# The Sedgwick County Electric Cooperative Association, Inc.



## RULES AND REGULATIONS

These Rules and Regulations are part of the Electric Service Agreement between the Cooperative and the Member. They are subject to change from time to time by the Board of Trustees without any further notice. There is intended to be no inconsistency between these Rules and Regulations and more specific provisions in the Rate Schedules. If there should appear to be any such inconsistency, the more specific provisions in the Rate Schedules shall prevail. Copies of these Rules and Regulations may be reviewed or obtained by any Member at the Cooperative's principal place of business.

All Rules and Regulations approved by the Kansas Corporation Commission (KCC) before September 23, 1996.

- 09/23/96 Membership voted by mail to become deregulated from the Kansas Corporation Commission (KCC)
- 09/23/96 Existing rules and regulations adopted by Board with all references to KCC changed to Board of Trustees (BOT)
- 01/20/97 Section 8A Line extension changed from 1/8 to 1/16 mile
- 07/21/97 Section 6C Thermal Treatment delete by Board per recommendation in KCC order 190-381-U
- 07/21/97 Section 4K(e) Delete Arrearage Average Payment Plan
- 07/21/97 Section 4M(2) Change wording to "below 35 degrees Fahrenheit"
- 09/20/97 Section 4(K) Add "irrigation" to first sentence of (1)(a)
- 02/16/98 Section 4(K) Delete (1)(b)
- 02/16/98 Section 4(M) Changed several parts of Cold Weather Rule
- 03/22/99 Section 3(B) Changes in (1) & (2) Payment of Security Deposit
- 11/20/00 Section 8(D) Added language to (1) (for whole house on demand water heaters)
- 01/20/03 Section 4(M) and 5(A), (C), (D) Deleted separate delinquent notices and most telephone calls for disconnection
- 10/20/03 Section 11(C) Changed Service Fee Rate Schedule
- 07/18/05 Section 4(F)(4) Eliminate (3 consecutive billing periods)
- 01/30/06 Section 4(M) Changed temperature from 35° to 32°
- 04/17/06 Section K(1)(b) Add (exception will be if you sign up and pay using the automatic bank draft or ACH. The due date will be the last Friday of the month)
- 07/16/07 Section 11(C) Changed Service Fee Rate Schedule
- 09/22/08 Section 4(M) Changed the Cold Weather dates to November 30 to March 1
- 02/23/09 Section 7 Deleted A(2), B(3) Changed wording on A(1) and B(5)
- 02/23/09 Section 8 Deleted C & E Added new A, B & C Changed wording in D(1) & F
- 02/23/09 Section 9 Changed wording in A
- 11/16/09 Section 4(K) Changed the wording on (1)(a) and then deleted (a),(b) and (c).
- 11/21/11 Section 11(C) Added Meter Tampering Fee
- 09/17/12 Section 5(D) Added Remote Disconnect Procedure
- 08/18/14 Section 11(B) Moved to Section 8(F)
- 08/18/14 Section 11(C) Added After Hours/Weekend/Holiday Reconnect Charge of \$180.00 (Now Section 11(B))
- 11/17/14 Section 3(B) Changed the number of months security deposit required
- 12/18/17 Section 11(B)9 Removed Credit Card Convenience Fee of \$4.95
- 12/18/23 Section 8(A)- Changed the investment amount from \$2,000 to \$2,500.

## **RULES AND REGULATIONS**

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#### **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 Sedgwick County Electric Cooperative Association, Inc., 1355 S 383<sup>rd</sup> St W, Cheney, Kansas, 67025; 316-542-3131; which furnishes electric service under these Rules and Regulations.
- B. <u>COMMISSION</u>: The State Corporation Commission of the State of Kansas, 1500 S.W. Arrowhead Rd, Topeka, Kansas 66604; or any successor of such Commission having jurisdiction of the subject matter hereof.
- C. <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.
- D. <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.
- E. TOWN: The area within the incorporated boundaries of communities.
- F. <u>VILLAGE:</u> The area within the unincorporated boundaries of communities.
- G. <u>RURAL</u>: All areas not included in the Town or Village area.
- H. <u>ELECTRIC SERVICE AGREEMENT:</u> The application, agreement, or contract, pursuant to which the Cooperative supplies electric service to the Member.
- 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 the Member to the 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:

- (1) 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 and all Rules and Regulations in effect and on file adopted by the Board of Trustees, as such rules and regulations may be altered or amended by the Board from time to time, 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.
- C. <u>RATES:</u> Rates for electric service shall be those of the Cooperative on file and subject to change by the Board of Trustees. Copies of the Rate Schedules currently in effect may be reviewed by any Member at the Cooperative's principal place of business.
- 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. TEMPORARY SERVICE:

- (1) <u>Additional Charge:</u> Temporary service shall be supplied in accordance with the applicable Rate Schedule for the type of service to be supplied, except that 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 than the Temporary Service Minimum Fee as filed in the Service Fees Rate Schedule; plus
  - (b) a security deposit or deposits, if required, 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 the Member's bills for electric service have been paid.
- F. <u>CHANGE IN OCCUPANCY:</u> When a change of occupancy is to take place on any 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 record should be retained for at least four months. 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.
- 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 5A(1).

#### SECTION 3 – CREDIT AND SECURITY DEPOSIT REGULATIONS

#### A. ESTABLISHMENT AND MAINTENANCE OF CREDIT:

- (1) <u>Credit Information:</u> The Member may be required to provide reasonable credit information to the Cooperative before service is made available. The credit information shall be requested and provided on the Electric Service Agreement form. The Cooperative may request positive identification (identified as photo with name) from Residential Members. If positive identification is not immediately available, a Member providing a full deposit shall have two (2) months to provide positive identification and up to two (2) additional months if payments are kept current. A commensurate period should be allowed for less than a full deposit. If the Member fails to provide positive identification by the end of the four-month or appropriate time period, the Member's electric service may be disconnected in accordance with Section 5 until such time as positive identification is provided.
- (2) <u>Security Deposit Required:</u> The Cooperative may, at the time of Application for service, require a security deposit to guarantee payment of bills for electric service rendered if:
  - (a) the Cooperative establishes that the Member has an unsatisfactory credit rating, or has an insufficient prior credit history upon which a credit rating may be used;
  - (b) the Member has outstanding, with the Cooperative or other utility, an undisputed and unpaid service account which accrued within the last five (5) years if the service was provided pursuant to a written agreement, or three (3) years if the service was provided pursuant to an oral agreement.
  - (c) the Member has obtained electric service by tampering with the electric equipment of any utility within the last five (5) years. Tampering is defined as:
    - (i) making a connection of any wire, conduit or device, to any service or transmission line owned by utility.
    - (ii) defacing, puncturing, removing, reversing or altering any meter or any connections, for the purpose of securing unauthorized or unmeasured electricity;
    - (iii) preventing any such meter from properly measuring or registering; or
    - (iv) taking, receiving, using or converting any electricity which has not been measured.

The Cooperative may at any time after Application for service, upon five (5) days written notice, require a deposit to guarantee payment of bills for utility service rendered if;

- (a) the Cooperative establishes that the Member has an unsatisfactory credit rating, or has an insufficient prior credit history upon which a credit rating may be based;
- (b) the Member has outstanding, with the Cooperative or other utility, an undisputed and unpaid service account which accrued the last five (5) years if the Service Agreement was signed, or three (3) years if service was provided after an oral agreement alone;
- (c) the Member has obtained electric service by tampering as defined in Section 3A(2)c, from any utility within the last five (5) years;
- (d) the Member fails to pay an undisputed bill before the delinquency date for three (3) consecutive billing periods, one of which is at least 60 days in arrears.

No deposit shall be required because of a Member's race, sex, creed, national origin, marital status, age, number of dependents, source of income, or geographical area of residence.

(3) Guaranty of Surety Bond: In lieu of requiring a security deposit, the Cooperative shall accept the written guarantee of any of its Residential Members with no deposit on file or may accept the written guarantee of a responsible party as surety for a Member's Electric Service Agreement. 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 Member's debt is transferred to the Guarantor's account, the Guarantor shall have the same time to pay the deposit as the new Member and can be disconnected for nonpayment under conditions set out in Section 5, or the Cold Weather Rule. The Cooperative shall not hold any Guarantor liable for sums in excess of the maximum amount of the required cash security deposit or for attorney or collection fees. The Guarantor of a Residential Member shall be released upon non-delinquent payment of all undisputed proper charges for electric service as outlined in Section 3D or upon termination of service and payment of service bills. If the Guarantor moves off the Cooperative's system or is required to provide his or her own deposit, the guarantee is no longer valid and the Cooperative may require the Member to make a cash deposit or

obtain surety bond or another written guarantee for the remainder of time until the deposit is returned or until electric service is terminated.

