

McLENNAN COUNTY ELECTRIC COOPERATIVE

Your Touchstone Energy® Cooperative 

P.O. Box 357 • McGregor, TX 76657 • www.mclennanelectric.com • (254) 840-2871

GET READY FOR ANOTHER YEAR OF BENEFITS FROM YOUR ELECTRIC COOPERATIVE!

Get ready for another year of benefits from your electric co-op. McLennan County Electric would like to extend New Year's greetings to you and yours! Our resolution to you in 2006 is to continue to provide you with the business **ETHICS** of our electric cooperative.

Reliable Electric Service

McLennan County Electric works diligently to keep the lights on. Through October 2005, the average "onage" rate per customer was 97 percent, which is quite an impressive number. This figure included outage times from the power supply company and major storms within the year. We promise to work around the clock in 2006 in order to keep providing you with excellent, reliable electric service.



Total Commitment to Our Member-Owners

In 2005 McLennan County Electric Cooperative worked to keep our members informed on issues and topics of importance and consequence to them. Information and questions were addressed in numerous ways, through personal home energy audits, the monthly *Texas Co-op Power* magazine, bill stuffers, notices on power bills, and at the annual membership meeting in October. McLennan County Electric will continue to keep members informed and answer questions important to our members in 2006.



Programs That Benefit Our Schools and Members

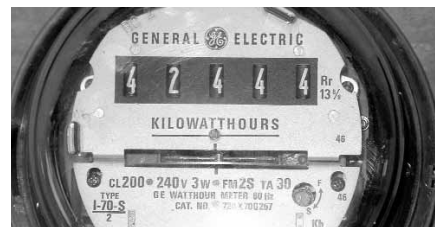
Every year McLennan County Electric Cooperative promotes various programs that benefit our schools, our members and our communities. We are currently recruiting high school students to apply for the annual Government-in-Action Youth Tour trip to Washington, D.C. Three \$1,000 scholarships are awarded to qualified applicants each year. Operation Round Up helps local organizations serve our members. For more information about these programs, please visit our website at www.mclennanelectric.coop.



Innovative Technology

McLennan County Electric Cooperative utilizes state-of-the-art equipment. Hunt Technology's Turtle automated meter-reading system allows the office to retrieve residential usage remotely. The system collects data to help the cooperative correctly size transformers, balance loads, identify failing equipment, reduce blinks, reduce line loss, determine how widespread outages are, enhance customer service, and help resolve billing questions.

The cooperative is in the process of implementing a Supervisory Control and Data Acquisition (SCADA) system. The SCADA system integrates a central control computer with remote substations to provide economical monitoring and control. The system can open and close switches and take measurements.



Cash Back Through Capital Credit Refunds

As a member of McLennan County Electric Cooperative, you are assigned a portion of money (referred to as capital credits) collected each year beyond the cooperatives expenses. In 2005, approximately \$100,000 was returned to our members.



Listening and Responding to Your Needs

Our cooperative is focused on obtaining feedback from our members so we can exceed your expectations. From annual meetings to district meetings to surveys, we want to understand how we are doing and what we can do better. Your participation makes it possible for us to make decisions that will better serve you.

McLennan County Electric Cooperative always practices business ETHICS. The points mentioned in this article are our New Year's resolutions to you, our valued members.



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MCEC Members Helping Others in Co-op Communities



Operation Round Up® News

A voluntary, member-funded program supporting local, nonprofit organizations in MCEC's service area

In its third quarter meeting, the Operation Round Up trust board voted to disburse an additional \$5,065 in funds to local organizations in McLennan County Electric Cooperative's service area. Since the program began in May 2004, MCEC members have put a total of \$27,708.70 back into the local economy by helping 34 community organizations help others. Operation Round Up is a voluntary program in which residential electric bill are rounded up to the nearest dollar. Every month, the additional pennies, nickels and dimes are added to a special fund. The Operation Round Up trust board, composed of MCEC members, meets once every quarter to review applications and decide how the funds are to be allocated. Members may have their names added or removed from the program by calling our main office at (254) 840-2871 or 1-800-840-2957.

The next deadline for Operation Round Up applications is January 31. Organizations interested in applying for funds may contact Robin Ciscell for information, (254) 840-2871. Applications are also available online at www.mclennanelectric.coop, or at the MCEC office at 1111 S. Johnson Dr. in McGregor.

Fourth Quarter 2005 Fund Recipients

China Spring Band Boosters	\$ 500
Troy Athletic Booster Club	500
Oglesby School Library	500
Robinson VFD	1,065
McGregor United Fund	1,500
Texas Special Olympics	500
Mart Facility TDYS	500
Total	\$5,065

Neighbors Helping Neighbors

SCHOLARSHIP AND YOUTH TOUR PROGRAM

MCCEC is proud to announce that we participate in the Government-in-Action Youth Tour, sponsored in conjunction with the National Rural Electric Cooperative Association (NRECA) and Texas Electric Cooperatives (TEC). The Youth Tour contest is held for high school juniors; the winner will receive a two-week, all-expense-paid trip to Washington, D.C., in June.

