PRAIRIE LAND ELECTRIC COOPERATIVE, INC.

RULES AND REGULATIONS

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RULES AND REGULATIONS

SECTION 1 - DEFINITIONS:

In addition to the usual meaning, all words or terms used in these Rules and Regulations, in Rate Schedules and in Electric Service Agreements are intended to have the meanings regularly ascribed to them by the electric industry. The following terms, unless otherwise indicated therein, shall have the specific meanings given below:

- A. <u>COOPERATIVE</u>: The Prairie Land Electric Cooperative, Inc., Norton, Kansas, Phone 785-877-3323, which furnishes electric service under these Rules and Regulations.
- B. <u>MEMBER</u>: Any person, partnership, association, firm, public or private corporation, or governmental agency applying for or using electric service supplied by the Cooperative.
- C. <u>RESIDENTIAL MEMBER</u>: A Member applying for or using electric service at a home or farm service location occupied as a place of residence.
- D. <u>RURAL</u>: All areas not included in the Town or Village area.
- E. <u>URBAN</u>: The area within the incorporated or unincorporated boundaries of communities.
- F. <u>ELECTRIC SERVICE AGREEMENT</u>: The application, agreement, or contract, pursuant to which the Cooperative supplies electric service to the Member.
- G. <u>POINT OF DELIVERY</u>: The point where the Cooperative supplied facilities physically connect to Member supplied facilities, unless otherwise defined in the Electric Service Agreement.
- H. <u>TAMPERING:</u>
 - 1. Making a connection of any wire, conduit, or device, to any service, distribution, or transmission line owned by utility;
 - 2. Defacing, puncturing, removing, reversing or altering any meter or any connections, for the purpose of securing unauthorized or unmeasured electricity;
 - 3. Preventing any such meter from properly measuring or registering; or
 - 4. Taking, receiving, using or converting any electricity which has not been measured.
- I. <u>MULTIPLE RESIDENTIAL COMPLEX</u>: Includes newly constructed mobile home courts and apartment buildings, as well as, renovated mobile home courts and apartment buildings where the renovation costs exceed fifty percent (50%) or more of the value of the building or structure. The term does not include: (a) operations catering predominately to transients such as hotels, motels, hospitals, rooming or boarding houses, recreational travel trailer parks, dormitories, rest homes, orphanages, and eleemosynary institutions or; (b) buildings and structures used essentially for general office, commercial, or industrial purposes.

SECTION 2 - APPLICATION FOR SERVICE AND AGREEMENTS:

A. <u>APPLICATION BY MEMBER</u>: Application for electric service shall be made in writing by Member to Cooperative on the Cooperative's Standard Agreement for Electric Service and Membership form, although the Member may, at the discretion of the Cooperative, be connected based on an oral request. This Application becomes an Electric Service Agreement or contract when accepted in writing by the Cooperative, or upon establishment of service. The Cooperative may require a separate Electric Service Agreement for each class of service at the same or at each separate location.

B. ADDITIONAL PROVISIONS:

- Electric service shall be supplied to the Member under the provisions of the Cooperative's Articles of Incorporation, Bylaws, Member's Electric Service Agreement, the Cooperative's applicable Rate Schedules, all Rules and Regulations adopted by the Board of Trustees and any special Contract or Agreement with the Member. The taking of electric service by a Member shall constitute acceptance of, and an agreement to be bound by, all such provisions. Any changes in Articles, Bylaws, Rate Schedules, or Rules and Regulations, shall act as a modification of the Electric Service Agreement then in existence without further notice.
- 2. The Member shall furnish upon request sufficient information relative to the size and characteristics of the load; the location of the premises to be served; and information needed to designate the class or classes of electric service to be supplied and the conditions under which it shall be supplied.
- 3. Electric service will not be established to any Member applicant who has an outstanding balance due the Cooperative from any previous account with the Cooperative until the past due balance and all associated fees are paid in full.
- C. <u>RATES</u>: Rates for electric service shall be those of the Cooperative currently in effect subject to change as provided by law. Copies of the Rate Schedules currently in effect may be reviewed by any Member at the Cooperative's principal place of business or the Cooperative's website.
- D. <u>TERM OF CONTRACT</u>: Unless otherwise specified, Electric Service Agreements shall be effective for an initial period of one (1) year commencing on the date that service is made available to the Member. When justified by the particular service requirements the Cooperative may require a contract period in excess of one (1) year commensurate with the Member's electric service requirements and the necessary service facilities and equipment (See Section 8). Service shall be continued after the expiration of the initial contractual period until canceled by the Member upon proper notice to the Cooperative.

E. <u>TEMPORARY SERVICE</u>:

- 1. <u>Additional Charge</u>: Temporary service shall be supplied in accordance with the applicable Rate Schedule. There shall be an additional charge paid in advance before service is established determined as follows:
 - a. An amount equal to estimated labor, overhead and expendable material charges for both installation and removal of the temporary service, but in no event less that the Temporary Service Minimum Fee as filed in the Service Fees Rate Schedule; plus
 - b. A security deposit or deposits, if required and in accordance with these Rules and Regulations.
- 2. <u>Refund to Member</u>: Upon removal of temporary service, all charges in excess of the Temporary Service Minimum Fee or the actual cost to the Cooperative, whichever is the greater, shall be refunded to the Member after his bills for electric service have been paid.
- CHANGE IN OCCUPANCY: When a change of occupancy is to take place on any F. premises supplied with electric service by the Cooperative, the outgoing Member shall give written notice to the Cooperative or at the discretion of the Cooperative, oral notice, not less than seven (7) days prior to the date of change. If the Cooperative permits an oral connect or disconnect request, a record, utilizing a unique number and the Cooperative employee's name or code, should be made of the request. The outgoing Member shall be held responsible for payment of all electric energy recorded by the meter until the requested time of termination. If no such notice is given, the outgoing Member shall be held responsible for electric energy recorded during the time in which the account continues to be in the Member's name as shown by the records of the Cooperative. The Member shall not by such notice be relieved of any obligations already accrued under the Electric Service Agreement or other contract with the Cooperative. If a change of occupancy is from one current resident who is delinquent on their account with the Cooperative, to another resident, the Cooperative will require the new resident to provide proof of ownership or lease agreement prior to changing the registered Member name.
- G. <u>RE-SELLING OR REDISTRIBUTING OF SERVICE</u>: The electric service provided is for the sole use of the Member and the Member shall not sell, share, or re-deliver electric service to any person, except where specifically provided by applicable Rate Schedule or special contract. Any infraction of this rule shall be sufficient cause for discontinuance of service under Section 5 A (1) (h).

SECTION 3 - CREDIT AND SECURITY DEPOSIT REGULATIONS:

A. <u>ESTABLISHMENT AND MAINTENANCE OF CREDIT:</u>

- 1. <u>Credit Information</u>: The Cooperative may request the Member to provide reasonable credit information to the Cooperative before service is made available. The Cooperative may require at least one form of positive identification from residential Members. Acceptable forms of positive identification include social security number, driver's license, other photo identification, or birth certificate. A social security number may be requested as one method of positive identification for residential Members, but shall not be required. If positive identification is not immediately available, a Member providing a full deposit should have at least thirty (30) days to secure positive identification, provided that said grace period does not conflict with any statutes or regulations relating to identity theft detection, prevention and mitigation. The Cooperative may request the names of each adult occupant residing at the location where residential service is being provided. For nonresidential nonincorporated applicants, the Cooperative may require the name of the person(s) responsible for payment of the account and at least one form of positive identification, as well as the name of the business, type of business, and employer identification number as issued by the Internal Revenue Service, if available.
- 2. <u>Security Deposit Required at Application</u>: The Cooperative may at the time of application for service require an initial deposit to guarantee payment of bills for utility service rendered.
- 3. <u>Designation of New and Existing Members</u>: For the purposes of requiring applications for service and initial deposits under Subsection 3 A (2):
 - a. Members who apply for new service at a concurrent and separate metering point, residence, or location may be considered new applicants.
 - Residential Members who have been disconnected and reconnected to service at the same premise within 30 days shall be considered existing Members. Residential Members who have been lawfully disconnected for over 30 days may be considered new applicants.
 - c. Nonresidential Members who have been disconnected, but not issued a final bill, shall be considered existing Members. Nonresidential Members who have been lawfully disconnected and issued a final bill may be considered new applicants.
 - d. New owners or leaseholders of an existing premise may be considered new applicants. New owners of the corporate or business entity that is the Member may be considered new applicants.
 - e. Existing Members who file for bankruptcy will be considered new applicants.

