

MEMBER'S GUIDE



Salem Electric

SERVING KEIZER AND SALEM

What to do in an Emergency

For Power Outages Call 503 362-3601

Outages are caused by various problems. We make every attempt to restore service as soon as possible by dispatching crews to the source of the problem.

If your power is off, check the fuses or circuit breakers in your home or business. If everything appears to be in order, check with your neighbors to see if their electricity is off. If you can't solve the problem, please call our office to report the outage. When calling, give your name, address, and phone number, plus any information you have which will help us locate and correct the problem. Then turn off all large appliances and unplug all voltage sensitive equipment (TVs, VCRs, computers, etc.).

Interruption of Service

Salem Electric strives to provide continuous, uninterrupted electric service, but cannot guarantee such service and is not liable for injury, loss, or damage resulting from any failure or loss of electric service.

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Welcome to Salem Electric

**633 Seventh Street NW
Post Office Box 5588
Salem, Oregon 97304-0055
Ph: 503 362-3601
FAX: 503 371-2956
E-mail: se@salemelectric.com
salemelectric.com
Office Hours: 8:00 a.m. – 5:00 p.m.
Monday through Friday (except holidays)**

Salem Electric is a private, non-profit cooperative electric utility owned by the members it serves. Salem Electric's service area includes the majority of West Salem, portions of downtown Salem, Keizer, Portland Road, and the Northgate area.

Membership is subject to the Articles of Incorporation and Bylaws, as well as rules, regulations, and policies now in effect or hereafter established by the board of directors.

The policies governing the operation of Salem Electric are established by a seven-member board of directors; elected by and from the general membership through an election at the annual meeting in May. The board meets monthly and meetings are open to members. Each board member is elected to a three-year term of office. To serve on the board, a person must have been a member, or represent a firm that has been a member of Salem Electric, for at least two years.

Nominations for director positions must be made by written petition, signed by not less than one percent of the number of members of Salem Electric of record, as of the preceding December 31. Petitions must be delivered to the Secretary of the Cooperative at least 30 days prior to the annual meeting. Members who are interested in running for a board position can obtain additional information by contacting Salem Electric.

Salem Electric History. In 1938, Harry Read, founder of Salem Radio Station KSLM and Portland's KXL, and an advocate of low-cost power, organized a group of like-minded Salem-area residents and businessmen into the Salem Electric Cooperative Corporation. A franchise was obtained from the then separate municipality of West Salem for the distribution of electricity within its boundaries. On March 17, 1941, Salem Electric contracted with the Bonneville Power Administration to purchase 100 kW of firm power from the Administration's West Salem substation.

Organized to serve in an essentially urban area already served by a private power company, Salem Electric was unable to borrow funds from the Rural Electrification Administration for construction of a distribution system. While contract negotiations with BPA were under way, Harry Read obtained electrical equipment on credit from Eoff Electric Company. Corporation members (particularly Harry Read) advanced money, and a small distribution system was constructed. The distribution system was owned by Harry Read; mortgaged to the Eoff Electric Company; and operated under lease by Salem Electric. Cash advanced by members other than Harry Read was to be repaid through rebates on power bills and involved no long-term equity in the Salem Electric system, other than that common to all members of the Corporation. The system was energized early in April 1941, with seventeen residential and five commercial accounts.

More information regarding Salem Electric's history is available upon request.

Rates

Electric rates for members of Salem Electric are adopted and approved by the board of directors. The revenues collected from the rates are to cover the cost of providing service, as well as the expense of equipment and maintenance...no more...no less.

Although rates have increased, the cost of electricity for Salem Electric members is still far below the national average. As an electric cooperative, Salem Electric's primary responsibilities are to provide electricity at the lowest possible rates consistent with the need to remain financially sound and to provide reliable service.

Salem Electric buys all its power from the Bonneville Power Administration (BPA). According to BPA, approximately 85 percent of its power comes from dams and other renewable resources. The remaining percentage is generated by other means, including some non-renewable resources (gas, nuclear, coal). From May 1999 through October 2003 Salem Electric replaced the remaining percentage with renewable power, making Salem Electric, at least symbolically, a 100 percent renewable utility. Since that time Salem Electric has continued to purchase renewable energy and is always evaluating renewable resource options based on cost and availability.

Salem Electric Member Assistance Program (SEMAP)

The following three components make up the Salem Electric Member Assistance Program:

Dollar Check-off. By checking a line on their bill stub and adding \$1 to their payment, members are able to contribute to a fund which assists qualifying members with their electric bills. If you are on the *AutoPay Program* and want to donate to SEMAP, request that \$1 be deducted along with your monthly payment. When the deduction is activated, this will automatically occur monthly and a message indicating this action will print on your bill. The fund is administered by The Salvation Army. Anyone wishing to make a larger donation may do so by mailing a check directly to:

The Salvation Army
c/o SEMAP
PO Box 7047
Salem, Oregon 97303

Heating Bill Assistance. Salem Electric households that meet the income guidelines and have electricity as their main source of heat, may apply for the Salem Electric Heating Bill Assistance Program. Adjusted gross household income must be at or below 60% of Oregon's current median income.

