

McLeod Cooperative Power Association

MEMBER HANDBOOK



McLeod Cooperative Power Association

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Nondiscrimination Statement

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

(1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;

(2) fax: (202) 690-7442; or

(3) email: program.intake@usda.gov.

This institution is an equal opportunity provider.

What is McLeod Cooperative Power Association?

A business corporation chartered by the State of Minnesota and operating under Minnesota laws. It is wholly owned and controlled by its members in McLeod, Sibley, Renville, Carver and parts of Meeker, Kandiyohi and Wright Counties, to whom it provides electric service. It pays all state and local taxes.



You are an owner of the Cooperative

McLeod Co-op Power operates under the cooperative business model. Each person or entity which purchases electricity from the co-op's distribution facilities is a member-owner. **THIS INCLUDES YOU.**

As a cooperative, it operates on a non-profit basis. All revenues, over and above the cost of doing business each year, are returned to members under a patronage refund plan which we call Capital Credits. Capital credits are explained in greater detail on page 13.

Articles of Incorporation & Bylaws:

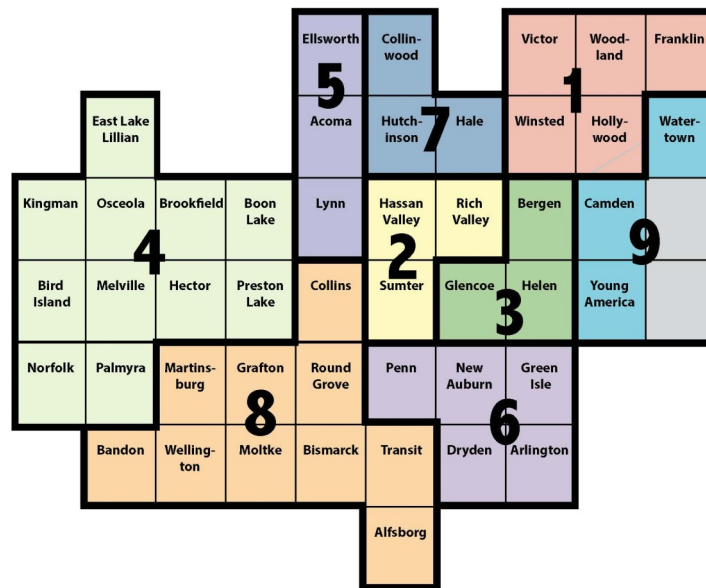
A copy of the Co-ops Articles of Incorporation & Bylaws is available to any member upon request. It is available on the Co-op website at www.mcleodcoop.com/about/co-op-info/

McLeod Cooperative Power Association Board of Directors

Members like you run McLeod Cooperative Power Association through a Board of Directors, elected by members (and they are themselves members) each year at the Annual Meeting. The members of the Board of Directors and the area they serve is shown in the chart below. These directors serve without salary. When they attend meetings, they receive an allowance and expenses. The Board meets regularly each month. The Directors manage the business and policies of your Cooperative. They attend training courses to improve their ability to run your Cooperative.

To find out who our directors are go to: www.mcleodcoop.com/about/board-of-directors-2/

McLeod Cooperative Power Association Director Districts



Member Deposits



1. In an effort to insure payment of accounts, the Cooperative may require Members to make a deposit with the Cooperative.
2. Deposits will be required from Members in the following situations:
 - A. A new Member applying for service who has not previously established a satisfactory credit rating with this Cooperative.
 - B. Any Member who has been receiving service prior to enactment of this policy, and who has electric service discontinued for nonpayment of a bill, will be required to make a deposit prior to having service restored.
3. Additional guidelines concerning deposits include, but are not necessarily limited to, the following items:
 - A. The amount of the deposit will be equal to approximately two times the accounts highest monthly bill from the previous 12 months, but not less than \$200.
 - In the case of a new Member, a deposit equal to two times the service location average monthly bill will be required.
 - B. The Cooperative will pay the Member annual interest at the rate set by the state of Minnesota for all money held in deposit. All interest payable will be applied as a credit to the member's account.

