

Welcome to NCE

This is your guide to the many services available to you



**Nobles Cooperative
Electric**

Your Touchstone Energy® Cooperative 



As members of your electric cooperative *You have the power*

Congratulations! You are a proud new member-owner of Nobles Cooperative Electric (NCE): A business owned by the people it serves. That is one of the benefits of an electric co-op. We don't answer to distant shareholders or investors. Our only investors are you, which means our primary goal is to provide you the lowest possible cost, the best possible service and a variety of programs to meet your needs.

NCE is a nonprofit organization. Any margins above the cost of doing business are refunded to our members in the form of capital credits. Just another unique benefit of being a co-op member.

As a member you also have democratic control over the operations at your co-op. You share the responsibility of governing the co-op by voting to elect your board of directors and nominating committee members. The board of directors are your voice in the co-op's operations. The strategic goals, policies, procedures and co-op direction are determined

by a seven-member board. They are composed of members that reside in one of seven districts.

By receiving electric service from NCE, you are continuing a tradition set by our rural friends and neighbors who through patience, determination and hard work banded together to establish NCE in 1936. Even though a lot has changed since our co-op was established, our commitment to provide safe, reliable service still remains the same.

That spirit of teamwork still thrives today as NCE continues the tradition of quality service. That is how we've done business for over 80 years and that is how we plan to continue for years to come.

Use this member packet as a guide to your co-op. You'll find we do business a little differently. As a local, nonprofit organization, our decisions, programs and services are designed to benefit you, the member. We hope this helps you become familiar with NCE and our way of doing business.

Please return these items

- Service contract
- Residential heating fuel exemption
- ST3 form (agricultural)

These forms can be found on our website under "My Account and Services" and then "New Memberships".

Keeping you "plugged in"

Because you are a member of NCE, we have a responsibility to keep you informed. Each month, you will receive your *Current Matters* newsletter inserted with your electric bill.



Stay informed on the issues affecting your co-op by reading *Current Matters*:

- Safety issues
- Rates
- Board elections
- Annual meetings
- Conservation material
- Renewable energy
- Legislative issues affecting you
- New products
- New services

New member packet



A word from your General Manager by Adam Tromblay

Welcome to the Nobles Cooperative Electric family

We are pleased to welcome you, and others living and working in our service territory, to the co-op way of life.

By joining an electric co-op, you're joining a business that is owned and controlled equally by those who use it. We are excited to be the cooperative serving your electric needs!

NCE employs 24 people and serves more than 6,700 members in two counties—Murray and Nobles.

We created this information to introduce you to our organization and services, explain our nonprofit method of operation and your rights as an electric co-op member.

Members may find a copy of the Articles of Incorporation and Bylaws on our website at www.noblesce.coop or it is available upon request. This information is provided to you pursuant to the rules and regulations of the Rural Utilities Service.

Please take a few moments to review the enclosed material and famil-

iarize yourself with your new energy provider. We are honored to have you as a member and look forward to serving you with reliable electric service for many years to come.

If you have any questions, please feel free to give us a call, visit our website or stop by our office in

Worthington.

Congratulations on becoming a part owner of Nobles Cooperative Electric.

Cooperatively yours,



The cooperative difference

NCE is governed by a seven-member board of directors. These individuals are co-op members, just like you. Directors are elected each year by members at the annual meeting. Each director represents a specific district as described in the association's bylaws and serve three-year terms.

The board meets monthly to develop policies, establish and review budgets, organize long-range planning and chiefly govern the co-op. They place the responsibility of day-to-day operations in the hands of the general manager and staff.

As a NCE member, you have several unique benefits not available to other utility customers. Four distinct advantages are:

- You receive service at cost because we operate on a not-for-profit basis.
- You have local control because the board of directors are from within the co-op's service area and elected by the membership.
- You have the right to participate through voting because you are a member of the business.
- You earn capital credits because in a co-op net margins are shared among all members, creating your ownership.

Capital credits are just another benefit of being a member of Nobles Cooperative Electric

NCE is a nonprofit electric co-op that is owned by the members we serve. Since we operate on a not-for-profit basis, all margins are allocated to each member's capital credit account based on the member's year-to-date revenue (patronage). Each year the board of directors decide if and when a portion of the capital credits will be distributed, while ensuring the financial health of the co-op. In addition to our general retirement policy, capital credits can be paid to heirs of deceased members in the settlement of estates.