- 4. <u>Security Deposit Required After Application</u>: The Cooperative may at any time after application for service, upon five (5) days written notice, require a new or modified deposit to guarantee payment of bills for utility service rendered if:
 - a. The Member fails to pay an undisputed bill before the bill due date for three (3) consecutive billing periods, the first day of the arrearage period is the first day after the due date on the bill;
 - b. The Member is a nonresidential Member and has a change in the character of service defined as a change in the nature or classification of use;
 - c. The Member was disconnected for non-payment;
 - d. The Member has defaulted on a payment agreement(s) two or more times within the most recent twelve month period;
 - e. The Member has tendered two or more insufficient funds payments within the most recent twelve month period;
 - f. The Member has obtained electric service by tampering with the electric equipment of any utility.
 - g. If the Member's existing security deposit is to be adjusted or modified concurrent with Section 3 A (4) (a-e), the Member's maximum security deposit requirement will be calculated in the same manner as an initial deposit. The entire deposit requirement will be treated as an initial deposit subject to Billing Standard rules for installment payments and retention in Section 3 B & D;
- 5. <u>Nondiscrimination Clause</u>: No deposit will be required because of a Customer's race, sex, creed, national origin, marital status, age, number of dependents, source of income, or geographical area of residence.
- 6. <u>Guaranty or Surety Bond</u>: In lieu of requiring a security deposit, the Cooperative shall accept the written guarantee of a current member who has had service for a minimum one year with no late payment in the most recent 12 months. The Cooperative may require the Guarantor to sign an agreement allowing the Cooperative to transfer the Member's debt to the Guarantor's account. In the event the Customer's debt is transferred to the Guarantor's account, the applicable Rules and Regulation pertaining to bill payment will be applicable. The guarantor shall be released when the Member would qualify for a deposit refund under Section 3. D., or upon termination of service and payment of utility bills.

B. <u>CALCULATION AND PAYMENTS OF SECURITY DEPOSIT OR SURETY BOND</u>:

1. The amount of the cash deposit or surety bond required shall not exceed the amount of that Member's projected average two (2) months bills for residential and small nonresidential Members. For other Members, such deposit shall not exceed the amount of that Member's projected largest two (2) months bills. If a Member has been documented to be diverting service (meter bypass), an additional deposit based on one (1) months use may be assessed. For purposes of establishing deposits and projecting monthly bill, the Cooperative shall consider the length of time the Member can reasonably be expected to take service, past consumption patterns, end use of the service, and consumption patterns of other similar Members. If

insufficient billing history upon which an amount of the cash security deposit or surety bond to be calculated exists, then the Cooperative will charge a deposit based on the average deposit for similar service characteristics.

- 2. The Cooperative may require half of the deposit to be paid prior to service activation and the Member shall be informed, and the Cooperative shall permit, payment of remaining required residential or small nonresidential deposit to be paid in equal installments over a period of at least four (4) months when deposits are based on two (2) average months usage and a period of at least six (6) months when deposits are based on three (3) average months usage. An additional two (2) months shall be given to Members who have been assessed an additional deposit due to documented diversion (meter bypass). Disconnection for non-payment of deposit shall be governed by Section 5, Discontinuance of Service.
- The Cooperative may, for members who have been lawfully disconnected, require full deposit to be paid prior to service activation and the member shall be informed. Disconnection for non-payment of a deposit shall be governed by Section 5, Discontinuance of service.
- C. <u>SECURITY DEPOSIT RECEIPTS:</u> The Cooperative shall maintain a record of all deposits received from Members, showing the name of each Member, the address of the premises for which the deposit is maintained, the date and amount of deposit, and the date and amount of interest paid. A receipt shall be given upon Member's request.

D. <u>REFUND OF SECURITY DEPOSIT</u>:

- 1. Upon termination of service, if the deposit is not to be transferred, the Cooperative will refund the deposit to the Member less any unpaid utility bills due the utility.
- 2. Refunding of Deposits prior to termination of service;
 - a. Deposits from residential Members shall be either credited with interest to their utility bills or, if requested, refunded, after twelve (12) months if the Member has paid ten (10) out of the last twelve (12) bills on time and no undisputed bill was unpaid after 30 days beyond due date. The month(s) of a disputed bill(s) shall be ignored in this calculation.
 - b. Deposits from small non-residential Members shall be either credited with interest to their utility bills or, if requested, refunded, after 24 months if the Member has paid twenty (20) of the last twenty-four (24) bills on time and no undisputed bill was unpaid after 30 days beyond due date. The month(s) of a disputed bill(s) shall be ignored in this calculation.

- c. All other non-residential Member security deposits will be retained by the Cooperative until termination of service. Large non-residential Members may have their deposit requirements recalculated every three years or when the noncash security deposit expires. The maximum deposit requirement shall be increased or decreased as appropriate for each Member. Members may request that the utility recalculate their deposit at a shorter interval.
- 3. A deposit need not be returned until all disputed amounts are paid.
- 4. When refunded or credited, the deposit shall include accrued simple interest at a rate not less than that provided by K.S.A. 1978 Supp. 12-822 and amendments.
- 5. Interest payments on residential or non-residential deposits shall be credited to the Member's bill or refunded at least once a year.
- 6. Service deposits shall be non-transferable from one Member to another Member; however, upon termination of the Member's service at the service address, the Cooperative may transfer the deposit to the Member's new active account.
- 7. Security deposits paid to the utility by any payment method approved for the payment of bills (cash, check, credit card, debit card or electronic payment, etc.) shall be considered as paid in "cash" to the Cooperative.
- 8. For non-residential Members, the Cooperative may accept a surety bond, irrevocable letter of credit, or other written guarantee from a credit approved individual that will be responsible for paying the Member's utility bill in the event of nonpayment.

SECTION 4 - BILLING AND BILL PAYMENT:

A. <u>PAYMENT OF BILLS</u>: All bills for electric service are due and payable upon receipt. Normally, bills shall be sent by mail; however, the non-receipt of a bill by a Member shall not release or diminish the obligation of the Member with respect to the full payment thereof, including penalties and interest.

B. <u>CONTENTS OF BILL</u>:

- 1. The Cooperative shall normally bill each Member each billing period in accordance with its applicable Rate Schedule. Billings may be issued on a monthly or other basis. Each service bill issued to a Member shall show:
 - a. The beginning and ending meter registration for the reading period, except that estimated billings shall disclose that it is based on estimated usage;
 - b. The date of the meter reading and the date of the bill;
 - c. The final date by which a payment can be received before a delinquency charge is imposed;
 - d. The actual or estimated usage during the billing period;
 - e. The amount due for prompt payment and the amount due after delinquency in payment;
 - f. If appropriate, the fuel, power or energy cost adjustment in cents per kilowatt hour (ϕ / KWH) and the total amount of the adjustment due;
 - g. The amount of additional charges due for past due accounts, security deposits, collection, connection or disconnection, installment payments, and other utility charges;
 - h. The total amount due for the current billing period;
 - i. The amount due for franchise and sales taxes and research and development surcharges each stated separately if appropriate; and
 - j. The address and telephone number of the Cooperative and the identification of the person or office where a Member may report a disputed bill, make an inquiry concerning a bill, delinquency or termination of service, or otherwise express a concern.
- 2. The Cooperative may include on the bill for utility services other charges for special services designated clearly and separately from charges for utility service. Special charges are those not authorized by tariff. If the Member makes a partial payment for the total bill, the Cooperative shall credit payment: (a) first to the balance outstanding for utility service beginning with the oldest service debt, (b) then to additional utility charges (such as disconnection/reconnection fees) and (c) then to special charges as defined above.

- 3. If the Member is paying under the Budget Payment Plan, each bill shall also clearly disclose the overage or underage of the amounts paid to date as compared to the cumulative actual usage, in dollars, to date.
- 4. The Member's bill shall also show any adjustment to previous billings based on estimated usage or Member meter readings after actual usage has been determined from a meter reading by the Cooperative. The adjustment shall be calculated for a period between the last valid meter reading and the most recent meter reading by the Cooperative. If the adjustment shows a net balance due the Cooperative, the Member shall be given the opportunity, if requested, to pay the additional charges in equal installments over a period of time equal to the adjusted billing period. If a net balance is due the Member, the Member shall be given either a credit on subsequent bills or a refund.
- 5. If the Member is paying down an arrearage under the Cold Weather Rule or other payment plan, those monthly amounts shall be printed on the bill and clearly labeled.
- 6. Unless otherwise provided in the Rate Schedules, meters shall be read at intervals approximating the billing period. The Cooperative reserves the right to adopt a plan dividing territory served into districts and of reading meters in each district at a selected time period.

C. <u>MEMBER METER READINGS</u>:

- 1. The Cooperative may request Members to read their meters at intervals approximating the billing period. Requests for readings by the Member shall be on printed forms provided by the Cooperative which contain instructions as to the methods of reading.
- 2. Meter readings by the Member, though used for billing purposes, shall not be considered final. Such Members' meters shall be read at least once a year by the Cooperative and an adjustment shall be made in accordance with these Rules and Regulations.
- D. <u>METER READING FEE</u>: In the event the Member does not furnish a required meter reading for two (2) consecutive billing periods, the Cooperative may read the meter and charge the Member a Meter Reading Fee as filed in the Service Fees Rate Schedule.

