2016-2017

This Member Guide is published for members of Choptank Electric Cooperative,
P.O. Box 430
Denton, MD 21629

Toll Free:
1-877-892-0001

Outage Reporting:
1-800-410-4790
Toll free, 24 hours/day, 7 days/week

Automated Member Service Number:
1-866-999-4574

Website:
www.choptankelectric.coop

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A Touchstone Energy® Cooperative

IMPORTANT NEWS & CHANGES FOR YOUR CO-OP

Scammers are always coming up with new ways to bilk members out of money, or personal information. Their methods are as varied as they are wide-reaching and include, phone, email and personal contact. Electric utilities and their member-consumers are no exception.

If you believe you have been a victim of a scam of any kind, or any other type of fraudulent scheme, please contact your local police department, your state attorney general's office, or Choptank Electric Cooperative.

Don't be a victim! Here are some tips to help keep you safe and scam resilient:

- Never reply to electronic messages, such as emails or texts, if you are not sure of the sender.
- Choptank Electric Cooperative will NEVER call and ask for sensitive personal information over the phone. If you receive a call from someone requesting this type of information, hang up, and report the call to local authorities and Choptank Electric Co-operative. Do not provide any personal or other sensitive information to the caller.
- Members should only use methods authorized by Choptank Electric Co-operative to pay their electric bills. If you need assistance paying your electric bill, please review authorized bill assistance programs offered through Choptank Electric Cooperative or if you have additional questions, please call the Member Service Center during normal business hours.

The majority of Choptank Electric's Advanced Metering Infastructure (AMI) meter deployment was completed fall 2016. Information can be found on the website at www.choptankelectric.coop, click on the green button labeled "Advanced Meter Information."

Choptank Electric is pleased to announce the completion of its Regional Service Center, located at 6520 Walston Switch Road, Salisbury, Maryland 21804. This new facility, which opened its doors to the public, June 20, 2016, combines Choptank's Pocomoke, Salisbury, and Berlin district offices.

INTRODUCTION

Choptank Electric Cooperative serves more than 52,000 members in Caroline, Cecil, Dorchester, Kent, Queen Anne's, Somerset, Talbot, Wicomico, and Worcester counties on Maryland's Eastern Shore. The Cooperative was incorporated on Sept. 21, 1938.

Choptank Electric, a not-for-profit organization, exists to provide reliable and cost effective electricity that improves the quality of life for our member-owners. We are committed to service excellence guided by the Seven Cooperative Principles.

Since the Cooperative is owned by its members, each member has a vote in deciding who will serve on the Board of Directors. Directors must be a Co-op member to serve on the board. This democratic accountability ensures responsible management of Cooperative business, including affordable rates and efficient use of resources.

MEMBERSHIP

Any person, firm, association, corporation or body politic, or subdivision thereof, will become a member of Choptank Electric Cooperative, Inc., upon receipt of distribution service and/or electric energy from the Cooperative, provided that the person has at the time of requesting service, made appropriate bill payment arrangements and provided such other information as the Cooperative may reasonably request or require in that regard.

In becoming a member, a person agrees to comply with and be bound by the articles of incorporation and bylaws of the Cooperative, and any policies, rules, and regulations adopted by the Board of Directors.

ONE MEMBER, ONE VOTE

Ballots are sent by mail or by email to members of the Cooperative prior to the annual meeting to elect members to the Board of Directors and for changes to Cooperative bylaws. Each member may vote by mail, by electronic ballot over the internet, or at the annual meeting. Additional information regarding election of directors may be found on the website.

ANNUAL MEETING

The 2017 annual meeting will be held on Thursday, April 27, 2017 at the Wicomico Youth and Civic Center in the Midway Room, located at 500 Glen Avenue, Salisbury, MD 21804. The directors who are on the ballot for re-election in 2017 represent Cecil, Somerset, Talbot counties and the Ocean Pines District.

CAPITAL CREDITS

Members may share in any Co-op operating margins or profit. The member's share of these is a "capital credit."

Each year the applicable portion of the margins earned is credited to a special account for each member. (For example, if margins are 4 percent of total revenue, each member-owner is credited with $4 for every $100 paid for electric service.) The money is held for a period of time as part of the Cooperative's equity and is utilized to help build and improve the Cooperative's system.