Any revenues over and above the cost of doing business are considered "margins". These margins contribute to the operation of your co-op and

are distributed in the form of capital credits. They also reflect each member's ownership in the co-op.

Please keep your information current. If you move off our utility lines, notify our office of your address change. Each year we attempt to find former members but some capital credits go unclaimed.

When you are settling an estate, we ask that the heirs of a NCE member contact our office to arrange for settlement of any outstanding accrual of capital credits.

Are capital credits taxable?

Each year, members receive a notice of the patronage capital credits earned during the previous year. These credits have the effect of re-

ducing the cost of the service provided. Under current tax law, no part of the capital credits allocated is subject to taxation until actually paid in cash.

When a member receives cash or a credit for his allocated credits, the member is only subject to taxation to the extent that the payment for the service was deducted on the income tax return for the year. For example, an individual claiming 75 percent business use of his utility cost would have to include 75 percent of the cash for the capital credits received.

Under current IRS regulation, a 1099 form will be issued only if the capital credit payment is \$600 or greater in any calendar year.

Information and payment options for your electric bill

NCE offers a variety of payment options for members to help make timely payments. Whether you prefer to pay your bill in person, by drop box, mail, through automatic withdrawal or credit card, NCE has a payment option that is right for you.

Electric bills will be mailed to members approximately the 15th of the month. Payments are due on the 25th. If payment is made after the due date, a three percent penalty will be applied.

Accounts not paid by the due date will be mailed a "Past Due Notice", which shall grant five days in which to pay the past due amount. If the account is not paid at the end of five days a "Disconnect Notice" will be issued. If an employee is directed to call on the account to collect, a \$50 collection fee plus tax will be charged.

Payment locations: Nobles Cooperative Electric's headquarters is located in Worthington. Our office hours are 7:00 a.m. to 3:30 p.m. Monday through Friday, May 1 to September 30. The rest of the year the hours change to 7:30 a.m. to 4 p.m. If you arrive after hours, drop boxes are located at these locations.

Worthington Slayton

22636 U.S. Hwy. 59 1505 20th Street
Worthington, MN Slayton, MN

Pay by mail:

Nobles Cooperative Electric
P.O. Box 788
Worthington, MN 56187-0788

Auto Pay: This free service pays your bill automatically every month by deducting it from your checking or savings account. It's convenient, dependable and efficient. To take advantage of this service, we request that you

complete an authorization form (available on website) and return it to our office with a voided check from the account you wish deductions to come from.

Online bill payment (Watt Watcher): You can take control of your energy usage and pay your bill through Watt Watcher. Payments can be made online at <https://my-nce.sensus-analytics.com/>. When logging in for the first time, click on 'Need to Set up an Account' to get started **Be sure to enter your Account Number (Member Number without the decimal point) and name as it exactly appears on your bill.** Once you register, you will have access to your account and be able to view your most recent statement through this secure site.

NCE's Energy Sources

Rules apply for small power producers and cogenerators

In compliance with Cooperative adopted rules relating to cogeneration and small power production, NCE is obligated to interconnect with and purchase electricity from cogenerators and small power producers, who satisfy the conditions as a qualifying facility. NCE is obligated to provide information free of charge to all interested members upon request regarding rates and interconnection requirements. All interconnections require an application and approval to become a qualifying facility. Any dispute over interconnections, sales and purchases are subject to resolution by the Cooperative. Interested members should contact Nobles Cooperative Electric, 22636 U.S. Hwy. 59, P.O. Box 788, Worthington, MN 56187-0788 or call 507-372-7331, 507-836-6107 or 800-776-0517.

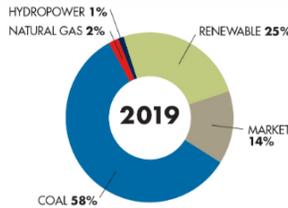
Reconnection and disconnection of service

Any member may request the co-op to reconnect or disconnect their electric service as of a specific date.

A. No reconnection fee is required for the requests to be done during regular working hours as long as the member has never been on the system before or if the member is presently on the system but moves to a different service.