The winner will join almost 100 other students from Texas on this exciting trip. On Rural Youth Day, the Texas group will meet participants from other states at the Capitol, where they will also meet their state representatives. Nearly 1,500 students will gather to learn about each other and what life is like in other parts of the U.S.



We sent out information on the MCEC Youth Tour program and scholarship applications to area schools last

month. Watch for information in future issues of *Texas Co-op Power* or check out www.mclennanelectric.coop.

METER TAMPERING HAS SERIOUS CONSEQUENCES

Tampering with an electric meter has serious consequences. People who are not trained to work with electric equipment could be electrocuted. Safety is the main issue, but meter tampering or electricity theft may include the possibility of criminal prosecution.

Even with these consequences, a few members still tamper with their meters, often unaware of safety and criminal consequences.

You may be asking yourself why someone would do this. Often, power has not been turned on yet at a location or it has been disconnected because of a lack of payment. Customers sometimes will alter the meter in an effort to turn on the power, committing a crime because the meter belongs to MCEC. If they are stealing electricity from MCEC then they are stealing from you, our members, because theft is added to our cost of doing business.

The minimum consequence for

such action is a charge of \$100 per meter for the first offense and \$200 per meter for each subsequent offense plus the cost of electricity used. Adding connection fees (or reconnection fees) and required deposits makes this very expensive, plus you could be injured or prosecuted.

In October 2005 the MCEC board of directors amended the meter tampering tariff to include the possibility of these charges if a meter seal is found cut or missing. If the meter seal at your location is cut or missing at the present time please notify the office so that we can schedule a crew to reseal the meter. Resealing the meter now could help you avoid MCEC charges in the future.

If there is ever a need for the meter to be removed at your location, just let us know. MCEC will work with you to make the process as convenient as possible.

Don't tamper with your electric meter!



YOUR RIGHTS AS A CUSTOMER OF McLENNAN COUNTY EC

I. RATE AND SERVICE INFORMATION:

You may request copies of any portion of the cooperative's rate and service tariffs as filed with the cooperative. A nominal reproduction charge may be made for each copy and postage may be added if the copies are mailed.

II. METER TESTING:

As provided by the rules of the cooperative, 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 that the meter has not been tested during the previous four (4) years. In the event that you request a test more often than every four (4) years and the meter is not defective, you will be required to pay a charge of not more than \$15 for the test.

III. OUTSTANDING BILLS:

Under the tariffs of this cooperative, you will have sixteen (16) days from the date of issuance of the power bill to pay. If not paid in sixteen (16) days, the account will become delinquent and a termination notice will be mailed. If not paid in ten (10) days (a total of twenty-six [26] days from the date of issuance), the account will be disconnected.

IV. TERMINATION OF SERVICE:

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

- A. Failure to pay an outstanding bill.
- B. Failure to pay a delinquent account or meet the terms of a deferred payment plan.
- C. Violation of the cooperative's rules for the use of service in such a manner that interferes with the service of others or the operation of non-standard equipment; provided that the cooperative will make every reasonable attempt to notify you of the problem and allow you to remedy the situation.
- D. Failure to comply with the cooperative's deposit and guarantee requirements.

The cooperative may also disconnect at once and without notice where a dangerous condition exists and such disconnection shall remain in effect so long as the condition exists. Disconnection without notice may also be made when service is connected without authority by a person who has not made application for service or who has reconnected service without authority following termination of service for nonpayment. In instances of tampering with the cooperative's meter or equipment, bypassing meter, or other instances of diversion, service may be terminated immediately.

Where notice is required, the cooperative will either mail or personally deliver a written notice of termination at least ten (10) days prior to the date of disconnection. Disconnection will only occur on those days when cooperative personnel are available to receive payment to prevent disconnection, or are available the following day to receive payment to restore service. If you are seriously ill or will become more seriously ill as a result of termination of service, you may have your physician call or contact the cooperative within sixteen (16) days of the issuance of the bill concerning your condition. The physician must provide a confirmation letter to the cooperative within twenty-six (26) days of the issuance of the bill unless a lesser period is agreed upon. If you make a request to avoid termination under this provision, you must enter into a deferred payment arrangement.

V. SERVICE AND BILLING DISPUTES:

In the event you dispute your billing or any aspect of service, we invite you to request a supervisory review or investigation of the disputed matter. The cooperative will promptly make such investigation as is required by the particular case, and report the findings to you.

If the matter is not resolved to your satisfaction, you

may appeal to: Complaint Resolution Committee of the board of directors of this cooperative.

Should the dispute involve billing, you will not be required to pay the disputed portion of your bill which exceeds your average monthly consumption for the previous 12 months. This provision is applicable pending determination of the dispute, but shall not be for more than sixty (60) days.