The Board of Directors determine annually whether refunds can be paid out as capital credits. This decision is based on the financial performance of the Cooperative and the requirements of the mortgages held by the National Rural Utilities Cooperative Finance Corporation. Current and former members have no absolute right to the dollars allocated to their capital credit account until an authorization for payment is made. The board will determine the amount and method of capital credits payments.

The Board of Directors has made it a policy to pay capital credits to the estates of deceased members on a discounted basis and to make a general payment if the Cooperative's financial position allows.

AUTOMATED MEMBER SERVICE NUMBER

This secure payment service has the following member information available: Total of last bill; Total of all payments received since last bill; Payment amount now due.

You may pay your bill by credit card or check, and update your current phone number, 24 hours a day/7 days a week. When using the system:

- Have your Co-op account number ready.
- Dial 1-866-999-4574.
- Follow voice prompts that instruct you to push the # key on your phone at certain times. (The system may be unavailable at times due to maintenance.)

REPORTING AN OUTAGE

Use the automated outage reporting system number, 1-800-410-4790 or your SmartHub app, to report outages. This system allows the Co-op to diagnose outage problems for a faster dispatch of service personnel and faster repair.

If you report your outage by phone, a recorded message will give a menu of options and you will be asked to press the corresponding number on your phone to describe your problem. Please give the telephone or account number of the outage location when reporting an outage.

If you report your outage using SmartHub, please click on the "report an Outage" button in the app's dashboard. This helps to locate you more efficiently in the event of trouble. Make sure correct phone numbers are on file for all accounts.

If you experience an outage, please check fuses or circuit breakers before calling.

CALL BEFORE YOU DIG -- IT'S THE LAW!

The Co-op is a member of MISS UTILITY, an organization that ensures underground cables can be located prior to excavation work. This service is provided for free to all members. Call the national 811 "call before you dig" number to begin the process of locating lines or call MISS UTILITY of Delmarva at 1-800-441-8355. Please call 48 to 72 hours in advance of excavation -- even if your service runs overhead. The same regulations apply to other utilities. If you fail to call and damages occur, you are responsible for the cost of repairs.

OPERATION ROUND UP®

Choptank's Operation Round Up® is a way to enable our members to raise money for local charities, needy individuals, and service organizations. Over $3.0 million has been awarded to date. Members are automatically included in this program which "rounds up" their bill to the nearest dollar. All funds go to the Choptank Electric Trust, a non-profit corporation. Any member who does not wish to participate or chooses to discontinue contributions at any time, should contact the Member Service Center at 1-877-892-0001.

Donations are tax deductible and members receive a summary of contributions in their January and February bills. All monies collected are given to approved, worthy projects located in the nine counties of Maryland's Eastern Shore. Applications are available by calling the Co-op or can be downloaded at www.choptankelectric.coop, Community, Operation Round Up.

BILLING

Your actual billing date is determined by your service location. You will be billed on or about the same date monthly. This may vary due to holidays and weekends.

Payments may be made: by mail, by phone, online through SmartHub, SmartHub App, Pay now our one-time payment option, bank draft, recurring credit card, district offices at Denton and Salisbury, kiosks are located at the Ocean Pines Association and the Cambridge Office on Race Street. There is also a drive-up window at the Denton district office. If paying by mail, do not send cash. Please send a check or money order. Write your account number on the check or money order to ensure your account will be correctly and promptly credited, and enclose the payment stub from the bottom portion of your bill.

Whenever a new account is established at the request of the member, a service application charge of $25 will be imposed. This charge covers associated administrative, billing, and meter reading expenses. The service application charge will be imposed each time a new account rotation is established.

IF YOU CANNOT PAY YOUR BILL

If you are unable to pay a bill when it's due, please call the Member Service Center at 1-877-892-0001. It may be possible to work out a payment plan or installment agreement.

For an installment agreement, payments will be based on the amount of the unpaid balance, the ability of the member to pay, the member's past payment record and the length of time the bill has been outstanding. Failure to keep the agreement may result in termination of service. The Cooperative is not obligated to renew or make a second agreement with a member on the same debt. The Cooperative is not required to enter into a second agreement with the same member for a separate but similar circumstance.