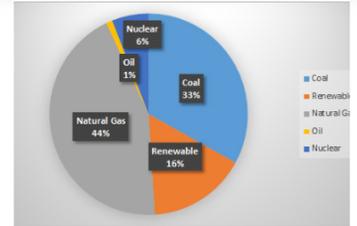
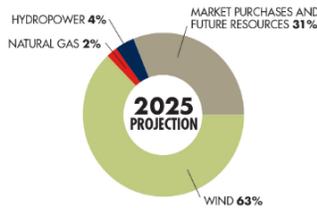
B. If the reconnect or disconnect is done for nonpayment or a public service hazard caused by the member, a fee of \$50 plus tax will be charged if completed during regular working hours. If the work is done after regular working hours, a \$150 plus tax shall apply.

C. If the service is for a nonresidential use, such as, but not limited to, services for corn dryers, lift pumps, wells, electric fences, cabins, irrigation pumps and advertising signs, they may not be disconnected for seasonal use. If a nonresidential use service is disconnected and reconnected within 18 months, then the disconnect-reconnect charge shall be the greater of the fee in (B) or the monthly minimum multiplied by the number of months disconnected.



Great River Energy's Energy Mix

One of our wholesale power providers, Great River Energy, has committed to being more than 95 percent carbon free by 2025. The graph above represents a breakdown of their 2019 fuel mix and graph below of the projection for 2025.



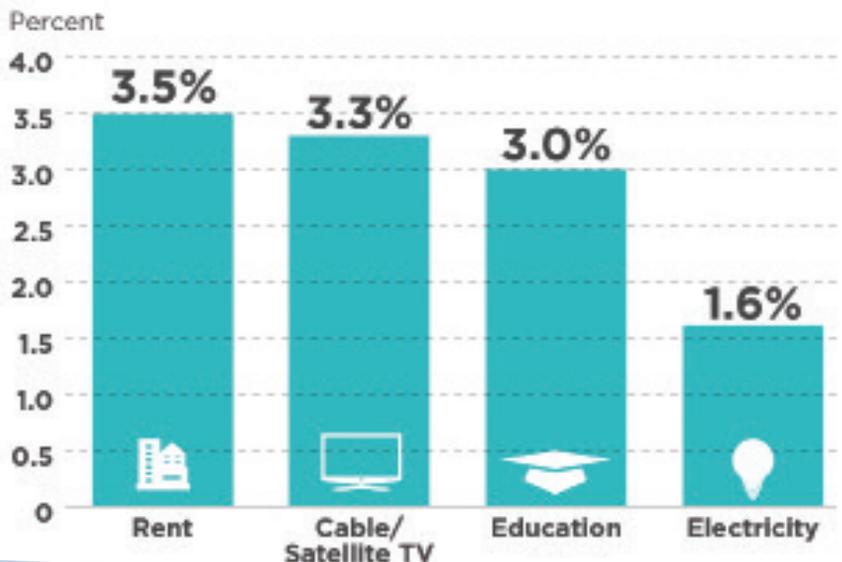
Southern Minnesota Energy Cooperative's Energy Mix

Nobles Cooperative Electric was one of 12 electric cooperative that banded together to form the Southern Minnesota Energy Cooperative, which purchased the Minnesota electric distribution assets of Alliant Energy in the summer of 2015. This is the first time in electric co-op history that a group of cooperatives worked together to buy out the territory of another electric utility. Their 2019 breakdown can be found above.

ELECTRICITY REMAINS A GOOD VALUE

The cost of powering your home rises slowly when compared to other common expenses. Looking at price increases over the last five years, it's easy to see electricity remains a good value!

Average Annual Price Increase 2012-2017





Military service personnel payment arrangements

Minnesota law provides that a public utility must not disconnect for nonpayment the utility service of a residential member who has been issued orders into active military duty, for deployment or for a permanent change in duty station, provided that they enter into an agreement with the utility to make payments towards their bill. Forms are available from the co-op.

Are you sales tax exempt?

If you use electricity for agricultural or industrial purposes, this reminder will interest you. Electricity used in this manner may be exempt from sales tax.

To obtain relief from state sales tax, file for an exemption with our office. Contact the co-op, find the form online or drop in to complete a ST3 form.

Does electric heating provide any sales tax benefits?

