# Member Handbook





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# Welcome to the Co-op!

#### What is an Electric Co-op?

As late as the mid-1930s, nine out of 10 rural homes were without electric service, Investor Owned Utilities didn't find it feasible to build power lines for them. In 1935, Franklin D. Roosevelt signed the Rural Electrification Act, which granted farmers and ranchers the opportunity to acquire loans to build power lines.

#### Electric Cooperatives Are:

- Private, independent, non-profit electric utilities
- Owned by the customers they serve
- Incorporated under the laws of the states in which they operate
- Established to provide at-cost electric service
- Governed by a board of directors elected from the membership which sets policies and procedures that are implemented by the co-op's management

In addition to electric service, electric co-ops are deeply involved in their communities promoting development and revitalization projects, job creation, improvement of water and sewer systems and assistance in educational services.

#### How We Are Unique

When you become a member of NEC you actually become a member-consumer of the co-op. We are owned and operated by people just like you – members of the community willing to work together for the betterment of the community.

In 2005, NEC became the first electric co-op to voluntarily deregulate, meaning we split our company into two sections: a power distribution co-op who builds and maintains over 3,200 miles of power lines, and a competitive retail subsidiary.

We are the only deregulated electric co-op in Texas and only one of

a handful in the United States. NEC leadership started the conversation in 1999, and NEC membership voted to open to the electric choice market in 2000. In 2005, the Co-op officially gave members the power of choice and today has approximately 20 competitive retailers who serve NEC members.

In 2008, Nueces Electric Cooperative was granted a \$50 million Navy Contract to build and maintain the power lines at Naval Air Station Kingsville and Naval Air Station Corpus Christi. It was the first Navy contract awarded to an electric cooperative in the nation. Since then, NEC and both NAS fields have enjoyed a mutually beneficial partnership and Nueces Electric Cooperative has been proud to participate in Navy activities such as the Wings Over South Texas Air Show and the welcoming of several Commanding Officers.

In 2015, NEC jumped into the renewable energy market by partnering with Clean Energy Collective to build the first community solar array in South Texas and one of only a few in the state. Additionally, the co-op expanded it's member education to include a renewable energy demonstration which features an education kiosk, a wind turbine, solar panels and school field trip opportunities.

NEC continues to adjust to the rapid advancement of technology. Technology is an ever-changing landscape and it revolutionizes the Co-op every few years. From design to GIS; from meters to billing; Nueces Electric Cooperative strives to cost effectively keep abreast of technology that allows the Co-op to provide reliable and cost effective electric service to all members. We hope to make your member experience as seamless as possible.

Welcome to the Co-op family!

# 7 Cooperative Principles

Cooperatives around the world operate according to a core set of principles. These principles, along with the cooperative purpose of improving quality of life for their members, make electric cooperatives different from other electric utilities.



**Democratic Member Control** 

Member's Economic Participation

4 Autonomy and Independence

- 5 Education, Training and Information
- 6 Cooperation Among Cooperatives
- 7 Concern for Community

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# Employees and Departments



#### Member Care

Member Care Representative are the hub for all member activity at the Co-op. You speak to them when you call to discuss your bill, apply for service, have a disconnection notice, or have an outage. They greet you when you come into the Co-op's lobbies, work with the state energy grid, and send you information on how to lower your electric bill. They are the front line of service.

#### Accounting

Accounting handles all of the balance sheets accounts including: general plant and line assets, materials inventory, capital credits, accounts payable, and account receivables. They handle the back-office finances for both NEC and its subsidiaries.

#### Engineering

After you speak with Member Care, if you have construction you will often meet with an engineering employee. The engineering department is responsible for the design of our system, and for the effective transmission of power from substations to your home or business. This department maps the power lines and is responsible for the general flow of power throughout NEC's 3,200+ mile power line system.

#### Line Crews

Line Crews make engineering's design possible, and keep the power flowing to your home or business. They are the team who constructs, repairs, and services all 3,200 miles of power line. Line crews are stationed throughout the NEC service territory so they can quickly respond to outages and service needs at all hours of the day or night.

#### IT / Metering

The rapid advancement of technology has greatly impacted the electric company itself and how we operate. We are essentially a paperless operation who works on real-time data. IT keeps our networks going, protects our data, and supports all employee with phone net works, cell phones, field radios, and general day to day IT computer support. Metering ensures our meters are communicating accurate data back to the system and troubleshoot field issues that impair any meter access such as tampering and theft.

#### Physical Plant

This department is a power duo who maintains all five of the NEC facilities as well as the fleet.

