

HANDBOOK FOR MEMBERS



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MEMBER MANUAL

YOUR INSTRUCTION BOOK

A book of instructions comes with most equipment.

This is a book of the same kind. It has been prepared to answer most of the questions you will have about your electric service and your business enterprise, The Sedgwick County Electric Cooperative.

- 1. Read this book now.
- 2. Keep it in an accessible location, just as you keep other books of instruction.

If you have a specific problem or question, do let us know—

We are as close as your telephone—no further than your mailbox. Better still, drop in, talk it over, and become better acquainted with your staff.

WHAT IS THE SEDGWICK COUNTY ELECTRIC COOPERATIVE?

Sedgwick County Electric Cooperative was organized to provide electric service in areas certificated by the Kansas State Corporation Commission. Incorporated under the laws of the State of Kansas on November 18, 1937, it is wholly owned and controlled by the people to whom it provides electric service.

STATEMENT OF OBJECTIVES

The Sedgwick County Electric Cooperative was established by a group of persons living in a rural area in the state of Kansas to provide for themselves a vitally needed service which they could not obtain or provide at all or as well on an individual basis.

- 1. The Sedgwick County Electric Cooperative must provide area coverage electric service at the lowest possible cost consistent with sound business principles. The Cooperative must anticipate the expanding energy requirements of its member-members in every respect and should achieve the highest standards of quality and continuity employing modern technology.
- 2. The Cooperative must achieve effective influence, control or ownership of an assured and adequate source of wholesale power in order to provide low-cost utility service in its area.
- 3. The Cooperative must develop and maintain effective influence, control or ownership of assured and adequate sources of low-cost capital sufficient to enable them to assure full utility responsibility and to successfully fulfill their obligations as corporate citizens.
- 4. The Cooperative must achieve and maintain territorial protection to assure the continued development of economically sound systems able to adequately serve present and future electric power requirements in their service territory.
- 5. The cooperative must actively promote electric service as the most desirable, beneficial and economical method of meeting the total energy requirements of their member-members.
- 6. The Cooperative must strive to achieve and maintain widespread understanding, participation and involvement of their member-owners in the affairs of their Cooperative and provide them a real sense of ownership through a true demonstration of cooperative principles and the democratic process.
- 7. The Cooperative must encourage and support their directors and employees to improve and develop their capabilities and performance and must create the opportunity for individuals who understand and accept cooperative philosophy to achieve satisfying careers in their application of the principles, tools, and techniques of modern management, while providing the leadership for a continually vigorous and dynamic rural electric program.
- 8. The Cooperative must secure favorable public support for their activities and assure a position of leadership in improving the social, cultural and economic status of those living in the rural community.
- 9. The Cooperative, a member-owned rural organization, must identify or actively support programs which will contribute to the well-being of the member-owners and programs which will develop or improve community facilities and services.
- 10. The Cooperative members and their leaders must maintain active interest and participation in appropriate legislative and governmental activities, including political action programs on a non-partisan basis.
- 11. The Cooperative should promote development of the natural resources of the nation, including water power, and nuclear resources, for the benefit of all the people.

That's the difference between electric cooperatives and power companies!

Your electric cooperative is owned by its members... This means the members are in the "driver's seat" when it comes to selecting cooperative directors and sharing in cooperative margins.

Commercial power companies, on the other hand, are owned by investors . . . people who have invested their money in them to realize a profit. This puts the investors in the "driver's seat" when it comes to naming company directors and sharing in the profit.

You, as a member, are vitally interested in the quality of electric service you get. As a member-owner of an electric cooperative, you have a voice in the type of service you receive. You are one of the owners! Wouldn't you really rather be in the "driver's seat?"

What Those Initials Mean

REC – Rural Electric Cooperative – a private, nonprofit business enterprise which provides electric service in rural areas. Incorporated under state law, an REC is owned and controlled by the members it serves.

RUS – Rural Utilities Service – an agency of the U.S. Department of Agriculture, RUS loans funds to rural electric cooperatives to finance construction of electric power generation, transmission and distribution facilities to serve rural areas.

KEC – Kansas Electric Cooperatives – a nonprofit organization providing certain services to Co-op's in this state. Located in Topeka, KEC publishes the *Kansas Country Living* magazine, represents RECs in legislative concerns, and provides employee training and safety and public information services.

NRECA – National Rural Electric Cooperative Association – a national service organization, located in Washington, D.C., with membership of almost 1,000 rural electric systems, including Sedgwick County Electric Cooperative.