The actual amount of assistance is figured on a household's prior 12-month kWh consumption and is available one time per heating season. Funding is available January through April, or until funds are depleted, with a priority given to seniors and disabled persons.

General Information and Referral. Special information and referral services are available for seniors and disabled persons living within the Salem Electric service area. Our Special Services Representative will make home visits to check energy consumption and make referrals to local social service agencies.

For more information, contact the Special Services Representative at 503 362-3601.

Salem Electric Services

Salem Electric offers many services to its members. If you have questions which are not answered in the following brief descriptions, please call 503 362-3601 and talk with one of our Customer Service Representatives.

24-Hour Emergency Service... 503 362-3601. Salem Electric provides 24-hour emergency service to all members. To assure you of this service, our line crew is on call 24 hours a day, seven days a week. In the event of an outage, our crews will work to locate and correct the problem as quickly as possible.

Newsletters. Salem Electric includes information with your bills as necessary. This is the most economical method of informing you of policies or other information affecting your electric cooperative. You can sign up to receive the newsletters electronically.

Power Quality. Most of our members have personal computers and other sensitive electrical equipment for use in their homes. Voltage spikes, harmonics, and momentary interruptions (due to normal fault clearing), which are beyond our control could lead to problems with your sensitive electronic equipment. For more information contact the office and ask for our free flier about protecting your voltage sensitive equipment. The flier contains suggestions regarding how you might deal with potential voltage problems.

Employee Identification. All of our employees carry photo identification cards. If someone claiming to represent Salem Electric should call on you, ask to see identification. You can always contact our office to verify that they are an employee. No one should be allowed in your home without proper identification. If you have reason for concern, get a good description and call the police.

Landlord Agreement. This is a service available to all landlords. Each time a tenant moves out, the billing is automatically transferred back into the landlord's name, reducing the likelihood of damage to property in the wintertime, and providing a convenience to landlords.

Meter Tests. Occasionally members call with concerns regarding a bill they believe to be too high. These calls are more common during colder weather. Some people think their meter must be running too fast and request that it be checked. Salem Electric tests and inspects its meters to insure a high standard of accuracy. We will, upon reasonable request, test any member's meter. If the meter is found to deviate more than 2% under normal conditions of the member's electric load, the

member's billing will be adjusted (up or down) for a maximum of 12 months to reflect the correction. Meter testing is free to our members.

To be tested, meters are removed and replaced with pre-tested meters which fall within two tenths of 1% tolerance. It is extremely rare to find a meter that is running fast. More commonly, as meters get older they run slower.

Product Endorsements. Occasionally we receive calls from members who have been approached by individuals attempting to sell them a product or service, and stating that they represent or have the endorsement of Salem Electric. We, as a policy, never endorse any product or service.

Radio and TV Reception Interference. Salem Electric investigates reports of interference to radio and television reception and will take action to correct the condition causing the interference, provided the interference is found to be caused by Salem Electric's facilities. However, we will not repair or replace any defective part of any radio or television, nor will we perform repair or replacement services on any member-owned appliance.

Revovement (Capital Credits). Salem Electric is a private, non-profit cooperative corporation. Our net margin (the money left over each year after payment of all costs and expenses) is allocated on the books to the members in proportion to their payments during that period. In 1978, we began an annual program of refunding this money to members. Our goal is to reach a revovement period of approximately 20 years. Refunds depend upon availability of funds and are not obligated to be repaid at any specific time.

Service Policies. Service policies, constituting rules and regulations pursuant to Salem Electric's Bylaws, are available upon request. These policies are binding on all members of Salem Electric and are part of all oral or written contracts for furnishing and receiving electric service.

Tree Trimming. We will trim trees or other obstructions which interfere with the operation or maintenance of Salem Electric equipment. Remember, it's always a good idea to plant trees away from power lines. Trimming performed by Salem Electric will be cleaned up by our crews. However, cleanup of fallen trees caused by storms is the responsibility of the member after Salem Electric has removed the branches from the power lines.

Underground Locates. If you are planning to build a fence or dig in your yard, be aware that underground wires or pipes might be buried there. Contact with electric wires is extremely dangerous and damage to wires, TV cable, phone lines, and gas and water pipes can be expensive to repair. Remember, one call notifies all Salem/Keizer utilities. Call the Utilities Notification Center at 1-800-332-2344 or 811 to request a free locate at least two business days before you dig.

Connecting and Disconnecting Your Utility Service

If you are moving to another address within the Salem Electric service area, please contact our office at 503 362-3601 or se@salemelectric.com as soon as possible and tell us the date you wish to have the service disconnected at your present address and the date you want the service connected at your new address. (These need not be the same date.)

If you currently have a deposit with Salem Electric it will automatically be transferred to your new address. If you currently have a cosigner for your account (someone who has guaranteed to pay your final bill if you do not) the cosigner agreement will also be transferred to your account at your new address if the cosigner wishes to continue that agreement.