THE LATE PAYMENT CHARGE

Members who do not pay their bills by the due date will have a late payment charge added to their bill the following month as a prior period adjustment.

A late payment charge of 1.5 percent of the outstanding balance will be added to the account after the first billing period. An additional 1.5 percent of the outstanding balance will be added at the end of the second billing period showing the outstanding amount. The late charge will at no time exceed a total of 5 percent, the amount allowed by Maryland law.

On request, a member may receive a waiver to the late payment charge twice in a 12-month period. A written request must be received by the Cooperative within 45 days of the billing date in question.

RETURNED CHECK

An additional charge of $25 will be added to the account balance if there is a returned payment. The returned check charge will be waived provided no such waiver has been made in the preceding 11 months. If the member has two returned checks in one year, business will be conducted on a cash or credit card-only basis. The $25 fee is not waived if the returned check is paying a delinquent amount.

COLLECTION FEES

If a member fails to pay their bill by the termination date, an effort will be made to collect the delinquent account and a $10 collection fee will be added to the amount due.

Should a member not have the additional money to pay the collection fee, the member may be billed for that fee.

TERMINATION OF SERVICE

Bills are considered delinquent if not paid by the billing due date. If payment is not received by that date, a delinquent notice is sent by First Class Mail giving the member 14 days to make the payment. If payment is not received by that date, electric service is subject to termination. Members are subject to denial of service after 14 days written notice for:

a. Nonpayment of a bill
b. Nonpayment of a deposit
c. Failure to provide access to the Cooperative's meter and equipment
d. Violation of or non-compliance with the applicable rules of the Maryland Public Service Commission or the Cooperative's tariff as filed with the Commission

Electric service may be terminated after seven (7) days' notice for any of the following:

a. Using service without having contacted the Cooperative to do so
b. Making an application in a fictitious name
c. Application was made by an individual for the purpose of assisting another occupant of a dwelling unit to avoid payment of that occupant's prior outstanding bill

The Cooperative may deny service without notice if:

a. Conditions on the member's premises are determined by the Cooperative to be hazardous
b. There has been tampering with the Cooperative's equipment and/or property
c. There has been unauthorized use of service by any method, including diversion of electricity around the meter
d. Equipment is used by the member that will adversely affect the Cooperative's equipment or service to other members

THIRD PARTY NOTIFICATION

A member may designate a third party to receive termination notices. The Cooperative will send the third party a copy of any termination or bill notice that the member might receive.

Appointing a third party does not relieve the member of the responsibility to pay the bill, nor does it prevent the service from being terminated if the bill is not paid.

This third party notification may be useful to the members who may be out of town for extended periods, for those with physical disabilities, the elderly, or a member who might find language a barrier.

RIGHTS AND RESPONSIBILITIES

It is the member's responsibility to promptly enter into an agreement with the Cooperative for the payment of past due as well as current amounts for electric service.

It is the member's right to dispute the termination for nonpayment or to reach an agreement with the Cooperative for payment of past due bills to avoid shut-off. If you dispute the amount of the bill, we will make a decision and inform you.

If you disagree with our decision, it is your right to file a complaint within 7 days with the External Affairs Section of the Public Service Commission of Maryland by calling toll free 1-800-492-0474 or writing to 6 St. Paul Street, Baltimore, MD 21202.

It is your responsibility to contact the Co-op if you are unable to pay your bill.

Elderly or Disabled: Between the time you receive the termination notice and the actual date of termination, the Co-op will attempt to make personal contact with you and the elderly or disabled occupant by telephone or in person.

You will be informed of possible sources of financial assistance and alternate payment plans. If contact cannot be made, notice of termination will be left at your premises.