Member Deposits (continued)

- C. The Cooperative will retain a Member's deposit for a 12 month period.
 - 1. If the Member maintains a satisfactory credit rating during a twelve month consecutive period, the entire deposit will be refunded as a credit to the members account.
 - 2. A Member who is issued two or more late payments or has service discontinued for non-payment of a bill, within a 12 month period will be considered to have an unacceptable credit history.
 - D. A Member may obtain a credit statement from another electric utility and present it to the Cooperative; and upon acceptance by this Cooperative, the deposit will be refunded to the Member.
4. Cooperative management is given the authority and responsibility to carry out the provisions of this policy.

There is a 24 hour drive thru drop box located on the southwest corner of the parking lot for payments.



Board Policies
Payment of Accounts

In order to insure prompt payment of accounts for electrical service, and to be equitable to all members, the following rules will apply concerning payment of accounts.

1. A. The consumer will pay all bills rendered by the Cooperative for electrical energy at the net amount as stated on the billing, if paid by the 28th of the month in which the bill was rendered.

B. When a consumer leaves the system and no longer receives electrical service, all amounts owed for service shall become due and payable immediately upon termination of service.
2. A consumer may request and begin receiving service at any time of a month, and also may terminate service at any time of a month. Billings for first and last periods of service may vary in time lengths in order to get on the Cooperative's normal billing cycle. The Cooperative's System Delivery Charge will be applied to all billing periods including the first and last, and will not be pro-rated because of a shorter or longer time period.
3. All bills paid after the 28th of the month in which rendered, shall be paid at the gross amount as shown on the billing. Payments not received by the due date are assessed a late payment charge, based on the outstanding balance due.
4. Failure to receive a bill does not exempt a member from these procedures.
5. All Consumers whose bills remain unpaid approximately 30 days after the bills have been mailed to Consumers. If the balance forward amount is not paid by the disconnection date shown on the monthly bill, electrical service will be subject to disconnection.

Board Policies
Payment of Accounts
(continued)

6. From October 1st through May 1st, (the cold weather months), the Cooperative will not disconnect electrical service to any residential member if the disconnection would affect the primary heat source of the residential unit, and all of the following conditions are met:
 - A. The customer has declared the inability to pay on forms provided by the Cooperative.
 - B. The customers total household income is less than 50 percent of the State Median Income.
 - C. The customer has entered into a payment schedule and is reasonably current with the scheduled payments.

7. In the event it becomes necessary for the Association to call on the Consumer to make collection of a delinquent account, member shall be required to pay all amounts due on their account, plus an additional charge* shall be added to help defray the cost of the collection call.

8. In the event of an electric disconnect for non-payment, McLeod Cooperative Power must receive in the Co-op office all late payments and other charges due before 6:00 PM M-Th and before 4 PM Friday to be reconnected.

9. A charge* shall be made for disconnection and for reconnection of service.

* Please see *Policy 3-1 Schedule of Charges* for additional charges.
Available on website or upon request.

What To Do In Emergencies

Power Outages Call 1-800-927-5685

Electric outages are often caused by ice, trees, storms, broken power lines, damaged transformers, or blown transformer and line fuses. We make every attempt to restore service as soon as possible by dispatching crews to the source of the problem.

What equipment is the Co-op's responsibility and what is the member's responsibility?

The diagram on page 10 shows what equipment is owned by the Co-op and what is owned by the member. The meter is normally the dividing line. The poles, wires and transformer or underground conductors and pad mount transformer (green box) that brings power from the road to your property is owned by the Co-op. We maintain and repair this equipment. The meter is also owned by the Co-op.

The meter socket is owned by the member. The wires which go from the meter to the house or other buildings or well are secondary service wires. They are the responsibility of the member, whether they are overhead or underground conductors.