Salem Electric can generally provide next-day service if arrangements are made before noon. However, to assure that your service is connected when you need it, it is desirable that you make arrangements several days ahead of time.

FOR UNUSUAL CIRCUMSTANCES—where you need a service connected or disconnected outside our normal business hours—we can accommodate you; however, there may be a service charge.

New Accounts. New accounts may be opened between 8 a.m. and 5 p.m. Monday through Friday (except holidays) by visiting our office at 633 Seventh Street NW or calling our Customer Service Department at 503 362-3601.

Deposits. Since electric service is used prior to meter readings and billing for such service, Salem Electric may require a deposit as a guarantee. This may be an amount equal to the highest month's bill for residential members or two times the highest month's bill for commercial members. The deposit, unless previously returned (see *Credit and Collection* on page 13), will be credited to the account upon termination of service and the net balance, if any, will be refunded. Interest is paid on deposits made for this purpose only.

There are several options regarding payment of deposits:

1. The required amount may be paid on or before the due date.
2. The member may provide evidence of prompt payment with a letter of credit from the member's previous electric utility for the most recent 12 months prior to moving into Salem Electric's service area.
3. A cosigner may guarantee payment in lieu of the deposit. The cosigner must be a Salem Electric member with a record of prompt payment over the preceding 12-month period.

Disconnecting Service. A member who wishes electric service discontinued must give notice to Salem Electric five days in advance of the effective date.

This does not apply to special contracts or rate schedules containing contractual provisions.

IT IS IMPORTANT THAT YOU CONTACT US WITH INSTRUCTIONS TO CLOSE YOUR ACCOUNT.

You should not rely on a future tenant or your landlord to remove your name and assume the utility service in their name. Should the service continue in your name, you would be responsible for the electricity used.

Provide a Forwarding Address. REMEMBER that your deposit, if not previously refunded, will be applied to your final bill. Any remaining amount will be refunded to you. In addition, you may be eligible to receive capital credit payments (see “*Revolvement*” in *Salem Electric Services* on page 5) sometime in the future, so it is important that you keep Salem Electric advised of your current mailing address.

Rights-of-Way and Rights-of-Access. In order to provide the best possible utility service to each member, our service policies require that we be granted the right for identified employees or contractors to have access to your premises at all reasonable times for the purposes of:

- ◆ Reading meters.
- ◆ Inspecting, testing, repairing, or replacing any equipment which is the property of Salem Electric.
- ◆ Turning on, off, or disconnecting a service or meter.

Refusal to grant access for these purposes can result in service termination.

Salem Electric must be granted, at no cost, all rights-of-way and easements necessary to serve the member overhead or underground. This includes rights-of-way and easements for the erection, maintenance, repair, replacement, removal or use of all wires, poles, machinery, fixtures, or equipment needed to supply and deliver electric service to the member.

Billing Procedures

For efficiency, Salem Electric reads meters and mails bills throughout the month. Meter reading and billing is divided into nine segments called “cycles.” Members are billed monthly, and their service address determines when their meter is read and the bill mailed. This is generally around the same date each month.

Based on your meter reading, your bill is calculated, printed, and mailed or sent electronically to the address you have given us. Should there be an error in this address, please contact us.

Bills are due and payable upon receipt—defined as “deposited in the mail.” **Failure to receive your bill does not relieve you of your obligation to pay.** If you should fail to receive your bill at the normal time, please contact our office; our representative will arrange for a duplicate bill to be sent, or advise you of a satisfactory alternative. You can also sign up to receive your bill online.

Where to Pay Your Bill. Payments may be made online, by mail, using the self-addressed envelope which is enclosed with your monthly bill, to Salem Electric’s mailing address at P.O. Box 5588, Salem, Oregon 97304-0055, or in person at the office located at 633 Seventh Street NW. We also provide a 24-hour drive-up payment depository located in the front parking lot and a payment slot next to the front entrance. Your electric bill can also be paid at various drop boxes in Keizer and Salem. You can also pay over the phone during normal business hours using a debit or credit card (Visa/Mastercard) or by check. Please remember to write your account number on the face of the check or money order to ensure your payment is properly credited to your account.

Jointly Held Memberships. If married, two individuals’ names may appear on one membership. Under this policy, there is still only one membership with one vote. Either individual (but not both) is eligible to vote in Salem Electric elections. Both individuals share equally in the rights of membership and in the responsibility for the bill.

Estimated Billing Procedures. Salem Electric makes every effort to read your meter monthly. However, there may be occasions, primarily due to bad weather, locked gates and doors, or unfriendly animals, when it becomes impossible for us to obtain a reading.

When an estimated bill becomes necessary, it is based upon your history of usage, if available, and it will be stated on the bill that usage for that period has been estimated.

Variations from your actual usage during the estimated month will self-adjust the next time we obtain the actual reading.

Prorated Bills. At times your bill may need to be prorated (figured for a portion of the billing period or figured at two different rates for the same billing month). In these instances the usage will be figured at the appropriate rates for each billing period.