CRITICAL MEDICAL NEEDS PROGRAM

Some of our members use medical equipment that requires a reliable source of power. We offer these suggestions for the use of this equipment:

- Obtain a back-up source of power recommended by the manufacturer, such as a generator or battery back-up.
- Plan where the individual using this equipment will stay in the event of a major power outage.
- Call the Co-op to request a Physician Certification form which must be completed by a physician. Return this form and a note of the medical situation will be placed on your account. This way, we will be aware of the situation when you report a power outage at your home. This form must be submitted annually.
- Notifying the Co-op of the use of medical equipment does not guarantee uninterrupted electric service, nor immediate attention to an individual service if there is a power outage. It alerts us to the situation so when we begin to restore individual service these cases become priority.
- Life support status does not exempt service from termination due to nonpayment. Service will not be terminated for those with serious illness or needing life support equipment for an initial period of up to 30 days beyond the scheduled date of termination when it will aggravate an existing illness or prevent use of life-support equipment. A Physician Certification form must be on file to grant this extension.

RECONNECTION OF SERVICE

When service has been terminated for nonpayment, the service will be restored after the termination amount, reconnection charge, and the deposit (if required) has been paid. If the reconnection is made during regularly scheduled working days and between the hours of 8 A.M and 4:00 P.M. Monday - Friday, and requires an employee to visit the property, the reconnection charge will be $40.00, if the reconnect is made after 4:00 P.M or any other time that would require overtime, the charge will be $80.00. The Cooperative will not reconnect an account that was disconnected for nonpayment, that requires an employee to visit the property, after 7:00 P.M. If the member has an advanced meter on the account, the reconnection fee will be $40.00 and may be reconnected any time after all amounts due are satisfied.

ELECTRIC UNIVERSAL SERVICE PROGRAM

The Electric Universal Service Program is a state program to assist low-income electric consumers with paying their electric bills. The program runs July 1 to June 30, and may help eligible electric consumers in three ways:

- Pay Past Due Electric Bills — You may be eligible for help to pay past due bills whether you have active electric service now, or if you don't have service and want to have service connected.
- Pay Current Electric Bill — If you are eligible, assistance will be sent directly to your utility to help pay ongoing bills. This benefit will be deducted from an estimate of your total annual bills. You will pay the remaining estimated amount due in budgeted monthly installments.
- Weatherization Services — Some electric members may receive help to improve energy efficiency in their homes. Homeowners and renters may be eligible.
- Other Programs — If you receive help from the Maryland Energy Assistance Program, (MEAP) you should also apply for the Electric Universal Service Program. Eligible consumers may receive help from both. Only one application is needed.

The Electric Universal Service Program is available to all eligible Maryland electric consumers, including homeowners and renters. Electric service must be in the name of the person seeking assistance. You may be eligible if your income is at or below 175% of the federal poverty guidelines. Consumers who live in subsidized housing where heat is included in the rent may also be eligible. The program is administered by the Maryland Department of Human Resources, Office of Home Energy Programs.

For information or an application, call toll free to 1-800-332-6347 (TTY 1-800-925-4434) or visit the web site at www.dhr.maryland.gov/ohep. Apply online at: www.mydhrbenefits.dhr.state.md.us/. Call 1-443-378-4000 to report fraud.

Applications are available at these energy assistance offices: Caroline Dept. of Social Services, 300 Market St., Denton, 410-819-4500; Cecil DSS, 135 E. High St., Elkton, 410-996-0270; Dorchester DSS, 627 Race St., Cambridge, 410-901-4100; Kent DSS, 350 High St., Chestertown, 410-810-7600; Queen Anne's DSS, 125 Comet Dr., Centreville, 410-758-8000; Shore Up! Inc.: Worcester, 6352 Worcester Hwy., Newark, 410-632-2075, Somerset, 12409 Loretta Rd., Princess Anne, 410-651-1805, Wicomico, 520 Snow Hill Rd., Salisbury, 410-749-1142; Neighborhood Service Center, 126 Port St., Easton, 410-763-6745.

UTILITY SERVICE PROTECTION PLAN

Members eligible for energy assistance from the Maryland Energy Assistance Program (MEAP) may also be eligible for participation in Choptank Electric's Utility Service Protection Plan. Those who qualify must enter into an equal monthly payment plan. Contact a local energy assistance office for information.

MEMBER DEPOSITS

Choptank Electric may require a member or prospective member to pay a deposit. If a deposit is required for a residential account the deposit may be equal to 2/12ths of the estimated bill for a year.

