

RULES AND REGULATIONS

These Rules and Regulations are part of the Application for Electric Service between the Cooperative and the Member. They are subject to change from time to time and upon the approval by the Board of Trustees become effective without 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 upon request.

SECTION 1 - DEFINITIONS

In addition to the usual meaning, all words or terms used in these Rules and Regulations, in Rate Schedules, and in the 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. **COOPERATIVE**: The Nemaha-Marshall Electric Cooperative Association, Inc., P. O. Box O, Axtell, Kansas 66403, (785) 736-2345 which furnishes electric service under these Rules and Regulations.
- B. **MEMBER**: Any person, partnership, association, firm, public or private corporation, or government agency qualified to receive electric service supplied by the Cooperative.
- C. **ELECTRIC SERVICE AGREEMENT**: The application, agreement, or contract, pursuant to which the Cooperative supplies electric service to the Member.
- D. **MULTIPLE RESIDENTIAL COMPLEX**: 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 AGREEMENT

- A. APPLICATION FOR SERVICE: Application for electric service shall be made in writing by the applicant to Cooperative on the Cooperative's standard Application for Electric Service form, although the applicant 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 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 Member's Electric Service Agreement, the Cooperative's Bylaws, applicable Rate Schedules, all Rules and Regulations in effect, 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 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. RATES: Rates for electric service shall be those currently in effect by the Cooperative, subject to change as approved by the Board of Trustees. Copies of the Rate Schedules currently in effect will be furnished to any Member upon request.
- D. TERM OF CONTRACT: 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 cancelled by the Member upon proper notice to the Cooperative.

- E.. CHANGE IN OCCUPANCY: 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. 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 record 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.
- F. RE-SELLING OR REDISTRIBUTING OF SERVICE: 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).

SECTION 3 - CREDIT AND SECURITY DEPOSIT REGULATIONS

- A. ESTABLISHMENT AND MAINTENANCE OF CREDIT:
- (1) Credit information: The applicant 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 Authority to Obtain Credit Information form; in addition to the Application for Electric Service.
 - (2) Security Deposit - New Member: 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 based;
 - (b) the Member has outstanding with the Cooperative or other utility, an

- undisputed and unpaid service account;
- (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 the 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.
 - (d) 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 the service territory.
- (3) Security Deposit - Existing Member: 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 Member has outstanding, with the Cooperative or other utility, an undisputed and unpaid service account,
 - (b) the Member fails to pay an undisputed bill before the delinquency date for three (3) consecutive billing periods,
 - (c) 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 the service territory.
- (4) Guaranty or Surety Bond: In lieu of requiring a security deposit, the Cooperative may accept the written Contract of Guaranty of any of its Existing Members in good standing with no deposit on file to act 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. 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 Member shall be released upon non-delinquent payment of all undisputed proper charges for electric service as outlined in Section 3 D 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 Contract of Guaranty is no longer valid and the Cooperative may require the applicant Member to make a cash deposit or another written guarantee for the remainder of time until the deposit would normally be returned or until the electric service is terminated. The same credit information as required by Section 3 A (1) may be required of a non-member guarantor.

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

- (1) The amount of the cash security deposit or surety bond required for new Members with unacceptable credit references shall not exceed the amount of that Member's projected average for two (2) months' bills. The determination of unacceptable credit references is solely at the discretion of the Cooperative. If a Member's credit references are extremely unacceptable, an additional deposit of one month's average use may be assessed. Additionally, if the Member has been documented to have obtained electric service by tampering as defined in Section 3 A (2) (c) within the last five (5) years, an additional deposit based on one month's average use may be assessed. The Cooperative shall inform the Member of and permit payment of any required deposit in installments. The first installment shall be two-thirds of the required deposit and must be paid in advance or with the first month's bill. Any remaining balance will be added to the Member's energy bill.
- (2) For purposes of establishing security deposits and projecting monthly bills, the Cooperative shall consider the length of time the Member can reasonably be expected to take service, past consumption patterns, end use of service, and consumption patterns of other similar Members. The amount of the cash security

deposit or surety bond may be adjusted if the character or volume of the Member's service changes.

- (3) 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 5 A (1) of these Rules and Regulations.

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 the amount of the deposit, and the date and amount of interest currently being paid at the time of the security deposit.
- (2) When the Cooperative accepts a security deposit, a non-assignable receipt shall be issued to the Member.