#### B. CALCULATION AND PAYMENT OF SECURITY DEPOSIT OR SURETY BOND:

- (1) For Residential and Small Commercial accounts, the amount of the cash security deposit or surety bond required shall not exceed three (3) times the account's projected annual average monthly bill. If the Cooperative is utilizing "turn-around" billing or has a "Member Cold Weather Payment Agreement" for the account, the cash deposit or surety bond shall not exceed four (4) times the account's projected annual average monthly bills. If the Member has been documented to have obtained electric service by tampering as defined in Section 3A(2)c within the last five (5) years, an additional deposit based on one (1) months' projected annual average billing may be assessed. The Cooperative may permit payment of any required Residential or Small Commercial account's deposit in equal installments over a period not to exceed the number of months' deposit being paid.
- (2) For accounts other than Residential or Small Commercial accounts, the cash deposit or surety bond shall not exceed the amount of that account's projected largest two (2) months' annual bills if the account is not on "turn-around" billing, or largest three (3) months' annual bills if the account is on "turn-around" billing. If the Member has been documented to have obtained electric service by tampering as defined in Section 3A(2)c within the last five (5) years, an additional deposit based on one (1) months' largest annual bill may be assessed. The security deposit shall be payable in full at the time of application or upon notice as provided in Section 3A.
- (3) For purposes of establishing security deposits and projecting monthly bills, the Cooperative shall consider the length of time the account can reasonably be expected to take service, past consumption patterns, end use of service, and consumption patterns of other similar accounts. The amount of the cash security deposit or surety bond may be adjusted if the character or volume of the account's service should change.
- (4) Security deposits shall be non-transferable from one Member to another; however, upon termination of the Member's service at the service address, the Cooperative may transfer the security deposit to the Member's new active account. Disconnection for non-payment of security deposit shall be governed by Section 5A(1) of these Rules and Regulations.
- (5) For purposes of this section, a Small Commercial account is one which uses or is projected to use an annual average of no more than 3,240 kWh of electricity per month.

#### C. SECURITY DEPOSIT RECEIPTS

- (1) The Cooperative shall maintain a record of all security deposits received from Members showing the name of each Member, the address of the premises for which the security deposit is maintained, the date and amount of deposit, and the date and amount of interest paid.
- (2) When the Cooperative accepts a security deposit, a non-assignable receipt shall be issued to the Member containing the following minimum information:
  - (a) name of Member;
  - (b) place of deposit;
  - (c) date of deposit;
  - (d) amount of deposit;
  - (e) Cooperative name and address, signature and title of the Cooperative employee receiving the deposit:
  - (f) Current annual interest rate earned on the deposit; and
  - (g) Statement of the terms and conditions governing the use, retention and return of deposits, to include a statement that deposits taken from Residential Members shall be either credited with simple interest to their utility bills, or if requested, refunded, after Member has paid nine (9) of the last twelve (12) bills on time and no undisputed bill was unpaid after 30 days beyond due date. Deposits under \$500 taken from non-residential Members shall be returned after 36 months of ontime payment. The payments need not be consecutive. Non-residential deposits of \$500 or more may be retained until termination of service. However, in lieu of a receipt, the Cooperative may indicate on the Member billing the amount of any security deposit retained by the Cooperative,

provided that the information required by paragraphs C(f) and (g) of this Section is otherwise individually given in writing to the Member. In all cases, a receipt shall be given upon Member request.

#### D. REFUND OF SECURITY DEPOSIT

- (1) Upon termination of service, if the security deposit is not to be transferred, the Member's deposit shall be refunded, less any unpaid service bills, including simple interest at a rate not less than that provided by K.S.A. 12-822 and amendments; provided that, the Member has paid all bills due the Cooperative; has allowed the Cooperative to remove its meters and equipment in an undamaged condition; and surrendered the Security Deposit Receipt. In case the Member has lost Security Deposit Receipt, the Cooperative may require that member to sign a Release Form acknowledging the return of the security deposit with interest thereon. The Cooperative may require the identification of the person to whom the Security Deposit is returned.
- (2) Security deposits taken from Residential Members who make non-delinquent payments of undisputed bills for electric service for nine (9) of the last twelve (12) months with no undisputed bill unpaid after 30 days beyond due date, shall be either credited with simple interest to their utility bills or, if requested, refunded. The month(s) of a disputed bill(s) shall be ignored in this calculation. Non-residential deposits under \$500 shall be returned after 36 months of on-time payment. The payments need not be consecutive. Non-residential deposits of \$500 or more may be retained until termination of service. A deposit need not be returned until all undisputed amounts are paid.
- (3) Interest payments on residential or non-residential deposits shall be credited to the Member's bill or refunded at least once a year.
- E. <u>SECURITY DEPOSIT NOT A WAIVER:</u> The fact that a security deposit or guarantee has been made shall in no way relieve the Member from complying with the Cooperative's Rules and Regulations pertaining to payment of bills, nor shall it constitute a waiver or modification of the regular practices of the Cooperative providing for disconnection of service for non-payment of sums due the Cooperative for service rendered.