An example of a time your bill might be prorated would be a change in rates, where part of your usage was incurred prior to the rate change (for a rate change on November 1, your usage occurring from October 15 to November 15 would be figured 50% at the old rate and 50% at the new rate).

Third-Party Notification. Third-party notification establishes a method whereby Salem Electric has someone on record, other than or in addition to the member, who Salem Electric will attempt to notify in case of an emergency, impending termination of service, or when problems arise and the member is out of town.

Third-party notification is available to all members. It is especially useful for elderly, handicapped, or homebound members who live alone and those who travel a great deal or spend winters out of town.

Under this double notification procedure, the member authorizes Salem Electric to send a copy of any “Important Notice” to a specified third party before the cutoff date. The third party can be any person or agency selected by the member, such as a relative, friend, church, or social services agency.

The person or agency will not be obligated to pay the member’s bills, unless they have also signed as a cosigner (see “Deposits” in *Connecting and Disconnecting Your Utility Service* on page 6). This person or agency generally is meant to act as an additional communication link between you and Salem Electric.

Why Your Electric Bill Varies Monthly. Your electric bill may vary due to:

- ◆ Fluctuations in weather conditions.
- ◆ Changes in your consumption pattern—holiday cooking and baking, as well as house guests increasing the number of showers and amount of laundry, will result in increased kWh usage.
- ◆ The number of days in the billing cycle—each monthly bill normally covers 30 days; however, holidays, weekends, and the number of days in the month may cause the number of days to vary.

Online Bill Pay Program. This program is available to all Salem Electric members. Visit salemelectric.com, click on “log in.” You can select electronic bill notification and pay your bill online. Proof of payment will appear on your bank statement.

Understanding Your Bill.

Your electricity bill is sent to you monthly. Bills are due and payable upon receipt and become past due if unpaid 15 days later. Should you fail to receive your monthly statement at the "normal" time, please contact a Customer Service Representative at 503 362-3601.

The statement you receive each month is divided into four sections.

Top Left-Hand Section:

This section of the bill is to be detached and returned with your payment. It includes important customer identification and billing information.


Center Section:

This section of the bill lists details concerning your electric service, including usage, miscellaneous charges and credits, and the total amount due.

Lower Section:

This section of the bill contains general information that explains your bill in more detail and makes comparisons of the current month's billing with the same billing period the previous year.

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Salem Electric
SERVING KEIZER AND SALEM
(see reverse side for contact information)

Please Pay Current Bill by 02/26/2009

MEMBER SINCE 1978

MEMBER NUMBER: 00000000

ACCOUNT NUMBER: 000000-00

TOTAL AMOUNT DUE
48.58

Pay on-line at salemelectric.com

Date account becomes past due.

Our regular business hours are 8AM - 5PM, Monday through Friday. For your convenience, we have a drive-up payment depository in our parking lot and a payment slot next to our front door. Payments are collected each morning at 8am. We have crews on call 24 hours a day, 7 days a week for emergency service! After hours calls are handled by our answering service who will contact the crew - when necessary.

DETACH BEFORE MAILING

Check here if adding \$1.00 for member assistance program.

Member Assistance Program - see page 3.

Your Name
Your Address
Salem, OR 97304-

Your account number for a specific address.

Your billing address.

Payment due.

Billing Date 02/11/09 Your prompt payments are appreciated.

Here you may find important information regarding the status of your account.

METER NUMBER	SERVICE FROM	SERVICE TO	READING PREVIOUS	READING PRESENT	MULT	SERVICE TYPE	KW DEMAND	KWH USED	AMOUNT
E00000000	01/05	02/04	1095	1716	1	Residential - Overhead		621	47.86
Previous Balance									60.12
Payments									-60.12
Balance Forward									0.00
Salem City Tax									0.72
Account Balance									48.58

TOTAL AMOUNT DUE
48.58

55

SALEM ELECTRIC - GENERAL INFORMATION

DETAIL OF ENERGY CHARGES

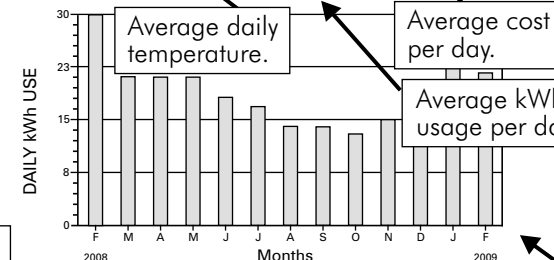
ITEM	USAGE	RATE	TOTAL
Basic chg			\$5.20
Energy chg	621	0.06870	\$42.66
Total			\$47.86

ACCOUNT #: 000000
SVC ADDR: Your Name
Your Address

MEMBER #: 00000000

PERIOD ENDING: Feb 2009, Feb 2008

PERIOD ENDING	AVG. DAILY TEMPERATURE	AVG. kWh PER DAY	AVG. COST PER DAY	DAYS IN CYCLE
Feb 2009	39	21	\$1.60	30
Feb 2008	38	30		32



DAILY kWh USE

Months: F, M, A, M, J, J, A, S, O, N, D, J, F

Top Right-Hand Section:

This section of the bill is referred to as the "bill stub message." Here you will find energy saving tips, service policy reminders, and other useful information. Detach before mailing your bill.