E. <u>ESTIMATED USAGE</u>:

- 1. The Cooperative may render a bill, other than a final bill when service is discontinued or an initial bill, based on estimated usage pursuant to estimating procedures, if the bill is rendered:
 - a. When extreme weather conditions, emergencies, work stoppages, or other circumstances beyond the Cooperative's control prevent actual meter readings;
 - b. When the Cooperative is unable to reasonably obtain access to the Member's premises for the purpose of reading the meter and efforts to obtain a Member reading of the meter, such as mailing or leaving pre-addressed forms upon which the Member may note the readings are unavailing; or

- c. When the Member does not furnish a timely meter reading as requested by the cooperative.
- 2. The Cooperative may render a bill based on estimated usage as a Member's final or initial bill pursuant to estimating procedures when:
 - a. The Member so requests and any necessary adjustments are made to the bill upon a subsequent actual meter reading be the Cooperative;
 - b. An actual meter reading would not show actual Member usage but is used in estimating usage; or
 - c. An actual meter reading cannot be taken because of a broken meter or other equipment failure.
- 3. The Cooperative may render a bill based on estimated usage when the Member is paying under the Budget Payment Plan (See J in this Section) where payments are based upon an estimated or projected average usage. Actual meter readings must also be made for Members using the Budget Payment Plan, except as otherwise provided by E (1) of this Section.
- 4. The Cooperative shall not render a bill based on estimated usage for more than three (3) consecutive billing periods.
- 5. When the Cooperative renders an estimated bill in accordance with this Section it shall:
 - a. Maintain accurate records of the reasons therefore and efforts made to secure an actual reading;
 - b. Clearly disclose on the bill that it is based on estimated usage; and
 - c. Make any appropriate adjustment upon subsequent reading of the meter.
- 6. All adjusted bills and bills covering more than a one month period shall be based on increasing the length of the rate blocks according to the number of months involved, i.e., the rate blocks shall be doubled for a two month reading, tripled for a three month reading, etc. Adjustments shall not be prorated for less than a one month period. Adjusted bills shall show the credit due the Member for amounts paid that were based on the Member's readings or the Cooperative's estimate and shall show the balance due and payable.
- 7. Fuel, power, or energy cost adjustments covering more than a one month period shall be based on the most recent adjustment clause.
- F. <u>CASH PAYMENT</u>: The Cooperative may require that the Member make payment of bills by cash, credit card, certified checks, or money orders. Cooperative shall give notice to the Member whenever checks shall not be accepted for payment of bills.
- G. <u>RETURNED CHECK CHARGE</u>: The Cooperative may require a Returned Check Charge, as filed in the Service Fees Rate Schedule, from the Member for returned checks, bank draft, or debit card for insufficient funds or any other reason.

H. <u>BILLING ERROR ADJUSTMENT:</u> Billing adjustments will be made when found that the customer was billed inaccurately. Overcharges shall be credited or refunded, at the discretion of the member, for a period of no more than 5 years. If the inaccuracy results in an undercharge to the member, the Cooperative shall not render a bill adjustment for no more than 5 years.

Such inaccuracies may occur as a result of, but are not limited to, meter inaccuracy, meter connection errors, equipment failure, incorrect bill calculation, meter reading errors, or incorrect coding errors. If the Cooperative can determine the billing period the billing inaccuracy began occurring, the Member's account shall be adjusted.

I. <u>TAX ADJUSTMENT:</u>

- 1. <u>Special Taxes</u>: When any city, county, state, or other taxing sub-division imposes a franchise, occupation, business sales, license, excise, privilege, or similar tax of any kind on the Cooperative, the amounts thereof insofar as practical, shall be charged on a prorate basis to all Members receiving electrical service from the Cooperative within the boundaries of such taxing sub-division. This tax charge, in all cases, shall be in addition to the regular charges for electrical service.
- 2. <u>Gross Receipts Tax</u>: Where a tax is levied on a percentage of gross receipts, that percentage shall be applied to each affected Member's bill, and the amounts so computed shall be added to each Member's regular billing until such Member's proportionate share of the total tax is paid. The prorate tax applicable to each Member shall be identified on the Member's billing as such.

J. <u>RESIDENTIAL BUDGET PAYMENT PLAN</u>:

- 1. <u>Availability</u>: The Budget Payment Plan is, by mutual agreement between the Member and the Cooperative, available to any qualifying Member.
- 2. <u>Estimated Bills</u>: At the request of any qualifying Member, the Cooperative shall submit an estimated bill based on the average of the bills rendered for the current month and the preceding eleven months or an estimated bill for electric service to be rendered during the contract period, which divided by the number of months in such contract period, shall be the monthly installment.
- 3. <u>Conditions of Budget Payment Plan</u>: The Member shall be entitled to receive electric service under the Budget Payment Plan provided Member shall agree:
 - a. To pay each monthly installment on or before the due date thereof;
 - b. To pay the late payment charge provided in these Rules and Regulations if a bill becomes delinquent;
 - c. That failure to pay any monthly installment on or before the delinquent date shall be cause for termination by the Cooperative of the Budget Payment Plan with respect to Member, in addition to other remedies permitted by these Rules and Regulations;
 - d. That the estimate shall apply only to the premises then occupied by Member and that if such premises are vacated during the period covered by said estimate, the Budget Payment Plan with respect to Member shall immediately terminate;

- e. That if the Budget Payment Plan is terminated, any amount payable by or due to Member on account of the metered service during the period covered by the plan shall be billed or credited to Member at once;
- f. That until terminated by either party, the Budget Payment Plan shall be renewed automatically;
- g. That the Budget Payment Plan may be periodically reviewed by the Cooperative and the monthly installment payment shall be revised if it appears at any time on review that the debit or credit balance at the end of the contract period shall substantially exceed the estimate; and
- h. The difference between the accumulated total billings and accumulated total payments may be rolled into the estimated usage for the upcoming contract period instead of subjecting that amount to current settlement. At the Cooperatives discretion, the difference between the accumulated total amount of the Member's billings determined by metered usage, and the accumulated total of the amounts paid before the final month of the contract period shall be charged or credited, as the case may be, to the service bill for the final month of such contract period which shall be subject to current settlement before the start of the next contract period.

K. <u>DELINQUENT BILLS</u>:

- 1. Bills for electric service will be deemed delinquent if payment thereof is not received by the Cooperative on or before the due date stated on the bill.
- 2. When a bill becomes delinquent, a late payment charge in an amount equal to two percent (2%) of the delinquent amount owed for current electric service shall be added to the Member's bill.
- 3. If a bill is still delinquent after ten (10) day from the delinquent date, the electric service will be subject to disconnection and the Member may be charged a Collection Fee (Section 11, Schedule of Fees).
- 4. If the last calendar day for remittance falls on a day when the Cooperative's office is not open to the general public, the final payment date shall be extended through the next business day;

L. ARREARAGE PAYMENT PLAN:

- 1. A qualifying residential Member who is unable to pay all or a portion of their current bill may request an Arrearage Payment Plan from the Cooperative. In order to qualify for an Arrearage Payment Plan the Member must:
 - a. Have a deposit paid in full on record at the Cooperative, if required per Section 3; and
 - b. Not have an outstanding Arrearage Payment Plan for a previous balance due;
- 2. Arrearage Payment Plans will be for a maximum of six (6) months, but in no event can an Arrearage Payment Plan extend beyond September billing period.
- 3. The Member will be required to pay twenty-five percent (25%) of the outstanding

balance owed the Cooperative, in addition to any and all fees, upon inception of the Arrearage Payment Plan. The remaining balance due the Cooperative will be divided in equal amounts, up to five (5) equal amounts subject to Section 4 K (2), and applied to the Members future billings.

- 4. Arrearage Payment Plans must be in writing and a copy will be provided to the Member.
- 5. A Member may only have one (1) Arrearage Payment Plan at any given time.
- 6. If a Member is in default of an Arrearage Payment Plan, the Member will be subject to disconnection according to Section 5, Discontinuance of Service.

M. <u>DEFAULT</u>:

- 1. Failure of the Member to conform to these Rules and Regulations or to pay any amount due the Cooperative under the Member's Electric Service Agreement in the full amount due before becoming delinquent shall constitute a default by the Member in his or her Electric Service Agreement;
- 2. The Member's obligation to pay the amount due the Cooperative under the Member's Electric Service Agreement shall be separate from other obligations and claims between the Cooperative and the Member.
- 3. Failure by the Member to pay obligations to and claims by the Cooperative other than amounts due the Cooperative under the Member's Electric Service Agreement, shall not constitute a default justifying discontinuance of electric service under Section 5, Discontinuance of Service. Failure of the Cooperative to pay obligations to or claims by the Member, or to give the Member credit therefore, shall not justify failure by the Member to pay the Amount due the Cooperative under the Member's Electric Service Agreement nor prevent default by the Member.

N. COLD WEATHER RULE:

- 1. <u>Availability:</u> The provisions of the Cold Weather Rule (CWR) allow for special payment and disconnection procedures for any qualifying Residential Member. The rule allows a qualifying Member the opportunity to retain or restore electric service throughout the cold weather period, which extends from November 1 through March 31, and for the development of payment agreements between the Cooperative and the Member.
- 2. <u>Member Qualifications and Requirements:</u> The Cooperative shall not disconnect a Member's service between November 1 and March 31 when the local National Weather Service office forecasts the temperature will drop below 35 degrees Fahrenheit or will be in the "mid to low 30s," or "mid 30s," within the 48 hour window (24 hours prior to disconnect and 24 hours after disconnect) unless:
 - a. It is at the Member's request;
 - b. The service is abandoned;
 - c. A dangerous condition exists on the Member's premises;

- d. The Member violates any rule of the cooperative which adversely affects the safety of the Member or other persons, or the physical integrity of the Cooperative's delivery system; or
- e. The Member causes or permits unauthorized interference with or tampering of as defined in Section 1 H, the electric service situated or delivered on or about the Member's premises; or
- f. The Member misrepresents his or her identity for the purpose of obtaining or retaining utility service; or
- g. The Member makes an insufficient funds payment as the initial payment or and installment payment under the CWR payment plan and does not cure the insufficient payment during the ten-day period after a disconnection is sent to the Member.