If electricity is your primary source of residential heat, the kilowatts used for heating your home are exempt from sales tax. Primary means 50 percent or more of your heating. The heating season is six months long from November to April.

If you have signed a electric heat fuel exemption form in the past, your record is automatically retained. If you'd like to sign up for exemption, please give our office a call or fill out a form online.

Cooperative principles

Co-op businesses are special because they are owned by the members they serve. All co-op businesses adhere to these seven guiding principles:

Voluntary and open membership

Membership in a co-op is open to all persons who can reasonably use its services and stand willing to accept the responsibilities of membership, regardless of race, religion, gender or economic circumstances.

Democratic member control

Co-ops are democratic organizations controlled by their members who actively participate in setting policies and making decisions. Men and women serving as elected representatives are accountable to the general membership.

Members' economic participation

Members contribute equitably to, and democratically control, the capital of their co-op. At least part of that capital remains the common property of the co-op. Members allocate surpluses for any or all of the following purposes: developing the co-op, possibly by setting up reserves; benefiting members in proportion to their transactions with the co-op and supporting other activities approved by the membership.

Autonomy and independence

Co-ops are autonomous, self-help organizations controlled by

their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-op autonomy.

Education, training and information

Co-ops provide education and training for their members, elected representatives, managers and employees so they can contribute effectively to the development of their co-op. Communications about the nature and benefits of co-ops, particularly with the general public and opinion leaders, helps boost co-op understanding.

Cooperation among co-ops

Co-ops serve their members most effectively and strengthen the co-op movement by working together through local, national, regional and international structures.

Concern for community

Co-ops work for the sustainable development of their communities through policies supported by the membership.



We have the power to make a difference

At Nobles Cooperative Electric, you know the owner because the owner is you

Board of directors

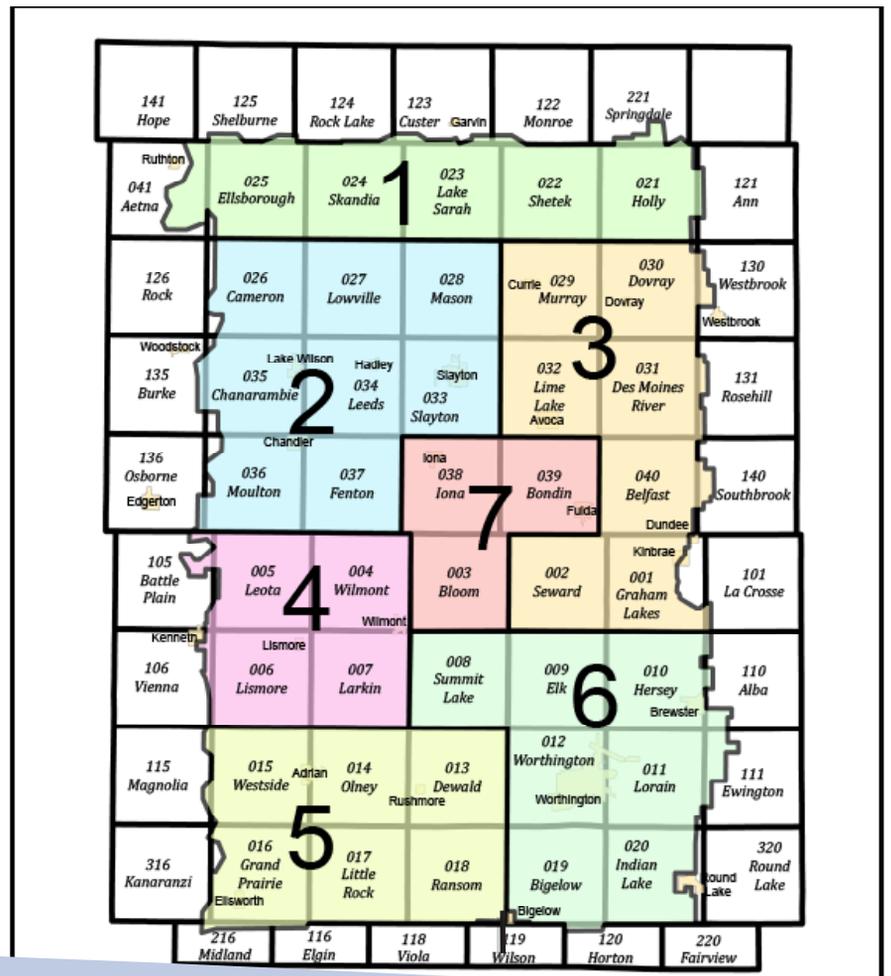
Democratic and local control are the hallmarks of co-ops. Representing specific districts determined by the co-op's bylaws, members of the board of directors are local residents and members of NCE. Pictured Director Gary Sieve (District 7), Director Jerry Beckering (District 4), Secretary/Treasurer Cindy Hokeness (District 5), Gary Clarke (District 3), President Ronald Schwartzau (District 1), Director Bruce Barber (District 6) and Vice President Lee York (District 2).