D. REFUND OF SECURITY DEPOSIT:

- (1) Upon termination of service, if the security deposit is not to be transferred to a new active service account for Member, the deposit shall be refunded to Member, 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, 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 the Security Deposit Receipt, the Cooperative may require the Member to sign a Security Deposit 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 Members who make non-delinquent payments of undisputed bills for electric service for twelve (12) consecutive months with no

undisputed bills unpaid after the delinquent date shall be refunded. A deposit need not be returned until all undisputed amounts are paid.

- (3) Interest payments on security deposits shall be credited to the Member's bills or refunded at least once a year.

- E. SECURITY DEPOSIT NOT A WAIVER: 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 services rendered.

SECTION 4 - BILL PAYMENT

- A. PAYMENT OF BILLS: 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 Members each billing period in accordance with its applicable Rate Schedules. Billings may be issued on a monthly, self-billing, turn-around, or other basis at the sole discretion of the Board of Trustees. Each service bill issued to a Member shall show:

- (a) availability charge;
- (b) KW demand;
- (c) delivery charges;
- (d) the beginning and ending meter readings for the reading period;
- (e) the date of the meter reading and the date of the bill;
- (f) the final date by which a payment can be received before a delinquency charge is imposed;
- (g) the actual usage during the billing period;
- (h) the amount due for prompt payment and the amount due after delinquency in payment;

- (i) the fuel, power or energy cost adjustment in cents per kilowatt hour (kWh) and total amount due;
 - (j) the amount of additional charges due for past due accounts, security deposits, collection, connection or disconnection, installment payments, and other utility charges authorized by the Board of Trustees;
 - (k) the total amount due for the current billing period;
 - (l) the amount due for franchise and sales taxes and research and development surcharge each stated separately if appropriate; and
 - (m) the address and telephone number of the Cooperative 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. 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) The Member's bill shall also show any adjustment to previous billings based on estimated usage 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 a credit on subsequent bills.
- C. METER READING PERIOD: Unless otherwise provided in the Rate Schedules, meters shall be read at intervals approximating the billing period. For the Cooperative, this is the first (1st) of each month.
- D. MEMBER METER READINGS:
- (1) The Cooperative may request Member 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. Instructions as to reading meter, completion of billing form, and calculation of the bill will be provided to the Member at the time of application for service.

- (2) Meter readings by the Members, though used for billing purposes, may not be considered final. Such Member's meters may be read at least once a year by the Cooperative and an adjustment shall be made in accordance with these Rules and Regulations.

E. METER READING FEE: In the event the Member elects to take service from a non-automated meter, the Member will be subject to 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:
 - (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 Members reading of the meter, such as mailing or leaving pre-addressed forms upon which the Member may note the readings are unavailing.
- (2) The Cooperative may render a bill based on estimated usage as a Member's final or initial bill 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 three (3) consecutive billing periods.
 - (5) Adjusted bills shall show the credit due the Member for amounts paid that were based on the Cooperative's estimate and shall show the balance due and payable.
- G. CASH PAYMENT: The Cooperative may require that the Member make payment of bills by cash, certified check, debit card, credit card, or money order. The Cooperative will give (7) days' notice to the Member whenever bad payments have been received on the Member's account on three occasions and the use of checks or ACH will no longer be accepted for payment of bills.
- H. RETURNED PAYMENT CHARGE: The Cooperative may require a returned payment charge, as filed in the Service Fees Rate Schedule, from the Member for Member payments returned for insufficient funds or any other reason.
- I. TAX ADJUSTMENT:
 - (1) Special Taxes: 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 prorata 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) Gross Receipts Tax: 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 prorata tax applicable to each Member shall be identified on the Member's billing as such.
- J. BUDGET PAYMENT PLAN:

- (1) Availability: A budget payment plan is, by mutual agreement between the Member and the Cooperative, available to any Member whose service, in the sole discretion of the Cooperative, is primarily for residential purposes.
- (2) Estimated Bills: 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 (11) 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) Conditions of a budget Payment plan: The Member shall be entitled to receive electric service under a budget payment plan provided the Member shall agree:
 - (a) to pay each monthly installment on or before the delinquent 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 the Member and that if such premises are vacated during the period covered by said estimate, the budget payment plan with respect to the Member shall immediately terminate;
 - (e) that if the budget payment plan is terminated, any amount or amounts payable by or due to the Member on account of the metered service during the period covered by the plan shall be billed or credited to the 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; for all Members, 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 five percent (5%) of the delinquent amount owed for current electric service will be added to the Member's bill and collection efforts by the Cooperative will be initiated.