Under Sections 4 N (2) (a-d), the Cooperative may disconnect the service immediately. Under Sections 4 N (2) (e-f), the Cooperative may disconnect the Member 48 hours after a disconnection notice is left on the Member's door or a personal or phone contact is made with the Member of record, or ten days after a disconnection notice is sent, whichever is quicker. Under Section 4 N (2) (g), the Cooperative may disconnect the Member ten days after a disconnection notice is sent if the Member has not cured the insufficient payment during the ten-day period.

Services disconnected under Sections 4 (N) (2) (c) or (d) above must be restored as soon as possible after the physical problems have been corrected. Service disconnected under Section 4 N (2) (e) must be restored as soon as possible after payment by the Member of the full value of the diverted service. The value of diverted service shall be estimated based on the historic use by the Member or at the residence.

- 3. <u>Responsibilities of Members:</u> In order to keep from having service disconnected when the temperature is 35 degrees or above, or to have service reconnected regardless of temperature, a Member must comply with the following provisions. To qualify for the benefits of the CWR, the Member shall:
 - a. Inform the Cooperative of the Member's inability to pay the bill in full;
 - b. Provide sufficient information to allow the Cooperative to make a payment agreement;
 - c. Make an initial payment of the 1/12 of the arrearage amount, 1/12 of the bill for current consumption, the full amount of any disconnection or reconnection fees, plus any applicable fees or deposits and enter into an 11-month plan for payment of the rest of the arrearage, or enter into a payment plan as negotiated with the Cooperative for the payment of the arrearage amount; and
 - d. Apply for federal, state, local or other funds for which the Member may be eligible;

- e. Any Member failing to agree to and perform any of the requirements of the Member Responsibilities or breaching a Cold Weather Rule payment agreement with the Cooperative resulting in a default shall not qualify for assistance under the Cold Weather Rule unless the breach is remedied.
- 4. Member Responsibilities of the Cooperative:
 - a. Provide a written notice of the Cold Weather Rule once a year at least 30 days prior to the CWR period to each Residential Member who is currently receiving service.
 - b. Send one written notice mailed first class at least ten (10) days prior to termination of service. Disconnect procedures excluding the 10-day notice may not begin until a 48-hour forecast above the activating temperature is predicted by the local National Weather Service office. During the first 24 hours, which shall be the day prior to disconnection, the Cooperative shall make at least one telephone call attempt with the Member of record or make one attempt at a personal contact with the Member of record on the day prior to termination of service if telephone contact on that day was not made. The telephone call attempt(s) and personal contact the day prior to disconnection is in addition to the already existing notice requirements contained in the standards under Section 5, Discontinuance of Service. If the Member is not contacted during the phone call(s) or the personal contact the day prior to termination of service, the Cooperative employee shall leave a disconnection message on the Member's door or other conspicuous location on the Member's premises on the day prior to disconnect.
 - c. On the day of disconnection, the local National Weather Service office must forecast the temperature to be above the activating temperature for the next 24 hours. If the temperature is then forecast to be below the activating temperature, the disconnection may not be carried out and the Cooperative must wait for another 48-hour forecast above the activating temperature prior to initiating disconnection procedures, excluding the 10-day written notice;
 - d. The Cooperative shall in the ten (10) day written notice, in addition to the existing requirements contained in Section 5, Discontinuance of Service, also inform the Member of the following:
 - 1. The existence of the Cold Weather Rule;
 - That the Member can avoid disconnection by complying with Section 4 N (3);
 - 3. Inform the Member of, or provide a list of, organizations where funds are available to pay electric bills;
 - 4. Inform the Member of, or provide a list of, all other pay arrangements for which the Member might qualify;
 - 5. The Cooperative may adopt and inform Members about a third-party notification plan.

5. Other Provisions:

- a. Deposits made in conjunction with the Cold Weather Rule shall be amortized over the period of the payment plan, except that no security deposit may be amortized over fewer months that what is permitted by Section 3 B;
- b. The Cooperative shall inform its Members of the long-range advantages of weatherization programs;
- c. The Member should be encouraged to renegotiate Cold Weather Rule payments if he or she receives utility or other lump sum assistance;
- d. The issuance of an insufficient funds payment for the initial payment or for any installment of the payment plan, unless subsequently cured by the Member, shall constitute a default of the CWR payment plan. A Member who defaults on a CWR payment plan is not eligible for the arrearage average payment plan under Section 4 N (4) unless the arrearages from the prior CWR plan are paid. A Member who defaults on a CWR payment plan is eligible to enter into a new CWR payment plan upon making an initial payment as set forth in Section 4 N (3) (c), paying any disconnect and reconnect charges, and complying with the Member responsibility provisions under Section 4 N (3). A payment plan of any length that is negotiated by the Member and the Cooperative after the Member has been informed of the payment plans required to be offered under the CWR is considered to be a CWR payment plan. However, a Member with a payment plan of fewer than 11 months shall not be considered to be in default of the payment plan if the actual payments that have been made are equal or greater than the amount that would have been required under an 11-month payment plan for arrearages.

SECTION 5 - DISCONTINUANCE OF SERVICE:

A. COOPERATIVE'S REFUSAL OR DISCONTINUANCE OF SERVICE:

- 1. For the following reasons electric service may be refused or discontinued by the Cooperative:
 - a. When requested by the Member;
 - b. When the service is abandoned;
 - c. Upon ten (10) days written notice, when Member's electric service bill becomes delinquent, as provided in Section 4 K, whether the bill is based on Member's meter reading, Cooperative's meter reading, or Cooperative's estimate of consumption;
 - d. Immediately, without notice required, when an unsafe or dangerous condition exists on the Member's premises;
 - e. When the Member fails to provide credit information, security deposit or guarantee as set forth in Section 3 A, or has a previous undisputed and unpaid separate account for electric service with the Cooperative service may be refused;
 - f. Upon the sooner of ten (10) days written notice or 48 hours after a personal or phone contact is made with the Member of record, when Member is proved to have misrepresented his or her identity for the purpose of obtaining electric service;
 - g. Upon ten (10) days written notice, when Member refuses to grant Cooperative personnel access, during normal working hours, to equipment installed upon the premises of the Member for the purpose of inspection, meter reading, maintenance or replacement;
 - h. Immediately, without notice required, when the Member violates any rule of the Cooperative that adversely affects the safety of the Member or other persons, or the integrity of the Cooperative's delivery system; or
 - i. Immediately, without notice required, when Member causes or permits unauthorized interference with, or tampering with, as defined in Section 1 H, Cooperative's equipment or service situated on or about the Member's premises. However, if the Cooperative has knowledge that persons other than the Member's family are residing at the premises, the Cooperative shall give such persons a two (2) day written or twenty-four (24) hour oral notice prior to discontinuance.
- 2. None of the following reasons shall constitute sufficient cause for the Cooperative to threaten or discontinue electric service or threaten or refuse service:
 - a. The Member's failure to pay for special charges as defined in Section 4 B (2).

- b. The Member's failure to pay for service received at a concurrent and separate metering point, residence or location. In the event of discontinuance or termination of service at a separate metering point, residence or location in accordance with these Rules and Regulations, the Cooperative may transfer any unpaid balance to any other Service Account with the Member's written or verbal consent, provided, however, that in the event of the failure of the Member to pay a final bill at any metering point, residence, or location, the Cooperative may transfer such unpaid balance to any successive Service Account opened by the Member for the same class of service, and may discontinue service at such successive metering point, residence, or location for nonpayment of such transferred account;
- c. The Member's failure to pay for a different class of service received at the same location. The placing of more than one meter at the same location for the purpose of billing the usage of specific devices under optional Rate Schedules or provisions is not constructed as a different class of service for the purpose of this rule;
- d. The Member's failure to pay a bill which is in dispute; provided, however, that the Member pays that portion of the bill not in dispute;
- e. An individual or a Member has an outstanding debt for electric service more than five (5) years old if the Service Agreement was signed and three (3) years if the agreement was oral;
- f. Because an individual who neither signed the Service Agreement on an account in arrears, nor agreed orally at the time service was established to be responsible for it, wants to put the account in his or her name. The only exception shall be when the individual requesting service in his or her name and the Member of record lived together when the debt was incurred and continue to live together at the same or a new residence.

B. POSTPONEMENT OF DISCONTINUANCE IN SPECIAL CIRCUMSTANCES:

- 1. If a Residential Member notifies the Cooperative and establishes that:
 - a. Discontinuance would be especially dangerous to the health of the Member, resident member of the Member's family, or other permanent resident of the premises where service is rendered; and
 - b. Such Member is unable to pay for such service in accordance with the requirements of the Cooperative's billing, or is able to pay for such service only in installments.

The Cooperative shall either allow payment in reasonable installments or postpone discontinuance of service for at least twenty-one (21) calendar days to enable Member to make arrangements or accommodations.