Your identification number as a Salem Electric member/owner.

Itemized charges and credits.

The number of kilowatt-hours for which you are billed.

The number of units you are billed for, measured in kilowatts of demand. This charge applies only if you are a general service member.

Some meters are manufactured to record only a certain percentage of use and require that a "multiplier" be applied to that usage in order to obtain the correct billing amount. In the utility industry, this is called a "meter constant." If your meter needs to be multiplied by a constant, the amount of the constant will appear in this column.

The Reverse Side of the bill provides a basic explanation of your membership with Salem Electric. It defines options regarding payment of security deposits, explains the Salem Electric Member Assistance Program, and provides space on the return portion of the bill for you to make a comment or ask a question.

Chart of daily average kWh.

10 Billing Procedures

Billing Procedures 11

AutoPay Program. The AutoPay Program is available to all Salem Electric members. With your authorization, your electric bill can be automatically deducted from your checking or savings account or by using a Visa or Mastercard (credit/debit). You would still receive your monthly bill as you currently do a few weeks before the deduction takes place. Proof of payment will appear on your bank statement. You can sign up for this program online.

Average Payment Plan. Salem Electric offers an average payment plan which is designed to make your payments about the same amount each month of the year. To be eligible for the plan, you must be a residential member and your account must be current.

Your monthly payment is determined by averaging the actual amount of energy you used during the previous 12 months. This amount is recalculated each month, and any changes in energy consumption or rates are averaged in. This will greatly reduce fluctuations in the amount you are billed each month.

What Determines the Number of Days on Your Bill? Salem Electric reads meters and bills members monthly. To understand any change in the number of days on your utility bill from one month to the next, consider the following: last month your meter was read on Friday for a 30-day billing period. However, this month your meter was read on a Monday for a 33-day period. Salem Electric generally does not work weekends, thus the extra number of days is reflected in your billing period.

In addition to weekends causing fluctuations in the number of days billed, when holidays fall on Fridays or Mondays this further complicates the process. Salem Electric strives for no less than 29 days and not more than 32 days in a reading cycle; however, there are times when, due to holidays, weather, etc., you might receive a 33- or 34-day bill.

While You're Away. Unless it is disconnected, the electricity used in your home does not stop while you are away from your home. Your refrigerator, freezer, furnace, and water heater continue to operate. If you want to know the amount of electricity used while you are away, read your meter just before you leave and immediately upon your return.

In order to prevent your service from being unnecessarily disconnected during an absence or vacation, notify our Customer Service Department and your account will be flagged. AutoPay or online bill payments are good options in this situation.

**WHENEVER YOU PLAN TO BE OUT OF TOWN,
PLEASE ARRANGE FOR PAYMENT OF YOUR BILL.**

Credit and Collection

Salem Electric is in the business of providing electricity to our members. Unlike most things you buy, you pay for your electricity after it is used. Therefore, it is our policy to require a deposit from some of our members (see *Connecting and Disconnecting Your Utility Service* on page 6). After establishing a credit history with 12 consecutive months of prompt payments, the deposit may be credited back to the member's account.

Credit and Collection Procedures.

Age of Billed Amount	Description
Day 01	Regular monthly bill is mailed stating credit terms.*
Day 15	Current bill becomes past due.
Day 30	Second monthly bill is mailed with credit terms and delinquent message printed on bill.
Day 37	Service termination notice is prepared and mailed.
Day 50	A five-day service disconnection notice is prepared and mailed.
Day 55	Service is terminated.
Day 60	Third monthly bill is mailed.

* Credit Terms: Current bill is due on billing date and becomes past due 15 days after billing date.

Termination of Service.

We do not want you to be without service—but failure to pay for electric service may give us no alternative.

If your service is terminated, you may be required to pay in cash:

1. The total amount due before your service is reconnected.
2. A deposit (if none exists).
3. A reconnect fee.
4. Any other charges authorized under Salem Electric's policies.
5. A field collection fee may be charged if a field contact is necessary to disconnect for non-payment.

It is to your advantage to make immediate arrangements to resolve an overdue account.

Salem Electric may refuse to connect, or may disconnect service for violation of any of its rules and regulations; for failure to pay electric service charges when due; for violation of rate schedule or contract provisions; or for theft or illegal diversion of electricity. Discontinuance of service for any of these causes does not release the member from the obligation to pay for energy received, or charges specified in any existing contract.