#### **SECTION 4 – BILL PAYMENT**

A. <u>PAYMENT OF BILL:</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. CONTENTS OF BILL:

- (1) The Cooperative shall normally bill each Member each billing period in accordance with its applicable Rate Schedules. Billings may be issued on a monthly, self-billing, turn-around, 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 (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 fees, installment payments, and other utility charges authorized by the Board of Trustees;
  - (h) the total amount due for the current billing period;
  - (i) the amount due for franchise and sales taxes and research and development surcharge 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 or otherwise specified. 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, if the overpayment exceeds ten dollars (\$10) and a refund is requested.
- (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.
- C. <u>METER READING PERIODS</u>: 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.

#### D. MEMBER METER READINGS:

- (1) The Cooperative may request Members to read their meters at intervals approximating the billing period.
- (2) Meter readings by the Member, though used for billing purposes, shall not be considered final. Such Member's meters shall be read at least once a year by the Cooperative and an adjustment shall be made in accordance with the Rules and Regulations.
- E. <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.

#### F. ESTIMATED USAGE:

- (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 approved by the Board of Trustees if the bill is rendered:
  - (a) to seasonal Members, provided an appropriate Rate Schedule is on file and an actual reading is obtained before each change in the seasonal cycle;
  - (b) when extreme weather conditions, emergencies, work stoppages, or other circumstances beyond the Cooperative's control prevent actual meter readings;
  - (c) 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
  - (d) 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 approved by the Board of Trustees when:
  - (a) the Member so requests and any necessary adjustments are made to the bill upon a subsequent actual meter reading by 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 F(1) in this Section.
- (4) The Cooperative shall not render a bill based on estimated usage for more than six (6) months. Prior to rendering an estimated bill, the Cooperative may request the Member to provide a meter reading.
- (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 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 currently in effect.
- G. <u>CASH PAYMENT:</u> The Cooperative may require that the Member make payment of bills by cash, certified checks, or money orders. The Cooperative shall give seven (7) days' notice to the Member whenever checks shall no longer be accepted for payment of bills.

H. <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 Member checks returned for insufficient funds or any other reason.

#### I. TAX ADJUSTMENT:

- (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 electric 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 electric 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 prorated tax applicable to each Member shall be identified on the Member's billing as such.

#### J. RESIDENTIAL BUDGET PAYMENT PLAN:

- (1) <u>Availability:</u> The Budget Payment Plan is, by mutual agreement between the Member and the Cooperative, available to any qualifying Town, Village or Rural Residential 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 become 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 or amounts 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) that 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. DELINQUENT BILLS

- (1) Bills for electric service shall be deemed delinquent if payment thereof is not received by the Cooperative or its authorized agent on or before the date stated on the bill, which shall be the last date on which payments received can, in the normal and reasonable course of the Cooperative's procedures, be credited to the Member's account in preparing his or her next normal billing.
- (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 and collection efforts by the Cooperative shall be initiated.

(3) 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. <u>DEFAU</u>LT

- (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. 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 of these Rules and Regulations. 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.

#### M. COLD WEATHER RULE

- (1) 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 electric service throughout the cold weather period, which extends from November 30 through March 1, and for the development of payment agreements between the Cooperative and the Member.
- (2) The Cooperative shall not disconnect a Member's service between November 30 and March 1 when the local National Weather Service office forecasts the temperature will drop below 32 degrees Fahrenheit within the next 48 hour period 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 3A(2)c, the electric service situated or delivered on or about the Member's premises.

In any of these situations, the Cooperative may disconnect the service immediately. Services disconnected under (c) or (d) above must be restored as soon as possible after the physical problems as defined in (c) and (d) above have been corrected.

In order to keep from being disconnected when the temperature is 32 degrees Fahrenheit or above, a Member must comply with the provisions of the Good Faith Test.