2. In determining whether discontinuance would be especially dangerous to health, consideration shall be given to the weather, and the Member's or other resident's medical condition, age, or disability.

3. The Member may establish that discontinuance of service would be especially dangerous to the health of the Member, resident member of the Member's family, or other permanent resident of the premises where service is rendered by obtaining a statement signed by the physician or public health official verifying that fact and forwarding or presenting it to the Cooperative office prior to the date of disconnection.

C. NOTICE REQUIREMENTS:

- 1. The Cooperative will give the Member ten (10) days written notice before discontinuing service, unless the discontinuance is upon Member request, or involves a dangerous condition, a violation of Cooperative rules or unauthorized interference diversion or use of service, Section 6 J, in which case the Cooperative may discontinue service immediately. However, if the Cooperative has knowledge that persons other than the Member or the Member's family are residing at the premises where unauthorized interference, diversion, or use (meter bypass) is taking place, the Cooperative shall give such persons a two (2) day written or twenty-four (24) oral notice prior to discontinuance.
- 2. The Cooperative, if it can prove that a Member has received service by using a false identity, may disconnect the Member 48 hours after a personal or phone contact is made with the Member of record or ten (10) days after a disconnect notice is sent, whichever is quicker.
- 3. When notice of discontinuance of service is required it shall be forwarded separate from other utility bills, information or advertising, to the account name and address and in the case of residential occupancy, to the address where service is provided, if different; provided however, that the service location has a mailing address which is provided to the Cooperative by the Residential Member. Service of notice by mail is complete upon mailing. The Cooperative shall maintain the record of the date of mailing and the effective dates of the notice. The notice shall be effective for one (1) month after initial date upon which and after which service can be disconnected.
- 4. The Cooperative may notify, or attempt to notify, Members at least 48 hours before they are to be disconnected via electronic message (i.e. text, e-mail) or phone call if (i) the Member has provided the Cooperative consent to contact him or her for delinquent notices, and (ii) has provided a contact method preference.
- 5. If the records of the Cooperative show that the Service Account which it proposes to discontinue serves more than one residential dwelling unit, the Cooperative shall also post a notice of discontinuance in a common area of the residential building served. Such notice shall be posted at least five (5) days prior to the discontinuance date specified therein.
 - a. The notices required by this Section shall contain the following information:
 - b. The name and address of the Member, and the address, if different, where service is rendered;
 - c. A clear and concise statement of the reason for the proposed discontinuance of service and the cost and conditions for reconnection;

- d. The dates between which service can be discontinued unless the Member takes appropriate action;
- e. Terms under which the Member may avoid discontinuance;
- f. A statement that discontinuance may be postponed or avoided if the Member can demonstrate prior to the date of discontinuance that special circumstances prevent complete payment and satisfactory credit arrangements are made with the Cooperative for monies not in dispute; and
- g. A statement to apprise the Member of the availability of an administrative procedure which may be utilized in the event of a bona fide dispute or under other circumstances, such as special danger to health. The address, telephone number and name of the Cooperative office or personnel empowered to review disputed bills, rectify errors, and prevent disconnection, shall also be included. Language indicating that the Member may meet with a designated employee of the Cooperative to present his or her reasons for disputing a bill or the Cooperative's reasons for discontinuance, requesting credit arrangements, or requesting a postponement of discontinuance.

D. <u>DISCONNECT PROCEDURE</u>:

- Except for discontinuance pursuant to Section 5 A (1) (a), (b), (d), (h), and (i) the Cooperative shall not discontinue service unless at the time of the proposed discontinuance, for one hour after discontinuance and on the full work day following discontinuance, the Cooperative office or authorized personnel identified in the notice given are open or available to the Member for the purposes of making pay arrangements, preventing discontinuance or obtaining reconnection; and
- 2. The Cooperative may disconnect service remotely via AMI enabled meter or in person. The Member will have no additional notification prior to disconnection.

E. <u>RESTORATION OF SERVICE</u>:

- 1. Upon the Member's request, the Cooperative shall restore service promptly when the cause of discontinuance of service has been eliminated, all applicable restoration charges paid, and, if required, satisfactory credit arrangements have been made.
- 2. The Cooperative shall make every effort to restore service on the restoration day requested, and in any event, restoration shall be made no later than the next business day following the day requested by the Member.
- 3. After hours restoration of service will only be offered during the first forty-eight (48) hours after disconnection for non-payment and will be subject to the After Hours Reconnection Fee in accordance with Section 11, Service Fee Rate Schedule.

F. <u>REVIEW OF DISPUTES</u>:

1. When a Member advises the Cooperative, prior to the date of the proposed discontinuance of service, that all or any part of the billing as rendered is in dispute or that the Cooperative's reasons for discontinuance are factually invalid, the Cooperative shall:

- a. Immediately record the date, time, and place the complaint is made;
- b. Postpone discontinuance until a full investigation is completed and the dispute is found to be invalid;
- c. Investigate the dispute promptly and completely; and
- d. Attempt to resolve the dispute informally and in a manner mutually satisfactory to both parties.
- 2. A Member may advise the Cooperative that a bill is in dispute in any reasonable manner such as by written notice, in person, or by a telephone call directed to the appropriate personnel of the Cooperative.
- 3. The Cooperative, in attempting to resolve the dispute in a mutually satisfactory manner, may employ telephone communication, personal meetings, formal or informal hearings, onsite visits, or any other technique reasonably conducive to settlement of the dispute.
- 4. Initially, the Member shall have the burden of showing or establishing to the satisfaction of the Cooperative that all or any part of the billing is erroneous or that the Cooperative's reasons for discontinuance are factually invalid.
- 5. In the event that a dispute is not resolved to the satisfaction of the Member, after full investigation, and the Cooperative intends to proceed with discontinuance, the Cooperative shall advise the Member of formal and informal procedures available. Provided proper notice has been given in accordance with these Rules and Regulations the Cooperative may then discontinue the service.

G. NOTICE OF COMPLAINT PROCEDURE:

1. Once a year, the Cooperative shall provide each of its Members a notice appraising them of the Cooperative's Complaint Procedure including its role in settling complaints which have reached an impasse.

H. COLLECTION, DISCONNECTION, AND RECONNECTION CHARGES:

- 1. If collection of an electric service bill is necessary, the Cooperative will require a Collection Fee as provided in Section 11, Service Fees Rate Schedule.
- 2. Except when requested by the Member, if electric service is disconnected for any of the reasons stated in Section 5 A (1). The Cooperative shall require a Disconnection Charge as filed in Section 11, Service Fees Rate Schedule;
- 3. Upon reconnection of electric service, except when disconnected pursuant to Member's request, the Cooperative shall require a Reconnection Charge as filed in Section 11, Service Fees Rate Schedule;
- 4. Unless otherwise specified in the Electric Service Agreement or applicable Rate Tariff, in the event a Member orders a disconnection and a reconnection of the service at the same premises within the contract period, the Cooperative shall collect, as a Reconnection Charge, the sum of such minimum bills as would have occurred during the period of disconnection, but in no event less than the Reconnection Charge filed in Section 11, Service Fees Rate Schedule;

5. Any Collection, Disconnection, or Reconnection Charges and all other utility charges due shall be paid before service is restored. These charges are in addition to any deposit which may be required by the Cooperative before service is restored.

SECTION 6 - MEMBER'S SERVICE OBLIGATIONS:

- A. <u>MEMBER TO FURNISH RIGHT-OF-WAY</u>: The Member will provide or procure for the Cooperative at his expense such rights-of-way (including permission to trim or remove any trees that may interfere with the operation of the Cooperative's facilities) as are satisfactory to the Cooperative, across property owned or otherwise controlled by the Member, for the construction, operation, and maintenance by the Cooperative of its facilities necessary or incidental to the supplying of such electric service.
- B. <u>ACCESS TO MEMBER'S PREMISES</u>: The Member shall give the duly authorized agents and employees of the Cooperative full and free access to the premises of the Member for the purpose of construction, installing, inspecting, adjusting, repairing, maintaining, replacing, or removing any of the Cooperative's facilities on the premises of the Member, reading meters, or for any purpose incidental to the electric service supplied by the Cooperative.

C. <u>MEMBER'S INSTALLATION</u>:

- 1. Service entrances, switch boxes, service cabinets, switches, fuse blocks, conduit, wiring, connections, and other equipment, and the installation thereof for the reception, use, and control of electric energy by the Member shall be of the type approved by the Cooperative and shall meet the requirements of the National Electrical Code and comply with all state and municipal codes insofar as they apply;
- 2. Any and all wiring, appliances, or equipment required to transform, control, regulate, or utilize beyond the point of delivery the electric service supplied by the Cooperative which are furnished, installed, and maintained by the Member shall be the sole responsibility of, the Member;
- 3. The Member agrees to repair and replace when necessary, all wires and appurtenances furnished by the Member for reception and use of electric service in a safe condition and in compliance with the National Electrical Code and all state and municipal codes insofar as they apply. Member shall obtain written Cooperative approval before connecting any single phase motor in excess of ten (10) horsepower or any three-phase motor in excess of twenty (20) horsepower. Cooperative reserves the right to require soft-start capabilities if it is determined that across-the-line motor starting would adversely impact power quality. Deleterious effects caused by improper motor starting may result in suspension of service in accordance with Section 6 E

D. PROTECTION OF MEMBER'S EQUIPMENT:

- 1. The Member shall be responsible for determining whether the Member's installation and all portions thereof, are and will be suitable for operation at the voltage, phase, and other characteristics of the class of service to be supplied by the Cooperative;
- 2. The protection of the Member's equipment is the full responsibility of the Member. Any Member desiring protection against interruptions, phase failure, phase reversal, voltage variations, or other temporary irregularities or failure of part or all of the electric service shall, at his own expense, furnish on such Member's installation such protective equipment.