VI. ALTERNATE PAYMENT PLANS:

As a member of the cooperative, you have a right to request alternate payment plans:

a) **PAYMENT ARRANGEMENTS.** An arrangement may be made between you and the co-op in which you agree to pay your electric bill in full after the due date of the outstanding bill, but before the due date of the next bill. If you do not fulfill the terms of your payment arrangement your electric service may be disconnected under standard termination procedures.

b) **LEVEL PAYMENT PLAN.** If you are on a fixed income or have a unique financial need you may qualify for a level payment plan. This plan allows you to pay a monthly amount equal to an average of the current month's bill plus the previous eleven (11) months electric bill, or an estimated amount if you are a new customer. Your level payment amount will be adjusted semiannually. If you do not fulfill the terms of your level payment plan your electric service may be disconnected under standard termination procedures.

c) **DEFERRED PAYMENT PLAN.** If you have not been delinquent in paying your bill more than two (2) times in the last twelve (12) months and are unable to pay all of your bill, you are qualified for a deferred payment plan. Such plan requires that you keep all subsequent bills current and pay monthly an amount not to exceed one-third (1/3) of the outstanding amount. You may, but are not required to, sign this agreement and if you do not fulfill the terms of the agreement your service may be terminated under standard termination procedures. Such breach of the agreement voids your right to a deferred payment plan or renegotiation to avoid termination. The cooperative is not required to offer this arrangement if you have had service for less than three (3) months.

VII. SERVICE RECONNECTION:

If your service is interrupted for any of the reasons listed under Section IV of the Bill of Rights, you may re-establish service when all outstanding and delinquent bills are paid and when a deposit or other evidence of payment guarantee is provided to the cooperative.

VIII. COOPERATIVE OFFICE AND BUSINESS HOURS:

Address: 101 North Main, McGregor, Texas 76657. Office business hours: 8 a.m. - 5 p.m., Monday - Friday. Phone: (254) 840-2871 or if long distance, 1-800-840-2957. After business hours: Call (254) 840-2871 to reach a service representative. Website: www.mclennanelectric.com

IX. METER READING:

If you would like information regarding the proper method for reading your electric meter, the cooperative will provide, on request, full instructions.

X. DEPOSIT POLICY:

You may be required to establish credit satisfactorily by making a deposit but you will not be required to pay a deposit for residential service if you have been a customer of any other electric utility within the last two years and you have not been delinquent in paying your bill for electric service on more than one occasion in the last 12 months or unless your service was terminated for nonpayment. The deposit is limited to one-sixth of your estimated annual electric bill. Deposits accrue interest at the rate of not less than 6.0 percent per annum and will either be paid to you

when the deposit is returned or credited to your account.

In lieu of a cash deposit, you may demonstrate a satisfactory credit rating with acceptable credit cards or letters of credit if easily verified or you may furnish a guarantee. After 12 consecutive residential billings, provided your account is current and you have not been disconnected for nonpayment or delinquent more than two (2) times, your guarantee will be voided and returned or your cash deposit plus interest will be applied or refunded.

XI. FINANCIAL ASSISTANCE:

Governmental or social service agencies may be able to assist you if you are having trouble making your payment for electric service to the cooperative. The following governmental social service or state agencies may be able to assist you if you are having trouble making your payment for electric service to MCEC. Please look for the government or social service agency which serves the county in which you receive service.

McLennan County: EOAC 756-0954; EOAC 840-3383; Caritas 753-4593; Salvation Army 756-7271
Falls County: EOAC 803-3751 (Leroy Thomas)
Bell County: HelpCenter 770-6842
Coryell County: Senior Citizen Center 865-8234 or Over 60 1-800-252-9240
Bosque County: EOAC 694-2261

Additional information may be obtained by contacting the Texas Department of Human Resources and Texas Community Affairs.

XII. NONDISCRIMINATION:

Your cooperative provides electric service without discrimination as to a member's race, nationality, color, religion, sex, disability, or marital status. Credit history shall be applied equally for a reasonable period of time to a spouse or former spouse who shared the service.

Statement of Nondiscrimination

McLennan County Electric Cooperative, Inc. is the recipient of Federal financial assistance from the RURAL UTILITIES SERVICE, an agency of the U.S. Department of Agriculture, and is subject to the provisions of Title VI of the Civil Rights Act of 1964, as amended, Section 504 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, as amended, and the rules and regulations of the U.S. Department of Agriculture which provide that no person in the United States on the basis of race, color, national origin, sex, religion, age, or disability shall be excluded from participation in, admission or access to, denied the benefits of, or otherwise be subjected to discrimination under any of this organization's programs or activities.

The person responsible for coordinating this organization's nondiscrimination compliance efforts is Deidre Lauterbach, Administrative Services Manager. Any individual, or specific class of individuals, who feels that this organization has subjected them to discrimination may obtain further information about the statutes and regulations listed above from and/or file a written complaint with this organization; or the Administrator, Rural Utilities Service, Stop 1510, 1400 Independence Avenue, SW, Washington, DC 20250-1510; or the Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, DC 20250-9410; or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer. Complaints must be filed within 180 days after the alleged discrimination. Confidentiality will be maintained to the extent possible.