#### Compliance / Executive Office

This area of the Co-op serves as overall support for all departments. The Executive Office consists of the CEO, secretary, and the eight elected Board of Directors.

The Compliance Department houses Compliance and Regulatory Affairs, HR, Payroll & Benefits, Safety & Loss Control, and Corporate Communications.



# Payment Options

#### Pay Online

www.nueceselectric.org
Access your account 24 hours a day
from any computer to view usage, make
payments or manage your account. Just
click on "Pay Your Bill", on the left side
of our Homepage and it will take you to
the SmartHub account portal.

#### Pay With Your Smart Device

Download the SmartHub app to your iPhone or Andriod device. View usage, weather impacts, make payments and manage your account any time of the day.

#### Auto Draft

Sign up to have your bank account or credit card drafted for your monthly bill. You can sign-up via your SmartHub online account.

#### **Equal Payment Plan**

Through this payment program, a member's usage is averaged for the year and the member makes equal payments each month. See more information and sign up online under the Member Services ->Payment Options menu tab, or call the office.

#### Pay by Phone

IVR Phone (855-385-9909)

#### Pay in Person

Pay your bill at any one of our Customer Service centers located in Calallen, Ben Bolt, Ricardo or Orange Grove.

#### Pay by Mail

P.O. Box 659821, San AntonioTX 78265

#### Pay at the Payment Kiosk

Quick, easy, and accessible 24 hours a day, the Kiosk is located at the Calallen office. Payments post immediately to your account.

#### Payment Services

Pay using any Fidelity Express Pay Stations or for an additional \$1.50 service charge. Search online to find a payment station near you.













Auto Draft:

# Rates & Fees

Non-Payment Disconnect Fees: If payment is not received in our office before the disconnection date, your service may be disconnected. If disconnected, you will be required to pay all amounts due in order to reconnect service. For an AMI meter, a disconnect fee of \$20 and a \$20 reconnect fee. For all other meters, a disconnect fee of \$100 and a \$100 reconnect which includes the trip fee. You will also be required to pay a deposit equal to 1/6 of the annual billing. These additional charges as specified will be applied to your account

Membership fee: Each applicant will be assessed a membership fee of \$15.00.

and will need to be paid before reconnection.

Account Setup Fee: The Cooperative will charge \$25.00 for processing each service connection. A service connection is defined as any connection or reconnection which results in establishing a new account, or the transfer of an existing account on the books of the Cooperative.

Deposit: If a deposit is required, it shall not exceed an amount equivalent to one-sixth (1/6) of the estimated annual billing. A deposit may be required if a member's account has been disconnected for nonpayment. The deposit may be adjusted if the Cooperative believes that the deposit is insufficient.

Meter Fee: Each new account is assessed a \$60 meter fee, which will appear on your first bill, to cover the cost of the meter and the installation.

Delinquent Fees: The Co-op may assess a one-time penalty, not to exceed seven percent (7%) on each delinquent bill.

Trip Fee: The Cooperative shall charge \$100 for each trip to Member's premises during office hours and \$200 after hours, which is requested by the Member, or is reasonably necessary under standard operating practice (e.g. maintenance calls if the problem is on the Member's side).



Construction Fees: A \$350 fee / deposit is charged to secure engineering services. The Construction Coordinator will guide you on additional construction charges needed to complete your specific project.

Sales Tax: All bills shall be adjusted by the amount of sales tax attributable to the sale of electric service, unless the member has provided proof of exemption.

Transitional Charges: Customers located in areas within the former AEP boundaries are charged AEP assessment fees per the Public Utility of Texas totaling about 1.5¢ per kWh. NEC has been directed by the PUC to collect and send these funds to AEP.

#### Transmission & Delivery Charge

(T&D): T&D charge is a fluctuating adjustment to your monthly billing to account for differences in actual purchased electricity cost.

NEC Tariff: Nueces Electric Cooperative believes its members should have an opportunity to request certain information with regards to the operation of the cooperative. Such information includes the NEC Tariff. Visit nueceselectric.org < Transparency And Your Cooperative to view the NEC Tariff.









# Capital Credits

# Here is How it Works



You are a member-owner of Nueces Electric Cooperative.

As a not-for-profit, member-owned electric company, Capital Credits are just one of many differences that set cooperatives apart from other business models. Capital Credits are your equity in the Co-op and the capital that NEC uses to maintain the distribution system.

2

You pay your monthly electric bill in order to help cover the cooperative's operating expenses.

3

The cooperative's operating expenses are subtracted from money that is collected throughout the year.