- E. <u>DANGEROUS OR DISTURBING USES</u>: The Member shall use the electric service supplied by the Cooperative with due regard to the effect of such use on the Cooperative's electric service to its other Members and on the facilities and equipment of the Cooperative. The Cooperative may refuse to supply electric service or may suspend electric service to a Member, immediately, without notice under Section 5 A (1) if the Member's installation is in an unsafe or dangerous condition or is so designed or operated as to disturb or adversely affect the safety of the Member or other persons, or the integrity of the Cooperative's delivery system.
- F. <u>INSPECTION AND RECOMMENDATIONS</u>: The responsibility of the Member regarding his use of the electric service supplied by the Cooperative is not set aside, and the Cooperative shall in no way be liable or responsible, on account of any inspections or recommendations by the Cooperative which are made as a courtesy to the Member or as a protection to the electric service supplied by the Cooperative to its other Members. The Cooperative reserves the right, but assumes no duty, to inspect the Member's installation and facilities for suspected unsafe conditions.
- G. <u>DEFECTIVE MEMBER EQUIPMENT</u>: Defective appliances or fixtures shall be disconnected at once and properly repaired before further use. Defective appliances or fixtures includes those which have been found by tests to be causing interference to radio, television, and like electronic equipment used by others. If electric energy is found to be escaping from any wires or equipment in or about Member's premises, Member shall open the service switch immediately to shut off the flow of electric energy and notify Cooperative at once.
- H. <u>CONSTRUCTION OR USES AFFECTING COOPERATIVE'S EQUIPMENT</u>: Member shall consult with the Cooperative before causing or permitting any construction that will affect any of the Cooperative's service facilities or equipment. Member shall not, without written consent of the Cooperative, enclose any exposed portion of service facilities, use any of the poles, wires, structures, or other facilities of the Cooperative for fastening thereto, support, or any purpose whatsoever, nor shall Member locate anything in such proximity to the aforesaid facilities of the Cooperative as to cause, or be likely to cause, interference with the supply of electric service, or a dangerous condition. The Member shall be required to reimburse the Cooperative for any costs due to a change in the location in meters, service lines, or other equipment made at the request of Member, or necessitated by the Member's interference with the Cooperative's facilities. The Cooperative reserves the right to remove, immediately and without notice, any unauthorized attachments to its facilities. The Cooperative's equipment will be removed or relocated only by employees, agents, or authorized representatives of the Cooperative. Any infraction of this rule shall be sufficient cause for discontinuance of service under Section 5 A (1).

I. PROTECTION OF COOPERATIVE'S PROPERTY:

- 1. The Member at all times shall protect the property of the Cooperative on the premises of the Member and shall permit no person other than the employees and agents of the Cooperative and other persons authorized by law to inspect, work on, open or otherwise handle the wires, meters, or other facilities of the Cooperative. Any infraction of this rule shall be considered sufficient cause for discontinuance of service immediately, without notice under Section 5 A (1)
- 2. In case of loss or damage to the property of the Cooperative on account of any carelessness, neglect, tampering, or misuse by the Member, any member of his family, or his agents, servants, or employees, the Member shall reimburse the Cooperative for the cost of any necessary repairs or replacements of such facilities or the value of such facilities.

J. TAMPERING OR FRAUDULENT USE OF COOPERATIVE'S FACILITIES:

- 1. The Cooperative may discontinue service to a Member under Section 5 A (1) and remove its facilities from the Member's premises, in case evidence is found that any portion of the Cooperative's facilities have been tampered with in such manner that the Member may have received unmetered service or in the event evidence of fraudulent use of electric service in any manner is discovered;
- 2. In such event, the Cooperative may require the Member to pay all bills, including a bill for such amount of electric service as the Cooperative may estimate, from available information, to have been used but not registered by the Cooperative's meter or otherwise fraudulently used, and to increase the amount of his cash security deposit or surety bond, or other credit arrangement, and pay all damages to Cooperative owned equipment, if any, before electric service is restored. In addition, before service is restored, the Member shall be required to bear all costs incurred by the Cooperative, for such protective equipment as in the judgment of the Cooperative, may be necessary and give satisfactory assurance that such tampering and fraudulent use of electric service will be discontinued;
- 3. The existence of tampered connection, meters or devices which operate to cause diversion or fraudulent use of electric service, shall be taken as prima facie evidence of diversion of electric service by Member.

K. INDEMNITY TO COOPERATIVE:

1. The Member shall indemnify, save harmless, and defend the Cooperative against all claims, demands, costs or expense, or loss, damage, or injury to persons or property, in any manner directly or indirectly connected with, or growing out of the distribution or use of electric service by the Member at or on the Member's side of the point of delivery;

- 2. The Member shall indemnify, save harmless, and defend the Cooperative against all claims, demands, costs or expense for trespass, injury to persons, or damage to lawns, trees, shrubs, buildings, or other property that may be caused by reasons of or related to installation, maintenance, or replacement of Cooperative's service lines or other necessary appurtenances to serve Member, unless the injury to persons or damage to property has been caused by willful default or negligence on the part of the Cooperative.
- L. <u>PARALLEL OPERATION</u>: No Member shall operate or permit operation of electric generating equipment in parallel with electric service supplied by the Cooperative except as may be permitted under a special Electric Service Agreement. Any infraction of this rule shall be sufficient cause for discontinuance under Section 5 A (1).
- M. <u>DOUBLE THROW SWITCH</u>: Members may provide electrical service on their premises to operate equipment during periods of emergency when Cooperative's service is interrupted. A double throw switch, of an approved size and type, will be installed and maintained at the expense of the Member to separate the facilities of the Member from those of the Cooperative when such equipment is in use. Any infraction of this rule will be sufficient cause for discontinuance under Section 5 A (1).
- N. <u>CHARGES FOR WORK COMPLETED ON MEMBER'S PREMISES</u>: The Cooperative shall charge for all materials furnished and for all work done on Member's premises beyond the equipment owned and installed by the Cooperative, for trouble calls not occasioned by negligence on the part of the Cooperative, for repair of electric appliances, and any other work or service requested and authorized by Member. The charges shall be based upon Cooperative's existing schedule for such work. The Cooperative will not charge for replacement or repair of equipment furnished and owned by the Cooperative on Member's premises except when repairs or replacement are caused by negligence or misuse by Member or Member's agents.
- O. <u>NOTICE TO COOPERATIVE TO DISCONTINUE SERVICE</u>: Any contract made for service shall continue in full force and effect during its term. Service shall be discontinued by Member in accordance with the terms of the Service Agreement. If no terms are specified, Member may discontinue service upon giving a seven (7) days written or verbal notice to Cooperative. In case no such notice is given to Cooperative, the terminating Member shall be responsible for all service supplied until such notice is given to Cooperative. In the case of rental property, the owner may contract in writing for service to be continued automatically in owner's name, with full responsibility for payment of all service thereafter delivered, when service is terminated at the request of any tenant.

SECTION 7 - COOPERATIVE'S SERVICE OBLIGATIONS:

A. OVERHEAD SERVICE INSTALLATION:

- 1. <u>Installation of Service Wires to Pole</u>: The Cooperative will install overhead service wires from the distribution pole line to a pole located on or adjacent to the Member's property. The Cooperative will designate the point at which the pole will be located and overhead service wires will be brought to the pole for attachment to the Member's entrance wires. The pole and the meter equipment thereon shall be furnished in accordance with the cooperative's procedures for the installation of meter loops, meter receptacles, meters, and related appurtenances by the Cooperative. All service entrance wires and appurtenances thereto beyond this point shall be supplied and maintained by the Member.
- 2. <u>Installation of Service Wires to Building</u>: Under exceptional conditions the Cooperative may elect to install overhead service wires from the distribution pole lines to the exterior of one of the Member's buildings. The Cooperative will designate the point to which its service wires will be brought on the exterior of the building for attachment to Member's service entrance wires. Metering equipment attached to the building shall be furnished in accordance with the Cooperative's procedures for the installation of meter loops, meter receptacles, meters, and related appurtenances, by the Cooperative. All service wires and appurtenances thereto beyond this point shall be supplied and maintained by the Member.

B. UNDERGROUND SERVICE INSTALLATION:

- 1. The Cooperative shall determine those areas where underground electric facilities shall be furnished.
- 2. A Member desiring existing overhead electric facilities to be replaced by underground facilities, shall pay for the total cost of the conversion and underground facilities less material salvage, if any;
- 3. If Member desires underground electric facilities where the Cooperative has determined that overhead facilities should be used, the Cooperative will install underground service provided the Member bears the full cost of an amount equal to the estimated cost differential between the cost of underground service facilities and the cost of standard overhead facilities;
- 4. Any Member desiring underground service to his building shall furnish and install, at his own expense, the necessary conduit, master breaker, or main fuse disconnects, underground wires and appurtenances at the point of delivery located on or adjacent to the Member's premises, and all wires and appurtenances to be installed beyond this point of service;
- 5. Where underground service is installed, the poles and meter equipment thereon shall be furnished in accordance with the Cooperative's procedures for the installation of meter loops, meter receptacles, meters, and related appurtenances by the Cooperative.

