
Outdoor Lighting Service LED (400 Watt equivalent)		\$21.50	N/A	N/A	N/A	N/A	N/A
Outdoor Lighting Service (1,000 Watt HPS) at 320 kWh/Month		\$40.14	N/A	N/A	N/A	N/A	N/A

*Energy Charge, which reflects the pass-through wholesale cost of electricity, is subject to change, as wholesale power costs fluctuate from time to time.

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COMMUNITY SERVICES

SERVING BEYOND OUR LINES

Cooperatives were created to serve the best interests of their member-owners. Everything we do at Sam Houston EC contributes to fulfilling that mission.

SCHOLARSHIP PROGRAM - High school seniors whose parent or legal guardian is a current Cooperative member are eligible to apply for the Co-op's annual scholarship program. Twenty-six \$3,000 scholarships and eight \$1,500 vocational scholarships were awarded in May 2017. Scholarship awards are funded by unclaimed capital credits returned by the State of Texas. Interested students can contact their high school counselors, call a member service representative for information or download a scholarship application at SamHouston.net.

OPERATION ROUND UP® - With this program members elect to have their bills rounded up to the next dollar (e.g., a \$125.75 bill becomes \$126.00). The difference (e.g., \$0.25) is then invested back into our communities through grants to local non-profit, civic or community-based organizations to enhance the quality of life in our communities. To participate in Operation Round Up, call us at 1-800-458-0381 or visit our website at 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 \$500,000 to those in need. Donations are distributed by local social service agencies. Qualifying members can receive assistance once per year.

EDUCATIONAL PROGRAMS - Cooperative Principle No. 5 states, "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."

Education, training and information are the cornerstones of the fifth Cooperative Principle. Sam Houston Electric Cooperative sponsors presentations and educational programs for local civic organizations, school students and youth groups. Safety, renewable energy and conservation are just a few of the topics that are presented each year.

EMERGENCY SERVICES

WHEN THE POWER GOES OUT, SO DO WE

TIME IS OF THE ESSENCE - Although Sam Houston EC takes preventive measures to maintain rights-of-way and strengthen our electrical distribution system, power outages are still caused from time to time due to fallen trees, lightning or equipment failure. Regardless of the cause, rest assured the power-restoration process starts as soon as an outage is reported. Our member service representatives, dispatch department and line technicians are committed to getting your lights back on as quickly as possible.

TIPS FOR MANAGING AN OUTAGE

HAVE AN OUTAGE KIT ON HAND - Store essentials such as a flashlight, first-aid kit and nonperishable food in a central location and in a place where they can be easily located to 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 landline phone or cell phone handy. To report an outage, call 1-888-444-1207.

STORM CENTRAL - For detailed outage information and updates, visit Sam Houston EC's Storm Central as well as the online outage viewer. The interactive map offers details about current system outages, including locations, members affected and restoration estimates.

FIND US ON FACEBOOK AND FOLLOW US ON TWITTER - For quick access to news, programs and outage information, connect with Sam Houston EC on Facebook at Facebook.com/SamHoustonEC. Our Facebook page does not have a representative available 24/7 to respond to postings, so please be sure to report any outages toll-free at 1-888-444-1207 or utilize our *mySamHouston* mobile app. You can also follow the Co-op on Twitter: @SamHoustonEC.

IF YOU OR SOMEONE IN YOUR HOME REQUIRE(S) LIFE-SUSTAINING EQUIPMENT - Please notify the Co-op if you, a family member, a tenant or anyone in your home are/is dependent on 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.

CALL 1-888-444-1207 TO REPORT OUTAGES

CONTACT US

CALLING SAM HOUSTON EC

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

TO REPORT AN OUTAGE - Call our toll-free outage line at 1-888-444-1207 and follow the voice prompts. Be sure to have your 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. You can also utilize our *mySamHouston* mobile app to quickly and easily report outages.

BILLING DISPUTES - 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 a 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 review team.

DO WE HAVE YOUR CURRENT CONTACT INFORMATION?

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 online at SamHouston.net or contact a member service representative via phone.

CALL 1-888-444-1207 TO REPORT OUTAGES

LOCATIONS

LIVINGSTON HEADQUARTERS

1157 East Church Street
P.O. Box 1121
Livingston, TX 77351-1121
Local: 936-327-5711

COLDSRING BRANCH OFFICE

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

SOCIAL MEDIA

Facebook.com/SamHoustonEC
Twitter: @SamHoustonEC

WOODVILLE BRANCH OFFICE

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

TOLL FREE, LÍNEA GRATUITA

1-800-458-0381

TO REPORT OUTAGES

PARA REPORTAR UN APAGÓN DE LUZ LLAME AL NÚMERO GRATUITO
1-888-444-1207

HOURS OF OPERATION

BUSINESS HOURS

Monday - Friday
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.
24-Hour Outage Reporting

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

To review a complete copy of Sam Houston EC's bylaws, please visit SamHouston.net.

HORARIO DE OFICINA

Lunes a Viernes
7:30 a.m. - 5:00 p.m.

CENTRO DE LLAMADAS

Lunes a Viernes
7:30 a.m. - 6:00 p.m.
Sábado, 8:00 a.m. - 4:00 p.m.
Servicio al cliente las 24 horas

Información en este libro es disponible en Español.