4

Based on your usage, you are allocated back a certain amount each year that is put into your NEC Capital Credit account (a.k.a. your co-op bank account). You will receive a notice each year of how much is in your account.

5

A check, or a bill credit, will be given to you in the fall.

If you move out of NEC's service territory, it is extremely important that we have your current mailing address on file. If we lose track of you, your funds will be escheated to the state of Texas.

Find additional Capital Credit FAQ's and forms at: www.nueceselectric.org under the Member Services menu tab.

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# **Understanding Your Bill**

**Customer Service Charge** 

Customer Service charge is a flat, fixed rate designed to cover NEC's costs for poles, wires, transformers and equipment. It also supports fleet, facility, customer service and administrative functions, such as line maintenance, tree clearing, safety equipment, and general administrative responsibilities.

Service Delivery Charge

The Service Delivery Charge varies with the amount of energy NEC delivers over the power lines. If you use less electricity, these charges go down, but if you use more, this portion of your bill goes up.

Power Provider

NEC Members have the right to choose their retail electric providers, resulting in separate billing charges for the delivery and power of members. Most providers have chosen to bill separately for their power supply services.

Current Charges Due

Current amount to be paid based on electric energy (kWh) consumed.

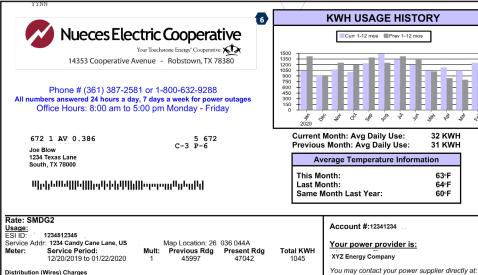
Total Amount Due

An amount that has passed the date of payment deadline. Failure to pay the Past Due Amount may result in disconnection of service.

with your average daily uses for the current and previous month.

kWh Usage History This chart on your bill includes your current energy usage history along

You pay your electric bill every month, but what does it mean?



Distribution (Wires) Charges
Customer Charge
Wires Only Roundup
Service Delivery Charge@0.0 PANPLE Power Provider Customer Charge Electric Use@0.0596 pe OUC Assessment Char

You may contact your power supplier directly at: 1-855-632-73

\$187.65 Due date is for CURRENT CHARGES Only **Total Amount Owed** 

Return this portion with your payment. Make checks payable to NEC
Write your account number on your check

You may make a payment by phone by calling 1-855-385-9909

Current Charges Due on 02/24/2020

Account: Name: Cvcle:

	STATEMENT IS PAYABLE UPON RECEIPT			
Meter#	Cycle	Billing Date	Account #	
	4	01/30/2020		
	Current Charges due 02/24/2020	Total DUE	Total due after 02/24/2020	
	187.65	187.65	195.56	

Name Address Street

Check box for address change on back

Scan for Kiosk

NUECES ELECTRIC COOPERATIVE PO BOX 659821 SAN ANTONIO TX 78265-9121

0000000000 0027506900 00000018765 00000019556

#### What is Kilowatt-Hour (kWh)?

# Power Out?



#### Power "Blinks"

Quick, momentary outages that were unnoticed years ago are "reported" today by the many electronic devices around us. Before digital clocks we probably didn't notice most of these "blinks."

Many times, having the power blink is better than the alternative — having it go out completely. Blinks are sometimes caused by reclosers, which are devices designed to protect the electrical system. Reclosers essentially act like the circuit breakers in your home, with one major difference. They reset themselves after "breaking" the circuit.

The intent is that a tree touching the line, or other problem, will cause the recloser to open. The device will reset itself and power once again will flow down the line. If the problem has cleared the line, power will stay on. If the problem still exists, the recloser will operate again. After trying three times, most reclosers are designed to stay open until the problem is fixed and the device is manually reset.

The opening and closing of the recloser is almost instantaneous and is often not even noticed. The alternative to using reclosers is to use fuses on each line. While greater use of fuses would result in fewer blinks, it would also create more outages.

NEC is constantly evaluating our power lines to identify potential blink-causing problems so we can take preventative measures. While we may not be able to prevent all blinks, please let us know if your home or business experiences an excessive number of them.

# Why would a NEC truck pass by withou restoring power at my house?

If you see an NEC service crew passing by your house without stopping, it may be because work must first be performed at a nearby location before service can be restored to you and your neighbors. Following the outage restoration process ensures all customers have their power restored as quickly and safely as possible.