The applicant for residential service must demonstrate a stable income source by certifying continuous employment for three years with the current employer. In lieu of this criteria the applicant must:

a. Provide proof of being a customer of an electric utility within the preceding two years, and
b. Does not currently owe outstanding bills for utility service to a utility doing business in Maryland, and
c. Did not have service disconnected for nonpayment during the last 12 months that service was provided, and
d. Did not fail on more than two occasions in the last 12 months of service to pay the utility bill when due.

If the applicant is unable to establish credit as above or does not furnish the information, a deposit may be required.

Each applicant will be advised if conditions of service or the basis on which credit was granted materially changes; they may be required to re-establish credit.

An individual 60 years of age or older is exempt from a deposit if they present proof of age, intent to occupy the dwelling and absence of any outstanding bill to a utility for service.

A member who fails to pay a bill by the expiration date on the termination notice may be required to re-establish credit by making a deposit in addition to paying all outstanding amounts due.

Any former member who owes an outstanding bill, or whose service was disconnected for nonpayment during the last 12 months of prior service, will be required to pay a deposit. A deposit may be required of those members who are habitually late in paying their bill.

Regulations governing security deposits and similar matters for non-residential members are found in COMAR 20.30.01. Copies of this regulation are available on request. A deposit payment plan is available. Details are available at your local office.

INTEREST ON DEPOSITS

The Cooperative will pay interest on each deposit in accordance with Maryland law. Interest will be calculated at a rate per annum determined by the Maryland Public Service Commission.

REFUNDING RESIDENTIAL DEPOSITS

The member's account will be examined after each 12-month period. If service has not been disconnected for nonpayment during the period, or there was not more than two occasions when a bill was not paid within 20 days after presentation, and the member is not delinquent, the Cooperative will refund the deposit with interest.

Upon discontinuing service, the deposit will automatically and promptly be refunded if there is any excess over the amount of any final unpaid bill.

MARYLAND PUBLIC SERVICE COMMISSION (MPSC)

Co-op members and prospective members should first contact the Cooperative concerning such matters as new service, changes in location, billing inquiries, meter readings, and restoration of service after interruptions.

If the Cooperative does not satisfactorily respond to your inquiry, you may contact the MPSC External Affairs Section, Public Service Commission of Maryland, 6 St. Paul Street, Baltimore, MD 21202 or call 1-800-492-0474, 8a.m.-5p.m., Monday - Friday, except holidays.

ESTIMATED BILLS

There are times when it might be necessary for the Cooperative to send an estimated bill.

This may occur with a new connection, during storm conditions, or if a meter is inaccessible.

CALCULATING YOUR BILL

It may be helpful to understand the manner in which your bill is calculated to verify billing accuracy.

As an example, rates in effect 7/1/16, the calculation for a residential member who uses 1,000 kilowatt-hours of electricity in any given month would be as follows:

1. Determine Delivery Service Charges

Consumer Charge	$ 11.25
Delivery 1,000 Kwh @$0.04773	$ 47.73
Apply taxes and surcharges	
PSC franchise tax	
1,000 Kwh@$0.00062	$ 00.62
Environmental surchage	
1,000 Kwh@$0.000159	$ 00.16
Universal Service	$ 00.36
Subtotal Delivery Service Charges	$ 60.12

2. Determine Standard Offer Service

(SOS) Charges	
Energy Supply	
1,000 Kwh@$0.07854	$ 78.54
Power Cost Adjustment	
1,000 Kwh @ -$0.00169	- $ 01.69
Transmission Supply	
1,000 Kwh@$0.00784	$ 07.84
Subtotal SOS Charges	$ 84.69
Total Amount Due	$ 144.81

LEVEL BILLING PAYMENT PLAN

Under this plan, the Co-op will recalculate your billing amount every four months, which eliminates the annual true-up month.

This Level Billing procedure should simplify your personal budget requirements. For more information about this plan, please call the Member Service Center at 1-877-892-0001.

BANK DRAFT AUTHORIZATION

Bank Draft Authorization (BDA) is an electric bill payment program that permits Choptank Electric to deduct money from your bank, savings and loan, or credit union checking account to pay your monthly electric bill.