L. COLD WEATHER RULE:

- (1) The provisions of the Cold Weather Rule allow for special payment and disconnection procedures for any qualifying Member. The rule allows a qualifying Member the opportunity to retain or restore electric service throughout the cold weather period, which extends from November 1st through March 31st, and for the development of payment agreements between the Cooperative and the Member.
- (2) The Cooperative shall not disconnect a qualifying Member's service between November 1st and March 31st when the local National Weather Service office forecasts the temperature will drop below 32 degrees Fahrenheit within the next twenty-four (24) 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 3 A (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), (d), or (e) above must be restored as soon as possible after the physical problems as defined in (c), (d), and (e) above have been corrected.

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

(3) Good Faith Test: Any qualified Member with a bill owed to the Cooperative shall qualify for assistance 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 make a payment agreement;
- (c) make an initial payment of one-fourth (1/4) of the total arrearage and one-fourth (1/4) of the most recent billing plus any associated collection fees;
- (d) apply for federal, state, local, or other funds for which the Member may be 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 five (5) months. The Member and the Cooperative may negotiate other payment arrangements mutually agreeable, individualized to the Member's situation, providing the most

appropriate terms, after the Member has been informed that he or she has at least five (5) months in which to pay;

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

(4) Default and Cure of Breach:

- (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 3 A (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 between the Cooperative and the Member.
- (c) To remedy a breach caused by electric service tampering, the Member must pay the value of the service not metered, estimated based on historic use, 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. All other charges, costs, damages, and deposits provided for under the Cooperative's Rules and Regulations when tampering as defined in Section 3 A (2) (c) with

the Cooperative's facilities has been documented, shall be recovered in the payment agreement between the Cooperative and the Member.

(5) Responsibilities of the Cooperative:

- (a) Send one written notice mailed first class at least ten (10) days prior to termination of service, and attempt one (1) telephone call at least forty-eight (48) hours prior to disconnection.
- (b) On the day of disconnection, the local National Weather Service office must forecast the temperature to be above the activating temperature for the next twenty-four (24) hour period.
- (c) The Cooperative shall in the telephone contact, the ten (10) day written notice, the personal contact, and the disconnect message on the Member's door or other conspicuous location, in addition to the existing requirements contained in Section 5, also inform the Member of the following:
 - (i) the existence of the Cold Weather Rule;
 - (ii) that the Member can avoid disconnection by complying with the Member Good Faith Test;
 - (iii) inform the Member of, or provide a list of, the Good Faith requirements;
 - (iv) inform the Member of, or provide a list of, organizations where funds are available to pay electric bills;
 - (v) inform the Member of, or provide a list of, all other pay arrangements for which the Member might qualify;
 - (vi) the existence of formal and informal complaint procedures available prior to termination during the Cold Weather Rule period; and
 - (vii) the Cooperative may adopt and inform Member about a third-party notification plan.

M. DEFAULT:

- (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 will constitute a default by the

Member in his or her Electric Service Agreement.

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 the Member's electric service bill becomes delinquent, as provided in Section 4 K.;
- (d) immediately without notice required, when an unsafe or dangerous condition exists on the Member's premises;
- (e) upon ten (10) days written notice, when the Member fails to provide credit information, a security deposit or guaranty as set forth in Section 3 A, or has a previous undisputed and unpaid separate account for electric service with the Cooperative;
- (f) 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;
- (g) 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
- (h) immediately, without notice required, when the Member causes or permits unauthorized interference with, or tampering with, as defined in Section 3 A (2) (c), the Cooperative's service situated on or about the Member's premises. However, if the Cooperative determines that persons other than the Member of record reside at the premises, the Cooperative will attempt to give such persons twenty-four (24) hour notice of discontinuance of electric service.
- (i) immediately, without notice required, when the Member causes or permits

unauthorized use of electric service, as defined in Section 2 G.

- (j) immediately, without notice required, when the Member issues a payment that is returned on a delinquent account.
- (2) The Cooperative will generally not for the following reasons 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, 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, and may discontinue service at such successive metering point, residence, or location for non-payment of such transferred account;
 - (c) 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; or
 - (d) because an individual who neither signed the Electric Service Agreement on an account in arrears, nor agreed orally at the time of 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 or 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 in the Member's name.