#### Is it safe to use a generator when I lose power?

A generator can be a wonderful tool during an outage, but it also can be extremely dangerous if used improperly. Be aware that it's against the law and a violation of electrical codes to connect a generator to your home's electrical circuits without a generator transfer switch automatic-interrupt device. Otherwise, if a generator is online when electrical service is restored, it can become a fire hazard. In addition, the improper connection of a generator to your home's electrical circuits may endanger service crews helping restore power in your area.

#### What is a pole-top fire?

Pole-top fires can occur when moisture in the air combines with dust and dirt built up on power lines or insulators (used to attach lines to wooden poles) and creates a path by which electricity can travel from lines to the wooden pole or cross arms. This is known as "tracking." When this happens, the pole or cross arm can heat up and catch fire. The fire damage or the resulting short circuit can cause an outage. Poles damaged by fire usually need to be replaced, or the line may need to be repaired. Drought and humid weather contributes to the risk of pole top fires, and fog, or light rain can provide the right conditions for pole-top fires to occur. Insulators damaged by lightning or other issues may also cause a pole fire.

# Industry Acronyms: Like any good industry, the Co-op industry has a vari-

Like any good industry, the Co-op industry has a variety of acronyms. You might see any of them pop up in local, national or co-op related news stories.

# National Rural Electric Cooperative (NRECA)

The organization that represents the interests of over 900 electric co-ops in the U.S. to various legislatures. Independent electric utilities are not-for-profit and are owned by their members. The Association, which was founded in 1942, unites the country's generation, transmission and distribution cooperatives which are found in 47 states and serve over 40 million people. It is headquartered in Arlington, Virginia.

# South Texas Electric Cooperative (STEC)

Formed in 1944 by NEC and nine other Co-ops to generate our power, today serves eight distribution cooperatives by generating power using seven (7) power plants.

#### **Texas Electric Cooperative (TEC)**

Formed in 1941, TEC assists Texas' 64 distribution and 11 generation and transmission cooperatives with legislation, employee trainings and conferences, a state magazine, and warehouse services.

# Electric Reliability Council of Texas (ERCOT)

Is basically the "air traffic controller" of electricity throughout the state. They control the Texas electrical grid and make sure it stays balanced.

#### The Public Utility Commission (PUC)

The Public Utility Commission of Texas is a state agency that regulates the state's electric and telecommunication utilities, implements respective legislation, and offers customer assistance.

# Deregulation, What is it?

Nueces Electric Cooperative is the only deregulated Co-op in Texas, and one of only a handful in the U.S.

#### What is deregulation?

January 2002, Senate Bill 7 went into effect to deregulate Texas. Deregulation allows competitive energy retailers the opportunity to sell power on power lines throughout the state. While consumers can not choose who distributes their power, they can choose who they purchase their electricity from.

Deregulation was mainly aimed at Investor Owned Utilities (IOU's) such as AEP/CPL, Oncor, and CenterPoint. Co-op's and municipal systems were exempt from deregulation.

# Why did the Co-op embrace deregulation?

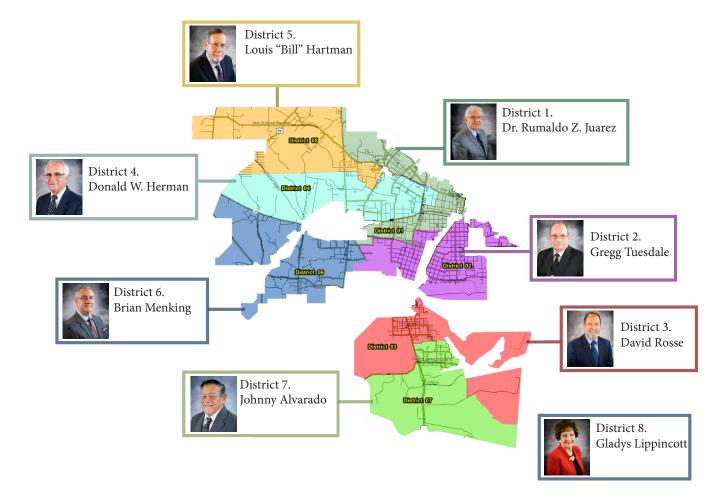
To make a long story short, the deregulation process came about at the same time NEC and AEP were making a territory exchange. The transaction could not be completed unless NEC agreed to deregulate. As the Co-op is democratically controlled by our members, it was put to a vote at the 2000 Annual Meeting and the membership overwhelmingly voted it in.

#### What does it mean to our members?

This means that while NEC maintains your power lines and your meters, you must select a power provider from the approved list of providers who have chosen to test onto the NEC power lines.