Unless at the request of the member, electric service to residential members may be terminated by Salem Electric under the following provisions:

1. Notice of Proposed Termination: Salem Electric shall give at least 10 days written notice to the member before termination of service. The notice shall contain:

- a) A clear explanation of the reason(s) for termination.
- b) The date of the proposed termination, which date shall not be less than 15 days from the date of the issuance of the bill.
- c) A statement advising the member that the proposed action of the utility may be appealed by calling Salem Electric at 503 362-3601 or appearing in person at Salem Electric, 633 Seventh St. NW.
- d) A statement that termination may be delayed if a licensed physician, registered nurse, licensed nurse practitioner, physician's assistant, or a public or private agency providing physical or mental health care, notifies the utility in writing, prior to the proposed termination date, that termination of service will significantly endanger the physical health of anyone living in the member's household. **Termination will be postponed provided the member promptly applies for or obtains financial assistance, or agrees to a payment plan with Salem Electric.** The member will also be advised that, to remain in effect, an oral notice shall be confirmed by certification in writing within 14 days, and such certification must be renewed every 30 days thereafter. Unless the certification states that the condition is chronic, in which case the certification need not be renewed to continue in effect.
- e) **Termination for non-payment, Additional notice requirements, Installment payments:** If the proposed termination of service is for non-payment, the Notice of Proposed Termination will not be sent prior to the due date of the payment for the service billed. The notice will advise the member that no termination will take place, if, prior to the proposed termination date, the member pays the greater of \$10 or 10% of the overdue account, and enters into an installment payment plan with Salem Electric, designed to bring the account up-to-date no later than three months from the date of the agreement.
- f) The Notice of Proposed Termination shall be mailed by first-class mail to the last known address of the member or to a third party designated by the member to receive notices. Notice shall be deemed served on the day after the date of the US Postal Service postmark, or the day after the day of postage metering.

2. Notice of Service Disconnection Order Prior to Termination:

- a) At least five (5) days prior to the proposed termination of service, a Service Disconnection Order shall be delivered to the service address or mailed by first class mail to the last known address of the member; or a third party

designated by the member to receive notices. If mailed, notice shall be deemed served on the day after the date of the US Postal Service postmark, or the day after the day of postage metering.

- b) Immediately prior to disconnection Salem Electric will attempt to contact the member, or his designated representative, in person, and advise them of the proposed action.
- c) If the member appears to be unable to comprehend the consequences of the notices of service termination, for any reason, Salem Electric shall delay termination of service until it has notified a social service agency. In such case, the member shall have an additional five business days beyond the termination date stated in the notice to reach agreement with Salem Electric, or to appeal to the Notice of Termination, before service may be terminated.

3. Designation of Third Party to Receive Notice: Salem Electric offers its members the option to designate a third party to receive the notices set forth in Section 1 of the Credit and Collection Policies. This option is available at the member's request. (For more information, see "*Third Party Notification*," in *Billing Procedures* on page 9.)

4. Information Relating to Financial Assistance: Prior to terminating service, Salem Electric will attempt to inform residential members who cannot pay their bills of the names and telephone numbers of appropriate social service agencies which might help the member determine what federal, state, or private aid may be available to that member.

Insufficient Funds Checks. A service charge is applied to all returned checks. If the account remains unpaid, it is subject to termination.

Illegal Use of Service. Use of utility service illegally will result in charges for the estimated use of unmetered services, a tamper fee, and perhaps legal action, in addition to immediate termination of service.

Payment Arrangements. If you are having difficulty paying your electric bill, please contact our Credit Department prior to the past due date of the bill and make mutually acceptable arrangements. Some arrangement for payment must be made in order to avoid termination of service. You must provide sufficient information relating to your income, etc. An agreement may include past due amounts, current amounts, and arrangements for payment of bills issued during the payment agreement period.

Salem Electric will provide information as to any known assistance programs where help might be obtained.

**Call our Credit Department at 503 362-3601
to discuss payment arrangements.**

Severe Weather Provisions. If temperatures fall below freezing, Salem Electric will use precautions prior to disconnecting any residential service.

Life-Support Equipment. If anyone in your household relies on life-support equipment, (i.e., kidney machine, heart monitor, or breathing machine), please inform Salem Electric. Knowing where people with special health problems are located helps us pay particular attention to their needs.

For Help With Paying Your Bill. There are several programs to assist less-fortunate members with paying their electric bills. You may be eligible for assistance from one of these programs. For more information contact our Special Services Representative at 503 362-3601 or refer to the *Member Assistance Program* on Page 3 of this guide.

Understanding Your Electric Meter

Cyclometer Type



The meter reading is

1	3	7	2	5
---	---	---	---	---

Read it just like you would an odometer.

Digital meters are also read this way.

Pointer Type



The meter reading is

7	0	1	7	8
---	---	---	---	---

Read each dial and write down the last number the dial has passed. When the pointer is between numbers, read the low number.

Location. Electric meters record energy usage for your home or business in kilowatt-hours. Your meter is generally located on an outside wall.

PLEASE NOTE...In order for your reading to agree exactly with your bill, you would have to read your meter at exactly the same time as our meter reader.

Your meter is a precision instrument which is seldom inaccurate. However, if there is a problem, it is usually because the meter is old and slows down, thus allowing more usage to occur than it records. Periodically, Salem Electric checks the meters for accuracy.