G&T – Generation and Transmission Cooperative – a federation of Cooperatives joined together for the purpose of providing wholesale electric power to member Co-op's. Sedgwick County Electric Co-op is a member of Kansas Electric Power Cooperative (KEPCo).

CFC – National Rural Utilities Cooperative Finance Corporation – a nongovernment, nonprofit, Cooperative-owned bank located in Washington, D.C. CFC borrows money in the private money market and re-loans it to Cooperatives and G&Ts. CFC was created by Cooperatives in 1970 to supplement RUS loans as a source of financing for Co-op growth and development.

KCC – Kansas Corporation Commission – has jurisdiction over service territories of public utilities in Kansas.

Board of Directors

Each year at the annual meeting, members like you elect members to the Board of Directors. The Board establishes basic policies, reviews all activities of your cooperative, attends training courses to improve its abilities, and meets with other Boards of Directors to exchange ideas.

Staff

The Board of Directors employee a Manager who is responsible for carrying out the Board's policies. The staff members employed by the Manager and are responsible for work in their area of operations. By action of the Board of Directors, employees have a definite schedule of vacation and sick leave, and are covered by health and retirement insurance programs.

Taxes

You have probably heard about taxes paid by investor-owned power companies. In general, they are talking about income taxes—taxes on profit. If we made a profit for investors, we would pay income taxes. Any power company, in fact, any business in America, can obtain the same tax treatment we get by agreeing in advance, as we do, to return to its members any charge greater than the cost of service. Actually, this talk of taxes paid by investor-owned power companies usually misses the main point. The companies really only collect the taxes; their members pay them, because taxes are a cost of doing business and are allowed as expenses in establishing their rates. Like investor-owned power companies, the Sedgwick County Electric Co-op does pay property taxes. These taxes have been paid since the Cooperative was incorporated in 1938. As members, you pay sales taxes to the Sedgwick County Electric Cooperative which turns it over to the State of Kansas.

Member Services

With the advent of computerization and the variations in fuel costs, the electric utility industry has become even more complicated. People tend to become confused over such terms as adjustment factor, peak demand, load management, etc. A member with an electrical problem sometimes finds it necessary to seek outside help in finding a solution to his problem.

Your Member Services Department is able to offer assistance and information on a wide variety of electrical matters, conservation and weatherization. One of the most frequent activities performed by representatives of this department is aiding members with high electricity use patterns. The representatives can supply information on consumption of electricity based on your type of dwelling, appliances in use, and the lifestyle of your family. They will also suggest ways to conserve energy to help curb rising bills.

Member Services (cont.)

Another function of the department is to answer questions and resolve misunderstandings concerning high bills. It is the desire of the Cooperative to make your bill as easy to understand as possible. However, matters such as previous balances, estimated readings, and the changing fuel costs adjustments can complicate the billing process. In such cases, representatives are more than willing to explain exactly how your bill was figured. In those cases where a mistake appears, an adjustment can be made to your account to correct the error.

The Member Services Department is here to serve you. Feel free to call, write, or drop by the office. We will try to assist you any way we can. This is another way your Cooperative is trying to meet your needs.

Meter Readings

Once upon a time, members were asked to read their meters and submit that read with their payment.

In 2011 Sedgwick County Electric Cooperative started installing an Automatic Metering Infrastructure (AMI) system at our substations. In August 2011 the Cooperative starting installing meters that are able to be read from the office. Benefits to our new AMI system:

- Increased efficiency and reliability
- Allows us to detect problems more quickly
- Locate outages more precisely
- Will help members understand how and when they are using electricity
- Ensures a more consistent billing cycle
- Minimizes line loss

AMI project was completed the first quarter of 2013.