- (3) Good Faith Test: The requirements of the Good Faith Test are not applicable when the local National Weather Service office forecasts the temperature to drop below 32 degrees Fahrenheit within the next 48-hour period. Any Residential Member with a bill owed to the Cooperative shall qualify for a payment plan under the Cold Weather Rule provided all of the requirements of the Good Faith Test are met. To meet the Good Faith Test requirements, the Member must:
  - (a) inform the Cooperative of the Member's inability to pay the bill in full;
  - (b) give sufficient information to allow the Cooperative to offer a payment agreement;
  - (c) make an initial payment of (the arrearage plus the bill for consumption during the most recent billing period for which service was provided), divided by eight (8);
  - (d) apply for federal, state, local or other funds for which the Member is eligible;
  - (e) enter a level payment plan agreement for past, current and future charges for electric service under the Member's Electric Service Agreement, the Cooperative's Rate Schedules, and these Rules and Regulations with arrears paid in equal installments over the next seven (7) months. The Member and the Cooperative may make other payment arrangements individualized to the Member's situation, providing the most appropriate terms, after the Member has been informed that he or she has at least seven (7) months in which to pay;

- (f) not obtain electric service by tampering as defined in Section 3A(2)c; and
- (g) not default on a payment plan.

#### (4) <u>Default and Cure of Breach:</u>

- (a) Any Member failing to agree to and perform any of the requirements of the Good Faith Test 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. Upon documentation by the Cooperative that a Member has tampered with his or her electric service as defined in Section 3A(2)c and benefited from such tampering, the Member shall be deemed to have breached the Good Faith Test. Members who qualify for the Cold Weather Rule understand and agree that a failure to perform the requirements of the Good Faith Test, including the terms of a payment agreement, may cause the agreement to become null and void, and the Member's electric service may be subject to disconnection.
- (b) to remedy a breach caused by default, the Member shall make an initial payment as required under the Good Faith Test, pay all disconnection and reconnection charges incurred as a result of the default, and comply with all other provisions of the Good Faith Test. Any charges for electric service incurred during the default shall be recovered under the payment agreement established between the Cooperative and the Member.
- (c) to remedy a breach caused by electric service tampering, the Member must pay before reconnection or immediately upon discovery, the value of the electric service so obtained, any arrearage and all other charges, costs, damages and deposits provided for under the Cooperative's Rules and Regulations when tampering as defined in Section 3A(2)c, with the Cooperative's facilities has been documented.

#### (5) 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) Disconnect procedures may not begin until a 48-hour forecast about the activating temperature is predicted by the local National Weather Service office.
- (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 about the activating temperature prior to initiating disconnection procedures.

#### (6) Other Provisions:

- (a) Deposits made in conjunction with the Cold Weather Rule shall be collected over a six (6) month period unless otherwise agreed to by the Cooperative and the Member. Written notice of this shall be provided to each Member required to make a deposit.
- (b) The Member should be encouraged to re-negotiate Cold Weather Rule payments if he or she receives utility or other lump sum assistance.
- (c) The Cooperative shall inform its Members of the long-range advantages of weatherization programs.

#### 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) when Member's electric service bill becomes delinquent, as provided in Section 4K, whether the bill is based on Member's meter reading, the 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 3A or has a previous undisputed and unpaid separate account for electric service with the Cooperative;
  - (f) upon the quicker of ten (10) days written notice or 48 hours after a personal or phone contact is made with the Member of record when the 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 the Member refuses to grant the 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 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 the Member causes or permits unauthorized interference with or tampering with, as defined in Section 3A(2)c, the Cooperative's 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 4B(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 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 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 construed 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) 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.

(3) In the event of discontinuance or termination of electric 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 Electric Service Account with the Member's consent.

#### 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) days to enable Member to make arrangements for reasonable installment payments.
- (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 a physician or public health official verifying that the fact and forwarding or presenting it to the Cooperative office prior to the date of disconnection.

#### C. NOTICE REQUIREMENTS:

- (1) When notice of discontinuance of service is required it shall be forwarded separately 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) months after initial date upon which and after which service can be disconnected.
- (2) 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.
- (3) The notices required by this Section shall contain the following information:
  - (a) the name and address of the Member, and the address, if different, where service is rendered;
  - (b) a clear and concise statement of the reason for the proposed discontinuance of service and the cost and conditions for reconnection;
  - (c) the dates between which service can be discontinued unless the Member takes appropriate action;
  - (d) terms under which the Member may avoid discontinuance;
  - (e) 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 moneys not in dispute; and
  - (f) 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. DISCONNECT PROCEDURE:

(1) Except for discontinuance pursuant to Section 5A(1)(a), (b), (d), (h) and (i) the Cooperative shall not discontinue service unless:

- (a) 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 are open or available to the Member for the purposes of making payment arrangements, preventing discontinuance or obtaining reconnections; and
- (b) the Cooperative employee who is to disconnect service is also authorized to accept payment of amounts due for utility charges and thereby either avert disconnection or provide for reconnection.
- (2) The Cooperative employee who is to disconnect service shall adhere to the following procedure:
  - (a) immediately preceding the discontinuance of service a reasonable effort shall be made to:
    - (i) contact and identify himself or herself to the Member or responsible person then upon the premises and announce the purpose of his or her presence;
    - (ii) identify and record the name of the person contacted, if any;
    - (iii) accept payment of all amounts tendered which are necessary to avert disconnection;
    - (iv) record statements disputing the accuracy of the delinquent bill, if any;
    - (v) record statements disputing the accuracy of the Cooperative's finding concerning the cause for discontinuance, if any; and
    - (vi) record statements concerning the medical condition of any permanent resident of the premises.
  - (b) if contact with the Member is not made, the employee shall leave a notice upon the premises in a manner conspicuous to the Member disclosing the date and time of discontinuance and giving the address and telephone number of the Cooperative or where the Member may arrange to have service restored.

#### (3) Remote Disconnect:

- (a) the Cooperative may consider installation of a Remove Disconnect Device (RDD) when a service would normally be disconnected in accordance with the Cooperative Rules and Regulations.
- (b) the Cooperative may make at least one (1) telephone call attempt prior to installation of the RDD with information relating to:
  - (i) the intent to disconnect service and the reason for installation of the RDD;
  - (ii) the option of paying a deposit to avoid installation of the RDD.
- (c) during the Cold Weather Period, service may be disconnected remotely from the office in accordance with the Cold Weather Rule (Section 4M).
- (d) service may be disconnected remotely from the office to disallow electric service when the Member's electric service would normally be disconnected under a service status 6, Discontinuance of Service.
- (e) after a RDD has been installed a notice of such effect may be delivered and/or conspicuously posted at the affected premises. The notice may include:
  - (i) Member's name, account number and service address;
  - (ii) total amount due including current, past due, security deposit, disconnect fee, reconnect fee and other fees if required by the Cooperative;
  - (iii) telephone number and address of the Cooperative; and
  - (iv) directions for operating the RDD.

#### E. RESTORATION OF SERVICE:

- (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) At all times, 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.

#### F. REVIEW OF DISPUTES:

(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, on site 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. COLLECTION, DISCONNECTION AND RECONNECTION CHARGES:

- (1) If collection of an electric service bill is made at the Member's premises, the Cooperative shall require a Collection Charge as filed in the Service Fee Rate Schedule.
- (2) Except when requested by the Member, if electric service is disconnected for any of the reasons stated in Section 5A(1) the Cooperative shall require a Disconnection Charge as filed in the 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 the Service Fees Rate Schedule.
- (4) Unless otherwise specified in the Electric Service Agreement, in the event a Member orders a disconnection and a reconnection of 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 the 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. MEMBER TO FURNISH RIGHT-OF-WAY:

The Member shall provide or procure for the Cooperative at their 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. ACCESS TO MEMBER'S PREMISES:

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 constructing, installing, inspecting, adjusting, repairing, maintaining, replacing, or removing any of the Cooperative's facilities on the premises of the Member, meter reading, or for any purpose incidental to the electric service supplied by the Cooperative.

#### C. MEMBER'S INSTALLATION:

- (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 services in a safe condition and in compliance with the National Electrical Code and all state and municipal codes insofar as they apply.

#### 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 their own expense, furnish on such Member's installation such protective equipment.

#### E. DANGEROUS OR DISTURBING USES:

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 5A(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. INSPECTIONS AND RECOMMENDATIONS:

The responsibility of the Member regarding their 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. DEFECTIVE MEMBER EQUIPMENT:

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 a Member's premises, the Member shall open the service switch immediately to shut off the flow of electric energy and notify the Cooperative at once.

#### H. CONSTRUCTION OR USES AFFECTING COOPERATIVE EQUIPMENT:

The Member shall consult with the Cooperative before causing or permitting any construction that will affect any of the Cooperative's service facilities or equipment. The 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 the 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 dangerous condition. The Member shall be required to reimburse the Cooperative for any costs due to a change in the location of meters, service lines, or other equipment made at the request of the 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 5A(1).

