



MEMBER ASSISTANCE PROGRAMS POLICY

Effective Date: July 16, 2021

POLICY AT A GLANCE

PEC is committed to providing **Service** to our Members and Membership Applicants by offering assistance through programs designed to make sure they have the opportunity to obtain electric service.

MEMBER ASSISTANCE PROGRAMS



Payment Assistance Program

Assistance program for Members whose income is less than 250% of the published federal poverty level.



Veterans' Burn Victim Assistance Program

Assistance program for burned war veterans.



Building Assistance Program

Assistance program for recipients participating with Building Assistance Charitable Organizations.



1. PURPOSE

The purpose of the Member Assistance Programs (“MAP”) Policy (“Policy”) is to establish the guidelines for the various programs of Pedernales Electric Cooperative, Inc. (“PEC” or “Cooperative”) that are designed to assist our Members and Membership Applicants to make sure they have the opportunity to obtain electric service and/or maintain continuity of electric service.

2. SCOPE

This Policy addresses how employees, contractors, or other third-parties utilize and administer the following programs:

- Payment Assistance Program
- Veterans’ Burn Victim Assistance Program
- Building Assistance Program

3. POLICY AND IMPLEMENTATION

This Policy establishes the program requirements for each of PEC’s MAPs.

3.1. Availability of Funds

- 3.1.1 PEC will allocate funds to the MAPs in this Policy through the budget approved annually by the Board.

3.2. Policy Responsibilities

Member Relations and District Operations departments have responsibility for implementation and administration of different aspects of this Policy.

- 3.1.2 Member Relations is responsible for coordination under the Payment Assistance Program, Veterans’ Burn Victim Assistance Program, recording the various donations of fees specified in the Building Assistance Program, and reporting to Finance.
- 3.1.3 District Operations is responsible for coordinating design of the line extensions and estimating line extension costs for the Building Assistance Program.

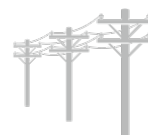
3.3. Payment Assistance Program

3.3.1. Program Description

- 3.3.1.1. The Payment Assistance Program is available to Members whose income is less than 250% of the published federal poverty level and subject to the limitations described below.
- 3.3.1.2. Through this program, payment distributions are made to assist qualifying Members with their account payments.

3.3.2. Program Qualifications and Limitations

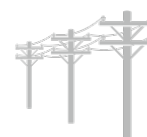
- 3.3.2.1. Each qualifying Member for the Payment Assistance Program will be limited to a maximum of \$300 per calendar year.
- 3.3.2.2. Distributions are limited to Members only; therefore, funds can only be used for the person whose name is on the account.
- 3.3.2.3. Distributions are limited to current account usage and billing only.



- 3.3.2.4. Distributions may not be used towards membership fees, deposits, or meter tampering fees.
- 3.3.2.5. PEC reserves the right to refer Payment Assistance Program recipients for an energy audit.
- 3.3.2.6. PEC will assist Members qualified to receive Payment Assistance Program funding by adjusting collection guidelines in the following ways:
 - 3.3.2.6.1. Suspending disconnection up to five business days on accounts when Payment Assistance Program Agencies are assisting.
 - 3.3.2.6.2. Donating deposits, reconnect fees, establishment fees, and current billing late fees. Donations of deposit and establishment fees are limited to once per Member. After the one-time donation of deposit and establishment fees, a Member's account will be charged a deposit and establishment fees.
- 3.3.2.7. If the Member (or their spouse) has one closed, unpaid account that has gone to the collection agency, PEC will allow them to participate in the Payment Assistance Program under the following conditions:
 - 3.3.2.7.1. The Member must contact the collection agency and set up payment arrangements on the old debt within five business days. After PEC verifies with the collection agency that arrangements have been made, PEC will apply the pledged Payment Assistance Program funds to the Member's current account.
 - 3.3.2.7.2. The Member must keep their payment arrangements with the collection agency. Before Payment Assistance Program funds are applied, PEC will verify with the collection agency that arrangements are being kept.
 - 3.3.2.7.3. Members who reach their Payment Assistance Program limit, and subsequently fail to keep payment arrangements with the collection agency, will be unable to participate again in the program until the old debt is paid in full.
 - 3.3.2.7.4. A Member (or their spouse) with more than one closed, unpaid account is ineligible for Payment Assistance Program participation until all the balances are paid in full.