C. <u>ENERGIZING BY COOPERATIVE ONLY</u>: Only authorized Cooperative employees shall be permitted to energize the Cooperative's facilities. Any infraction of this rule shall be sufficient cause for discontinuance of service under Section 5 A (1).

D. <u>DELIVERY OF ELECTRIC SERVICE</u>:

- 1. The obligation of the Cooperative to supply electric service shall be completed by the supplying of such electric service at the Member's point of delivery. The responsibility of the Cooperative for the quality of service and operation of its facilities ends at the point of delivery;
- 2. The point of delivery at which electric energy is furnished to the Member will be the Cooperative's meter on Member's premises, unless otherwise defined by the Member's Electric Service Agreement;
- 3. The Cooperative will not be liable for any loss, damage, or injury whatsoever caused by leakage, escape, or loss of electric energy after it has passed the point of delivery, nor for defects in the Member's wiring, appliances, or equipment;
- 4. The Cooperative shall be required only to furnish, install, and maintain one connection from its distribution facilities, service conductors from such connection to the Member's point of delivery, and one meter installation to measure such electric service to the Member for each class of service;
- 5. The Cooperative shall not be obligated to supply electric service to a Member for a portion of the electrical requirements on the premises of the Member, except pursuant to a special Electric Service Agreement as required in Section 6 L.
- E. <u>PROPERTY OF THE COOPERATIVE</u>: All facilities furnished and installed by the Cooperative on the premises of the Member for the supply of electric service to the Member shall be and remain the exclusive property of the Cooperative. All facilities on the premises of the Member which are or become the property of the Cooperative shall be operated and maintained by and at the expense of the Cooperative, may be replaced by the Cooperative at any time, and may be removed by the Cooperative upon termination of the Member's Electric Service Agreement or upon discontinuance by the Cooperative of electric service to the Member for any reason.
- F. <u>CONTINUITY OF SERVICE</u>: The Cooperative will use reasonable diligence to supply continuous electric service, but does not guarantee the supply of electric service against irregularities or interruptions. In no event shall the Cooperative be liable for damages from irregularities or interruptions of service, caused by, but not limited to failure of facilities, breakdowns or injury to equipment, extraordinary repairs, an act of God, public enemy, accidents, labor disturbance, strikes or their equivalent, sabotage, legal process, federal, state or municipal interferences and restraint by public authority, any emergency, or any cause beyond the Cooperative's control.

G. <u>CURTAILMENT, INTERRUPTION OR SUSPENSION OF SERVICE</u>: The Cooperative shall have the right to curtail (including voltage reduction), interrupt, or suspend electric service to the Member as may be necessary for the inspection, maintenance, alteration, change, replacement or repair of electric facilities, or for the preservation or restoration of its system operations or of operations on the part of the interconnected electric systems of which the Cooperative's system is a part or as directed by any federal, state, or municipal authority.

H. <u>RESTORATION OF SERVICE</u>:

- 1. In all cases of curtailment, irregularity, interruption, or suspension of service, the Cooperative will make every reasonable effort to restore service without unnecessary delay. Labor disturbances affecting the Cooperative or involving employees of the Cooperative may be resolved by the Cooperative at its sole discretion;
- 2. The Cooperative shall not be considered in default of the Electric Service Agreement with Member, and shall not otherwise be liable for any damage occasioned by any curtailment, irregularity, interruption, or suspension of electric service. The Member shall not be relieved from charges provided for in the Electric Service Agreement and Rate Schedules because of curtailment, irregularity, interruption, or suspension of electric service.
- I. <u>LIABILITY OF COOPERATIVE</u>: The Cooperative shall not be considered in default of the Electric Service Agreement and shall not otherwise be liable on account of any failure by the Cooperative to perform any obligation if prevented from fulfilling such obligation by reason of any delivery delay, breakdown or failure of or damage to facilities, an electric disturbance originating on or transmitted through electrical systems with which the Cooperative's system is interconnected, act of God or public enemy, strike, or other labor disturbance involving the Cooperative or the Member, civil, military, or governmental authority, or any cause beyond the control of the Cooperative.

SECTION 8 - LINE EXTENSION POLICY:

- A. <u>APPLICABILITY</u>: This policy applies to facility improvements and additions required to serve new electric loads at new locations or additional electric loads at existing locations. As used in Section 8, the term "line extension" shall include all facility additions and modifications required to serve specific load additions including but not limited to lines of increased length or load carrying capacity, substation enlargements, transformers, breakers, switches, other ancillary equipment and Member-site facilities. This policy also applies to the provision of enhanced metering or other non-standard improvements made at the Member's request.
- B. <u>CONTRACT TERM</u>: As evidence that the Member accepts service under the terms of this policy, the Member will be required to sign an Electric Service Agreement guaranteeing the increased monthly charges specified herein for a mutually agreed upon period. After the initial period, the monthly charges will not exceed the amount set forth in the appropriate Rate Schedule. If Member or Cooperative terminates service, remaining unpaid line extension charges shall become immediately due and payable.

C. <u>RESIDENTIAL LINE EXTENSIONS</u>:

- 1. Permanent residential Members will be required to pay an additional monthly Member charge to compensate Cooperative for line extension costs exceeding \$3,000.00, which shall be considered the cost allowance. The additional monthly Member charge shall be calculated by amortizing costs exceeding the cost allowance over a mutually agreed upon contract term at a discount rate equal to the Cooperative's most recently approved electric rate of return. This additional monthly Member charge will be in addition to any Member charges set forth in the appropriate Rate Schedule;
- 2. The Cooperative shall not be required to grant the above-defined cost allowance to Members that are not Permanent Residential Members. A Permanent Residential Member is a single family residence or rural residence consisting of a single structure roofed and enclosed within exterior walls, built for permanent use, erected, framed of component structural parts and unified in its entirety attached to a permanent foundation and in operation for single-family residential occupancy;
- 3. Line extensions for permanent residential structures not yet constructed shall be considered non-residential if they have not been built and occupied within 24 months of completion of the line extension and will revert to charges in accordance with Sections 8 D and 8 E for non-residential service type accounts.

D. <u>NON-RESIDENTIAL LINE EXTENSIONS – DISTANCE EXCLUSION</u>: Non-Residential Members are not entitled to a specific cost allowance.

E. SPECIAL CONTRACTS FOR NON-RESIDENTIAL LINE EXTENSIONS:

1. For Non-Residential Members, where it is necessary to make extensions or reinforce distribution lines to provide service such that in the sole judgment of the Cooperative, the revenue to be derived from, or the duration of the prospective business is not sufficient under the specified monthly Member charges to warrant the investment, the

Cooperative may require any one or more of the following of the Member before undertaking to supply service:

- a. An additional monthly Member charge calculated with the Cooperative's standard economic model,
- b. A cash contribution in advance, or
- c. An acceptable guarantee, or bond.
- 2. In such cases, the Member will enter into a written contract with the Cooperative as to the character, amount and duration of the business offered. No interest will accrue or be payable to Member on any cash contribution required by the Cooperative.
- F. <u>PRORATION OF LINE EXTENSION CHARGES</u>: The additional monthly charge determined in accordance with paragraphs C and E of this Section will be prorated on an equal basis between all Members of a like classification that are initially or subsequently served by the line extension within the contract period. Adjustments to the additional monthly charge of the original Member or Members will only be made at Member's request for additional permanent Members whose premises are adjacent to and served directly from the original line extension. The total adjustment will not reduce the charge below those required in the Cooperative's applicable Rate Schedule. In the event that multiple Members of dissimilar rate classes are served from a common extension, Cooperative shall make a good faith effort to reallocate costs based on amount of shared line and size of connected loads. Cooperative is not required to refund line extension charges paid in advance or prior to connection of additional Members.
- G. <u>AREA DEVELOPMENT</u>: If the promoter, developer or owner of a housing development area requests that Cooperative construct its distribution system therein in advance of the completion of a substantial number of the houses, Cooperative may require a deposit from the promoter, developer or owner in sufficient amount to cover the cost of Cooperative's distribution system, but the refundable portion of the deposit will be refunded without interest to and upon request of said promoter, developer or owner, proportionately, as the houses or buildings are constructed, occupied and connected to the distribution system during the succeeding five (5) years. The refundable portion shall be the lesser of the deposit described herein or the Cooperative's cost allowance set forth in Section 8 C (1).
- H. <u>UNDERGROUND EXTENSIONS</u>: If Cooperative is requested to make an underground extension of its distribution system, such extension will be installed according to standards of the Cooperative. Cooperative will contribute towards the cost of such extension an amount equal to the cost allowance for equivalent overhead service. Member will contribute the difference between the cost of the underground service and the contribution made by the Cooperative.
- I. <u>BASIS OF DETERMINING COSTS</u>: The term cost or actual cost as used herein will be the actual cost of materials used and labor required, including tree trimming, plus cost for use of tools and equipment, storeroom and accounting expense, overheads and superintendence.