#### I. PROTECTION OF COOPERATIVE 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 cause for discontinuance of service immediately, without notice, under Section 5A(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 members of his/her family, or his/her 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 FACILITIES:

- (1) The Cooperative may discontinue service to a Member under Section 5A(1) and remove its facilities from the Member's premises, in any case where evidence is found that any portion of the Cooperative's facilities have been tampered with in such manner that the Member may have received un-metered service or in the event evidence of fraudulent use of electric service in any manner, including fraudulent meter reading 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 the cash security deposit or surety bond, or other credit arrangement, and pay for all damages to the 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 connections, 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 the 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 or death to persons or property, in any matter 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 reason of or related to installation, maintenance, or replacement of the Cooperative's service lines or other necessary appurtenances to serve the Member, unless the injury to person or damage to property has been caused by willful default or negligence on the part of the Cooperative.

#### L. PARALLEL OPERATION:

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 5A(1).

#### M. CHARGES FOR WORK COMPLETED ON MEMBER'S PREMISES:

The Cooperative shall charge for all materials furnished and for all work done on the 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 the Member. The charges shall be based upon the 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 the Member's premises except when repairs or replacement are caused by negligence or misuse by the Member or the Member's agents.

#### **SECTION 7 – COOPERATIVE'S SERVICE OBLIGATIONS**

#### A. OVERHEAD SERVICE INSTALLATION:

<u>Installation of Service Wires to Pole</u>: If requested, and in accordance with our line extension policy, 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 poles for attachment to the Member's entrance wires. The meter equipment thereon will be furnished in accordance with the Cooperative's procedures for the installation of meter receptacles and meters by the Cooperative. All service entrance wires and appurtenances thereto beyond this point shall be supplied and maintained by the Member.

#### B. <u>UNDERGROUND SERVICE INSTALLATION:</u>

- (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) Any Member desiring underground service to their building shall furnish and install, at their 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.
- (4) Where underground service is installed, meter equipment thereon shall be furnished in accordance with the Cooperative's procedures for the installation of meter receptacles and meters by the Cooperative.

#### C. ENERGIZING BY THE COOPERATIVE ONLY:

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 5A(1).

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

- (1) The obligation of the Cooperative to supply electric service shall be completed by supplying 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 the 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 6M.

#### E. PROPERTY OF THE COOPERATIVE:

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. CONTINUITY OF SERVICE:

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, damage 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. CURTAILMENT, INTERRUPTION OR SUSPENSION OF SERVICE:

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 part or as directed by any federal, state, or municipal authority.

#### H. RESTORATION OF SERVICE:

- (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 the 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. LIABILITY OF THE COOPERATIVE:

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. RESIDENTIAL SINGLE PHASE LINE AND SERVICE:

The Cooperative will invest up to \$2,500 in construction cost to serve a residential fixed foundation house. In the event the construction cost exceeds \$2,500, a cash contribution in advance of construction for the additional cost will be required.

#### B. OTHER SINGLE PHASE LINE SERVICE:

Whenever the Cooperative extends a single-phase line to any Member, other than a residential fixed foundation house, a cash contribution in advance will be required for the Cooperative's investment in facilities necessary to provide that service.

#### C. MULTIPHASE LINE SERVICE:

Whenever the Cooperative extends a multi-phase line or converts an existing line to furnish multi-phase service to any Member in its territory, a cash contribution of the Cooperative's investment in facilities necessary to provide that service will be required.

#### D. SPECIAL CONTRACTS FOR SERVICE:

- (1) Notwithstanding any of the previous provisions, where it is necessary to make extensions, reinforce distribution lines or install or increase transformer capacity to provide service such that in the sole judgment of the Cooperative, the revenue to be derived from, or the duration of the load is not sufficient to warrant the investment, the Cooperative shall require any one or more of the following of the Member before construction of equipment or facilities to supply or continue to supply service:
  - (a) An adequate monthly Member Charge calculated upon reasonable considerations;
  - (b) A cash contribution in advance;
  - (c) An acceptable guarantee or bond.
- (2) In such cases, the Member shall enter into a written contract with the Cooperative as to character, amount, and duration of the business offered.

#### E. CONTRIBUTION BY DEVELOPER:

In the event a developer or owner of a housing or building development requests that the Cooperative construct a distribution system therein in advance of the completion of a substantial number of the houses or buildings, the Cooperative may require a cash contribution from the developer or owner in sufficient amount to cover the cost of the Cooperative's distribution system. The contribution, less aid for construction, shall be refunded to the developer or owner, proportionately, as additional houses or builds are built, occupied and connected to the distribution system during the succeeding five (5) years.