3.3.3. Agency Involvement with Payment Assistance Program

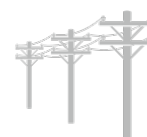
- 3.3.3.1. Participating Payment Assistance Agencies will qualify Members seeking assistance through the Payment Assistance Program consistent with Comprehensive Energy Assistance Program requirements.
- 3.3.3.2. Payment Assistance Program funds will be allocated to the Payment Assistance Agencies annually, with the caveat that PEC will assess with their use of funds on a quarterly basis with the possibility of redistributing these limited funds to the best advantage of PEC's Members.
- 3.3.3.3. Payment Assistance Agencies have the right to deny participation in the program to any Member who perpetrated fraud against their agency or is not willing to participate in programs required to support self-sufficiency.



- 3.3.3.4.** PEC reserves the right to deny participation in the Payment Assistance Program to any Member perpetrating or attempting to perpetrate fraud against the Cooperative (e.g., meter tampering, providing false identification information, owing a debt to the utility on a closed account, returned checks).
- 3.3.3.5.** PEC will contact each Payment Assistance Agency at least once a month to facilitate communication and to optimize the benefit to our Members in providing financial assistance. PEC will also communicate with Payment Assistance Agency staff to review the effectiveness of the program and to resolve any issues.
- 3.3.3.6.** PEC will provide each Payment Assistance Agency with a report that includes details on each pledge to a Member, apparent exceptions to standard rules, the percentage of the total allocation distributed each month, and the balance amount of funds remaining for each agency.
- 3.3.3.7.** The Payment Assistance Agency will provide to PEC its distribution notification on the PEC pledge form, which confirms that the Member has met the specified qualifications and includes an agency representative's signature on the appropriate line.
- 3.3.3.8.** PEC will not refund the Member any monies that have been paid by a Payment Assistance Agency. The monies will be refunded to the agency. If a Payment Assistance Agency makes an erroneous payment, the funds will be returned to the agency.

3.3.4. Private Charity Qualifications for Payment Assistance Program

- 3.3.4.1.** In an effort to facilitate assistance for low income Members, PEC will accept Member qualification from Private Charities/Assistance Sources who agree to abide by the following guidelines. Members meeting these qualifications will be granted the same adjustments to the collection practices allowed to Members qualified for the Payment Assistance Program.
- 3.3.4.2.** The Private Charity/Assistance Source agrees to verify the Member's identity and need for payment assistance by requiring the following documents:
 - 3.3.4.2.1.** Photo ID (drivers' license, military ID, etc.).
 - 3.3.4.2.2.** Social Security Card for all household Members.
 - 3.3.4.2.3.** Proof of income for the past 30 days for anyone living at the residence (check stubs, Social Security [SSI and/or Disability] award letters for current year, unemployment benefits, veterans' benefits, child support, workers' compensation, Texas Workforce Commission registration printout, Temporary Assistance for Needy Families award documentation, etc.).
 - 3.3.4.2.4.** Proof of 10% loss of income/resources in last 60 days. The Private Charity/Assistance Source will verify that the Member's income is less than 250% of the Federal Poverty Level.
- 3.3.4.3.** At the request of the Private Charity/Assistance Source, and with Member's authorization, PEC will provide the Member's current utility bill and a cash transaction sheet showing the billing and payment history for at least the past twelve months.



- 3.3.4.4. If the Private Charity/Assistance Source advises PEC that they are satisfied that the Member qualifies for assistance, PEC will authorize collection adjustments on a case-by-case basis, with the understanding that the Member will be submitting an application to the appropriate Payment Assistance Agency.

3.4. Veterans' Burn Victim Assistance Program

3.4.1. Program Description

- 3.4.1.1. The Veterans' Burn Victim Assistance Program is established because PEC recognizes the hardship that climate can pose to severely burned war veterans who may suffer a decreased ability to regulate internal body temperature.
- 3.4.1.2. PEC will administer the documents and funds for the Veterans' Burn Victim Assistance Program internally, and recipients may work directly with the Cooperative.

3.4.2. Program Qualifications and Limitations

- 3.4.2.1. The recipient must be a military veteran, and must be able to provide a medical doctor's written certification that they have significantly decreased ability to regulate their body's core temperature because of severe burns received during armed conflict or in combat.
- 3.4.2.2. Certification of continuing medical eligibility may be required every 12 months to continue program participation.
- 3.4.2.3. Veterans' Burn Victim Assistance Program funds may only be applied to the PEC account at the recipient's current primary residence.
- 3.4.2.4. The current Payment Assistance Program participation qualifications and limitations identified within this Policy applies to the recipient of Veterans' Burn Victim Assistance Program funds.
- 3.4.2.5. Participation in the Veterans' Burn Victim Assistance Program does not exempt the recipient from disconnection for non-payment.
- 3.4.2.6. To enroll, an applicant must submit a written request to participate, along with the required doctor's certification and evidence of military veteran status to memberassistance@peci.com.