Local control

NCE's service territory is comprised of seven districts. One director is elected from each district (representing the district where they live). The policy and procedures are determined by the board. As a member, you elect these directors for three-year terms. The board of directors is composed of members, not employees, of the co-op. Directors are the voice in the co-op's operations.

Each year you will receive a notice announcing the date of the co-op's annual meeting. This is your opportunity to become familiar with the status of your co-op. We highly encourage you to participate in the meeting.



You have a voice

America's electric cooperatives at a glance

In the United States today, 833 electric distribution and 62 generation and transmission co-ops power 56 percent of the nation's landmass and:

- Serve an estimated 42 million people across 88 percent of U.S. counties.
- Provide energy for 19 million businesses, homes, schools, churches, farms, irrigation systems and other establishments in 47 states.
- Own and maintain 2.6 million miles, or 42 percent, of the nation's electric distribution lines.
- Generate 5 percent of the total electricity produced annually.
- Sell 13 percent of all U.S. electricity.
- Employ nearly 71,000 people.
- Invest \$12 billion annually in local economies.
- Own \$183 billion in assets.
- Pay more than \$1.3 billion in state and local taxes.
- More than 560 co-ops in 37 states use 6.9 gigawatts of wind energy.



Did you know?

It may be difficult to imagine for us, but nearly 1.6 billion people in the world live without electricity.

Technology plays a key role at your co-op

- *Reads your meter*
- *Reports and predicts outages*

At NCE we are dedicated to providing our members with reliable, safe and affordable energy. That dedication includes investing in technology that benefits you.



In 2012, your co-op finished its full deployment of a new automatic metering infrastructure (AMI). This system allows NCE to read your meter automatically each month.

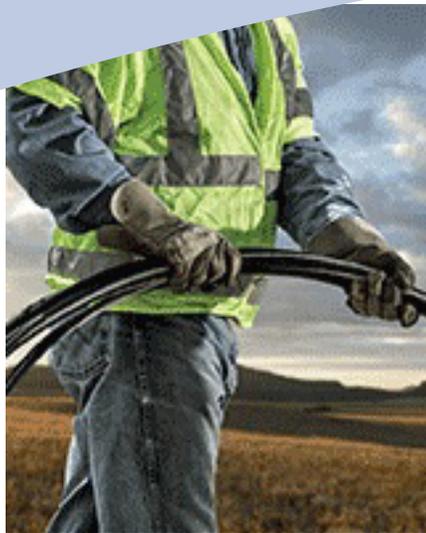
These state-of-the-art meters are giving our employees an unprecedented amount of information to help members understand their electric use. Members that call the co-op regarding their bill are given daily data from their meter as often as every 15 seconds increasing our level of service to you.

We invested in the very best technology for our outage management system (OMS). "We are impressed with how both technologies (AMI and OMS) work so well together," said General Manager Adam Tromblay. When members are out of power, we may be alerted to the outage even before members have the chance to reach their phone.

The meter works in conjunction with our OMS letting us know when your power failed and the possible cause. "We can talk to a meter to see if a member has power and get a response in less than three seconds. How many other systems can do that?" explained Adam. Please continue to call in your outages. Your calls help us pinpoint the problem areas. They are also needed in case we receive any communication errors from your meter.

Having AMI and OMS information has become a valuable tool for your co-op, giving us the ability to provide higher-quality service, better outage management capabilities and the ability to do preventative maintenance.

NCE strongly believes that the benefits of these technologies have been instrumental in providing you with the service you deserve.



Nobles Cooperative Electric prides itself on helping members

We provide numerous programs, products and services designed to improve your lives and your efficiency too.