#### F. RIDER FOR TEMPORARY SERVICE:

A rider is available for temporary service, and service for which the investment in necessary line extension and facilities is greater than warranted by the revenue to be derived. Temporary service refers to loads of transient enterprises, among which may be carnivals, trailer houses, isolated motor loads, refreshment stands, etc., whose continuous use of the Cooperative's service at a given location is reasonably expected to be considerably less than a year, or where there is no satisfactory assurance as to the duration, the amount, or character of service usage. Not applicable to the classification of Residential, Farm & Home, or Schools and Churches.

- (a) the Member will be required to make a deposit in advance of construction in an amount equal to the estimated cost of the extension or facilities, plus the estimated labor and overhead to retire, less the estimated net salvage of material.
- (b) the deposit will be returned to the Member through credits to each bill for service in the amount of 10% of the bill.
- (c) the Member will be served under the applicable Rate Schedule and all other terms and conditions of service will apply.
- (d) should the Member discontinue service for any reason, the remaining amount of the deposit will be forfeited to the Cooperative.

- (e) the contract for service hereunder must embody the above provisions.
- (f) in cases where line extensions have been made to a trailer house under the provisions of this rider, if the owner or occupant of such trailer house receives continuous service for period of five (5) years, such owner or occupant shall be refunded any unused portion of the deposit herein provided for and shall thereafter receive service under the applicable Rate Schedule.

#### **SECTION 9 – METERING**

#### A. METERING OF SERVICE:

The Cooperative will furnish, at its expense, all meter receptacles and meters.

#### B. SEPARATE METERING:

Where the Cooperative's Rate Schedules provide for separate metering of different classes of service, the 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. MULTI-METERING INSTALLATIONS:

- (1) 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. The Member's wiring shall be so arranged as to permit the installation of the Cooperative's meters immediately adjacent to each other.
- (2) Through special permission of the Cooperative, Multiple Residential Complexes may be served through one meter where energy savings can be achieved through the use of energy systems which require master metering.
- (3) Where two or more Residential Members or dwelling units in a Multiple Residential Complex are served through one meter, the respective Rate Schedules shall be applicable by multiplying the kWh of each rate block and the minimum by each number of dwelling units.

#### D. CHANGES IN METER INSTALLATIONS:

- (1) The Cooperative will, at its expense, make all changes in the Cooperative's installed meter loops, meter receptacles, meters, and related appurtenances on the Member's premises that are required to meet the Member's increased demand for electric service.
- (2) Changes requested by the Cooperative that involve the replacement or relocation of the 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.
- (3) Changes requested by the Member that involve the replacement or relocation of the Cooperative's service wires, metering equipment, yard poles, guys and anchors, etc., shall be provided at the Member's expense.

#### E. METER SEAL:

Seals will be placed on all meters or meter enclosures by the Cooperative and such seals shall not be broken or disturbed by anyone other than authorized representatives of the Cooperative.

#### F. METER ACCURACY AND TESTING:

- (1) The accuracy and testing of the 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 upon 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 inaccuracy of the meter as defined above. The actual error of the meter and not the difference between the allowable 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 with paragraph F(1) 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.

#### G. DEMAND METERS:

Whenever any tests by the Cooperative of a demand meter, while in service or upon 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.

#### H. SPECIAL METER TESTS:

In the event 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, as referred to in paragraph F(1) of this Section, 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. WAIVER:

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. LEGAL NOTICES BETWEEN MEMBER AND COOPERATIVE:

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. AUTHORITY AND WAIVER:

The requirements contained in these Rules and Regulations may be waived in individual cases by the Board of Trustees of the Cooperative, provided that compliance with the requirement would serve the interests of neither the Cooperative nor the Member. No representative, agent, or employee of the Cooperative shall otherwise have the authority to amend, modify, alter, or waiver any of the Cooperative's Rules and Regulations or bind the Cooperative by promises or representations.

#### D. REQUEST FOR INVESTIGATION:

If a 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 – MISCELLANEOUS**

#### A. EMERGENCY STANDBY GENERATORS:

Members may be permitted to utilize emergency standby generating equipment when service is interrupted due to severe storms or prolonged outages resulting from construction and maintenance activities. A double-throw switch, of an approved size and type, shall 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.

#### B. <u>SERVICE FEES RATE SCHEDULE:</u>

1.	Meter Reading Fee	\$20.00
2.	Collection Charge	\$35.00
3.	Disconnection Charge	\$35.00
4.	Reconnection Charge	\$40.00
5.	After Hours/Week Day Reconnect Charge	\$125.00
6.	After Hours/Weekend/Holiday Reconnect Charge	\$180.00
7.	Meter Test Fee	\$20.00
8.	Returned Check Charge	\$20.00
9.	Meter Tampering Fee	\$250.00