Who is responsible for repairs?

Damage to the Cooperative's equipment or any interruptions to electric service resulting from a problem on the Co-op's lines up to the meter, will be corrected as quickly as possible by the Cooperative personnel at our expense.

All wiring and equipment after point-of-delivery (normally the meter) belongs to the member-consumer and maintenance is your responsibility. Members should call independent electricians to make necessary repairs or improvements to their wiring. An electrician may require the Co-op to shut off power depending upon the customer's type of service.

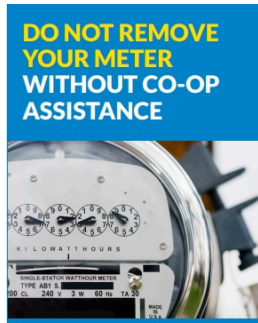
Who do you call when your power goes out, and you are not sure if the problem is on the Co-op side of the meter or your own secondary side of the service?

In most cases, if you look at the display on the electric meter it will be scrolling information across the display. If information is visible on the display, then power is still being supplied from the Co-op to your service and the problem will typically be on your secondary side of the service. This would be a good time to check main breakers or fuses or call your electrician. If the display is blank, then power is not being delivered to the meter. Most likely the problem is on the Co-op side and a call should be made to **1-800-927-5685 to report the outage**. Be prepared to give the name on the account, address or location #.

It is important to try to determine if the problem is on your side of the meter before you have us dispatch a crew. In the event an outage is reported, a crew will be dispatched on a service call. If the cause is found to be on the member's side, including open breaker switches and member's connections, the member will be charged for the mileage, labor (two-hour minimum), materials, and any other overhead charges. Service charges are listed on the Co-op's website under Rates & Fees. The Co-op linemen cannot do repair work on any member wiring beyond the point of the meter.

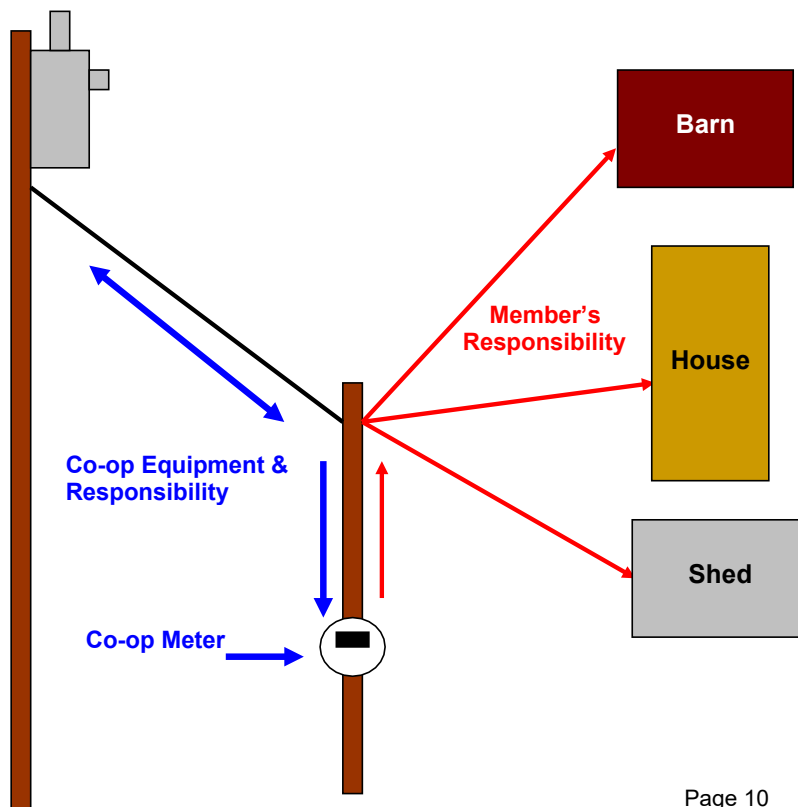
WARNING: Removing an electric meter can be dangerous! Only trained co-op employees with the proper protective equipment can remove or install an electric meter. So, please do NOT pull a meter yourself! Instead, coordinate your work needs with the Co-op in advance. We will be there to safely remove and reinstall the meter during regular Co-op business hours. We ask you give us 48 hours notice.