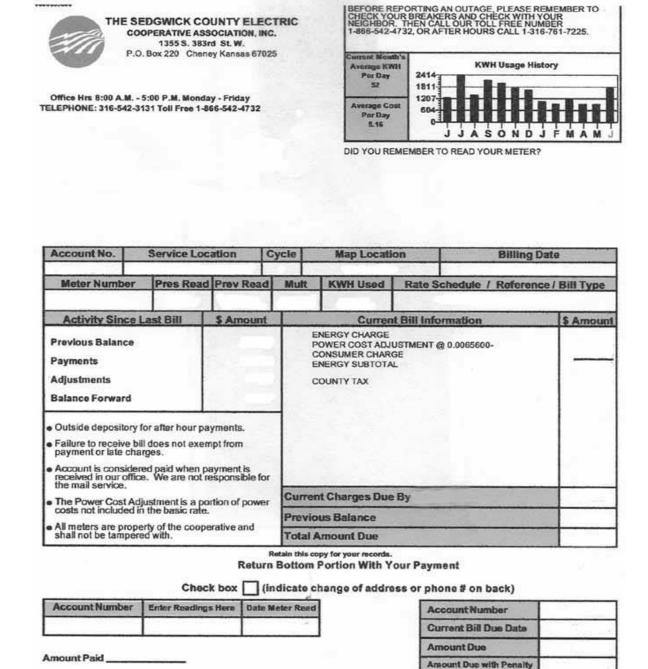
Cutting a Meter Seal is Illegal

Cutting or removing the seal from your electric meter enclosure is both dangerous and illegal. The seal is used by our employees to prevent tampering and accidental shock. If you or an electrician needs to remove your meter you must contact the cooperative. After the work is finished, you will need to call back and we will come out and reseal the meter for you.

When we find a cut or missing seal, we will investigate for possible meter tampering and if needed we will contact the sheriff department for further investigation. If you have an unsealed meter or know of one please contact us so it can be resealed. From a reliability standpoint, illegal connections to power sources and attempts to divert metering devices can overload the system, cause interruptions and compromise power

Information Regarding Your Billing Statement

On approximately the 5th of each month, every member should receive a billing statement as shown below.



Paying Your Monthly Electric Bill

Sedgwick County Electric Cooperative offers several convenient payment options for you, our member to pay your electric bill:

- Mail Payments: P.O. Box 220, Cheney, Ks 67025
- SmartHub On-line payment option, go to our web-site and click on SmartHub link
- Pay Now Free on-line payment option, go to our web-site and click on Pay Now link
- Drop Box: Located at 1355 S. 383rd St. W., Cheney, Kansas 67025
- Automatic Bill-Paying Plan: Payments deducted from your checking account the third Wednesday or the last Friday of the month. (forms attached)
- Bank Withdrawals Contact your Bank for more information.

REPORTING OUTAGES

Please check your breakers in the house and below the meter (if applicable) before calling in an outage. This is important because if a Sedgwick County Electric Cooperative crew are dispatched and the outage is due to a tripped breaker or fuse, you will be charged for the service call.

To report outages phone 316-542-3131.

Whenever a storm or other incident causes damage to Sedgwick County Electric Cooperative's electrical distribution system, its primary goal is to get the power back on to everyone in the quickest and safest fashion possible.

Sedgwick County Electric Cooperative follows a restoration process that is used by most utilities throughout the industry:

- The Cooperative's first priority is public safety, so crews are sent to remove damaged power lines from the roadways first.
- After that, substation power is restored. Sometimes service to hundreds of members can be restored immediately by replacing a fuse on a substation transformer.
- Next, the major distribution feeders are repaired. These are the power lines that come out of a substation that have three wires resting on a crossarm.
- Tap lines are repaired next. Tap lines carry power to groups of homes from the distribution feeders. You may see your neighbors' lights come on while yours remain out. This happens when a tap line is repaired, but there is still damage to your individual lines, so your home cannot receive power.
- Finally, individual service lines are repaired.

How To Reset a Circuit Breaker

- 1. Move handle to OFF position.
- 2. Push handle past OFF position.
- 3. Return handle to ON position.

THREE PHASE SERVICE

Where available, three-phase service can be supplied following the appropriate rules and regulations. Where it is necessary to make extensions or reinforce distribution lines to provide three phase service, the Cooperative will require a cash contribution or increased monthly customer charge calculated upon reasonable consideration before undertaking to supply service.

CHANGE IN OCCUPANCY

When a change of occupancy is to take place on any premises supplied with electric service by the Cooperative, notice shall be given the Cooperative not less than seven (7) days prior to the date of change by the outgoing member. The outgoing member will be responsible for payment for all energy recorded by the meter until the requested time of termination. If no such notice is given, the outgoing member will be held responsible for energy recorded during the time in which the account continues in the name shown on the records of the Cooperative. The member shall not be relieved by such notice of obligations already accrued under the services agreement. A membership application is required to be completed.

METER DEPOSITS

Applicants who have not previously received service from Sedgwick County Electric Cooperative Association, Inc., that have a record of delinquent bills or have failed to pay a final bill shall be required to make a meter deposit before service is connected. Deposits, with interest at the rate prescribed by law, shall be refunded as prescribed by the Rules and Regulations.