Co-op members with accounts in good standing are eligible for BDA, as well as those on the Level Billing Payment Plan. Forms are available by mail, at Co-op offices, or on Choptank Electric's website at www.choptankelectric.coop.

VIEW BILL & PAY ONLINE

To pay a bill online, you can register with SmartHub, the online bill pay, as an online user. You can view your bill and pay online by credit card or check using SmartHub. To pay by check you will need your bank's routing number and your checking account number.

The link to SmartHub can be found on our website at www.choptankelectric.coop. You can view the image of the current bill, as well as detail payment and billing history on the Account List page. If you have more than one account, choose the one you want to pay, click the "Pay" button and select a payment option.

You can also pay your bill using the "Pay Now" option on our website which you can use to just pay your bill, no registration required. You may also access your SmartHub account using the SmartHub app on any smart devices.

BILL EXTENDER PLAN

Some members may have difficulty meeting bill due dates, particularly those receiving Social Security, Supplemental Security Income, disability, or other financial aid as their main source of income. To be eligible for the Bill Extender Plan, the financial aid the member receives must constitute their main source of income.

Bill extender allows the Co-op to extend the date the bill becomes past due in accordance with provisions of the Maryland Code. A member wishing to enroll should provide proof of eligibility to the Co-op.

RECURRING CREDIT CARD AUTHORIZATION

Credit card authorization is an electronic payment program that permits Choptank to charge your credit card each month to pay your electric bill.

Payment by credit card authorization becomes effective with the next electric bill showing the notation "Payment by Credit Card" next to amount due. It will also show the date your credit card will be charged.

To sign up, go to our website at www.choptankelectric.coop and fill out the form or go to 'Auto Pay Program' on your SmartHub account. You may discontinue this payment type any time with written notification or by contacting the Member Service Center at 1-877-892-0001.There is a $25 charge if a credit card is declined for the second time in a 12-month period.

IT'S YOUR BUSINESS

Portions of this guide were prepared in compliance with MPSC Directives and the Maryland Code Sections 20.30.03 and .04. Further information on Cooperative Terms and Conditions (as filed with the MPSC), bylaws, or matters of Cooperative policy or procedure can be obtained by contacting the Member Service Center at 1-877-892-0001 or by going to the website at www.choptankelectric.coop.

SERVICE RELIABILITY

Choptank Electric maintains information on the reliability of its system. These figures include all interruptions including planned construction outages as well as power supplier and major storm outages. If you would like information and statistics about service reliability, please call the Member Service Center at 1-877-892-0001.

Choptank Electric offices:
8 a.m.- 4:30 p.m., Monday-Friday
Member Service Center (all offices): 1-877-892-0001
Fax: 410-479-3940 (Denton)
Website: www.choptankelectric.coop
Email: info1@choptankelectric.coop
Outage Reporting Number: 1-800-410-4790
Automated Member Service Number: 1-866-999-4574

Cecil, Kent, Queen Anne's, Caroline, and Talbot counties:
Kevin C. Wright - Regional Member Service Manager
Denton District Office
24820 Meeting House Road
P. O. Box 430
Denton, MD 21629

Dorchester, Wicomico, Worcester, and Somerset counties:
Harold J. Sise Jr. - Sr. Regional Member Service Manager
Regional Service Center
6520 Walston Switch Road
Salisbury, MD 21804

Operations offices only: St. Michaels, Cambridge, and Chestertown (not open to the public.)

OUR MISSION STATEMENT

Choptank Electric Cooperative exists to provide reliable and cost effective electricity that improves the quality of life for our member-owners. We are committed to service excellence guided by the Seven Cooperative Principles.

It's a Matter of PRINCIPLE

The Rochdale Principles

Co-ops deliver electricity, sell produce, provide loans, and arrange for housing, health care, and more. But despite these differences, they all have one thing in common—seven cooperative principles:

- Voluntary and Open Membership
- Democratic Member Control
- Members' Economic Participation
- Autonomy and Independence
- Education, Training, Information
- Cooperation Among Cooperatives
- Concern for Community

Learn more at *www.go.coop*.