A list of providers can be found at www.nueceselectric. org, in the center of the monthly Texas Co-op Power Magazine, or can be obtained at any of the four NEC offices.

# NEC Service Districts



Your Nueces Electric Cooperative Directors are elected by you, the members. Each Director represents a district and works to ensure the needs of your district are being met. As a Board, the Directors set policy and ensure the Co-op remains in good financial health.

Directors serve a three-year term. Through the National Rural Electric Cooperative Association (NRECA) Directors receive training and support to carry out their respective duties.

Additionally, all Board members serve on committees within the Co-op such as the Governance, Retail, Finance, Nueces Charities, Education, Strategic Plan, Building Study, and Annual Meeting, as well as several other committees.

Due to the retirement of District 5 Director, Maxine Stewart, and the tragic death of District 6 Director, Thomas Ermis in 2019, NEC reviewed the size of its Board of Directors and District boundaries relative to other cooperatives. The review revealed that reducing the Board size would more closely align with the number of directors

of similarly sized cooperatives. Therefore, the decision was made at the January 2020 board meeting to eliminate both of these director positions and continue with an eight-member board of directors.

This change also provided the Board Directors an opportunity to review NEC's current district boundaries. After reviewing the potential impact on membership, the Board of Directors decided at the February 2020 Board meeting to re-draw the NEC district boundaries. This change, illustrated above, will allow the cooperative to save operating costs and improve director accessibility.

Election packets are available each June for the districts slated for election.

For Director bio's and larger images of district boundaries, please visit www.nueceselectric.org.

# Competitive Retailers

Report Power Outages: 1.800.632.9288

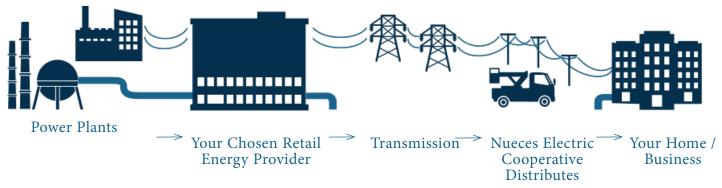
Monitor Power Outages at www.nueceselectic.org

Regardless of the company you choose as your power supplier, remember your energy delivery and meter maintenance will always be the responsibility of Nueces Electric Cooperative (NEC) and you have the right to contact us with questions regarding your electricity needs at any time.

PLEASE NOTE: The (CRs) listed below have completed the process to qualify to serve NEC area members. Some of these providers do NOT serve residential services. This provider list is subject to change. For the most up-to-date list of providers, please monitor our website www. nueceselectric.org or you can obtain a list from any NEC office.

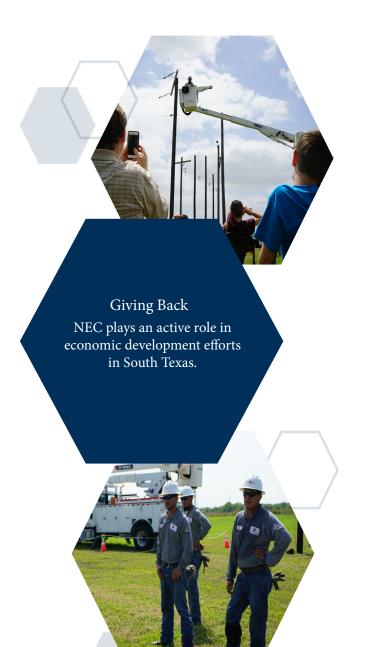
Competitive Retail Power Provider	Phone Number	Type of Service
AP GAS & ELECTRIC	1-877-544-4857	COMMERCIAL & INDUSTRIAL
APOLLO POWER & LIGHT	1-855-750-5556	COMMERCIAL & INDUSTRIAL
BLUESTAR ENERGY	1-866-258-3782	COMMERCIAL & INDUSTRIAL ONLY
CHAMPION ENERGY SERVICES	1-877-653-5090	COMMERCIAL & INDUSTRIAL
CONSTELLATION ENERGY	1-866-237-7693	COMMERCIAL & INDUSTRIAL ONLY
CORAL POWER SOLUTIONS	1-713-767-5400	LARGE COMMERCIAL & INDUSTRIAL
DYNEGY	1-877-439-6349	COMMERCIAL & INDUSTRIAL
ENERGY TRANSFER	1-800-375-5702	LARGE COMMERCIAL & INDUSTRIAL
ENERTRADE ELECTRIC	1-888-256-2823	LARGE COMMERCIAL & INDUSTRIAL
HINO ELECTRIC	1-866-446-6797	COMMERCIAL & INDUSTRIAL
MPOWER /MP2	1-888-202-4770	COMMERCIAL & INDUSTRIAL ONLY
NEC CO-OP ENERGY	1-855-632-7348	RESIDENTIAL, COMMERCIAL & INDUST
TENASKA	1-817-359-1400	LARGE COMMERCIAL & INDUSTRIAL
ENCOA (TERM)	1-713-341-7365	COMMERCIAL & INDUSTRIAL ONLY
SMARTCOM ENERGY SERVICES	1-713-771-7400	COMMERCIAL & INDUSTRIAL ONLY
STARTEX POWER	1-866-223-8505	LARGE COMMERCIAL & INDUSTRIAL
SOURCE POWER & GAS	1-888-557-0065	COMMERCIAL & INDUSTRIAL
V247	1-855-888-9888	RESIDENTIAL, COMMERCIAL & INDUST