CHANGES IN FACILITIES

Changes requested by the Member that involves the replacement or relocation of the Cooperative's service lines, metering equipment, yard pole, guy and anchors, etc., shall be provided at Member's expense. The Cooperative will, at its expense, make all changes in its service wires, metering equipment, etc., on Member's premises that are required to meet the increased demand for electricity.

REMOVAL AND TAMPERING

No one, other than an agent of the Cooperative, shall be permitted to remove or tamper with the Cooperative's meter or meter seals or connections or with any of the property of the Cooperative on or about the member's premises. If at any time the Cooperative shall find that a meter, or any wiring or electrical equipment or parts thereof, or other instrumentation between the load side of meter and the Cooperative's distribution system being used to furnish service to the member, has been tampered with by anyone not legally entitled to do so, it shall be considered cause for immediate discontinuance of service by the Cooperative.

RE-SELLING OF SERVICE

Electric service is furnished for the sole use of the member. The member shall not sell or re-deliver electric service to any other person without the written consent of the Cooperative.

UNDERGROUND SERVICE LINES

Members desiring underground service to his buildings shall furnish and install at his own expense the necessary conduit, safety switches, underground wires and appurtenances at the point of delivery and all wires and appurtenances to be installed beyond this point. Specifications for underground service will be furnished upon request.

STANDBY SERVICE

Members operating standby power plants must install a double throw switch below the meter. The connection must be wired so that power cannot be delivered into the Cooperative system. Additional information can be obtained at the Cooperative's business office.

ELECTRIC HEAT RATE

Sedgwick County Electric has an electric heat rate for its residential members. To receive the heat rate, the member must have permanently installed electric space heating equipment of 5 kWh capacities or more, or an electric heat pump and has inform the company in writing:

Electricity must be the sole source of space heating for the member's use, except for energy provided by wood burning fireplaces and stoves.

This rate is for bills rendered for usage in November through March.

Services to members engaged in a commercial enterprise at their residence will be required to have separate meters.

PUBLICATIONS AND MEETINGS

Each month we send you *Kansas Country Living*. This magazine is published by the electric cooperatives in Kansas through their statewide association, Kansas Electric Cooperatives, Inc. It contains interesting and helpful articles on the use of electricity and discusses state and national problems including legislation, which have a bearing on our ability to provide service to you.

The center pages entitled *Current News* are prepared each month in our office and contain information about Sedgwick County Electric Cooperative.

Each year we publish an Annual Report. This tells in text, using statistics and graphs, the financial condition of the Cooperative. It is based on the report of an independent Certified Public Accountant who audits our books each year.

The purpose of these publications is to provide information upon which you can base your vote in the affairs of your Cooperative. You can exercise your right to participate in running the Cooperative by your vote at the Annual Meeting held each year when the Directors are elected.

These meetings are business meetings and provide an opportunity to let you talk about anything you may or may not like about the way your cooperative is run.

Members have one vote regardless of the number of connections he/she has and only one vote per shared membership.

ONLY THROUGH COOPERATION CAN WE GO PLACES

THE POWER POLE

Members' equipment or service wires may not be attached to any pole. Such equipment and/or devices of the member will be restricted to electrical service assemblies as approved by the Cooperative. Our poles must be accessible at all times to our line personnel. Their safety and yours has to come first. Any item, other than that authorized by the Cooperative, will be removed from the Cooperative equipment without notice to the member. The Cooperative will not be responsible for loss or damage to items removed.

Statement of Non-Discrimination

The Sedgwick County Electric Cooperative is a recipient of federal financial assistance from the Rural Utilities Service (RUS), an agency of the U.S. Department of Agriculture. In accordance with federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. (Not all prohibited bases apply to all programs). The person responsible for coordinating this organization's nondiscrimination compliance effort is General Manager of The Sedgwick County Electric Cooperative Association, Inc.

This institution is an equal opportunity provider and employer. If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202)690-7442 or email at program.intake@usda.gov.

Complaints must be filed within 180 days after the alleged discriminatory action, or by such later date to which the Director of the U.S. Department of Agriculture's Office of Civil Rights or the Administrator of RUS extends the time for filing. Identity of complainants will be kept confidential except to the extent necessary to carry out the purpose of the rules and regulations of the U.S. Department of Agriculture.



Service Map