If an electrician or member pulls an electric meter to disconnect a service, the meter will send a power outage alarm to the Co-op. If a line crew responds to the outage, the member will be billed at the applicable line crew service call rate. Go to <https://www.mcleodcoop.com/about/rates-fees/> to view the current schedule of charges.



A Reminder from MCPA Operations Department –

Any wiring that goes beyond the meter pole/disconnect on your yard is a responsibility of the member. If you need assistance with these lines, please contact your own electrician.



Use of Energy

All energy is to be used by the Consumer for the purpose designated or implied in the rate schedule applicable to his particular installation. Energy may not be resold or redistributed to other meter users except as otherwise specified in the contract for service.

Service Extension Policy

It is the policy of this Association to accept its "UTILITY RESPONSIBILITY" to provide single phase electric power to all applicants within its general service area insofar as possible and feasible. "Three phase" power facilities will be provided to all applicants where practical and feasible as determined by management in accordance with established three phase rate policies. Service extension to feed lots, drainage pumps, irrigation pumps and similar non-residence installation shall normally be limited to terminal facilities and one span from existing line with a deposit required for costs in excess of one span. (One span shall normally be considered 300 feet.) All services shall be billed a minimum of twelve consecutive months at the applicable rate. Service extension idle for a period of time may be removed if the Cooperative and owner determine that service will not be required. If reinstalled, it will be at the expense of the owner. The consumer may leave the service idle but not energized for an annual fee.

Sales Tax Exemption For Agricultural Use of Electricity

Farmers and corporations who qualify for exemption of Minnesota Sales Tax on electricity used in agricultural production should contact our office. An Exemption Certificate needs to be filed with your Cooperative. By filing this Certificate, only the non-exempt amount of sales tax will be calculated on your energy statement each month.

Protect Your Property With A Yard Light

Members can have installed, upon request, a LED yard light which is owned by the Cooperative and will be installed on the meter or transformer pole. The light is controlled by a photocell and comes "on" automatically at dusk and goes "off" at dawn. Contact the Cooperative for free installation. You are billed a monthly fee for the electricity and maintenance of the yard light.



Before You Dig.....
Gopher State One Call System
1-800-252-1166 or dial 811
to call for location of all under-
ground utilities such as
electric, gas, telephone etc...

It is state law and the Federal Government is working on a bill to make it mandatory for all states to have a one call concept. All cable location calls must be made to the one call office in Mendota Heights, Minnesota. The office hours of the Gopher State One Call System are as follows:

November 1—March 31, 7 AM—5 PM
April—October 31, 6 AM—6 PM
Emergency 24 hour/day—365 days/year
Office closed on normal holidays

Requirement for location:

1. 48 hour period starting at 12:01AM on the day after a request is made (excluding weekends and holidays).
2. Emergency calls accepted 24 hours per day (Emergency means a condition which poses a clear and immediate danger to life or health or significant loss of property).
 1. There will be no exceptions to this procedure.
 2. This affects everyone who will be an excavator. An excavator is anyone who conducts excavation in the State of Minnesota, i.e.
 - A. Agriculture which disturbs soil to depth of 18" or more is excavating.
 - B. Landscaping or gardening if the activities disturb soil to a depth of 12" or more is excavating, etc.

If you do not comply with the law and damage or injury results, you are accepting full responsibility. If you have any questions, please call the Cooperative Office (320) 864-3148 or 1-800-494-6272.