B. POSTPONEMENT OF DISCONTINUANCE IN SPECIAL CIRCUMSTANCES:

- (1) If a 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, Member must provide to Cooperative a statement signed by a physician or public health official verifying that fact and forwarding or presenting it to the Cooperative office prior to the date of disconnection; and
- (b) (i) Such Member is unable to pay for such service in accordance with the requirements of the utility/s billing or (ii) 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 21 days so that the Member can 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.

C. NOTICE REQUIREMENTS:

- (1) 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 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 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.
- (2) The Cooperative shall notify, or attempt to notify, Members by phone at least two (2) days before they are to be disconnected.
- (3) 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.

- (4) 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 date when service will 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 a 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 the name of the Cooperative office or personnel empowered to review disputed bills, rectify errors, and prevent disconnection, shall also be included, and 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 5 A (1) (a), (b), (d), and (h) the Cooperative shall not discontinue electric 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 is open or available to the Member for the purposes of making pay

- arrangements, preventing discontinuance, or obtaining reconnection; 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.

E. RESTORATION OF SERVICE:

- (1) Upon the Member's request, the Cooperative shall restore service to the meter 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 to the meter

on the restoration day requested, and in any event, restoration shall be made no later than the next work 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, 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 the discontinuance, then the Member may request to present his or her dispute to the Board of Trustees.
- (6) After all elements have been reviewed; the Cooperative may then discontinue 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 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 the Service Fees Rate Schedule.
- (3) Upon reconnection of electric service, except when disconnected pursuant to the 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 as filed in the Service Fees Rate Schedule.
- (5) Any Collection, Disconnection, and 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 will provide or procure for the Cooperative, at his or her expense, such rights-of-way (including, but not limited to, permission to trim or remove any vegetation 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, reading meters, 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 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 of 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 then current 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 his 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 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, other persons, or the integrity of the Cooperative's delivery system.

F. INSPECTIONS AND RECOMMENDATIONS: 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 Member. 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 the Member's premises, the Member shall notify the Cooperative at once.

H. CONSTRUCTION OR USES AFFECTING COOPERATIVE'S 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 a 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 Cooperatives. 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 or her family, or his or 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'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, including fraudulent meter readings, 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 Member's meter or otherwise fraudulently used, and to increase the amount of his cash security deposit or surety bond, or other credit arrangements, 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 judgement 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 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, death, or injury to person's 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 reason of or related to installation, maintenance, or replacement of Cooperative's service lines or other necessary appurtenances to serve the 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. CHARGES FOR WORK COMPLETED ON MEMBER'S PREMISES: 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, and any other work or service requested 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 Member's premises with active accounts, except when repairs or replacements are caused by negligence or misuse by the Member or Member's agents.

SECTION 7 - COOPERATIVE'S SERVICE OBLIGATIONS

A. OVERHEAD SERVICE INSTALLATION:

- (1) **Installation of Service Wires to Pole:** 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 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 Member's wires and appurtenances thereto beyond the point of delivery shall be supplied and maintained by the Member.
- (2) **Installation of Service Wires to Building:** 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 the 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 the point of delivery 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. Where underground service is installed, meter equipment shall be furnished in accordance with the Cooperative's procedures.
- (2) A Member desiring existing Cooperative overhead electric facilities to be replaced by underground facilities, shall pay for the total cost of the conversion and underground facilities less material salvaged, if any.
- (3) If a Member desires Cooperative 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 the installation of underground service facilities.

- (4) Any Member desiring underground service beyond the point of delivery shall furnish and install all necessary materials at his or her own expense. .
- C. ENERGIZING BY 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 5 A (1).
- D. DELIVERY OF ELECTRIC SERVICE:
- (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 where the Member's wires connect to the Cooperative's wires, 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.
- E. PROPERTY OF THE COOPERATIVE:
- (1) 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 unless a monthly line retention charge is paid by Member.
- 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 be Cooperative be liable for damages

from irregularities or interruptions of service, caused by, but not limited to the 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. 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 a 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 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 AND POLE RELOCATION POLICY