#### The Path of Electricity



IMPORTANT: NEC Members have the right to choose their retail electric providers, resulting in seprate billing charges for the delivery and power of members. Nueces Electric Cooperative charges consist of (1) delivery of power and (2) maintenance of local power lines and meters. These charges are seperate from the retail power provider energy charges. Most providers have chosen to bill seperately for their power supply services. NEC members have the choice to receive: one electric bill which contains charges from both your chosen retail electric provider and NEC charges, sent to you by NEC. Or, two electric bills, a bill from your chosen retail electric provider and a seperate bill from NEC for your distribution charges. Your delivery charges from NEC will be the same regardless of who you choose as your electric provider and regardlerss of your receipt of one bill or two. Be sure to discuss your preferred billing charges with your chosen provider.

# Community Involvement



#### Youth Education

In 2015, NEC decided to take our youth education efforts a step further by offering FREE field trips to schools.

Schools are invited to bring their students to the Co-op for a day of in-person learning about Co-op's, energy resources, renewable energy, safety, energy efficiency and even complete some crafts. The Co-op even provides a pizza lunch and has a small budget to assist schools with transportation grants (grants are on a first come first serve basis).

Ideally this trip benefits 4th - 5th grades. Visit the Community section of our website for teaching module details and to download the application.

#### Nueces Electric Charities Inc.

Since 1997, thanks to the generosity of members who roundup their electric bill to the nearest dollar, Nueces Electric Charities has distributed over \$1.5 million to area non-profits who help provide a better quality of life to members.

Nueces Electric Charities, Inc. is funded by the generosity of the NEC members who give to Operation Round-Up. Operation Round Up is a program where member electric bills are rounded up to the next dollar. This extra change is put in a fund call Operation Round Up and each month all of the money is donated on behalf of NEC members, to our charitable foundation, Nueces Electric Charities, Inc.

Any 501(c)3 organization can apply for a grant at www. nuecescharities.org. Grant applications are accepted twice a year: Jan. 1st and July 1st.

Thank you for participating and please help us spread the word about the worthwhile program.

#### We Support Areas Such As:

Food Banks Rehabilitation
Shelters Health Care
Education Research
Scouts Counseling
Fire Departments Ministry

# Member Programs



#### **Annual Meeting**

Held the second Thursday in October, this meeting is the time our entire membership can come together and hear about Co-op progress, finances and vote for directors. All members and their immediate family enjoy a free BBQ dinner, door prizes, educational booths, a goody bag and a \$10 bill credit.



#### Arbor Day Tree Giveaway

At NEC, we care about the environment and strive to reduce our impact as much as possible. One of the ways we give back is by giving trees away to our members. Not only do trees reduce our carbon footprint, but they can also help reduce electric usage!



#### College Scholarships

Named after a beloved former Board Member, the Ramiro De La Paz Scholarship awards high school seniors with funds to help support the cost of colleges or universities. Scholarships are available to high school seniors who plan to attend a 4-year university, a 2-year/vocational or Lineman's College. Visit nueceselectric.org for more information.



# Christmas Card Contest

NEC wants you to help celebrate the holidays with us by participating in our annual Christmas Card Contest. Kids from ages 17 and under submit hand-drawn NEC Christmas cards for a chance to win a Walmart gift card as well as an electric bill credit for their parent. Visit nueceselectric.org for more information.



#### Government-in-Action Youth Leadership Tour

Since 1996, NEC has sent highschool students on a VIP trip to Washington D.C. This contest is open to students who have just completed their junior year of highs chool by June of each year and is the dependent of an NEC member. For a full list of rules, visit nueceselectric.org.



#### HALO-Flight Guardian Program

With members residing in eight counties, NEC created a partnership with Halo-Flight to provide NEC members Guardian Program coverage for only \$1 per month for qualifying members. Visit our website for more information and to sign up.



