

1587. PRIVACY AND CONFIDENTIALITY

I. OBJECTIVE

To establish fair information principles for Snapping Shoals Electric Membership Corporation in carrying out its responsibility to respect the privacy and confidentiality of member-consumer information.

II. POLICY

A. Notice

1. Snapping Shoals Electric Membership Corporation discloses to its member-consumers its policies and practices for the collection, maintenance, use, and disclosure of identifiable information about its member-consumers.
2. Snapping Shoals Electric Membership Corporation collects and maintains appropriate information about its member-consumers as a routine part of its operations.
3. When providing electricity and related services, Snapping Shoals Electric Membership Corporation collects information from member-consumers, including name, address, telephone number, Social Security number, credit information, and payment and usage history. Usage history may include information on a member-consumer's property and appliances, health information for lifeline service, service history, and information maintained for meter reading purposes (e.g., warning about a dog in the yard).
4. Membership and governance activities may result in the maintenance of capital and patronage account information for members and former members and contact information for former members.
5. Occasionally, Snapping Shoals Electric Membership Corporation may survey a sample of its member-consumers to collect information to identify needs or improve service.
6. Other activities by Snapping Shoals Electric Membership Corporation or its affiliates, including security and home improvement services, will result in the collection of additional information about a member-consumer's property, appliances, and activities. This information will be collected and maintained only when and to the extent appropriate to provide the services.
7. This notice describes generally Snapping Shoals Electric Membership Corporation's privacy and confidentiality policies. The policy is not a formal limitation on the ability of Snapping Shoals Electric Membership Corporation to use, manage, and disclose its records as Snapping Shoals Electric Membership Corporation determines to be necessary, appropriate, or as required by law. It is subject to change without notice.

B. Trust

1. General Practices: Snapping Shoals Electric Membership Corporation maintains

information about member-consumers for purposes that are suitable to its operations and management. Information is collected only through lawful and fair means and for appropriate purposes. Snapping Shoals Electric Membership Corporation is committed to maintaining accurate, complete, timely, relevant, and appropriate information about member-consumers as necessary for the purpose for which the information is to be used.

2. Access and Correction: Snapping Shoals Electric Membership Corporation generally permits its member-consumers to access and seek correction of records about themselves that are used by Snapping Shoals Electric Membership Corporation to provide service, for billing, and to manage capital accounts.

C. Security

1. Snapping Shoals Electric Membership Corporation maintains member-consumer information with technical, administrative, and physical safeguards to protect against loss, unauthorized access, destruction, misuse, modification, and improper disclosure. No record or computer system can ever be fully protected against every possible hazard. Snapping Shoals Electric Membership Corporation provides reasonable and appropriate security to protect against foreseeable hazards.

2. Snapping Shoals Electric Membership Corporation requires its employees and, when practicable, its affiliates and contractors who have access to identifiable member-consumer information to sign a statement acknowledging that they have read this privacy and confidentiality policy and agree to comply with it. Any employee or contractor who fails to comply with these rules may be subject to disciplinary action up to and including dismissal.

D. Use and Disclosure

1. Snapping Shoals Electric Membership Corporation uses and discloses identifiable information about member-consumers in defined and responsible ways in order to carry out its operations. This section describes how identifiable information about member-consumers may be used and disclosed.

2. Records may be disclosed to affiliates or contractors hired by Snapping Shoals Electric Membership Corporation to assist in carrying out operations, such as service, billing, and management functions including legal, audit, and collection services.

3. Member-consumer information may be disclosed to and shared with commercial and consumer credit reporting agencies for credit-related activities (e.g., the reporting of bad debts).

4. Records may be disclosed to government regulators and other government agencies when authorized or required by law.

5. Records may also be compiled in aggregate form for Snapping Shoals Electric Membership Corporation management activities.

6. Records may be disclosed when required by law, such as in response to a search

warrant, subpoena, or court order. Snapping Shoals Electric Membership Corporation may use and disclose records for investigations into employee misconduct or for law enforcement investigations related to our business. Disclosures may also be made when appropriate to protect Snapping Shoals Electric Membership Corporation's legal rights or during emergencies if physical safety is believed to be at risk. These events are unlikely, but they are possible. Snapping Shoals Electric Membership Corporation will take reasonable steps to limit the scope and consequences of any of these disclosures.

7. Records may be shared with other utilities under shared service agreements or to meet operational requirements.

8. For home security customers, information may be shared with law enforcement authorities as authorized in service agreements.

9. Records about a member-consumer may be disclosed at the request of or with the permission of the member-consumer.

10. In addition, member-consumer information may be shared with affiliates and partners of Snapping Shoals Electric Membership Corporation that offer products and services to member-consumers.

11. Membership lists of the Membership Corporation may be disclosed to a member of the Membership Corporation for a proper purpose, such as in connection with Membership Corporation election activities. In some instances, lists may be made available for appropriate uses without disclosing the list to a third party. For example, the Membership Corporation may undertake a mailing on behalf of and at the expense of a third party.

12. Snapping Shoals Electric Membership Corporation does not sell, rent, loan, exchange, or otherwise release mailing lists or telephone lists of member-consumers for marketing purposes. Snapping Shoals Electric Membership Corporation does not disclose any information about a member-consumer to nonaffiliated third parties without the prior, written consent of the member-consumer.

13. The members of the Membership Corporation have the right to vote to authorize other uses and disclosures of information.

14. Member-consumers may request that their information not be shared with affiliates for the offering of new products and services.

E. Questions and Disputes

1. This policy is maintained and supervised by the Vice President of Energy Services of Snapping Shoals Electric Membership Corporation. Questions about the policy may be directed to that office. Any disputes over access, correction, or other matters may also be directed to that office. Snapping Shoals Electric Membership Corporation will do its best to resolve any questions or problems that arise regarding the use of member-consumer information.

III. Responsibility

A. The board shall ensure that this policy reflects current practices for personal information about member-consumers.

B. The President/CEO shall ensure that this policy is adhered to.

EFFECTIVE DATE: JANUARY 2005