Occasionally, you may question your meter readings. We would suggest that you make your own reading(s), and call our office if you believe the amount billed is in error. **IF A READING ERROR IS MADE, IT WILL “SELF-ADJUST” WHEN THE READING IS TAKEN ON THE FOLLOWING MONTH, OR WE CAN ADJUST YOUR BILL.**

Meters with a Multiplier (Meter Constant). Some electric meters are manufactured to record usage at a certain percentage and require that a “multiplier” be applied to that usage in order to obtain the correct billing amount. In the utility industry this is called a “meter constant.”

If your meter needs to be multiplied by a constant, the amount of the constant will appear on your meter, as well as on your bill. This will usually only apply to a non-residential account.

If you notice that the multiplier has dropped from your bill and the meter number remains the same, please contact us for a meter check to verify that an error has not occurred. Salem Electric is obligated to correct errors of this nature when discovered, and this might avoid a lump sum billing in the future.

How to Read Your Electric Meter. One of the key ways you can check on the amount of energy you use is to learn how to read your electric meter. Your meter tells how much electricity you use in kilowatt-hours during a given period of time.

To determine your electric usage, read your meter at precisely the same time each day. The difference between the last reading and the present reading is your consumption in kilowatt-hours. Note how your kilowatt-hour use relates to various activities and the electric appliances you use. Focus your conservation efforts on the activities and appliances which use the most energy.

Special Programs

Water Heater Efficiency

Free electric water heater wraps and high-performance shower heads for members with electric water heaters.

Salem Electric staff will adjust the hot water temperature if necessary and install a free water heater wrap, shower heads and faucet aerators.

Compact Fluorescent Bulbs

Low-cost compact fluorescent bulbs sold at Salem Electric are available to all members.

These screw-in compact fluorescent bulbs use approximately one-quarter of the energy and last up to 10 times longer than an incandescent bulb with comparable light output.

ENERGY STAR Home Lighting

Rebates to install new, hard-wired ENERGY STAR-rated fluorescent fixtures are available to all residential members.

Receive a rebate, credited to your Salem Electric account, for each qualifying fixture. The total rebate cannot exceed 50 percent of the total fixture cost.

Security Lighting

Pole-mounted street lights and flood lights are installed and maintained by Salem Electric. All members are eligible.

Our staff will visit your home or business to determine what best meets your needs. Lights are pole-mounted and photocell-controlled. A monthly charge is included on your electric bill.

WeatherWise

Residential weatherization with part of the cost paid by Salem Electric. All residential members with permanently installed electric heat are eligible.

The electric heating system must be the only heat source, excluding wood heat or heat pumps with a gas back-up system.

Free energy audits identifies eligible weatherization measures. Projects must be pre-approved by Salem Electric. Certified contractors install weatherization measures. Salem Electric staff inspects all installations. Cash incentives and low-interest loans are available.

Qualifying residents may be eligible for complete weatherization at no cost (based on income). To determine if you qualify, contact Salem Electric.

Heat Pump Program

High-efficiency heat pump installations. All residential members are eligible.

Your home must meet minimum insulation standards. Eligible heat pumps must meet efficiency requirements. Installers must be selected from our approved contractor list. SE staff inspects all installations. Existing homes may qualify for a low-interest loan or receive a rebate for a qualifying system. Qualifying installations in new construction are also eligible for a rebate.

Bright Way Solar

Incentives for installing solar water heating systems are available to all members with an existing electric water heater.

Contractors must be selected from the tax credit-certified contractor list and bids must be pre-approved. SE staff inspects all installations. You may qualify for a low-interest loan or receive a rebate. You may also be eligible for a tax credit from the State of Oregon.

Appliance Program

Rebates are available for qualifying appliance purchases. All members are eligible.

Call for a brochure listing eligible appliances and qualifying models or print out information online. A list of participating dealers is also available (you are not limited to these dealers). Participants must complete a rebate claim form and attach a copy of their receipt and the appliance Energy Guide label to receive the rebate.

Energy Savings Plan

Provides incentives to manufacturers for energy-saving improvements. Members involved in a manufacturing process are eligible.

Preliminary meetings will identify projects eligible for the program. The program may also fund an energy review which provides details on potential energy savings. Incentives are paid based on the estimated energy savings. A report is submitted by the member verifying the installation is complete. Verification of energy savings is required prior to payment.

Energy Smart Design

Incentives for saving energy in commercial buildings. All commercial members are eligible.

A free energy audit is performed by Salem Electric. The member is provided with a list of energy saving recommendations. Incentives are available to install conservation measures in new and existing buildings (i.e. lighting, heating/cooling system, and controls). Receive a rebate for up to 50 percent of the project cost. SE staff inspects all installations.

Easy Pay Options

Pay your bill automatically or online. All members are eligible.

AutoPay: Complete an AutoPay authorization form or sign up online. Provide Salem Electric with a voided blank check or credit/debit card information (Visa or Mastercard). An automatic payment is made on the due date, about two weeks after you receive your electric bill.

E-bill: Log onto your Salem Electric account. Select the electronic or paper bill notification and electronic or paper newsletter option. Pay your bill online with an approved credit card, debit card, or by check.

You can also make payments over the phone during regular business hours using debit, credit (Visa/MasterCard), or by check.