New Construction

If you plan new construction or are painting or repairing a building near primary power lines call the Cooperative to arrange to have the lines de-energized. If your secondary lines cannot be de-energized by pulling the main disconnect, then contact the co-op to schedule a temporary disconnection.

Meter Accuracy and Testing

All meters are tested for accuracy before installation on Member's premise. Accuracy is in accordance with applicable standards. To request an accuracy test on your meter please contact the co-op to schedule.



Capital Credits

As one of MCPA's member-owners, you not only get excellent electric service at the lowest possible cost, you also share in any Cooperative margins (revenue less expenses equal margins). Your share of these margins is called "capital credits". At the end of each year, margins are allocated to each member based on their total electric billings for the year.

Annually, you will receive a notice stating the amount of your capital credit for that year. This notice is NOT a check and cannot be cashed or applied to your energy bill.

Refunds may be paid upon request to deceased members' estates on a discounted basis and, when the financial condition of MCPA warrants it, to the general membership on a systematic, revolving basis. Between the time you are notified of your capital credits and the time they are paid, the money is used by MCPA to maintain and improve our electric system to ensure adequate and dependable electric service.

If you should move away from MCPA's service area, please keep us advised of your address change. Such information is needed to assure that you can be properly notified of capital credit allocations and payments. Capital credits is one of the features of a Rural Electric Cooperative that makes it different from other utilities.

Heartland Security Services

Residential and commercial security systems are provided by Heartland Security. Intrusion, fire smoke, flooding, freeze, and carbon monoxide detection is provided by our 24-hour UL listed dispatch center. Heartland Security is owned by 14 electric cooperatives.

Load Management Programs

Money saving programs are available to members who have or are installing electric hot water heating, electric heat or a heat pump, or central air conditioning. All programs offer a lower electric rate or monthly credit, plus many offer a rebate or Cooperative-paid installation. Call the Member Service Department for details on the following programs:



Hot Water Storage
Peak Shaver Water Heating
Dual Fuel or Heat Pump
Storage Space Heating
Cycled Air Conditioning

Your Cooperative offers electric usage audits and basic weatherization audits at no charge. Energy saving literature is available upon request.

Automatic Standby Generator Sales & Service

MCPA offers a turn-key sales and installation service from Briggs & Stratton automatic standby generators 12-200 kW. The Co-op will work with members interested in back-up electricity for their home farm or business when the power gets interrupted.



McLeod Cooperative Power Association **Community Solar Garden**

Currently MCPA members have a Community Solar Garden with 100 Solar panels. This first offering sold out in December 2015, however, the co-op's Community Solar could expand with sufficient interest from members. Any member with interest in Community Solar may contact the Co-op for details.



Operation Round Up

McLeod Cooperative Power Association's Operation Round Up Program is supported by members rounding up their monthly bills to the nearest dollar with the change donated to the MCPA Operation Round Up Trust. The trust, governed by a volunteer board of directors, donates funds annually to local non-profit organizations in McLeod, Renville, Carver and Sibley Counties. Members can find more information on the program including

instructions on how to elect not to participate by visiting our website or calling to speak with one of customer service representatives

McLeod Co-op Power is pleased to offer SmartHub as an account management tool. The software can be accessed through a web browser or smartphone allowing members to pay their bills electronically, view usage history, receiving notifications, and report outages. SmartHub is a free service for members interested in registering for this service.



AUTO PAY

We are pleased to offer automatic payment of your electric bill via bank draft. Once you have enrolled, you will never have to think about signing your check or paying on time because the co-op will take care of it for you automatically. It is a great time saver that helps you manage your monthly expenses. Here's how it works: You receive your normal monthly bill on approximately the 15th of each month. Your bank account will be charged on the 28th, unless it falls on a weekend, and then your account will be charged the next business day. This will allow you approximately 13 days to review your electric bill and to call us if you have any questions. All charges will be listed along with a line showing "Auto Pay - Do not remit" and the amount which will be deducted from your account.