# iSEE Field Trips & Safety Demonstrations

Started in 2015, this free educational trip is available to all schools who would like to come to the Co-op and get first-hand experience of the inner workings of the Co-op. Lunch and transportation costs will be provided, teachers can also modify the time frame to best fit their schedule.



#### Surveys

As a member-owned organization, NEC values member's feedback. First, you will receive a New Member Survey. Then once a year you will receive an Annual Member Survey. Please respond to these surveys as soon as you get them.

# Distributed Generation FAQS

#### What is Distributed Generation (DG)?

Distributed generation is any electricity generating technology installed by a customer or independent electricity producer that is connected at the distribution system level of the electric grid. This includes all generation installed on sites owned and operated by utility customers, like solar photovoltaic panels serving a house or a cogeneration facility serving an office.

#### Will NEC allow me to install DG onto the system?

Yes, NEC allows members to install DG after an application process has been followed and completed by both parties.

#### Are there any tax breaks for renewable DG systems?

NEC is not an expert on state and federal DG tax policy. DG manufactures should be more knowledgeable about current incentives.

#### Do I qualify for net metering?

NEC wires division does not determine net metering. The member must speak with their retail provider to verify. NEC will meter both consumption at the service and production from a DG installation using a dual register meter.

#### What happens if NEC has a power outage?

If NEC loses power, the DG system should shut down automatically. If DG system remained in service, it would actually backfeed and energize NEC's lines (this would be very dangerous for NEC crews who expect the line to be dead.)

## What is IEEE 1547 and how do I know that my DG system meets its requirements?

IEEE 1547 is an industry wide specification that provides requirements for safe interconnection to a utility's power distribution system. The DG manufacturer should have a certification (usually from Underwriters Laboratory) or other paperwork stating its equipment meets IEEE 1547 and other applicable codes and standards.

# What does NEC require if I decide to install a DG system?

For DG systems, all equipment is located on the member's side of the meter; therefore, NEC is not directly involved in the installation. NEC does have the following requirements that must be met before it allows interconnection to occur:

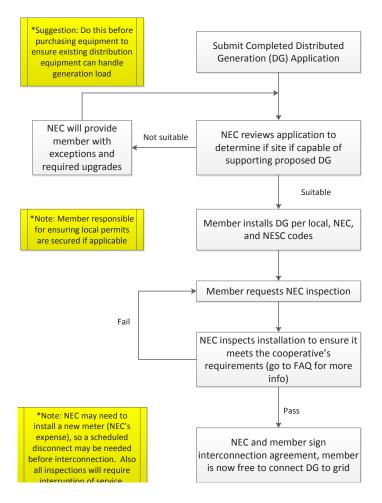
- 1. Member must submit an application and pay a \$350 application fee.
- 2. Certification or other proof from manufacturer or engineering firm that proposed equipment meets IEEE 1547, UL 1741 and other applicable codes and standards.
- 3. Highly recommended that member uses a licensed electrician/ electrical contractor.
- 4. Member must obtain all required/applicable local permits.

- 5. Installations of a separate, lockable, NEC accessible safety disconnect.
- 6. NEC inspection of the final installation.
- 7. Interconnection agreement between NEC and member can now be executed.
- 8. The DG system is now allowed to connect to the grid.

# Why does the cooperative have so many requirements before DG can be connected to the grid?

As a rural electric cooperative, NEC is your partner in providing you with safe, reliable electric service. NEC has requirements in place to address issues of safety, grid integrity and cost fairness. Those requirements ensure that the cooperative can (1) protect and ensure the safety of its members, employees and general; (2) maintain integrity of the grid; (3) establish mechanisms to ensure each member shares appropriately in the costs.

# The Interconnection Process Process Flowchart



# **New Construction Guide**

#### Easement

NEC provides easement forms for you to complete, have notarized, and return BEFORE service can be built. A legal description of your property will be needed to complete the easement form. (NOTE: Acquiring easements from your neighbors is your responsibility.)

A 20' Easement is required in most cases wherein the ROW along this easement must be completely clear of trees, shrubs and any other obstruction prior to construction and / or designs.

#### Underground Location and Marking

NEC's Staking Crew will use 8-1-1 to locate all major utilities (gas, water, sewer, telephone, etc..) within the utility right-of-way. However, it is the member's responsibility to mark the location of septic tanks, sprinkler systems, and other member-owned underground systems. Texas 811 will also have this information for you.