Rebates

NCE offers a variety of rebates that help reduce the cost of new appliances and other energy-efficient purchases. To apply for an energy efficiency rebate, download one from our website at www.noblesce.coop, email us at nce@noblesce.com or call our office. Complete the form and return it with a copy of your receipt showing proof of purchase. Once approved, your rebate will be applied to your electric bill or mailed as a check.

Products and services

As technology continues to evolve, NCE will continue to support more projects and services that improve the quality of life for our members. NCE offers Marathon water heaters, security lights, security systems, emergency response phone systems, residential standby generators and electric grills.

Energy expert

Contact our office with your energy questions. If we do not know the answer, we will research it and find the answer for you.

LEARN MORE
ABOUT THE POWER
OF YOUR CO-OP

TOUCHSTONEENERGY.

Small change = BIG difference

Operation Round Up (ORU) is a community support program designed to raise funds to support nonprofit, worthwhile organizations within NCE's service territory.

As a participant, your monthly electric bill will be automatically "rounded up" to the nearest dollar. For example, if your bill is \$54.35, you will pay \$55 with \$0.65 going into a special fund administered by NCE's ORU Board.

Please note that ORU is an opt-out program. That means that you are automatically enrolled as a program participant unless you contact our office and ask to be removed.

These tiny donations, on average approximately \$6 a year, are making these huge impacts. This may not seem like much, but multiply that by the hundreds of members who donate to the program. This small monthly contribution can make a huge impact locally to fire departments, hospices, schools, first responders, etc.

Requests for funding are managed by an application process. Organizations can obtain applications by calling our office or visiting our website (www.noblesce.coop). They are then evaluated and awarded grants by the ORU Board.



Call before you dig

Before you start landscaping, digging or excavating more than 12-inches deep, remember you must have your underground lines located. It is the law! Call Gopher State One Call at 800-252-1166, 811 or visit their website at gopherstateonecall.org to have your lines clearly marked so you can work safely on your project. Make your call 48 hours before digging.



Does someone in your home depend on life-support equipment?

For family members, friends or neighbors with a medical condition, electricity is their lifeline for their medical equipment.

NCE knows how important reliable electric service is to our members and we make every effort to prevent outages, however we cannot guarantee an uninterrupted supply of electricity. Please notify NCE if you are a member on life-support equipment. The term life-support system means a medical device that is prescribed by a licensed physician and deemed necessary to sustain critical

body functions, without which a person is in imminent risk of death.

NCE maintains this list for two reasons. First, in case of planned power outages where crews work on the lines, the co-op will try to inform these members before the outage. Secondly, during an unplanned outage, priority is given to restore power to these members on life-support devices.