Proof of payment appears on your statement.

Average Payment Plan

Average monthly payments throughout the year to make budgeting easier. Residential members with current accounts are eligible.

Your monthly bills are averaged over the last year (or whatever history is available), and you are billed a similar amount each month.

Member Assistance Program

Heating bill assistance for qualifying members. Members meeting income guidelines are eligible with priority given to senior citizens and disabled persons.

Seniors and disabled persons may apply beginning in December, all others apply in January. Household income cannot exceed 60 percent of Oregon's current median income. The household must use electricity as the main heating source. The credit is limited to one time per heating season. The program ends April 30, or when the program budget is expended, whichever comes first.

A separate assistant program, administered by The Salvation Army and funded through member donations, is available year-round for all eligible members.

Habitat Improvement Program

A voluntary opportunity to help improve local native fish and wildlife habitat. Available to all SE members.

Contributions support efforts to improve local fish and wildlife habitat, including planting trees, adding vegetation to stream banks, river clean-up and watershed education and outreach.

Donations from members in Polk County are assigned to Glenn-Gibson Creek projects and donations from members in Marion County fund Claggett Creek Watershed projects. Contributions may be tax deductible.

Questions and Answers

Q. What is Salem Electric?

A. Salem Electric is a cooperatively owned electric power distributor.

Q. What do you mean cooperatively owned?

A. Salem Electric is owned by those it serves. Each member pays a one-cent membership fee when they start service.

Q. What is the difference between Salem Electric's and Portland General Electric's type of ownership?

A. PGE is owned by stockholders who may or may not be PGE customers.

Q. What is the advantage of cooperative ownership?

A. Salem Electric is owned entirely by those it serves. The members have the ultimate say in rates and policies. Earnings benefit the members through lower rates.

Q. Does Salem Electric have a program for returning equity to members?

A. Yes, a program of refunding capital reserves began in 1978 and continues today.

Q. Does Salem Electric have a tax advantage due to its cooperative ownership?

A. As a non-profit cooperative corporation, Salem Electric pays no profit income tax. However, Salem Electric pays all other taxes, including taxes on its land and buildings; 5% of its gross revenue which is earned within the city of Salem and 5% in the city of Keizer; 4% of all its revenue, less power cost, to the State of Oregon (this amount is then distributed to Polk and Marion counties). In addition, Salem Electric pays gasoline taxes, vehicle taxes, PUC taxes, and telephone excise taxes.

Q. How is Salem Electric managed?

A. Salem Electric's policies are established by a seven-member Board of Directors, elected by the members and from the members, serving three-year terms. The board meets monthly and board meetings are open to the members. The board is responsible for appointing a general manager whose responsibility it is to carry out board policy and oversee the operation of Salem Electric.

Q. How old is Salem Electric?

A. Salem Electric was incorporated in 1938 and was energized in April, 1941.

Q. What is Salem Electric’s service area?

A. Salem Electric serves the majority of the West Salem area and portions of downtown Salem, Keizer, Portland Road, and the Northgate area.

Q. Is Salem Electric regulated by the Public Utilities Commission?

A. No. As a cooperative, Salem Electric’s rates are not regulated by the PUC. Salem Electric is self-governing, with rates established by the Board of Directors; who in turn are elected by the members.

Q. Where does Salem Electric get its power?

A. Salem Electric buys its power from the Bonneville Power Administration. Approximately 50% of Salem Electric’s operating costs are for the purchase of power.

Q. How is Salem Electric financed?

A. While most electric cooperatives borrow large sums of money from the federal government through the Rural Electrification Administration, Salem Electric has used capital generated through rates and conventional lending institutions.

Q. What are Salem Electric’s goals?

- A. 1) Reliable Service
- 2) Financial Integrity
- 3) Good Customer Relations
- 4) Good Employee Relations
- 5) Low Rates

Safety Tips

Electricity is a clean and efficient source of energy that is readily available. However, if used incorrectly, it can be fatal. Occasionally a hazardous situation may occur involving utility lines. If you notice any of the following situations or any other situation you feel could be hazardous, call our office at 503 362-3601.

- ◆ **A broken utility pole.**
- ◆ **A tree limb or kite that has fallen across utility lines.**
- ◆ **Wires dangling from utility poles.**
- ◆ **An electric outage in your neighborhood.**
- ◆ **A fallen antenna touching or near a utility line.**
- ◆ **Wires lying on the ground.**

Do Not Go Near the Utility Lines!

Each year people are injured or killed in accidents involving electricity—many involve CB or TV antennas. The tragic thing is that these accidents can be prevented. Salem Electric attempts to place power lines in a safe location, but we need your help.

- ◆ Take time to notice where electric lines are BEFORE installing antennas or gutters.
- ◆ Antennas for televisions, CBs, or ham radios can fall across electric lines.
- ◆ Never use a metal ladder when working near electric lines.
- ◆ Never fly a kite around electric wires. A wet kite string can conduct electricity and cause fatal accidents. Avoid products containing metal, foil, or tinsel on kites.

Call 911 if it's an emergency



Salem Electric

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