A. FOR ALL LINE EXTENSIONS:

- (1) Construction of electric facilities will begin after the consumer has completed all applications and easements have been signed, construction contributions have been paid, rights-of-way have been cleared and the Cooperative has conducted a site visit to determine location of required facilities.
- (2) Construction costs will be estimated, and the estimates will be good for a period not to exceed 60 days. The estimated costs for materials and labor provided by the Cooperative will be paid prior to construction by the consumer as a contribution in aid of construction. The consumer is responsible for any costs incurred by Cooperative, including but not limited to engineering studies, directly attributable to the proposed service request by consumer, regardless of whether the consumer becomes a Member or revokes its request for service. This contribution will be non-refundable, except as provided below.
 - (a) In the event the construction estimate is higher than the actual costs incurred, the amount in excess will be refunded to the consumer after actual costs are calculated. In the event the estimate is lower than the actual costs incurred, the consumer will be required to pay any additional costs within 30 days after actual costs are calculated. The account will be subject to disconnection if costs are not paid.
- (3) Line extensions so constructed shall remain the property of the Cooperative and title will not pass to the consumer, their successors or assignees.
- (4) The Cooperative shall be responsible for all repairs, upgrades, improvements, and maintenance of the lines so constructed, where it is the determination of the Cooperative that service improvement is needed. If the Cooperative concludes that improvements are not necessary to provide safe and efficient electrical service, the consumer will be responsible for any improvement costs.

- (5) The consumer will be responsible for any and all costs associated with moving any existing line which the Cooperative determines is of no benefit to the Cooperative in improving service or is purely for aesthetic reasons, when the move is at the request of the consumer.

B.. RESIDENTIAL SERVICES-SINGLE PHASE:

- (1) For any permanent residential service, including adjacent farm buildings, served through one meter; the cooperative will supply material and labor to cover the first \$2,750.00 of construction costs. A permanent residential service shall be defined as:
 - a. any building, structure, manufactured home, or mobile home that is intended for full-time human inhabitation and the primary domicile;
 - b. it must have a bathroom with functional plumbing as well as provisions for cooking and sleeping;
 - c. it must be permanently attached to a fixed foundation or for a mobile home, the axles be removed and proper skirting installed, and the structure must be secured in a fashion that indicates it is intended to be a permanent installation;
 - d. it must have an established source of water from a well, cistern, or public water system;
 - e. it must have an established sewer or septic system; and
 - f. it must not be used for vacation or seasonal purposes.
- (2) For any residential services determined to be non-permanent; primarily trailer houses, the consumer will be required to pay all construction costs in excess of \$2,000.00.
- (3) If a consumer requests the line extension prior to building a permanent residential dwelling, the consumer must pay the full contribution in aid of construction. If the consumer then begins construction of the residential

dwelling with 24 months and completes construction within 36 months of the service being energized, the Cooperative will refund or credit the consumer for the Cooperative's construction costs per the limit established in Section 8 (B) (1) and (2).

D. OTHER SERVICES - NON-RESIDENTIAL SERVICE-SINGLE PHASE

(1) The Cooperative will supply material and labor to cover the first \$1,000.00 of construction costs.

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E. MULTI PHASE SERVICES:

(1) For multi-phase services the Cooperative will supply material and labor to cover the first \$1,000.00 of construction costs.

(2) If the estimated cost of construction exceeds \$20,000, the consumer may choose one of two options for payment of the contribution in aid of construction:

(a) Payment in full

(b) Payment of one-fourth (1/4) of the cost of construction prior to beginning construction; with the remaining balance payable over five (5) years. The remaining balance will be billed monthly as a "Line Extension" charge on the Member's electric bill.

(c) In either case, the consumer shall enter into a written contract with the Cooperative as to the amount and terms of payment.

F.. INDETERMINATE SERVICES:

(1) Notwithstanding any of the previous provisions, 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 service is not sufficient to warrant the investment, the Cooperative may require a contribution in aid of construction for the total construction costs.

G.. PRORATION OF AID IN CONSTRUCTION PAYMENTS:

- (1) The aid in construction payments determined in accordance with Sections A, B, C, D, E, and F will be prorated on an equal basis between all Members that are initially or subsequently served by the line extension within the contract period.