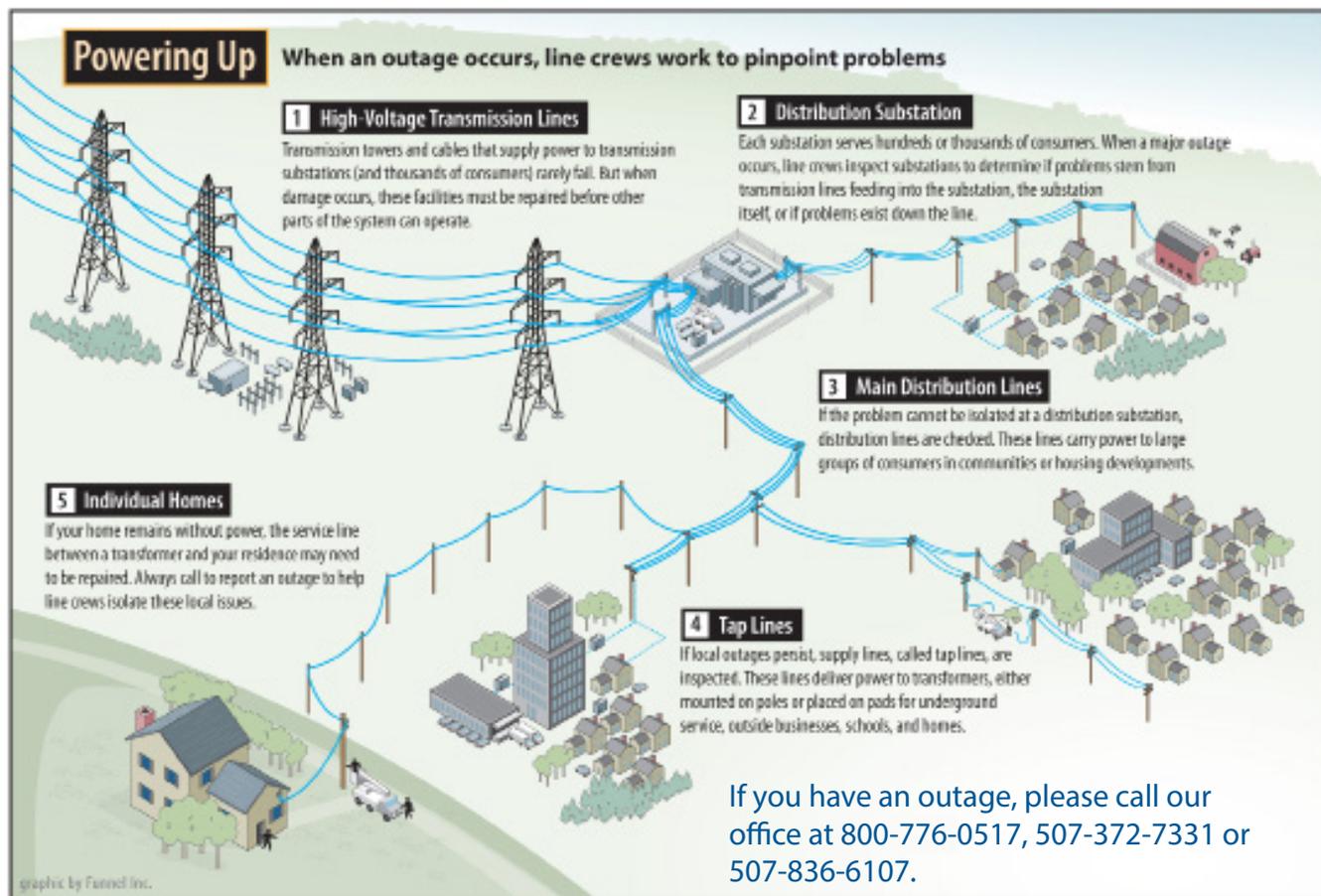
Help us update our life-support listing. If you haven't notified NCE of your condition, please be sure to give us a call.

Service statement

The co-op will not be responsible for any wiring or devices which are installed beyond the service attachment to the meter pole.

A meter loop shall be furnished by the owner or member.

The co-op may enter the property to construct, operate, replace, repair and maintain any and all lines or equipment of the co-op and trim or remove all trees which may interfere with the lines or equipment of the co-op.



When electricity goes out, most of us expect power will be restored within a few hours. But when a major storm causes widespread damage, longer outages may result. Co-op line crews work long, hard hours to restore service safely to the greatest number of consumers in the shortest time possible. Here's what's going on if you find yourself in the dark.



**Nobles Cooperative
Electric**

Your Touchstone Energy® Cooperative



Find us on
Facebook

Facebook.com/noblescooperativeelectric

**Proudly serving our members and
communities for over 80 years!**

Office

22636 U.S. Hwy. 59, P.O. Box 788
Worthington, MN 56187-0788
Phone: 507-372-7331, 507-836-6107
and 800-776-0517
Fax: 507-372-5148

Website

www.noblesce.coop

Office hours

7:00 a.m. to 3:30 p.m.
May 1 - September 30
7:30 a.m. - 4 p.m.
October 1 - April 30

Email address

nce@noblesce.com

Gopher State One Call

800-252-1166 or 811

Electrical inspectors

Murray County
Randal Maha - 507-274-5261
Nobles County
Scott Preuss - 507-430-3652

*This cooperative is an equal
opportunity provider and employer.*



General Manager

Adam Tromblay

Board of Directors

Ronald Schwartau, President - 734-3052*
Lee York, V. President - 879-3497*
Cindy Hokeness, Sec./Treas. - 478-4965*
Bruce Barber, Director - 329-4399*
Jerry Beckering, Director - 442-8511
Gary Clarke, Director - 605-201-1903
Gary Sieve, Director - 926-5455*

* Telephone prefix 507

24-Hour outage service

800-776-0517