- J. <u>RIGHT-OF-WAY AND FRANCHISE LIMITATIONS</u>: There will be no absolute requirement that the Cooperative secure private right-of-way for the purpose of making extensions of overhead or underground lines or other facilities to premises of prospective Members. Member will provide or procure for the Cooperative such rights-of-way as are satisfactory to the Cooperative across property owned or otherwise controlled by a Member for the construction, operation and maintenance by the Cooperative of its facilities necessary or incidental to the supplying of electric service. When necessary, Cooperative will endeavor to secure franchise rights from municipality to cover urban extensions requested, but will not undertake to make extensions on streets or alleys not covered by lawful franchise grants.
- K. <u>EXTENSIONS ON UNIMPROVED STREETS AND ALLEYS</u>: Cooperative will not be required to construct any extensions of overhead or underground lines or other facilities in any streets or alley for which the property lines, sidewalk lines and curb lines have not been established by the city, nor on any streets or alleys which have not been previously graded by the city except where, although the street or alley is not graded, the grade will have been established and the contour of the ground will not be more than six (6) inches above or below the established grade at the proposed locations of the Cooperative's power lines or other facilities.
- L. <u>SUBSTATION AND POWER LINES ON MEMBER'S PREMISES</u>: If, in order to service a Member, it is found necessary or desirable for the Cooperative to install an indoor substation consisting of transformers, switching equipment, or other apparatus, the Member will furnish, without cost to the Cooperative, a weather proof building or room. Such space will be well ventilated and reasonably free from moisture or dust, of sufficient size to house and operate safely such transformer and other equipment that are to be furnished by Cooperative. Member will also furnish, without cost to the Cooperative, right-of-way over Member's property for Cooperative power line or other facilities necessary to service the Member. Where the Member is not the owner of the premises to be served, written consent of the owner will be furnished to the Cooperative, on a form provided for that purpose. If an outdoor substation is found necessary or desirable, the Member will furnish, without cost to the Cooperative, sufficient ground are to properly install such equipment as may be required.
- M. <u>EXTENSIONS PROPERTY OF THE COOPERATIVE</u>: All extensions made under these rules will at all times be and remain the property of the Cooperative subject to the Terms of Section 7 F.

SECTION 9 – METERING:

- A. <u>METERING OF SERVICE</u>: If electric metering installations are to be made on premises not previously supplied with electricity by the Cooperative, Members will furnish and install, at their expense, outside metering installations in accordance with Cooperative's plan. Meter, meter receptacles and any necessary meter poles as determined by the Cooperative will be furnished without charge by the Cooperative.
- B. <u>SEPARATE METERING</u>: Where Cooperative's Rate Schedules provide for separate metering of different classes of service, Member's wiring shall be so arranged that each class of service can be metered separately. Not more than one set of service wires will be run to one building or premises for each class of service furnished to the Member.
- C. <u>MULTI-METERING INSTALLATIONS</u>: The Cooperative will eliminate, on a prospective basis, the practice of providing electric service to more than one Member in a Multiple Residential complex through a single metering point. Separate Applications for electric service will be made and separate meters installed for each dwelling unit within a Multiple Residential Complex. The meters will be connected to one set of service wires, providing the service wires are of sufficient size to furnish an ample supply to all Members. Member's wiring shall be so arranged as to permit the installation of Cooperative's meters immediately adjacent to each other.

D. CHANGES IN METER INSTALLATIONS:

- 1. Meter changes requested by the Cooperative that involve the replacement or relocation of Cooperative's service wires, metering equipment, yard poles, etc., and in the Member's entrance wires, entrance switches, etc., shall be provided at the Cooperative's expense;
- 2. Changes requested by the Member that involves the replacement or relocation of Cooperative's service wires, metering equipment, yard poles, guys and anchors, etc., shall be provided at the Member's expense.
- E. <u>COMPLIANCE WITH SAFETY REQUIREMENTS</u>: Service entrance, switch boxes, service cabinets, switches, fuse blocks, meter bases or sockets, conduit, wiring, connections and other equipment and the installation thereof for the reception and control of electric energy delivered to Member, will be in accordance with National Electric Safety Code and/or the National Electrical Code of types approved by the Cooperative and will meet the requirements of the National Board of Fire Underwriters, and comply with the state and municipal codes insofar as they apply. In accordance with the ruling of the National Board of Fire Underwriters, meter service boxes, conduits and all wiring apparatus on Member's premises will be permanently grounded for the Member's protection.
- F. <u>METER SEALS</u>: Seals will be placed on all meters or meter enclosures by Cooperative and such seals shall not be broken or disturbed by anyone other than authorized representatives of the Cooperative.

G. <u>METER ACCURACY AND TESTING</u>:

- 1. The accuracy and testing of Cooperative's meters shall be in accordance with these Rules and Regulations.
- 2. Whenever any test by the Cooperative of a watt-hour meter, while in service or on its removal from service, shall show such meter to have an average error of more than two percent (2%) fast or two percent (2%) slow, the following provisions for the adjustment of the electric service bill shall be observed:
 - a. The error found shall be considered for the purpose of these rules to have existed for not more than six (6) months preceding the test or for the time the meter has been in service at the location if less than six (6) months, or from the actual time the meter became damaged if such time can be positively determined and is less than six (6) months prior to the time of the test;
 - b. If the meter is found to be faster than allowable, the Cooperative shall refund to the Member concerned any overcharge caused thereby during the period of inaccuracy of the meter as defined above. The actual error of the meter and not the difference between the allowable error and the error of the meter as found shall be used as the basis for calculating the refund;
 - c. If the meter is found to under-register, the Cooperative may render a bill to the Member concerned for the estimated consumption not covered by bills previously rendered during the period of inaccuracy as defined in the preceding paragraphs. Such action may be taken, however, only in cases where the bill for estimated inaccuracy amounts to one dollar (\$1.00) or more, and all such bills shall be conditional upon the Cooperative's not being at fault for allowing the inaccurate meter to remain in service. The Cooperative shall in no case render a bill for under-registration where a meter has been found to be slow, unless the particular meter has been tested in conformity paragraph G (2), of this Section;
 - d. In the case of a non-registering meter which has been read by the Cooperative during the period of non-registration, the Cooperative shall not render a bill for estimated consumption extending over more than twice the regular interval between readings.
- H. <u>DEMAND METERS</u>: Whenever any tests by the Cooperative of a demand meter while in service or on its removal from service, shows such meter to be more than two percent (2%) in error, the provisions covering the adjustment of charges in the case of service watt-hour meters shall be observed insofar as they are applicable. If the demand meter depends upon actuations from the watt-hour meter or its readings, the average error of the demand meter shall be determined from the heavy load accuracy of the watt-hour meter in conjunction with the accuracy of the demand meter itself.
- I. <u>SPECIAL METER TESTS</u>: If a Member requests the Cooperative to test a meter, the Member shall deposit with the Cooperative a Meter Test Fee as filed in the Service Fees Rate Schedule. If the meter is found to be within the accuracy limits established, the entire Meter Test Fee will be retained in order to help defray the Cooperative's expense in testing the meter. In all other cases, the Meter Test Fee shall be refunded to the Member.

SECTION 10 - GENERAL CLAUSES:

- A. <u>WAIVER</u>: Waiver by the Cooperative with respect to any default by a Member in complying with the provisions of the Electric Service Agreement and these Rules and Regulations shall not be deemed to be a waiver with respect to any other or subsequent default by such Member.
- B. <u>LEGAL NOTICES BETWEEN MEMBER AND COOPERATIVE</u>: All notices addressed to the Cooperative shall be in writing and no telephone communication shall be considered as proper notice unless otherwise specifically provided for in these Rules and Regulations.
- C. <u>AUTHORITY AND WAIVER</u>: The requirements contained in these Terms and Conditions may be waived in individual cases at Company's discretion upon request by the Customer and a determination that compliance with the requirement would serve the interests of neither the Company nor the Customer. No representative, agent, or employee of the Company below the level of Chief Executive Officer or his designee will otherwise have the authority to amend, modify, alter, or waive any of Company's Terms and Conditions or bind the Company by promises or representations, written or oral.
- D. <u>REQUEST FOR INVESTIGATION</u>: If Member feels that service is not adequate and sufficient, the Cooperative should first be advised, as soon as possible, in writing, of the nature of the complaint so that the proper investigation may be conducted.

SECTION: 11: SERVICE FEES RATE SCHEDULE:

The following schedule of fees and charges shall be collected by the Cooperative in accordance with the provisions of the Rules and Regulations:

- 1. Temporary Service Minimum Fee ------ \$75.00
- 2. Meter Reading Fee ------ \$25.00
- 3. Returned Check Charge A charge not exceeding \$30.00, the maximum provided by K.S.A. 21-5821.
- 4. Connect Charge-----\$15.00
- 5. Collection Charge ------ \$25.00
- 6. Disconnection Charge ------ \$25.00
- 7. Reconnection Charge ------ \$25.00
- 8. Meter Test Fee-----\$20.00
- 9. After Hours Service Fee-----\$160.00