I. CONTRIBUTION BY DEVELOPER:

- (1) In the event a developer or owner of a housing or building development requests that the Cooperative construct new or upgraded facilities 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 shall be refunded to the developer or owner, proportionately, as additional houses or buildings are built, occupied, and connected to the distribution system during the succeeding five (5) years at an amount not to exceed the allowance specified previously in Section 8 (B)-(E), unless otherwise provided for in the Subdivision Electric Distribution Extension Agreement, and refunds will not be made beyond a five year period beginning from the date the deposit is made by Developer and Cooperative installs the new or upgraded facilities.

SECTION 9 – METERING

- A. METERING OF SERVICE: The Cooperative will furnish and install at its expense, all metering installations in accordance with the Cooperative's procedures for the installation of meter loops, meter receptacles, meters, and related appurtenances.
- 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) 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.

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 involves 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 SEALS: 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 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 allowed, 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 above.
- G. DEMAND METERS: 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 actuation 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 F 2, 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 THE MEMBER AND COOPERATIVE: All notices addressed to the Cooperative shall be considered as proper notice unless otherwise specifically provided for in these Rules and Regulations. All notices addressed to the

Member at Member's last known address as indicated in the business records of the Cooperative shall be considered as proper notice.

C. REQUEST FOR INVESTIGATION: If a Member feels that service is not adequate and sufficient, or if Member has a complaint otherwise regarding the Cooperative or its employees (other than a billing dispute which is addressed in Section 5.F. of these Rules), it shall be handled as follows:

- (1) Member shall advise the Cooperative, in writing, of the nature of the complaint with adequate information and specificity to allow the Cooperative to conduct an investigation. Upon receipt of the complaint, the Cooperative shall:
 - (a) immediately record the date, time, and place the complaint is made;
 - (b) investigate the complaint promptly and completely, and
 - (c) attempt to resolve the complaint in a manner mutually satisfactory to both parties.
- (2) Initially, the Member shall have the burden of showing the validity of its complaint.
- (3) The Cooperative, in attempting to resolve the complaint 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) In the event that a complaint is not resolved to the satisfaction of the Member as a result of the above process, then the Member may request to present his or her dispute to the Board of Trustees.

SECTION 11 – MEMBER-OWNED GENERATION

A. INTERCONNECTION OF DISTRIBUTED RESOURCES: Member-owned generation will be governed pursuant to Kansas law. This interconnection service is available to Members providing electric energy and capacity to Cooperative from Qualifying Facilities or a Renewable Energy Resource with a design capacity of 200 KW or less, where part or all of the electrical requirements of the Member can be supplied from such Member-owned capacity.

- B. COOPERATIVE SERVICE: The Cooperative will supply electric service to the Member in accordance with the rules and regulations applicable for Members in like circumstances.
- C. PURCHASE RATES: The Cooperative will receive and pay for the metered output of the Member's generation facility in accordance with appropriate Cooperative's Rate Schedules available for the qualified energy generation unit; Rate Schedules NMR, PGR, and PGR-R and any and all amendments and superseding schedules which may hereafter be approved.
- D. INSTALLATION: With the exception of only the Cooperative's meter(s), the Member shall own and be solely responsible for all expense, installation, maintenance, and operation of the generation facility and all interconnection equipment on the Member's side of the meter(s).
- E. SERVICE AGREEMENT: 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 the Electric Service/Interconnection Agreement for Interconnection and Parallel Operation with Cogeneration and Small Power Production Facilities of 200KW or Less and Procedures for Interconnecting a Certified Small Generating Facility adopted by the Board of Trustees and available at the Cooperative office. Any infraction of this rule shall be sufficient cause for disconnection under Section 5.A.(1).

Date Adopted: May 4, 1977

Date Revised: Sections 2, 3, 4, 5, February 8, 1980

Date Revised: Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, December 23, 1992

Date Revised: Section 8, September 24, 1997

Date Revised: Section 8, August 26, 1998

Date Revised: Section 4, May 31, 2000
Date Revised: Section 11, September 30, 2004
Date Revised: Section 10, October 25, 2006
Date Revised: Section 11, December 20, 2006
Date Revised: Section 8, April 25, 2007
Date Revised: Section 5, April 27, 2010
Date Revised: Section 12, May 26, 2010
Date Revised: Section 11, May 26, 2010
Date Revised: Section 7, May 26, 2010
Date Revised: Section 11, June 22, 2011
Date Revised: Sections 1,2,3,4,5,6,7,8,9,10,11,12, September 28, 2019
Date Revised: Sections 2,4,6,7,8, December, 20, 2023