#### Size of Building & Planned Electrical Load

NEC needs to ensure that the size of the service we build/ connect will meet your needs. We'll need to know the following:

- What is the square footage?
- Is it an all-electric building?
- Will an alternate energy source be used?
- Do you plan to build any future "add-ons"?
- Will you have any appliances that use an unusually large amount of electricity?
- What size main breaker or main distribution panel do you plan to install?

#### New Construction Deposits & Issues Deposits:

A deposit of \$350 paid in advance of any engineering work performed by the Co-op

- 1. Site visits to establish engineering "estimates" shall be billed at \$100/hour and will be reimbursable upon completion.
- 2. Upon completion of the project, the deposit shall be credited to the invoice. However, members must request the refund of the Aid to Construction.
- 3. If you do not proceed with the project, the work order will be held for six (6) months. After six months, the work order will be voided and the deposit will be retained by the cooperative.

#### Construction Phase I

Member establishes NEC account & pays \$350 Deposit
Member meets with Design Technician
Engineering evaluates & designs the project
Invoice & easement requirements are sent to the member

Pay the Invoice &
Notarize Easements
(If payments and easements have not
been received within 6 months, you will
be asked to repeat Phase I)

#### Before We Initiate Construction...

After the application and deposit are received, the Co-op will contact you to schedule an appointment with a design technician. Someone will need to be present at this meeting.

#### **New Construction Costs**

- A standard 30-foot meter pole is provided by the cooperative for no charge.
- The meter loop may be purchased by new members from NEC. An electrician will still need to install the main breaker and place it on the pole.
- For Underground there is a per foot charge for trenching.
- A service fee will be assessed for any return trip(s).
- In some instances, payment in aid of construction may be required.

In order to receive service & the applicable discount...

- Structure must be used or occupied on a full time basis
- Your concrete foundation (slab or piers does not include blocks) must be poured. Clarify your foundation with your Member Care representative or the Engineer assigned to your project.
- If a mobile home, the hitch & axle and wheels must be removed and mobile home completely skirted and connected to a permanent water source.
- Seasonal, Temporary, Barns, Water Wells, etc. are not eligible for a discount. To receive service barns, cabins, sheds must have 4 finished sides and a complete roof.

If you require temporary service for construction tools, you will be charged an "Up and Down Charge" to cover the cost of material and labor and must be paid in advance. This fee can be returned to you if you complete the necessary requirements within one year from the date the fee was paid. Temporary service can normally be constructed with 5-7 working days notice and can be provided at a maximum distance of 50 feet from an existing NEC transformer or within 10 feet of a pad mount transformer.

#### Construction Phase II

Member communicates with Construction Coordinator
Coordinator schedules construction (Plan for construction to take 4 - 6 weeks)
Choose your Power Provider  (Please wait until construction is complete. Members have 2 week post-construction to notify NEC of their provider)
NEC places and starts the meter (Estimated time is 3-5 business days after NEC is notified by your provider)
Member must request Aid to Construction refund

# Keep In Touch! It's our goal to give you the information you need when you need it. That's why we utilize information resources which are easily accessible and help you understand what is happening at your electric Co-op. \*\*Www.nueceselectric.org\*\* Our website is created.

www.nueceselectric.org\* Our website is created for the every-day user. Scroll through pages to find information on co-op departments, leadership, member programs and more! Find current events posted on the home-page, or search the news history for past articles or information. The Co-op's website is the hub of the Co-op.

Facebook\* facebook.com/NuecesElectric - Like us today! We not only post Co-op specific information, but we also post helpful tips and alerts.

Monthly Texas Co-op Power Magazine (center 8 pages) Yes, read them! This is the #1 way to get Co-op information. In addition to CEO updates, the magazine carries information about member events and deadlines, safety, energy efficiency, as well as a \$25 bill credit contest each month.

NEC Outage Viewer\* If you have an outage, there might be more going on that you may think. That's why it's always good to visit the Outage Viewer so you can see the "big picture." As indicated on the "Steps to Power Restoration" page of this handbook, there is a process to restoring power. Luckily these days, many meters alert the Co-op when they are out. But just to be safe, it is always a good idea to call and report your outage. Then continue to monitor the Outage Viewer for updates.

SmartHub Online Account\* The account management system not only allows you to pay your electric bill, but you can also see weather patterns that impact your usage and your billing history. Download the SmartHub app today to your smart device so you can always have your Co-op information with you.

Monthly Bill Inserts Each month the Co-op will insert information into your electric bill envelope. Sometimes this will be similar information to the magazine, but many times it has additional information plus recipes. \*Mobile-Friendly Sites