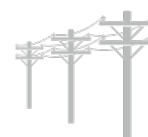
3.5. Building Assistance Program

3.5.1. Program Description

- 3.5.1.1. The Building Assistance Program is available to contribute to qualifying projects by Building Assistance Charitable Organizations that are designed to benefit PEC's Membership.

3.5.2. Program Qualifications and Limitations

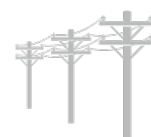
- 3.5.2.1. The Building Assistance Program applies to Building Assistance Charitable Organizations which are 501(c)(3) organizations.
- 3.5.2.2. To qualify for an extension to a permanent residential installation, the location where the Building Assistance Charitable Organization is requesting service shall comply with the following provisions and PEC's [Tariff and Business Rules](#) unless otherwise provided herein:



- 3.5.2.2.1. Be a permanent location. To qualify as a permanent location, the Building Assistance Charitable Organization will either have a definite plan for, or has commenced the construction of, the building or permanent facilities stipulated in the application by installing a water well or slab/foundation.
- 3.5.2.2.2. Be a single-family residence.
- 3.5.2.2.3. If located within a residential subdivision, the Building Assistance Charitable Organization must have complied with PEC's residential development line extension policy and paid all required aid to construction.
- 3.5.2.3. Point of Delivery. PEC extends its electric facilities only to the point of delivery (as defined in its Tariff and Business Rules).
- 3.5.2.4. Routing. The routing of the line extension must be in accordance with PEC's Tariff and Business Rules.
- 3.5.2.5. Line Extension. PEC will estimate the cost for the line extension as provided in its Tariff and Business Rules.
- 3.5.2.6. During construction of the residence, PEC will donate the following fees for the Building Assistance Charitable Organization:
 - 3.5.2.6.1. Membership Fee
 - 3.5.2.6.2. Establishment Fee
 - 3.5.2.6.3. System Impact Fee
- 3.5.2.7. During construction, PEC will provide an investment of up to \$2,000 toward any line extension costs described in this Policy for the Building Assistance Charitable Organization as provided in its Tariff and Business Rules. The Building Assistance Charitable Organization shall be required to pay, as a contribution in aid of construction, the estimated cost of any extension in excess of PEC's investment.
- 3.5.2.8. PEC will provide electricity to the Building Assistance Charitable Organization at no cost during construction or repair of the residence.
- 3.5.2.9. PEC will not impose any security deposit requirements for the Building Assistance Charitable Organization during construction.
- 3.5.2.10. Upon completion of the residence, PEC will credit the Building Assistance Program recipient's account with \$150, which should cover the membership fee and a portion of electricity use. Building Assistance Program Recipients will be subject to all security deposit requirements.

4. DEFINITIONS

- 4.1. **Building Assistance Charitable Organization** – A 501(c)(3) organization sponsoring the construction or repair of a residence receiving electric service and assistance from PEC.
- 4.2. **Building Assistance Program** – Assistance program for a recipient participating with a Building Assistance Charitable Organization and subject to such other requirements described herein.



- 4.3. **Comprehensive Energy Assistance Program** – A utility assistance program, through the Texas Department of Housing and Community Affairs, designed to assist low income households in meeting their immediate energy needs and to encourage consumers to control energy costs for years to come through energy education.
- 4.4. **Payment Assistance Agency** – Participating community action agencies, other qualified organizations, and county agencies that may establish the qualification of Members for the Payment Assistance Program.
- 4.5. **Payment Assistance Program** – Assistance for Members whose income is less than 250% of the published federal poverty level and subject to such other requirements described herein.
- 4.6. **Private Charity/Assistance Source** – Private charities/assistance sources that may establish the qualification of Members for the Payment Assistance Program.
- 4.7. **Veterans’ Burn Victim Assistance Program** – Assistance program for burned war veterans and subject to such other requirements described herein.

5. POLICY ENFORCEMENT

The Board and PEC management shall enforce this Policy. Violation of this Policy may result in disciplinary action, up to and including, termination.

6. REFERENCES AND RELATED DOCUMENTS

[Tariff and Business Rules](#)

Date adopted:	December 20, 2010
Last reviewed:	July 16, 2021
Review frequency:	Every five years
Amendment dates:	September 19, 2011, May 21, 2012, October 21, 2013, January 11, 2016, March 21, 2016, November 15, 2017, July 16, 2021
Effective date:	July 16, 2021
Approver:	Board of Directors
Applies to:	All applicants, Members, employees or contractors or other third parties involved with the programs.
Administrator:	Member Relations
Superseding effect:	This Policy supersedes all previous policies and memoranda concerning the subject matter. Only the Approver may authorize exceptions to this Policy.

